



**RECLAMATION DISTRICT NO. 1000
BOARD OF TRUSTEES
REGULAR BOARD MEETING**

**DECEMBER 11, 2020
MEETING MINUTES**

In light of COVID-19 and in Compliance with CA Executive Orders N-25-20 and N-29-20, members of the Board of Trustees and members of the public participated in this meeting by teleconference. This meeting was recorded without objection. Present were: Outgoing Board President Jeff Smith; Incoming Board President Thom Gilbert; Vice President Elena Lee Reeder; Trustee Debra G. Jones; Trustee Jag Bains; Trustee Nick Avdis; Trustee Tom Barandas; General Manager Kevin King; Co-General Counsel Rebecca Smith; Co-General Counsel Scott Shapiro; Administrative Services Manager Joleen Gutierrez; Foreman Tony Del Castillo; and Administrative Assistant Christina Forehand. District Engineering Consultant Scott Brown from Larsen Wurzel and Kim Boehler and Alice Bao from NBS also attended the meeting.

1. PRELIMINARY

1.1. Call Meeting to Order

Board President Jeff Smith called the meeting to order

1.2. Roll Call

ASM Gutierrez called the roll and established a quorum

1.3. Approval of Agenda

No changes to the Agenda were requested.

MOVED/SECONDED: Trustee Avdis/Trustee Bains

AYES: Trustee Gilbert, Trustee Avdis, Trustee Lee Reeder, Trustee Smith, Trustee Jones, Trustee Barandas, Trustee Bains

NOES: None

ACTION: Motion to approve the Agenda is approved.

1.4. Pledge of Allegiance

Trustee Barandas led the Pledge of Allegiance.

1.5. Oath of Office – Trustees Nick Avdis, Thomas Gilbert, Thomas Barandas, Debra G. Jones

Trustee Avdis, Trustee Barandas, Trustee Gilbert and Trustee Jones individually read the Oath of Office.

1.6. Election of Board President and Vice President

Board President Jeff Smith made known he did not wish to continue as Board President and opened up the nomination for a new Board President.

President Jeff Smith moved to nominate Trustee Thom Gilbert for Board President.

MOVED/SECONDED: Trustee Smith/ Trustee Jones

AYES: Trustee Gilbert, Trustee Avdis, Trustee Lee Reeder, Trustee Smith, Trustee Jones, Trustee Barandas, Trustee Bains

NOES: None

ACTION: Motion to nominate Thom Gilbert as Board President is approved.

Trustee Jag Bains moved to nominate Elena Lee Reeder for Board Vice President.

MOVED/SECONDED: Trustee Bains/Trustee Avdis

AYES: Trustee Gilbert, Trustee Avdis, Trustee Lee Reeder, Trustee Smith, Trustee Jones, Trustee Barandas, Trustee Bains

NOES: None

ACTION: Motion to nominate Elena Lee Reeder as Board Vice President is approved.

1.7. Designation of Board Secretary

General Manager Kevin King made an atypical request to have the Board's Secretary position reconfirmed. The Board Secretary title currently is tied to Administrative Service Manager/Board Secretary Joleen Gutierrez's job position title.

Board President Thom Gilbert moved to reaffirm Joleen Gutierrez as Board Secretary.

MOVED/SECONDED: Trustee Thom Gilbert/Trustee Avdis

AYES: Trustee Gilbert, Trustee Avdis, Trustee Lee Reeder, Trustee Smith, Trustee Jones, Trustee Barandas, Trustee Bains

NOES: None

ACTION: Motion to reaffirm Joleen Gutierrez as Board Secretary is approved.

1.8. Conflict of Interest

No conflicts were identified.

2. PRESENTATIONS

No presentations were scheduled.

3. PUBLIC COMMENT (NON-AGENDA ITEMS)

General Manager King stated that he received an email from Francis Coats requesting the use of District canals and lands. He invited Mr. Coats to address the Board directly if he desired. Francis Coats willingly addressed the Board requesting access to public lands and navigable waterways. He made known throughout the District, No Trespassing and No Hunting signs can be found. He finds district canals appear to be safely navigable and believes public lands should be accessible for recreating. Further, he believes the public has the right to hunt and fish on public lands. He requested the Board look into making lands and canals available for public use.

While the Board is not allowed to comment on non-agendized items, Trustee Avdis commented that he would like to take up this item in the Legal Committee once Committee assignments have been made.

4. INFORMATIONAL ITEMS

4.1. GENERAL MANAGER'S REPORT: Update on activities since the November 2020 Board Meeting.

General Manager King advised the Board of a received letter by the County of Sacramento stating the Teeter Distribution will be delayed. He requested that ASM Gutierrez discuss this item. ASM Gutierrez explained the notification is typical, received annually, and funds disbursement will occur in January. She added there is no impact on the current budget as the District does not set its budget according to the County's potential collection of past due assessments.

4.2. SUPERINTENDENT'S REPORT: Update on activities since the November 2020 Board Meeting.

A copy of the November 2020 Superintendent's report was included in the December 2020 Board packet. No questions or comments were made.

4.3. DISTRICT COUNSEL'S REPORT: Update on activities since the November 2020 Board Meeting.

Co-General Counsel Rebecca Smith reported on her activities during November 2020. She made known that an election debrief would take place through the Legal Committee.

5. CONSENT CALENDAR

The Board considers all Consent Calendar items to be routine and will adopt them in one motion. There will be no discussion on these items before the Board votes on the motion, unless Trustees, staff, or the public request specific items be discussed and/or removed from the Consent Calendar.

ASM Gutierrez requested a correction to the December 2020 meeting Minutes. Debra Jones was referenced as Trustee -Elect; this will be changed to 'Public Member.'

