

AGENDA

SPECIAL MEETING OF RECLAMATION DISTRICT 900

JULY 28, 2022

Martha Guerrero, President

Norma Alcala, Trustee
Quirina Orozco, Trustee

Chris Ledesma, Trustee
Dawnte Early, Trustee

Blake Johnson, General Manager/Secretary
Greg Fabun, Interim Assistant General Manager
Ralph Nevis, District Attorney

6:00 PM CALL TO ORDER

Pursuant to Government Code section 54953, as amended by Assembly Bill 361 (2021), and due to the State of Emergency declared by the Governor on March 4, 2020, members of Reclamation District 900 Board of Trustees and staff will participate in this meeting via a teleconference. To reduce the spread of COVID-19, members of the public may watch the meeting livestream at <https://youtu.be/XsJoieEDXeM>. Those members of the public who wish to do so are invited to participate in the meeting via Zoom using the following access information: [Join Zoom meeting](#); or by phone +1 669 900 6833 US (San Jose). Meeting ID: 816 1005 2260; Passcode: 227215

If you need special assistance to participate in this meeting, please contact RD 900 at 916-371-1483. Notification of at least 48 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting.

GENERAL ADMINISTRATION – PART I

- 1A. PRESENTATIONS BY THE PUBLIC ON MATTERS NOT ON THE AGENDA WITHIN THE JURISDICTION OF THE DISTRICT. THE AGENCY IS PROHIBITED BY LAW FROM DISCUSSING ISSUES NOT ON THE AGENDA BROUGHT TO THEM AT THIS TIME.

CONSENT AGENDA – PART II

2. CONSIDERATION OF RESOLUTION 22-07-01 RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR NEWSOM AS APPLICABLE IN THE DISTRICT AND AUTHORIZING TELECONFERENCE MEETINGS OF LEGISLATIVE BODIES OF RECLAMATION DISTRICT 900 PURSUANT TO THE RALPH M. BROWN ACT

Comment: This item seeks Board approval to continue remote (teleconference/videoconference) board meetings by finding, pursuant to California Government Code Section 54953(e), that there is a proclaimed state of emergency related to COVID-19 and that meeting in person would present imminent risks to the health or safety of attendees.

3. CONSIDERATION OF ADOPTION OF RESOLUTIONS 22-07-02 AND 22-07-03 DETERMINING RD 900 DRAINAGE ASSESSMENTS AND ASSESSMENT COLLECTION THROUGH YOLO COUNTY SECURED TAX ROLL FOR FISCAL YEAR 2022-23.

Comment: This item seeks Board adoption of Resolution 22-07-02, approving an assessment rate of \$410.95 which represents a 2.25% increase in assessment for tax Fiscal Year 2022-23 and adoption of Resolution 2022-07-03, authorizing Yolo County to place special assessments on the secured tax roll in the same manner as the ordinary ad valorem property taxes.

4. CONSIDERATION OF RESOLUTIONS 22-07-04 AND 2022-07-05 DETERMINING THE 537 AREA DRAINAGE ASSESSMENTS AND ASSESSMENT COLLECTION THROUGH THE YOLO COUNTY SECURED TAX ROLL FOR FISCAL YEAR 2022-23.

Comment: This item seeks Board adoption of Resolution 22-07-04, approving an assessment rate of \$0.20/\$100 of assessed value for the area formerly RD 537 and now a part of RD 900 for tax Fiscal Year 2022-23 and adoption of Resolution 22-07-05, authorizing Yolo County to place special assessments on the secured tax roll in the same manner as the ordinary ad valorem property taxes.

5. CONSIDERATION OF A CONTRACT WITH DUSTIN N. DUMARS, CPA FOR DISTRICT GENERAL ACCOUNTING AND FINANCIAL MANAGEMENT.

Comment: This item seeks Board approval to award a contract to Dustin N. Dumars, CPA to provide general financial services and accounting for fiscal year 2022-23.

6. CONSIDERATION OF APPROVAL OF THE JUNE 30, 2022 MEETING MINUTES

REGULAR AGENDA – PART III

7. TRUSTEE COMMENTS
8. ADJOURN

I, Blake Johnson, General Manager/Secretary, declare under penalty of perjury that the foregoing agenda for the July 28, 2022, meeting of Reclamation District 900 was posted on July 25, 2022, in the office of the City Clerk of the City of West Sacramento, 1110 West Capitol Avenue, West Sacramento, CA, and at the office of Reclamation District 900, 889 Drever Street, West Sacramento, CA, and was available for public review.



Blake Johnson, General Manager/Secretary
Reclamation District 900

All public materials related to an item on this agenda submitted to the District after distribution of the agenda packet are available for public inspection on the District's website at: www.rd900.org. Any document provided at the meeting by staff will also be available to the public. Any document provided at the meeting by the public will be available the next business day following the meeting.

MEETING DATE: July 28, 2022

ITEM # 2

**SUBJECT:**

CONSIDERATION OF RESOLUTION 22-07-01 RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR NEWSOM AS APPLICABLE IN THE DISTRICT AND AUTHORIZING TELECONFERENCE MEETINGS OF LEGISLATIVE BODIES OF RECLAMATION DISTRICT 900 PURSUANT TO THE RALPH M. BROWN ACT

INITIATED OR REQUESTED BY:
 Council Staff

 Other
REPORT COORDINATED OR PREPARED BY:

Blake Johnson, General Manager

 ATTACHMENT Yes No

 Information

 Direction

 Action
OBJECTIVE

The objective of this report is to present sufficient information to the Reclamation District 900 (RD 900/District) Board of Trustees (Board) to continue remote (teleconference/videoconference) board meetings by finding, pursuant to California Government Code Section 54953(e), that there is a proclaimed state of emergency related to COVID-19 and that meeting in person would present imminent risks to the health or safety of attendees.

RECOMMENDED ACTION

Staff respectfully recommends that the Board adopt Resolution 22-07-01 finding that the Board has reconsidered the circumstances of the state of emergency and meeting in person would present imminent risks to the health or safety of attendees.

BACKGROUND

Through the COVID-19 virus pandemic, Gubernatorial executive orders and, later, new legislation (Assembly Bill 361, "AB 361"), the Board has met via modified teleconference procedures in order to protect meeting attendees from the threat of the virus while preserving public access to legislative body meetings.

As modified by AB 361, Government Code section 54953(e) permits local legislative bodies to meet via teleconference if the Governor has proclaimed a state of emergency pursuant to Government Code section 8625 and the legislative body determines by majority vote that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees. The determination must be reevaluated at least every 30 days and may be renewed if the Board finds that the state of emergency remains active and the state of emergency continues to directly impact the ability of attendees to meet safely in person.

ANALYSIS

The Governor's Proclamation of State of Emergency related to the COVID-19 virus pandemic remains in effect to this day in Yolo County and statewide. The virus, and its variants, are highly transmissible when in close proximity to an infected person, no matter if the infected person is showing symptoms or not. Further, new variants of varying community impact and transmissibility are revealed each month the pandemic continues, most recently the Omicron/BA.2 subvariant.

Meeting in person imminently risks attendees' health and safety by necessitating attendees – Board officers, staff, and members of the public – be in close proximity to a potentially infected person, no matter if he or she is showing symptoms or not.

