

GENERAL MANAGER'S REPORT TO THE BOARD OF DIRECTORS

AUGUST 21, 2024

First off, I want to thank the Board and the staff for their patience with my health issues of the last several months and I want to apologize for missing the Board Meeting on July 17th. I had surgery on my eyes the week before and my vision was still impaired at that time. I had not anticipated this back in November when we hired Mark Matulich and I had authorized his family reunion trip. I've listened to the audio recording and, of course, was involved in the preparation of the meeting materials, so I am caught up on the issues and we will make sure that no gap in staff management representation at Board Meetings occurs in the future.

DEVELOPING DISTRICT STAFF

Departures and Arrivals

Director of Ops Recruitment – Final Filing Date was extended to August 19th following some changes requested by the Board to the education requirements. First Round Interviews are scheduled for September 9th and we hope to have a candidate in place by October 1st.

Other staff changes: Phil Sergent was hired to be our newest Plant Operator. Mr. Sergent fills the spot vacated by Mr. Foeldi in May. Mr. Sergent comes to us from the City of Colfax and received strong recommendations from his former employers.

Ron Whitaker was hired to be our newest Utility Operator. Mr. Whitaker fills the spot vacated by Mr. McClure in June. Mr. Whitaker comes to us from Elk Grove Plumbing and received solid recommendations from his former employers.

An offer of employment for the newly budgeted patrol officer was made in July and then rescinded after the individual failed to show up.

Supervising Sergeant Mel Outram gave notice of his resignation from the District on August 9th. Sargent Outram was with the District for two years and we are grateful for his contributions to the District and the community.

We had a 10-Year Longevity Bonus awarded to Ron Greenfield, Utility Supervisor, earlier in this meeting and are very grateful for his ongoing commitment to providing services to the community. His knowledge and abilities are respected and appreciated by everyone who interacts with him, and we are lucky to have him with us.

We're also lucky to have our new IT Manager who started just as all my eye issues began in April, so he has not been formally introduced to the Board yet. Please welcome Andy Lee who worked in Information Technology at California State University Sacramento for over twenty years. Mr. Lee is well-equipped to address the District's IT issues.

The District's IT system has been much like the District's financial system over the last decade – a bit of a patchwork quilt of short-term fixes that have led to reliability issues. Mr. Lee has been establishing more reliable approaches to our information system-- reducing and eliminating many of the frustrating and recurring server crashes that have disabled both gate functionality and office work. These have included proper physical set up of devices, installation of software patches, replacement of Uninterruptible Power Supplies (UPS) or their batteries (at the gates, headquarters, and the Water Treatment Plant), and more.

He has also been working to establish our ability to streamline data intake by patrol officers by establishing remote capture of information into a central repository, a key approach that will prevent both the duplication of effort and extensive editing involved in the Security Logs.

Mr. Lee has also handled many fixes that are very back of house and under-appreciated but critical to our information security. These include networking and security issues, Virtual Private Network (VPN) hardware repairs and user connectivity issues. He is preparing a comprehensive report documenting the IT environment and making recommendations. Due to the outsourced nature of the District's Information Technology approach, there is no documentation on key elements like network or system mapping that would help to institutionalize the District's information technology system. Much like process and procedural documents in the accounting world, these documents help to ensure stable transitions of staff for organizations. We are grateful for Mr. Lee's contributions and look forward to more advancements in the future.

ENSURING WATER QUALITY AND ACCESS

Staff put together some internal staff and board briefings last week to deepen understanding of the IWMP model that is so critical to ensuring the resiliency of the community's water system. The IWMP Consultants are working on the final draft report, which is a detailed document that includes their methodology and calculations. The Board will likely receive that in the next week or two and then enter a technical review assessment before making any formal decisions regarding the report and its recommendations.

KEEPING THE ENTIRE RANCHO MURIETA COMMUNITY SAFE

The reinstatement of **security logs** is underway and I've attached a sample report of the proposed format which will not require extensive re-entry and editing. We are finalizing the training of staff on the new approach and hope to have them fully integrated by the end of September.

The County of Sacramento **Sheriff's Service Center** held a very well-attended Grand Opening of the VIPS program at Rancho Murieta on July 31st. About 40 individuals from the community, the CSD, and the Sheriff's Office were in attendance. VIPs are Volunteers in Partnership with the Sheriff. These" volunteers help citizens with neighborhood and **law enforcement related** issues and questions, crime reports, fingerprinting, safety fairs."

District staff met with RMA Staff last week to discuss further the Security needs behind the gates. District staff have also been working on a plan to revamp the security program at the District and hope to share those ideas in the coming months. An interim staffing plan is being put together to address the unexpected resignation of the Supervising Sergeant.