Consent Calendar Items 5.1, 5.2, 5.3, and 5.4 were approved in one motion. Trustee Jones made a motion to approve the Consent Calendar with suggested changes.

MOTION/SECOND: Trustee Jones/Trustee Avdis

AYES: Trustee Gilbert, Trustee Avdis, Trustee Lee Reeder, Trustee Smith, Trustee Jones, Trustee Barandas, Trustee Bains

NOES: None

ACTION: A motion to approve Consent Calendar Items 5.1, 5.2, 5.3, and 5.4 with suggested changes to the November 2020 Board Meeting Minutes are approved.

5.1. APPROVAL OF MINUTES: Approval of Minutes from November 13, 2020, Regular Board Meeting.

5.2. TREASURER'S REPORT: Approve Treasurer's Report for November 2020.

5.3. EXPENDITURE REPORT: Review and Accept Report for November 2020.

5.4. BUDGET TO ACTUAL REPORT: Review and Accept Report for November 2020.

6. SCHEDULED ITEMS

6.1. AUDITED FINANCIAL STATEMENTS YEAR-END JUNE 30, 2020: Review and Receive the Audited Financial Statements for Year-End June 30, 2020.

The District's contracted Auditor Ingrid Shipline provided an overview of the District's FY 2019-2020 audited Financial Statements. The District received an overall clean audit. A copy of the completed audit was included in the Board packet for review. Also included were recommendations for potential improvement. Trustee Thom Gilbert stated that he would address recommendations at the next Finance Committee Meeting. No comments from Trustees were made. There were no public comments.

A motion to review and receive the prepared and modified Page 49 and file the report with the State Controller was made by Trustee Barandas.

MOVED/SECONDED: Trustee Barandas/Trustee Avdis

AYES: Trustee Gilbert, Trustee Avdis, Trustee Lee Reeder, Trustee Smith, Trustee Jones, Trustee Barandas, Trustee Bains

NOES: None

ACTION: A motion to review and receive the prepared and modified Page 49 and file the report with the State Controller is approved.

6.2. FINANCIAL PLAN: Review and Discuss Draft Comprehensive Financial Plan.

RD1000 retained NBS to prepare a Comprehensive Financial Plan that includes all revenue sources, expenditures, reserves, capital improvement costs, repair and replacement costs, and net revenue requirements. Consultant Kim Boehler from NBS gave a presentation addressing the development of revenue requirements from FY 2021/22 to FY 2040/41. The establishment and maintenance of reserve funds and targets, and funding of the District's Capital Improvement

Program (CIP). NBS shared with the District three Financial Plan funding scenarios to consider. Total Capital Project Costs in 2021-2041 would be \$52,059,570 with an average Annual Expenditure of \$2,479,027. Currently, the District does not have funding to cover project costs. For reference, a copy of the discussed Financial Plan Alternatives is included in the December Board packet.

The Board discussed funding shortfalls, CIP project needs, financing alternatives, reserve funds requirements, and the spend-down of reserves.

Trustee Avdis is concerned with timing. He questions whether all improvements are necessary. He would like to exhaust other funding possibilities, desires early input, and consult with some of the largest property owners. He is worried that the increase will be a significant impact on property owners. He believes more work needs to be done before he is willing to vote on a particular financing direction.

Trustee Jones agrees with Nick's concern that every option is exhausted before going to the public. She expressed concern with increases that would impact the community financially. As a recently elected Trustee, she requested an opportunity to see the CIP before moving forward with a decision. GM King explained the CIP is a proactive replacement instead of the District being in a run to failure mode. He assured Trustee Jones that District would be out in the community to discuss district needs.

Trustee Gilbert inquired whether the 3% reserve amount assumption is necessary. General Manager King and Trustee Jeff Smith believe it is reasonable and responsible to have a 3% Capital Reserve.

General Manager King will return to the Board in January to adopt Phase 1 and receive direction on Phase 2.

7. BOARD OF TRUSTEE'S COMMENTS/REPORTS

7.1. BOARD ACTIVITY UPDATES:

7.1.1. RD 1000 Committee Meetings Since Last Board Meeting

- Executive Committee (Smith & Burns) November 14, 2020
- Finance Committee (Gilbert, Smith, & Bains) December 1, 2020
- Executive Committee (Smith & Burns) December 2, 2020
- Finance Committee (Gilbert, Smith, & Bains) December 3, 2020

7.1.2. RD 1000 Committees No Meetings Since Last Board Meeting

- Legal Committee (Avdis, Bains, & Christophel)
- Operations Committee (Smith, Lee-Reeder, & Christophel)
- Personnel Committee (Avdis, Burns, & Christophel)
- Urbanization Committee (Burns, Gilbert, & Lee-Reeder)

7.1.3. Trustee's Comments/Reports

General Manager Kevin King provided an update on Greenbriar Developers. He shared that the developer's \$2.5 million payment to the City had been delayed due to a task correction, which resulted in a 60k increase to the District. GM King negotiated a split with the developer for the additional grading costs incurred. General Manager King expects that the District will receive approximately \$1.31 million from the City in January or February 2021.

8. **CLOSED SESSION**

8.1. No Scheduled Closed Session Items

9. **ADJOURN**

A motion to adjourn the meeting was made by Trustee Avdis.

MOVED/SECONDED: Trustee Avdis/Trustee Gilbert

AYES: Trustee Gilbert, Trustee Avdis, Trustee Lee Reeder, Trustee Smith, Trustee Jones, Trustee Barandas, Trustee Bains

NOES: None

ACTION: Meeting is adjourned