

BRADFORD RECLAMATION DISTRICT 2059
Meeting Minutes
For a Regular Meeting of the Board of Trustees
Tuesday, June 02, 2020 at 10:02 AM
Location: No Physical Location

Pursuant to the Governor's Executive Order N-29-20, the physical meeting requirements of the Brown Act have been lifted due to the Coronavirus (COVID-19). Therefore, all members of the Board of Trustees, the District Manager, District Engineer, District Counsel, District Consultants, and interested members of the public will join the meeting via phone/video conference and no physical locations are required at this time.

Please join this meeting from your computer, tablet, or smartphone at the following link:

<https://global.gotomeeting.com/join/818467653>

You can also dial in using your phone.

United States: +1 (571) 317-3122

Access Code: 818-467-653

Board President: Rob Davies - present
Trustees: Bill Hall - present
Brian Elliff - present
Kevin Finta - present
Smith Cunningham - present

Staff Present: Legal Katie Lucchesi, Engineer Blake Johnson, Levee Superintendent
Landowners Present - Karen Cunningham, Michael Craig, Charles Louie, Michael Gonce, Jerry Kinnaman, and Brandon Vanleuven

10:00 A.M. Convene, Call to Order, and Determine a Quorum

PUBLIC COMMENT ON NON-AGENDA ITEMS

Landowner Cate Kuhne, Mute phones if not speaking, be kind and speak with peace, lay ground rules, and allow people to speak individually.

Landowner Karen Cunningham speaks about Franks Tract Project - Moving forward where we wait for the ferry to be a public access area. This may be in a few years Karen reports.

DISCUSSION ITEMS

D.1 FERRY MATTERS:

- a. Report from President Davies
- b. Report on Ferry Budget for 2020/2021 - Staff reads from an email provided by Dave Forkel with regards to the Ferry Budget progress and when it would be available.

D.2 ENCROACHMENT REGULATIONS:

- a. Report from Encroachment Committee - It was reported that the committee met last Friday and that they had some good discussion. The Committee plans on meeting 6/22/2020 at a face to face meeting. President Davies inquired with Gene Lewis on if he heard the future dates. The planned physical location to meet is Celia's Mexican Restaurant.

D.3 BUDGET:

a. Report on Correspondence with County on Teeter Plan – The District Manager/Secretary read from an email from the County (included in the meeting packet) regarding the teeter plan.

Referenced:

- The county is not doing away with the Teeter Plan
- The County tests charges of significant value to see if the property value is sufficient to secure the charge.

At the last board meeting, a landowner (Henrik Mann) referenced a letter and stated that it was dated 01/18/2020 and was issued from, “Santa Clara County”. The District resides in Contra Costa County. The District Staff at the time could not identify this letter due to the incorrect information provided and requested a copy of record from the County. The District Staff included a copy of the letter in the meeting packet and the District’s copy of the letter states that it was issued in the, “Contra Costa County and is dated 1/24/2020.

b. Report & Discussion from Budget Committee and Consider Adoption of Annual Budget for the fiscal year ending 2020/2021 – Blake reported that the budget committee met yesterday 6/1/2020 and consisted of:

1. Blake Johnson
2. Angelia Tant
3. Trustee William Hall
4. Trustee Kevin Finta

Blake went over the income section of the budget and outlined where the income came from. Blake identified the District’s debt to the Bank of Stockton. Blake went over the Ferry expenses section and moved onto the General Expenses. Blake went over the budget line item by line item and explained what each category entailed. Blake identified the staff’s payroll totals and identified that the majority of the Levee Superintendent’s payroll would be reimbursed by Subventions. Blake went over the ditch cleaning strategy and the fact that the board of trustees opted to move the ditch cleaning to the following fiscal year at the last board meeting held in May 2020. Blake identified the costs of the pump station’s PGE and the budget that was set to conduct pump station repairs. Blake identified that the District pays rent for a meeting site, storage unit to store paperwork and identified that the District’s office was at Angelia’s home. Blake further expressed that Angelia does not have the space to store district records. Blake expressed the other rent was for the district’s PO Box. Blake reported on the section identified as consulting fees. Blake outlined which consultants this section entailed and budgeted amounts. Blake reported on the Subventions Section. Blake reported that the state subtracts \$1,000 per levee mile for their administrative fees. Blake identified how much the district is eligible to apply for an approximate amount of \$141,000. Blake reported that the Ditch Cleaning and Pump Station categories are Non-Reimbursable by the Subventions Program. The total dollar amount is \$107,000 eligible for Subventions. Blake reads each subventions category aloud and identifies what each category entails and the dollar amount. Blake went over the District’s Debt of \$313,122 owed to the Bank of Stockton.