The proposed resolution makes requisite findings to allow Board meetings to continue to be held via teleconference pursuant to Government Code section 54953(e). The Board is to make the following findings as part of the resolution:

- The Governor proclaimed a state of emergency on March 4, 2020 related to the COVID-19 virus pandemic and that state of emergency remains active within the jurisdiction of the District.
- The Board has reconsidered the circumstances of the state of emergency.
- The state of emergency continues to directly impact the ability of attendees to safely meet safely in person.
- To decrease the risk to the health and safety of attendees, Board meetings may be conducted via teleconference in accordance with Government Code section 54953(e).

It is recommended that the Board pass the resolution and direct staff to take all actions necessary to effectuate its intent to hold Board meetings in compliance with Section 54953(e).

If the Board does not pass the proposed resolution, the District will be required to meet pursuant to traditional teleconference requirements – e.g., opening teleconference locations to the public, listing addresses on meeting agendas, quorum of members.

Alternatives

The District's primary alternatives are as follows.

1. Adopt Resolution 22-07-01, making the findings required by California Government Code Section 54953(e); or
2. Adopt Resolution 22-07-01, making the findings required by California Government Code Section 54953(e) with directed revisions; or
3. Decline adopt Resolution 22-07-01, making the findings required by California Government Code Section 54953(e).

Staff is prepared to implement Alternative 1. Staff does not recommend any substantive revisions under Alternative 2, as such revisions may not comply with California Government Code Section 54953(e). Staff also does not recommend Alternative 3 as the continued threat of COVID-19 and its variants presents an imminent risk to the health and safety of meeting attendees.

Coordination and Review

This report was prepared in coordination with District counsel.

Budget/Cost Impact

There is no direct budget or cost impact associated with this item.

ATTACHMENT

Resolution 22-07-01

RESOLUTION 22-07-01

A RESOLUTION OF RECLAMATION DISTRICT 900 RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY THE GOVERNOR AS APPLICABLE IN THE DISTRICT AND AUTHORIZING TELECONFERENCE MEETINGS OF LEGISLATIVE BODIES OF THE CITY PURSUANT TO THE RALPH M. BROWN ACT

WHEREAS, Reclamation District 900 ("District") is committed to preserving and nurturing public access and participation at meetings of its Board of Trustees (Board); and

WHEREAS, all meetings of the Board are open and public, as required by the Ralph M. Brown Act, Government Code section 54950 et seq. ("Brown Act"), so that any member of the public may attend, participate, and watch the District conduct its business; and

WHEREAS, Government Code section 54953(e)(1) provides a legislative body may meet via teleconference if the Governor has proclaimed a state of emergency pursuant to Government Code section 8625 and either: (i) state or local officials have imposed or recommended measures to promote social distancing; (ii) the legislative body meets to determine by majority vote that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees; or (iii) the legislative body has voted as such and is meeting pursuant to that vote; and

WHEREAS, a legislative body's decision to meet pursuant to Section 54953(e) must be reevaluated and renewed at least every thirty (30) days, or else the body will be required to adopt new initial findings; and

WHEREAS, while a legislative body meets via teleconference pursuant to Section 54953(e), it must take actions to preserve public access and public participation and give notice of the meeting and post agendas as otherwise required, allow members of the public to access the meeting via call-in line or internet-based service line, provide details on the agenda on how to access the meeting and give public comment, give an opportunity to comment pursuant to Government Code section 54954.3 and allow a reasonable amount of time during public comment for a person to register, login, and comment, and monitor the call-in line and internet-based service line to ensure no disruption hinders access or ability to comment, if there is, take no action until public access is restored; and

WHEREAS, on March 4, 2020, Governor Gavin Newsom proclaimed a state of emergency pursuant to Government Code section 8625 pertaining to the threat to human health and safety posed by the COVID-19 virus pandemic and that proclamation remains in effect to this day in Yolo County and statewide; and

WHEREAS, the virus has short- and long-term effects – fever and chills, cough, shortness of breath and difficulty breathing, fatigue, headache, nausea, vomiting, gastrointestinal issues, loss of taste and smell, death – and its prolific spread is severely impacting the health care system, inhibiting access to care for COVID-19 symptoms, and other ailments; and

WHEREAS, while being vaccinated significantly decreases the likelihood of contracting or dying from the virus, vaccinated and unvaccinated people alike can carry, transmit, and be affected by the virus; and

WHEREAS, the COVID-19 virus, and its variants, is spread through the air when a person who is carrying the virus, whether he or she is showing symptoms or not, is in close proximity to another person; and

WHEREAS, while the COVID-19 virus and its variants remain present in the community, meeting in person presents an imminent risk to Board meeting attendee health and safety beyond

the control of District services, personnel, equipment, and facilities due to its transferability through the air; and

WHEREAS, pursuant to Government Code section 8635 et seq., the Board has the authority during a state of emergency to take all actions necessary to perform its functions in the preservation of law and order, preservation of the furnishing of local services, and protection of life and property, which includes the authority to direct meetings of the District to be held via teleconference pursuant to this Resolution; and

WHEREAS, the Board desires to ratify the Governor's March 4, 2020, proclamation of state of emergency related to the COVID-19 virus pandemic as it applies to the jurisdiction of the District and authorize teleconference meetings of the District pursuant to Section 54953(e).

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Reclamation District 900:

1. The recitals and findings set forth above are true and correct and are incorporated herein by reference as if set forth in full; and
2. The Governor's March 4, 2020 proclamation of state of emergency related to the COVID- 19 virus pandemic applies to the jurisdiction of the District and is ratified by the Board of Trustees; and
3. A state of emergency exists within the jurisdiction of the District related to the COVID-19 virus pandemic and the conditions of that emergency present an imminent risk to the health and safety of attendees at District Board meetings; and
4. In order to decrease the risk to the health and safety of attendees, Board meetings of the District may be conducted via teleconference in accordance with Government Code section 54953(e).
5. This Resolution shall take effect immediately upon its adoption and be effective for thirty (30) days, unless the Board takes action to rescind the Resolution, which may occur before the 30th day following adoption

PASSED AND ADOPTED this 28th day of July 2022, by the following vote:

AYES:

NOES:

ABSENT:

Martha Guerrero, RD 900 President

ATTEST:

Ralph R. Nevis, RD 900 Attorney

MEETING DATE: July 28, 2022		ITEM # 3	
	SUBJECT:		
CONSIDERATION OF RESOLUTIONS 22-07-02 AND 22-07-03 DETERMINING RD 900 DRAINAGE ASSESSMENTS AND ASSESSMENT COLLECTION THROUGH THE YOLO COUNTY SECURED TAX ROLL FOR FISCAL YEAR 2022-23			
INITIATED OR REQUESTED BY:		REPORT COORDINATED OR PREPARED BY:	
<input type="checkbox"/> Council <input checked="" type="checkbox"/> Staff <input type="checkbox"/> Other		Blake Johnson, General Manager	
ATTACHMENT <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Information <input type="checkbox"/> Direction <input checked="" type="checkbox"/> Action			

OBJECTIVE

The objective of this report is to present sufficient information to the Reclamation District 900 (RD 900) Board of Trustees (Board) to adopt Resolution 22-07-02, setting the annual assessment rate of \$410.95 per equivalent benefit unit, which represents a 2.25% increase to drainage assessments on property for Fiscal Year 2022-23; and, to adopt Resolution 22-07-03, requesting collection of assessments through the secured tax roll in the same manner as the ordinary ad valorem property taxes.