Trustee Elliff thanked the committee & inquired whether the landowners are able to spread the debt out on the next assessment bill to pay this off. Angelia reported that historically the board made a motion to apply any delinquent assessments, penalties and interest collected towards the debt owed with the Bank of Stockton. The District also utilizes the recommendation of Doug Eberhardt with the Bank of Stockton to pay down warrants with the assessment advances to save the interest.

Katie responded to Trustee Elliff’s comment and expressed that there was not an assessment proposal that was historically made that included doing this. Landowner Cate Kuhne expressed that the

Subventions claim for the work on the North Side of the island was intended to use reimbursement from subventions to pay down the Bank of Stockton loan. Blake outlined that this is correct, and the District is currently awaiting payment from the DWR. Trustee Elliff inquired on how much the approximate amount would be. Within the two years Blake reported that, we could have an estimated amount of over \$200,000 dollars to apply towards the loan.

Katie outlined that Trustee Cunningham was recused from the budget committee and from voting on the budget. Trustee Smith Cunningham expressed that he got no information on this. Katie responded that the analysis and recommendation were provided to Smith Cunningham via email.

M/S/P Elliff/Hall with four in favor and one recused (Trustee Cunningham) to adopt the 2020/2021 annual budget as recommended by the Budget Committee.

D.4 LEVEE SUPERINTENDENT:

a. Receive update from Levee Superintendent – Ron Mijares identified needed pump repairs and outlined that a siphon breaker needed repairs. Ron reported that the original estimate was \$8k. The levee Superintendent has cleared most of the fallen trees around the mitigation area and cleared brush away from the fencing. It was further reported that they were scheduling road maintenance to occur later in the summer. President Davies expressed that, he had knowledge of them being on the island yesterday, 6/1/2020 and that fact that they conducted a levee inspection and were coming up with a game plan for maintenance. President Davies inquired with Ron about what he was doing with the brush coming off of the trees cut at the mitigation site. Ron expressed that he is placing the brush into piles for future burning. Ron outlined that there would be no burning conducted at this time.

Cate Kuhne questioned Blake with regards to BR-10-1.0 refuse from the clearing and grubbing and a plan for future fires. Blake responded that he hasn't received all of the requirements to maintain the mitigation site. Blake expressed that the Department of Fish and Wildlife has only requested the following work be conducted:

- Remove Trees from the Fence
- Fences Mended
- Black Berries out of there

Blake further reported that the fire risk is up for discussion with the DFW.

D.5 REPORTS:

a. Trustees – President Davies outlined that he reviewed a letter emailed to him by Henrik Mann and expressed that it was full of inconsistencies and false information. President Davies outlined that the staff was voted to be hired by the Board, Katie (Legal Counsel) was voted to be hired and outlined that, she has done a great job. President Davies clarified that the Engineer Blake Johnson was also voted on by the full Board. President Davies inquired on where did Mr. Mann come up with this and expressed that he did not know. President Davies expressed his opinion on how he felt that this is how problems start with false information.

b. **District Secretary** – Angelia expressed that there were a lot of public records requests coming through the district, due to the heavier workload with the Prop. 218, additional meetings and budget projects that, she had delayed a little on getting some of the public records requests out. Angelia expressed that she did update the landowners with public records requests that she would need additional time and to date had fulfilled all of the public records requests to date.

c. Engineer – No Comments

d. Attorney

1. Katie reported that the District Newsletter was requested to be drafted in the March and April 2020 board meetings. Katie expressed that the landowner Newsletter was to be updated and was planned to be included in the Prop. 218 Notice to Landowners. The District wanted to ensure that the Newsletter was received before the voting came about. Katie expressed that there was misunderstandings on how the district is ran and the newsletter was meant to correct that information for new landowners. Katie identified that the District Meeting Packets included various historical newsletters and historical newsletter written for previous Prop. 218s. Katie identified a letter written by Landowner Henrik Mann and expressed that the letter would be discussed under the Prop. 218 section of the meeting.