RECOMMENDED ACTION

Staff respectfully recommends that the RD 900 Board:

- 1) Adopt Resolution 2022-07-02, approving a 2.25% increase in assessment for tax Fiscal Year 2022-23 which sets the annual assessment rate at \$410.95 per equivalent benefit unit; and
- 2) Adopt Resolution 2022-07-03, authorizing Yolo County to place special assessments on the secured tax roll in the same manner as the ordinary ad valorem property taxes

BACKGROUND

On June 9, 2016, the RD 900 Board members adopted Resolution 2016-06-01 which approved the final Engineer’s Report and established a special benefit assessment under the Benefit Assessment Act of 1982. The procedure under which the assessments are authorized to be levied was initiated by RD 900 and included a ballot procedure whereby owners within the City of West Sacramento (City) elected to incur an assessment obligation secured by a lien upon their property for the purposes of financing drainage operation and capital improvements of benefit to their property. The resolution also directed staff to record the documents with the County Recorder and submit the assessments to the County for placement on the 2016-17 Yolo County (County) tax roll, and each year thereafter. Each year, the District submits the levy to the County and property owners make payment on the assessment, along with their regular tax bill.

The RD 900 Board has authority to increase the special benefit assessment rate based on the calculated Construction Cost Index (CCI) for the preceding year to reflect projected cost inflation, but no more than two and one quarter percent (2.25%) annually. On June 17, 2021, RD 900 Board members adopted Resolution 2021-06-01, approving the last increase in assessment by 2.25% for the 2021-22 tax roll. The action being requested will authorize a 2.25% increase for the next tax year, 2022-23, which will establish a rate of \$410.95 per equivalent benefit unit, as defined in the final Engineer’s Report.

ANALYSIS

Special Procedures in the final Engineers Report (June 8, 2016) state, “the maximum authorized Assessment Rate will be subject to an annual inflationary escalator pursuant to Government Code §53739 (b) based on the annual change in the Construction Cost Index (CCI) for the 20-city average with Base Year 1913 = 100, published by the Engineering News Record, subject to a minimum of 0 percent and a maximum of 2.25% percent in any given year.”

As costs increase it is necessary to keep up with the escalation of such needs to ensure the financial stability of the District. Such costs range from procurement of materials and labor for vegetation management and tree trimming, to operation and maintenance of pump stations. It has been established by the District’s consultant that the annual CCI (May 2021 to May 2022) calculated in accordance with the standards established in the Engineer’s Report is 8.46%. Because the maximum allowable is capped at 2.25%, that is the controlling condition and represents the maximum amount the Board may approve for the assessment increase.

Since Fiscal Year 2009-10, the Treasurer-Tax Collector’s Office at the County of Yolo has required that all special tax levies placed on the property tax rolls include an authorization approved by the governing body of the levying

entity, in this case, RD 900. The Board is being asked to authorize the levy of assessments on the regular tax rolls.

Alternatives

Staff recommends that the RD 900 Board adopt Resolution 2022-07-02, approving a 2.25% increase in assessment for tax roll year 2022-23, and Resolution 2022-07-03, authorizing Yolo County to place special assessments on the secured tax roll in the same manner as the ordinary ad valorem property taxes. Alternatively, the Board may choose to approve levying of the special assessment with less than the 2.25% or no annual assessment rate adjustment. However, these actions could have eventual financial and legal impacts to the District and to its mission of flood risk reduction.

Coordination and Review

This report was prepared in coordination with District's Consultant and District Counsel.

Budget/Cost Impact

If Resolution 2022-07-02 is approved, the 2.25% increase will result in additional drainage assessment revenue of approximately \$55,120 on the 2022-23 secured tax roll and a total assessment revenue of approximately \$2,504,894.

Attachments

- 1) Resolution 2022-07-02
- 2) Resolution 2022-07-03
- 3) Certification of Assessment – 900 Drainage
- 4) Escalation Evaluation

RESOLUTION NO. 22-07-02

**A RESOLUTION OF THE BOARD OF TRUSTEES OF RECLAMATION DISTRICT 900
DETERMINING DRAINAGE ASSESSMENTS FOR FISCAL YEAR 2022-23**

WHEREAS, in compliance with the Benefit Assessment Act of 1982, California Government Code sections 54703 *et seq.* (the "Act"), the Board of Trustees (the "Board") of Reclamation District 900 (the "District") on June 9, 2016, following a public hearing and tabulation of the ballots received from property owners, approved the Engineer's Report for the first Fiscal Year (2016-2017) in which drainage assessments were imposed and determined and levied the assessments; and

WHEREAS, the drainage assessments for Fiscal Year 2022-23 are prepared pursuant to the administrative procedures, adopted by the District on June 9, 2016; and

WHEREAS, in accordance with the assessment methodology described in the Engineer's Report, the Board may raise the assessment rate each year by not more than two and one-quarter percent (2.25%); and

WHEREAS, in accordance with the *Special Procedures* in the final Engineers Report the maximum escalation rate allowed up to 2.25% is based on the annual change in the 20-City average Construction Cost Index (CCI),

WHEREAS, the 20-City Average CCI has been calculated to be 8.46% for the preceding year.

WHEREAS, by Resolution 2106-06-01, adopted on June 9, 2016, the Board provided that the assessments shall be collected in the same manner and shall be subject to the same penalties and priority of lien as is provided for *ad valorem* property taxes.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Reclamation District 900 as follows:

1. **Recitals.** The above recitals are true and correct.
2. **Determination of Escalation Factor.** The Board hereby determines that the escalation factor for the assessments in Fiscal Year 2022-23 shall be 2.25%.
3. **Assessment Rate.** The Board hereby determines that the annual assessment rate is to be set at \$410.95 per equivalent benefit unit.
4. **Directive to Prepare and File Assessment Roll for Fiscal Year 2022-23.** The Board hereby directs the District staff to prepare the assessment roll for Fiscal Year 2022-23, calculating assessments to reflect changes in development status and the annual escalation factor. The Board hereby determines and levies the assessments as so calculated. The Board hereby further directs the District Manager to submit the assessment roll to the Yolo County Auditor-Controller in sufficient time for entry onto the County Assessment Roll for 2022-23.
5. **Entry on County Assessment Roll.** The Yolo County Auditor-Controller is hereby requested to enter on the County Assessment Roll opposite each lot or parcel of land the amount assessed thereupon, as shown on the assessment roll filed by the District Manager.
 - A. The Board agrees, upon reasonable written notice by Yolo County of any claim or challenge, to defend with counsel of its choice, indemnify and hold harmless Yolo County, its Board of Supervisors, officers, officials, agents, and employees (collectively "the County") against the payment of any liabilities, losses, costs, and expenses, including attorneys' fees and court costs, not due to the County's own active negligence or willful misconduct, which the County may incur in the exercise and performance of its powers and duties in placing these assessments onto the County roll and tax bills for the District.

- B. The Board agrees to pay such reasonable and ordinary charges as the County may prescribe to recoup its costs in placing on the tax rolls and collecting the taxes, assessments, fees and/or charges, as provided by the Government Code sections 29304 and 51800.
- C. The Board warrants and represents that the taxes, assessments, fees and/or charges imposed by the District and being requested to be collected by Yolo County comply with all requirements of state law, including but not limited to Articles XIII C and XIII D of the California Constitution (Proposition 218).

6. **Effective Date.** This resolution shall take effect from and after the date of its passage.