D.6 DISTRICT ASSESSMENT PROP 218 PROCESS:

a. SCI Updated Report on Prop. 218 Process and Proposed Assessments – Katie introduces the Prop. 218 Engineer John Bliss with SCI. John expressed that he had some technical difficulty and begins to speak about the Prop. 218. John identified the two (2) resolutions and identified the importance of them. The planned timeline is to Mail ballots on 6/8/2020 and then hold a special board meeting on 7/28/2020 to satisfy the Prop 218 45-day period to evaluate the assessment proposal. Bliss gave additional information on the process and identifies that there will be two (2) additional community meetings for landowners to voice any questions or concerns. Bliss provided the background of what is going on and what he felt was important to discuss:

- Natural Gas Company – Bliss spoke with the CRC employee Matt Energen and they discussed the information in support of the engineering. Matt outlined that there would be No change in the use of their property and the special benefit carried in 2015 to current for the assessment was the same. Bliss reported that Matt had no indication of approval or opposition for the vote and gave no further information.
- Property Owners – Bliss had heard concerns from certain landowners that want the State to take over the District. Bliss recommended getting more information on the pros and cons from the State of California to take over and he has reached out to Andrea Lobato, of the California DWR. Andrea expressed that the California Water Code outlines the process that the State can decide to take over the maintenance or take over the RD or the RD can petition the state to take over. Bliss requested that Andrea come and speak with the Board and Andrea expressed that she was working on doing this. Andrea expressed that it would be better if the board or the district drafted some questions for Andrea/DWR to respond too. Andrea would be happy to work with everyone if there are some questions.
- Interest in the Bay View Boat Club Assessment level– Bliss identified in his research that this parcel was identified by the County as a residential property and after further analysis he has revised the classification of the parcel to a commercial designation, which will increase their assessment. This change will result in an increase in the engineers report and that parcel’s proposed assessment by approximately \$1,100 dollars.
- Ballots and Postage Paid Envelopes – Bliss expressed that the landowners had questions on where the Ballots would be returned to. Bliss expressed that there is a lot of latitude – Typically, it has been returned to the agency itself. Bliss outlined:
 - Return Envelope and the ballots are sealed and there is no way to see the yes, no vote or dollar amount and he hopes that this gives comfort. At the meeting, his firm will open and tabulate the ballots, they would inspect it and remove a ballot if it had been tampered with.

- Alternatives for an agency to collect the ballots are to: (1) find a local CPA that is impartial and professional, or (2) arrange for the County Clerk to receive the ballots.
- Most often the agency receives the ballots at the agency itself.
- Bliss provided a options to the Board for the assessment: the first is to move forward with proposed assessment as is, the second is to adopt a sunset clause, and the third is to adopt a one year emergency reduction due to Covid-19.
- Bliss recommended placing a sunset since some landowners felt that they have not had time to review everything or look at a State takeover. This Sunset would be set for two (2) years and would provide an additional transparency process.
- Bliss also discussed the Board going ahead with the assessment and committing to a one (1) year reduction in the budget by 60% due to COVID-19 – the assessment Ballot would be for the full rate and the district would separately adopt a resolution that will reduce 60% of the rate to help landowners that are struggling due to the financial situation from the Coronavirus. The District would have to approve budget expense categories that can be deferred for one year. Staff would have to look for any reserves, leave no stone unturned and provide people with a financial break for one year.

Katie reported that in the near future the District hopes face-to-face meetings will be able to take place however, there would need to be a review of the County shelter in place guidelines at that time.

Landowner Cate Kuhne questioned the Prop. 218 Law and who would be able to make comments during the meeting about the Prop. 218. Katie responded that the landowners in the District could make comments on the 218 as those effected by the Prop. 218 process.

Landowner Gene Lewis inquired on if the board didn't take either of the options, how would it be structured and what would be the sunset clause. Bliss responds that there is currently no sunset clause in the assessment. It would persist in the future, but the Board would have to annually review the budget and justify it before it sends the resolution to the County but that does not require the property owners balloting each year. Gene questioned if the property owners would be able to ask for another prop. 218 next year as it sits. Bliss expressed each year, that property owners and the board have the same structural mechanism, they can be a part of the budget committee, be a part of the board as a part of the mechanism to assess the benefit. Bliss reiterated that there is no required balloting in the future.