PASSED AND ADOPTED by the Board of Trustees of Reclamation District 900 this 28th day of July 2022, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Martha Guerrero, RD 900 President

ATTEST:

Blake Johnson, RD 900 General Manager

APPROVED AS TO FORM:

Ralph R. Nevis, RD 900 Attorney

RESOLUTION NO. 22-07-03

**A RESOLUTION OF THE BOARD OF TRUSTEES OF RECLAMATION DISTRICT 900
REQUESTING COLLECTION OF THE CHARGES TO PAY FOR CERTAIN SERVICES ON
THE SECURED TAX ROLL IN THE SAME MANNER AS THE ORDINARY AD VALOREM
PROPERTY TAXES**

WHEREAS, Reclamation District 900, (hereinafter "District") requests the County of Yolo collect on the County tax rolls certain charges which have been imposed pursuant to Government Code section 29304 by the District, attached hereto, and

WHEREAS, the County has requested as a condition of the collection of said charges that the District warrant the legality of said charges and defend and indemnify the County from any challenge to the legality thereof.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Reclamation District 900 as follows:

1. The Auditor-Controller of Yolo County is requested to attach for collection on the County tax rolls those taxes, assessments, fees and/or charges, attached hereto.
2. The District warrants and represents that the taxes, assessments, fees and/or charges imposed by the District and being requested to be collected by Yolo County comply with all requirements of state law, including but not limited to Articles XIII C and XIII D of the California Constitution (Proposition 218), and that the Board of Trustees has authorized the collection of the taxes, assessments, fees and/or charges by duly-adopted Resolution.
3. The District releases and discharges County, and its officers, agents and employees from any and all claims, demands, liabilities, costs and expenses, damages, causes of action, and judgments, in any manner arising out of the collection by County of any taxes, assessments, fees and/or charges on behalf of District.
4. The District agrees to and shall defend, indemnify and hold harmless the County, its officers, agents and employees (the "Indemnified Parties") from any and all claims, demands, liabilities, costs and expenses, damages, causes of action, and judgments, in any manner arising out of the collection by County of any of District's said taxes, assessments, fees and/or charges requested to be collected by County for District, or in any manner arising out of District's establishment and imposition of said taxes, assessments, fees and/or charges. District agrees that, in the event a judgment is entered in a court of law against any of the Indemnified Parties as a result of the collection of one of District's taxes, assessments, fees and/or charges, the County may offset the amount of the judgment from any other monies collected by County on behalf of District, including property taxes.
5. The District agrees that its offices, agents, and employees will cooperate with the County in answering questions referred to District by County from any person concerning the District's taxes, assessments, fees and/or charges, and that District will not refer such persons to County officers and employees for responses.
6. The District agrees to pay such reasonable and ordinary charges as the County may prescribe to recoup its costs in placing on the tax rolls and collecting the taxes, assessments, fees and/or charges, as provided by Government Code sections 29304 and 51800.

Resolution 22-07-03
Reclamation District 900 Drain Assess
July 28, 2022

PASSED AND ADOPTED by the Board of Trustees of Reclamation District 900 this 28th day of July 2022, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Martha Guerrero, RD 900 President

ATTEST:

Blake Johnson, RD 900 General Manager

APPROVED AS TO FORM:

Ralph R. Nevis, RD 900 Attorney

CERTIFICATION OF ASSESSMENT

RECLAMATION DISTRICT NO. 900, hereby certifies that the special assessment to be placed on the 2022-23 Yolo County Secured Property Tax roll by RECLAMATION DISTRICT 900 for INTERNAL DRAINAGE OPERATION AND MAINTENANCE is in compliance with all requirements of state law, including but not limited to the requirements of Proposition 218 that added Articles XIII C and XIII D to the State Constitution.

RECLAMATION DISTRICT NO. 900 agrees to defend, indemnify, and hold harmless the County of Yolo, the Board of Supervisors, the Auditor-Controller, its officers, and employees, from litigation over whether the requirements of Proposition 218 and other State laws were met with respect to such assessment.

If any judgment is entered against any indemnified party as a result of not meeting the requirements of any State law including Proposition 218 for such assessment, RECLAMATION DISTRICT NO. 900 agrees that the County may offset the amount of any judgement paid by an indemnified party from any monies collected by County on RECLAMATION DISTRICT NO. 900 behalf, including property taxes, special taxes, fees, or assessments.

Authorized Signature	Print Name	<u>July 28, 2022</u> Date
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Date of original resolution:	<u>July 28, 2022</u>
Copy of resolution on file at the Auditor's office.	<u>YES</u>
Phone number to be included on Tax Bill:	<u>(916) 371-1483</u>
Email address to be included on Website:	<u>admin@rd900.org</u>

RECLAMATION DISTRICT NO. 900
Assessment District

**Reclamation District 900
Internal Drainage O&M Assessment
Fiscal Year 2022/2023 Assessment Escalation Evaluation**

FY 2021/2022 TBU Rate \$401.91

FY 2021/2022 Assessment Revenue \$2,487,869.00

Escalation Factor [1] 8.46%

Escalation Rate Cap 2.25%

FY 2022/2023 Maximum TBU Rate [2] \$410.95

FY 2022/2023 Maximum Assessment Revenue [3] \$2,543,846.05

[1] Based on the average of the May 2021 ENR 20-City CCI (11989.91) compared to the May 2022 ENR 20-City CCI (13004.47) report rounded to two significant digits.

[2] Rounded to two significant digits.

[3] Based on FY 2021/2022 parcel data. Assessment revenues may increase or decrease based on parcel data updates.

MEETING DATE: July 28, 2022		ITEM # 4	
	SUBJECT:		
CONSIDERATION OF RESOLUTIONS 22-07-04 AND 22-07-05 DETERMINING THE 537 AREA ASSESSMENTS AND ASSESSMENT COLLECTION THROUGH THE YOLO COUNTY SECURED TAX ROLL FOR FISCAL YEAR 2022-23			
INITIATED OR REQUESTED BY:		REPORT COORDINATED OR PREPARED BY:	
<input type="checkbox"/> Council <input checked="" type="checkbox"/> Staff		Blake Johnson, General Manager	
<input type="checkbox"/> Other			
ATTACHMENT <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Information <input type="checkbox"/> Direction <input checked="" type="checkbox"/> Action			

OBJECTIVE

The objective of this report is to present sufficient information to the Reclamation District 900 (RD 900) Board of Trustees (Board) to adopt Resolution 22-07-04, setting the annual assessment rate of \$0.20/\$100 of assessed value, which represents no increase to the assessments on property for the North Drainage Area, which was formerly a part of RD 537 and; to adopt Resolution 22-07-05, requesting collection of assessments through the secured tax roll in the same manner as the ordinary ad valorem property taxes as well as the certification of the assessment.

RECOMMENDED ACTION

Staff respectfully recommends that the RD 900 Board:

- 1) Adopt Resolution 22-07-04, approving the annual assessment rate of \$0.20/\$100 of assessed value; and
- 2) Adopt Resolution 22-07-05, authorizing Yolo County to place special assessments on the secured tax roll in the same manner as the ordinary ad valorem property taxes.

BACKGROUND

On August 8, 1997, the RD 537 Board members adopted Resolution 97-2 which approved the final Engineer’s Report and established a special benefit assessment under the Benefit Assessment Act of 1982. The procedure under which the assessments are authorized to be levied was initiated by RD 537 and included a ballot procedure whereby owners within the City of West Sacramento (City) elected to incur an assessment obligation secured by a lien upon their property for the purposes of financing internal drainage operation and maintenance as well as capital improvements of benefit to their property. The resolution also directed staff to record the documents with the County Recorder and submit the assessments to the County for placement on the 1997-98 Yolo County (County) tax roll, and each year thereafter. Each year, the District submits the levy to the County and property owners make payment on the assessment, along with their regular tax bill.