Elliff, inquires on if there will be a sunset option. If we move forward without the sunset, the landowners have time to make adjustments. Elliff would like to move forward and inquires with the new landowners on how they felt.

Gene Lewis requested to have a two (2) year sunset. One reason outlined was, if this goes on forever, if you like the president forever, I don't want to do that, look at the Coronavirus.

Trustee Elliff proposes a five- or six-year sunset.

Landowner Michael Gonce expressed that there is a lot of opposition to this. If Mr. Bliss is willing to do this at a reduced cost, Gonce requested a Sunset clause be placed after two (2) years. Gonce expressed that the CRC is about to go bankrupt and the teeter plan is about to go away.

Gene Lewis, the penalty for every landowner if they do not pay the assessment that is decided by the 218. Very large penalty that has to be paid and it goes up 1.5% per month. Pay the assessment whether

they like it or not. Setting themselves up for bankruptcy. Because of the Coronavirus they will have to take the money out of feeding their families and paying their health insurance.

Trustees ask for Blake's opinion and he expresses that the economy is in an unknown position right now. The District is carrying over the same costs that we have had for the past five (5) years and the dollars are not significantly changing. The dollars assessed for the Prop. 218 may change a little. We are back with an unknown economy, folks out of work, and it wouldn't hurt to do a two (2) year sunset. The Board could come back in two (2) years and have this discussion when the economy is in a better place. We would need to discuss a variety of different ways to maintain the island and ways to save money for the District, which would give the Engineer and Levee Superintendent two (2) years to decide and propose it to the Board.

President Davies does not have an issue with the two (2) years due to the economy. Requested the opinion of the rest of the board.

Trustee Elliff expressed that the sunset would keep the new landowners happy and any other landowners happy, considering the natural situation and gives us flexibility.

Landowner Cate Kuhne requests what the district think of the two-year sunset vs. the board reducing the assessment for the next two (2) years.

Landowner Michael Gonce agreed with Blake Johnson. The board can choose at any time, that the board would like to assess a smaller amount. Adopting the prop. 218 assessment it adopts the top assessment. We would have to come back in two (2) years to re do the entire prop. 218. There is a distinction between both ways.

John expressed that he could do a shortened process and Katie expressed that it would still have to comply with the Prop. 218 requirements.

Cate expressed that it still requires the engineer's report and all the other meetings and requirement of waiting periods. Cate reminded the board that we went through this five (5) years ago. Cate suggested that it is reduced and that the board is mandated to follow voting on a reduced tax roll. Cate expressed that we had many down turns over the years and expressed that we don't know what the future holds.

John Bliss outlines that Cate is correct, an engineer's report would be required. John Bliss feels comfortable that his company could charge \$5,000-\$10,000 range. If new landowners are concerned about process, then a two (2) year sunset would give them ample opportunity to see how things are done.

Michael Gonce pleads for the board to adopt the sunset.

Landowner Gene Lewis encourages a motion and moves forward outlining a previous number of votes. Katie clarifies that there have been no votes by the Board yet.

b. Consider Resolution 2020 – 06 Adopting Procedures for the 2020 District Assessment Process-M/S/P by with all in favor and zero opposed – Adopts procedure and how the ballots will be mailed, and this is the procedural resolution.

c. Consider Resolution 2020 – 07 Initiating Assessment Proceedings, Providing Intention to Levy Assessments for Fiscal Year 2020-21, Preliminarily Approving the Engineer’s Report, and Providing for Notice of Hearing, and the Mailing of Assessment Ballots.

From the Board discussion there is a consensus for the two (2) year sunset for the Prop. 218 and Smith requests that the ballots go to the Engineering Firm.

M/S/P by Elliff/Finta with all in favor and zero opposed to adopt both resolutions 2020-06 and 2020-07 adopting the Prop. 218 procedures and proposed assessment with revisions to include a two (2) year sunset clause in the assessment and to have the ballots mailed back directly to SCI Engineering.

John Bliss expressed that he would select some dates for community meetings and the District staff will look for some meetings locations.

ADJOURNMENT 11:53: Next meeting to be held **Tuesday, July 28, 2020**