On July 1, 2020, Operation and Maintenance responsibility for the portion of RD 537 within the City of West Sacramento (City) city limits was passed to RD 900 along with the responsibility to administer the assessment for that portion of land. This action was taken as a result of a LAFCo decision made on June 27, 2019, which consolidated RD 785, RD 827 and RD 537 and removed the portion of RD 537 within the City limits to be incorporated with RD 900. Prior to the transfer of responsibilities, on June 11, 2020, RD 537 Board members adopted Resolution 2020-06-01, approving an assessment rate of \$0.20/\$100 of assessed value for the 2020-21 tax roll.

ANALYSIS

The Final Engineers Report dated June 20, 1997, established an assessment rate to be levied of seventy-one point six cents per one-hundred dollars (\$0.716/\$100) of assessed value as calculated in the report. Since that time the rate has fluctuated based on the District’s budget and needs with the last rate set by the RD 537 Board for fiscal year 2020-21 of \$0.20/\$100 of assessed value. Since that time, operation and maintenance expenditures for the 537 area are adequately met with the revenue generated. Accordingly, the RD 900 Board adopted the \$0.20/\$100 of assessed values in fiscal year 2021-22. Staff recommends the same rate be adopted for the 2022-23 fiscal year.

Since Fiscal Year 2009-10, the Treasurer-Tax Collector’s Office at the County of Yolo has required that all special tax levies placed on the property tax rolls include an authorization approved by the governing body of the levying entity, in this case, RD 900. The Board is being asked to authorize the levy of assessments on the regular tax rolls.

Alternatives

Staff recommends that the RD 900 Board adopt Resolution 22-07-04, approving the annual assessment rate of \$0.20/\$100 of assessed value for fiscal year 2022-23, and Resolution 22-07-05, authorizing Yolo County to place special assessments on the secured tax roll in the same manner as the ordinary ad valorem property taxes. Alternatively, the Board may choose not to approve the rate, or to approve a rate less than amount being recommended.

Coordination and Review

This report was prepared in coordination with District's Consultant and District Counsel.

Budget/Cost Impact

If Resolution 22-07-04 is approved, revenue for the 2022-23 secured tax roll will be approximately \$79,334.

Attachments

- 1) Resolution 22-07-04
- 2) Resolution 22-07-05
- 3) Certification of Assessment – 537 Area

RESOLUTION NO. 22-07-04

**A RESOLUTION OF THE BOARD OF TRUSTEES OF RECLAMATION DISTRICT 900
DETERMINING ASSESSMENTS FOR FISCAL YEAR 2022-23 FOR THE FORMER
RD 537 MAINTENANCE AREA**

WHEREAS, in compliance with the Benefit Assessment Act of 1982, California Government Code sections 54703 et seq. (the "Act"), the Board of Trustees (the "Board") of Reclamation District (RD) 537 (the "District") on August 8, 1997, following a public hearing and tabulation of the ballots received from property owners, approved the Engineer's Report for the first Fiscal Year (1997-1998) in which flood protection assessments were imposed and determined and levied the assessments; and

WHEREAS, on July 1, 2020, operation and maintenance responsibility for that portion of RD 537 that lies within the City of West Sacramento city limits was passed to RD 900 along with the responsibility to administer the assessment for that portion of land; and

WHEREAS, the flood assessments for Fiscal Year 2022-23 are prepared pursuant to the administrative procedures, adopted by the former RD 537 on August 8, 1997; and

WHEREAS, by Resolution 97-2, adopted on August 8, 1997, the Board provided that the assessments shall be collected in the same manner and shall be subject to the same penalties and priority of lien as is provided for *ad valorem* property taxes.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Reclamation District 900 as follows:

1. **Recitals.** The above recitals are true and correct.
2. **Determination of Escalation Factor.** The Board hereby determines that there will be no escalation factor for the assessments in Fiscal Year 2021-22
3. **Assessment Rate.** The Board hereby determines that the annual assessment rate is to be set at \$0.20/\$100 of assessed value.
4. **Directive to Prepare and File Assessment Roll for Fiscal Year 2021-22.** The Board hereby directs the District staff to prepare the assessment roll for Fiscal Year 2021-22, calculating assessments to reflect changes in development status and the annual escalation factor. The Board hereby determines and levies the assessments as so calculated. The Board hereby further directs the District Treasurer to submit the assessment roll to the Yolo County Auditor-Controller in sufficient time for entry onto the County Assessment Roll for 2021-22.
5. **Entry on County Assessment Roll.** The Yolo County Auditor-Controller is hereby requested to enter on the County Assessment Roll opposite each lot or parcel of land the amount assessed thereupon, as shown on the assessment roll filed by the Agency Treasurer.
 - A. The Board agrees, upon reasonable written notice by Yolo County of any claim or challenge, to defend with counsel of its choice, indemnify and hold harmless Yolo County, its Board of Supervisors, officers, officials, agents, and employees (collectively "the County") against the payment of any liabilities, losses, costs, and expenses, including attorneys' fees and court costs, not due to the County's own active negligence or willful misconduct, which the County may incur in the exercise and performance of its powers and duties in placing these assessments onto the County roll and tax bills for the District.
 - B. The Board agrees to pay such reasonable and ordinary charges as the County may prescribe to recoup its costs in placing on the tax rolls and collecting the taxes, assessments, fees and/or charges, as provided by the Government Code sections 29304 and 51800.
 - C. The Board warrants and represents that the taxes, assessments, fees and/or charges imposed by the District and being requested to be collected by Yolo County comply with all requirements of state law, including but not limited to Articles XIII C

and XIID of the California Constitution (Proposition 218).

6. Effective Date. This resolution shall take effect from and after the date of its passage.

PASSED AND ADOPTED by the Board of Trustees of Reclamation District 900 this 28th day of July 2022, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Martha Guerrero, RD 900 President

ATTEST:

Blake Johnson, RD 900 General Manager

APPROVED AS TO FORM:

Ralph R. Nevis, RD 900 Attorney

RESOLUTION NO. 22-07-05

A RESOLUTION OF THE BOARD OF TRUSTEES OF RECLAMATION DISTRICT 900 REQUESTING COLLECTION OF THE CHARGES TO PAY FOR CERTAIN SERVICES ON THE SECURED TAX ROLL IN THE SAME MANNER AS THE ORDINARY AD VALOREM PROPERTY TAXES

WHEREAS, Reclamation District No. 900, (hereinafter "District") requests the County of Yolo collect on the County tax rolls certain charges which have been imposed pursuant to Government codes section 29304 by the District, attached hereto, and

WHEREAS, the County has requested as a condition of the collection of said charges that the District warrant the legality of said charges and defend and indemnify the County from any challenge to the legality thereof.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Reclamation District 900 as follows:

1. The Auditor-Controller of Yolo County is requested to attach for collection on the County tax rolls those taxes, assessments, fees and/or charges, attached hereto.
2. The District warrants and represents that the taxes, assessments, fees and/or charges imposed by the District and being requested to be collected by Yolo County comply with all requirements of state law, including but not limited to Articles XIII C and XIII D of the California Constitution (Proposition 218).
3. The District releases and discharges County, and its officers, agents and employees from any and all claims, demands, liabilities, costs and expenses, damages, causes of action, and judgments, in any manner arising out of the collection by County of any taxes, assessments, fees and/or charges on behalf of District.
4. The District agrees to and shall defend, indemnify and hold harmless the County, its officers, agents and employees (the "Indemnified Parties") from any and all claims, demands, liabilities, costs and expenses, damages, causes of action, and judgments, in any manner arising out of the collection by County of any of District's said taxes, assessments, fees and/or charges requested to be collected by County for District, or in any manner arising out of District's establishment and imposition of said taxes, assessments, fees and/or charges. District agrees that, in the event a judgment is entered in a court of law against any of the Indemnified Parties as a result of the collection of one of District's taxes, assessments, fees and/or charges, the County may offset the amount of the judgment from any other monies collected by County on behalf of District, including property taxes.
5. The District agrees that its offices, agents, and employees will cooperate with the County in answering questions referred to District by County from any person concerning the District's taxes, assessments, fees and/or charges, and that District will not refer such persons to County officers and employees for responses.
6. The District agrees to pay such reasonable and ordinary charges as the County may prescribe to recoup its costs in placing on the tax rolls and collecting the taxes, assessments, fees and/or charges, as provided by Government Code sections 29304 and 51800.

Resolution 22-07-04
Reclamation District 900, 537 Area Assess Submission
July 28, 2022

PASSED AND ADOPTED by the Board of Trustees of Reclamation District 900 this 28th day of July 2022, by the following vote :

AYES
NOES
ABSTAIN
ABSENT

Martha Guerrero, RD 900 President

ATTEST:

Blake Johnson, RD 900 General Manager

APPROVED AS TO FORM:

Ralph R. Nevis, RD 900 Attorney

CERTIFICATION OF ASSESSMENT

RECLAMATION DISTRICT NO. 900, hereby certifies that the special assessment to be placed on the 2022-2023 Yolo County Secured Property Tax bill by RECLAMATION DISTRICT 900 for INTERNAL DRAINAGE OPERATION AND MAINTENANCE for the North Drainage Area (area formerly a part of RD 537) is in compliance with all requirements of state law, including but not limited to the requirements of Proposition 218 that added Articles XIII C and XIII D to the State Constitution.

RECLAMATION DISTRICT NO. 900 agrees to defend, indemnify, and hold harmless the County of Yolo, the Board of Supervisors, the Auditor-Controller, its officers, and employees, from litigation over whether the requirements of Proposition 218 and other State laws were met with respect to such assessment.

If any judgment is entered against any indemnified party as a result of not meeting the requirements of any State law including Proposition 218 for such assessment, RECLAMATION DISTRICT NO. 900 agrees that the County may offset the amount of any judgement paid by an indemnified party from any monies collected by County on RECLAMATION DISTRICT NO. 900 behalf, including property taxes, special taxes, fees, or assessments.

Authorized Signature	Print Name	<u>July 28, 2022</u> Date
-----------------------------	-------------------	-------------------------------------

Date of original resolution:	<u>July 28, 2022</u>
Copy of resolution on file at the Auditor's office.	<u>YES</u>
Phone number to be included on Tax Bill:	<u>(916) 371-1483</u>
Email address to be included on Website:	<u>admin@rd900.org</u>

RECLAMATION DISTRICT NO. 900
Assessment District

MEETING DATE: July 28, 2022

ITEM # 4

**SUBJECT:**

**CONSIDERATION OF A CONTRACT WITH DUSTIN N. DUMARS, CPA FOR DISTRICT
GENERAL ACCOUNTING AND FINANCIAL MANAGEMENT**

INITIATED OR REQUESTED BY:

Council Staff

Other

REPORT COORDINATED OR PREPARED BY:

Blake Johnson, General Manager

ATTACHMENT Yes No

Information

Direction

Action

OBJECTIVE

The objective of this report is to present sufficient information to the Reclamation District 900 (RD 900/District) Board of Trustees (Board) to execute a contract with Dustin N. Dumars, CPA for general accounting and financial management support.

RECOMMENDED ACTION

Staff respectfully recommends that the RD 900 Board:

1. Authorize the Board President to execute a contract with Dustin N. Dumars (Attachment 1) in the amount of \$30,000 in substantially as to the form attached.

BACKGROUND

The District relies on a variety of professional services to support overall District management and operations, especially for services that require special training or certifications. One of these services is accounting and financial management assistance.

Dustin N. Dumars has been providing accounting and financial management assistance for the District for the past several years. His services include General Ledger, Statement Reconciliation, Journal Entries, Accounting System and Transaction Tracking/Reporting, Internal Financial Reports, Project and Budget Assistance, and Profit/Loss Budget/Actual Reports.

ANALYSIS

Due to current capacity issues within the District, staff requested a proposal Dustin N. Dumars, CPA to continue to perform the services described above for the District for Fiscal Year (FY) 2022/23. Additionally, Mr. Dumars was an integral part of the development of the fund balances and O&M budgets that were adopted by the District in FY 2021/22. His expertise will be relied upon to ensure that all accounting practices and financial management and reporting conforms to the parameters as defined by the budgets.

Despite the increased complexity with the new District funds and increase in O&M budgets, Mr. Dumars proposed only a small increase cost for services from the previous fiscal year.

Alternatives

Staff recommends the Board approve the contract with Dustin N. Dumars as presented in the recommended actions. Alternatively, the Board may choose not to execute the contract and direct staff to return with additional proposals. Staff does not recommend these alternatives as Mr. Dumars is uniquely qualified to perform the services requested given the change in District fund and budgets.

Coordination and Review

This report was prepared in coordination with District staff and District Counsel.

Budget/Cost Impact

The cost of the services requested is included in the O&M budgets for 900 Drainage and 537 Drainage.

ATTACHMENT

1. Contract for Services – Dustin Dumars, CPA

CONTRACT FOR SERVICES

THIS CONTRACT is made on July 28, 2022, by and between RECLAMATION DISTRICT NO. 900 ("DISTRICT"), and Dustin N. Dumars, CPA ("Consultant").

WITNESSETH:

WHEREAS, the DISTRICT desires financial accounting services for FY 2022/2023; and

WHEREAS, the Consultant has presented a proposal for such services to the DISTRICT, dated July 18, 2022, (attached hereto as **Exhibit "A"**) and is duly licensed, qualified and experienced to perform those services;

NOW, THEREFORE, the parties hereto mutually agree as follows:

1. SCOPE OF SERVICES:

A. Consultant shall do all work, attend all meetings, produce all reports and carry out all activities necessary to completion of the services described in **Task 1 of Exhibit "A"**. This Contract and its exhibits shall be known as the "Contract Documents." Terms set forth in any Contract Document shall be deemed to be incorporated in all Contract Documents as if set forth in full therein. In the event of conflict between terms contained in these Contract Documents, the more specific term shall control. If any portion of the Contract Documents shall be in conflict with any other portion, provisions contained in the Contract shall govern over conflicting provisions contained in the exhibits to the Contract.

B. Consultant enters into this Contract as an independent contractor and not as an employee of the DISTRICT. The Consultant shall have no power or authority by this Contract to bind the DISTRICT in any respect. Nothing in this Contract shall be construed to be inconsistent with this relationship or status. All employees, agents, contractors or subcontractors hired or retained by the Consultant are employees, agents, contractors or subcontractors of the Consultant and not of the DISTRICT. The DISTRICT shall not be obligated in any way to pay any wage claims or other claims made against Consultant by any such employees, agents, contractors or subcontractors, or any other person resulting from performance of this Contract.

C. The Consultant agrees it has satisfied itself by its own investigation and research regarding the conditions affecting the work to be done and labor and materials needed, and that its decision to execute this Contract is based on such independent investigation and research.

2. TERM OF CONTRACT

A. The services of Consultant are to commence upon execution of this Contract by the DISTRICT, and shall be undertaken and completed by June 30, 2023.

B. Consultant's failure to complete work in accordance with Section 2A may result in delayed compensation as described in Section 3.

C. The DISTRICT General Manager or his or her designee may, by written instrument signed by the Parties, extend the duration of this Contract for a period equal to the original term of this Contract in the manner provided in Section 5, provided that the extension does not require

Contract for Services
Dustin N. Dumars, CPA
June 17, 2021
Page 2

the payment of compensation in excess of the maximum compensation set forth in Section 3, Compensation.

3. COMPENSATION:

A. The Consultant shall be paid monthly for the actual fees, costs and expenses for all time and materials required and expended, but in no event shall total compensation exceed thirty thousand (\$30,000), without the DISTRICT's prior written approval. Consultant's fees shall be as specified in their proposal, which is included in **Exhibit "A"**.

B. Said amount shall be paid upon submittal of a monthly billing. Consultant shall furnish the DISTRICT with invoices for all expenses as well as for all materials authorized by this Contract. The invoices shall be submitted with the monthly billings. If Consultant's performance is not in conformity with the Schedule of Performance, payments may be delayed or denied, unless the Consultant's failure to perform in conformity with the Schedule of Performance is a documented result of the DISTRICT's failure to conform with the Schedule of Performance, or if the Schedule of Performance is extended pursuant to Section 5.

C. If the work is halted at the request of the DISTRICT, compensation shall be based upon the proportion that the work performed bears to the total work required by this Contract, subject to Section 4.

4. TERMINATION:

A. This Contract may be terminated by the DISTRICT by giving not less than thirty (30) calendar days' written notice by email or by US mail of intent to terminate.

B. The DISTRICT may temporarily suspend this Contract, at no additional cost to the DISTRICT, provided that the Consultant is given written notice in accordance with Section 4A of temporary suspension. If the DISTRICT gives such notice of temporary suspension, Consultant shall immediately suspend its activities under this Contract.

C. Notwithstanding any provisions of this Contract, Consultant shall not be relieved of liability to the DISTRICT for damages sustained by the DISTRICT by virtue of any breach of this Contract by Consultant, and the DISTRICT may withhold any payments due to Consultant until such time as the exact amount of damages, if any, due the DISTRICT from Consultant is determined.

D. In the event of termination, and so long as Consultant is not in default of its obligations under the Contract, the Consultant shall be compensated as provided for in this Contract, except as provided in Section 4C. Upon termination, the DISTRICT shall be entitled to all work, including but not limited to, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date in accordance with Section 7 hereof.

5. AMENDMENTS, CHANGES OR MODIFICATIONS:

Amendments, changes or modifications in the terms of this Contract may be made at any time by mutual written agreement between the parties hereto and shall be signed by the persons authorized to bind the parties hereto.

Contract for Services
Dustin N. Dumars, CPA
June 17, 2021
Page 3

6. INTENTIONALLY OMITTED

7. PROPERTY OF THE DISTRICT:

A. It is mutually agreed that all materials prepared by the Consultant under this Contract shall become the property of the DISTRICT, and the Consultant shall have no property right therein whatsoever. Immediately upon termination, the DISTRICT shall be entitled to, and the Consultant shall deliver to the DISTRICT, all data, drawings, specifications, reports, estimates, summaries and other such materials as may have been prepared or accumulated to date by the Consultant in performing this Contract which is not Consultant's privileged information, as defined by law, or Consultant's personnel information, along with all other property belonging exclusively to the DISTRICT which is in the Consultant's possession.

B. Additionally, it is agreed that the parties intend this to be a contract for services and each considers the products and results of the services to be rendered by Consultant hereunder (the "Work") to be a work made for hire. Consultant acknowledges and agrees that the Work (and all rights therein, including, without limitation, copyright) belongs to and shall be the sole and exclusive property of the DISTRICT.

8. COMPLIANCE WITH ALL LAWS:

A. Consultant shall comply with all applicable laws, ordinances, and codes of federal, State and local governments, and shall commit no trespass on any public or private property in performing any of the work authorized by this Contract.

B. Consultant warrants to the DISTRICT that it is licensed by all applicable governmental bodies to perform this Contract and will remain so licensed throughout the progress of the Work, and that it has, and will have, throughout the progress of the Work, the necessary experience, skill and financial resources to enable it to perform this Contract.

9. WARRANTIES AND RESPONSIBILITIES - CONSULTANT:

A. Consultant agrees and represents that it is qualified to properly provide the services set forth in **Exhibit "A"** in a manner which is consistent with the generally accepted standards of Consultant's profession.

B. Consultant agrees and represents that the work performed under this Contract shall be in accordance with applicable federal, State and local law in accordance with Section 17A hereof.

10. SUBCONTRACTING:

None of the services covered by this Contract shall be subcontracted to any third party.

11. ASSIGNABILITY:

Consultant shall not assign or transfer any interest in this Contract whether by assignment or novation

Contract for Services
Dustin N. Dumars, CPA
June 17, 2021
Page 4

12. INTEREST IN CONTRACT:

Consultant covenants that neither it, nor any of its employees, agents, contractors, subcontractors has any interest, nor shall they acquire any interest, direct or indirect, in the subject of the Contract, nor any other interest which would conflict in any manner or degree with the performance of its services hereunder. Consultant shall make all disclosures required by the DISTRICT's conflict of interest code in accordance with the category designated by the DISTRICT, unless the DISTRICT General Manager determines in writing that Consultant's duties are more limited in scope than is warranted by the category designated by the DISTRICT code and that a narrower disclosure category should apply. Consultant also agrees to make disclosure in compliance with the DISTRICT conflict of interest code if, at any time after the execution of this Contract, the DISTRICT determines and notifies Consultant in writing that Consultant's duties under this Contract warrant greater disclosure by Consultant than was originally contemplated. Consultant shall make disclosures in the time, place and manner set forth in the conflict-of-interest code and as directed by the DISTRICT.

13. MATERIALS CONFIDENTIAL:

All of the materials prepared or assembled by Consultant pursuant to performance of this Contract are confidential and Consultant agrees that they shall not be made available to any individual or organization without the prior written approval of the DISTRICT, except by court order.

14. LIABILITY OF CONSULTANT-NEGLIGENCE:

Consultant shall be responsible for performing the work under this Contract in a manner which is consistent with the generally-accepted standards of the Consultant's profession and shall be liable for its own negligence and the negligent acts of its employees, agents, contractors and subcontractors. The DISTRICT shall have no right of control over the manner in which the work is to be done but only as to its outcome, and shall not be charged with the responsibility of preventing risk to Consultant or its employees, agents, contractors or subcontractors.

15. INDEMNITY AND LITIGATION COSTS:

Consultant shall indemnify, defend, and hold harmless the DISTRICT, its officers, officials, agents, and employees against all claims, damages, demands, liability, costs, losses and expenses, including without limitation court costs and reasonable attorneys' fees, arising from Consultant's negligent acts or negligent failure to act, errors, omissions or willful misconduct incident to the performance of this Contract except such loss or damage caused by the active negligence, sole negligence, or willful misconduct of the DISTRICT. The provisions of this paragraph shall survive termination or suspension of this Contract.

16. CONSULTANT TO PROVIDE INSURANCE:

A. Consultant shall not commence any work before obtaining, and shall maintain in force at all times during the duration and performance of this Contract, the policies of insurance specified in this Section. Such insurance must have the approval of the DISTRICT as to limit, form, and amount, and shall be placed with insurers with a current A.M. Best's rating of no less than A VII (an NR rating is acceptable for Worker's Compensation insurance written with the State Compensation Insurance Fund of California).

Contract for Services
Dustin N. Dumars, CPA
June 17, 2021
Page 5

B. Prior to execution of this Contract and prior to commencement of any work, the Consultant shall furnish the DISTRICT with certificates of insurance and copies of endorsements providing evidence of coverage for all policies required by the Contract. The Consultant and its contractors and subcontractors shall, at their expense, maintain in effect at all times during the performance of work under the Contract not less than the following coverage and limits of insurance, which shall be maintained with insurers and under forms of policy satisfactory to the DISTRICT. The maintenance by Consultant and its contractors and subcontractors of the following coverage and limits of insurance is a material element of this Contract. The failure of Consultant or of any of its contractors or subcontractors to maintain or renew coverage or to provide evidence of renewal may be treated by the DISTRICT as a material breach of this Contract. Approval of the insurance by the DISTRICT shall not relieve or decrease any liability of Consultant.

1. Commercial General Liability Insurance

a. The insurance shall be provided on form CG0001, or its equivalent, and shall include coverage for claims for bodily injury or property damage arising out of premises/operations, products/completed operations, contractual liability, and subconsultant's work and personal and advertising injury resulting from actions, failures to act, or operations of the insured, or by its employees or agents, or by anyone directly or indirectly employed by the insured. The amount of insurance coverage shall not be less than **\$500,000.00** per occurrence and **\$1,000,000** general and products/completed operations aggregates.

b. The commercial general liability insurance shall also include the following:

i. Endorsement equivalent to CG 2010 0714 naming the DISTRICT, its officers, officials, employees, agents, and volunteers as additional insureds. The endorsement shall contain no special limitations on the scope of protection afforded to the DISTRICT, its officers, officials, employees or volunteers.

ii. Endorsement stating insurance provided to the DISTRICT shall be primary as respects the DISTRICT, its officers, officials, employees and any insurance or self insurance maintained by the DISTRICT, its officers, officials, employees or volunteers shall be in excess of the Consultant's insurance and shall not contribute with it, to the payment or satisfaction of any defense expenses, loss, or judgment.

iii. Provision or endorsement stating that the Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Contract for Services
Dustin N. Dumars, CPA
June 17, 2021
Page 6

3. Professional Liability. The Consultant and its contractors and subcontractors shall secure and maintain in full force, during the term of this Contract and for five years thereafter, professional liability insurance policies appropriate to the respective professions and the work to be performed as specified in this Contract. The limits of such professional liability insurance coverage shall not be less than **\$500,000** per claim.

C. In addition to any other remedy the DISTRICT may have, if Consultant fails to maintain the insurance coverage as required in this Section, the DISTRICT may obtain such insurance coverage as is not being maintained, in form and amount substantially the same as is required herein, and the DISTRICT may deduct the cost of such insurance from any amounts due or which may become due Consultant under this Contract.

D. No policy required by this Contract shall be suspended, cancelled, terminated by either party, or reduced in coverage or in limits unless Consultant has provided thirty (30) days prior written notice by certified mail, return receipt requested, to the DISTRICT.

E. Any deductibles or self-insured retentions in excess of \$10,000 must be declared to the DISTRICT and are subject to the consent and approval of the DISTRICT, which shall not be unreasonably withheld.

17. MISCELLANEOUS PROVISIONS:

A. Consultant shall keep itself fully informed of, shall observe and comply with, and shall cause any and all persons, firms or corporations employed by it or under its control to observe and comply with, applicable federal, state, county and municipal laws, ordinances, regulations, orders and decrees which in any manner affect those engaged or employed on the work described by this Contract or the materials used or which in any way affect the conduct of the work.

B. Consultant shall not engage in unlawful employment discrimination. Such unlawful employment discrimination includes, but is not limited to, employment discrimination based upon a person's race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, gender, citizenship, or sexual orientation.

C. Consultant shall maintain and make available for inspection by the DISTRICT and its auditors accurate records of all of its costs, disbursements and receipts with respect to any work under this Contract. Such inspections may be made during regular office hours at any time until six (6) months after the final payments under this Contract are made to the Consultant.

D. This Contract constitutes the entire agreement between the parties relative to the services specified herein and no modification hereof shall be effective unless and until such modification is evidenced by a writing signed by both parties to this Contract. There are no understandings, agreements, conditions, representations, warranties or promises, with respect to this Contract, except those contained in or referred to in the writing.

E. All notices that are required to be given by one party to the other under this Contract shall be in writing and shall be deemed to have been given if delivered personally or enclosed in a properly addressed envelope and deposited in a United States Post Office for delivery by registered or certified mail addressed to the parties at the following addresses:

Contract for Services
Dustin N. Dumars, CPA
June 17, 2021
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the DISTRICT:	Blake Johnson PO Box 673 889 Drever Street West Sacramento, CA 95691 BJohnson@rd900.org 916-371-1483
Consultant:	Dustin N. Dumars

F. This Contract shall be interpreted and governed by the laws of the State of California.

[Signatures on following page]

RECLAMATION DISTRICT NO. 900

By: _____
Martha Guerrero, RD 900 President

ATTEST:

By: _____
Blake Johnson, RD 900 General Manager

APPROVED AS TO FORM:

By: _____
Ralph R. Nevis, RD 900 Attorney

CONSULTANT

By: _____
Title:

EXHIBIT A

Consultant Proposal/Scope of Work

Task 1



2950 Beacon Blvd. #70
West Sacramento, CA 95691

July 18, 2022

Blake Johnson
Reclamation District 900
889 Drever Street
West Sacramento, CA 95691

Dear Blake:

The following is a list of services available from Dustin N. Dumars, CPA for Reclamation District 900. We hope to better meet your expectations of service from our firm by clearly identifying the particular services to be provided and their frequency. Our services will begin July 1, 2022 and end June 30, 2023.

You are responsible for assuming all management responsibilities, and for overseeing any bookkeeping services, or other services we provide by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience. In addition, you are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for the results of such services.

None of the services can be relied on to disclose errors, fraud, or illegal acts. However, we will inform you of any material errors and of any evidence or information that comes to our attention during the performance of our services, that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our services procedures regarding illegal acts that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement.

We have marked the frequency of the services that we expect to provide. Please review the information below and make any changes necessary.

	Monthly	Quarterly	Annually
Bookkeeping Services			
Record journals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Post general ledger	x	<input type="checkbox"/>	<input type="checkbox"/>
Post other ledgers (specify) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reconcile bank statements	x	<input type="checkbox"/>	<input type="checkbox"/>
Post earnings records	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Prepare payroll tax returns	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Prepare W-2s	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other bookkeeping services (specify)			
Assist with adjusting entries and provide analysis	x	<input type="checkbox"/>	<input type="checkbox"/>
Assist with accounting system and transaction tracking	x	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Financial Statements

Compiled Financial Statements

Balance Sheet	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Profit and loss	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Statement of cash flows	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Supplementary information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Reviewed Financial Statements

Balance sheet	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Statement of income and retained earnings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Statement of cash flows	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Supplementary information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Special statements (specify)

Internal financial reports	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Assist with projects and budgeting	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Profit and Loss Actual vs. Budget	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tax Services

Federal income tax return	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
State income tax return	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
State franchise report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other state returns (specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tax planning or consultations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Other tax services (specify)

Other Services (specify)

Help with yearly audit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Our fees for the listed services to be provided will not exceed \$30,000 per year. If significant additional time becomes necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional cost. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

Dustin N. Dumars, CPA

Acknowledged:
Reclamation District 900

Date