STRENGTHENING FINANCIAL POSITION

GRANTS – There are many state and federal grants available for water districts to upgrade their water systems and their electrical infrastructure/transition to self-generated power/electric vehicles and we need to start applying for them. I met with an RWA representative yesterday regarding a federal grant program that would cover 50% of the cost of an upgrade to our overall meter infrastructure and would have the potential to reduce the current water loss from system leakages. These leaks – called NonRevenue Water) were 200 acre feet (AF) per year in 2022. That is a 12% loss rate and one that hurts the resiliency of the community's water supply). There is not currently spare staff capacity to tackle grants, but I'm looking into the idea of a grant consultant who could identify and prepare grants for us to assist in this regard.

CONTRACTS - Board Secretary Amelia Wilder shared the attached report of current contracts with the Communications Committee earlier this month and will post updates to the report to the District website each quarter as a way of providing transparency regarding use of District financial resources.

NEW FY: The 24-25 Fiscal Year started July 1st. Quarterly Finance Committee Meetings will resume in October with FY results allowing staff to focus on finalizing the outstanding audits.

AUDITS

Staff is working on the audits for **21-22 and 22-23** and has taken all the financial history (revenues and expenditures) and is rebuilding the journal entries because the 20-21 audit experience revealed that prior staff was not coding journal entries to the correct enterprise funds and often had duplicate entries because of the faulty approaches to posting revenues and expenses.

There were older systems no longer in use that were in play in 21-22 so that has required gaining an understanding of how these systems work (e.g. Utility Star and Paymentus). The knowledge gained in these efforts will help with the 22-23 audit, but the work of learning how should and did work is a major undertaking. However, taking the proper time and care to get it right will lay the foundation for reliable and accurate financial reporting going forward.

FY 21-22 is also taking a bit longer due to competing Finance and Administration priorities (cleaning up issues with the meters and billings, establishing day-to-day accounting procedures, working on developer issues including uncollected connection and security impact fees and reconciling developer deposits, tackling neglected operations issues like ensuring allowable and full use of grant funding before their expiration (SB 1383 -organic waste \$\$ and SB 170 (Budget Act of 2021 \$\$ for Granlees Dam upgrades and chlorine conversions), and handling Security Unit issues).

OVERALL WORKLOAD

I just want to take a moment to commend both Mark and Travis for helping the District through our current vacancies and juggle the extra workload created by those vacancies. Both individuals have really demonstrated their commitment and dedication to the organization in working to get the job done. Travis and his team show up and get the job done. Both Mark and Travis are seemingly always working. When I email over the weekend, I get quick responses even though I don't expect it. There is a very strong sense of what needs to be done to protect and rebuild the organizational systems and we are fortunate to have their support at the District.

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Rancho Murieta Community Services District

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Public RMCS D Security Log July 2024

INCIDENT ID#, DATE, & TIME	INCIDENT NAME, LOCATION, & REPORT AUTHOR	BRIEF INCIDENT DESCRIPTION
24-07-0057 7/4/24 8:20 PM	GOLF CART ACCIDENT NORTH MURIETA PARKWAY & DOMINGO Warlito Gabriel	Golf Cart overturned at 8:20 PM on July 4th. Driver and passengers stated that the golf cart malfunctioned and swerved and tipped over on its side. Four passengers were ejected and injured. Fire Dept emergency vehicles responded
24-07-0174 7/17/24 8:00 AM	RESIDENT COMPLAINT/FOLLOW UP NEBLINA COURT Warlito Gabriel	Two disputing neighbors got into a loud verbal dispute regarding cutting a branch of a tree that extended over the fence into the neighbor's yard. RMA had authorized the trim. The neighbors have a history of disagreements.
24-07-0221 7/23/24 2:00 AM	VANDALISM VERONA DRIVE Warlito Gabriel	Three male juveniles slashed three of four tires and smashed the back window of the car. The vandalism was caught on Ring video and shared over social media. The homeowner contacted the sheriff to report the vandalism. The identity is suspected due to subsequent threatening text messages.
24-07-0233 7/24/24 2:00 AM	Vandalism DE LA CRUZ DRIVE Warlito Gabriel	Three of four tires were slashed on a car parked at the homeowner's address. No known suspects. No video footage
24-07-0250 7/27/24 3:00 AM	SHOPLIFTING TRACTOR SUPPLY Warlito Gabriel	Suspected shoplifting at Tractor Supply. Unclear what was stolen. CSD Patrol Officer informed the suspect that she was not welcome to shop in the store again. Suspect was shocked but agreed to stay away from the store.

Report of District Contracts

Contract #	Vendor Name	Start/End Date: Timeline	Any amendments?	Amount
2024.006	RWG	6/3/24 Ongoing	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget
Services			<input type="radio"/> Standard Agreement <input checked="" type="radio"/> Master Services	Augmentations
Legal Services	CIP Project Number none			Total Budget 0
2024.005	AT&T	4/9/24 2 years	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget
Services			<input type="radio"/> Standard Agreement <input checked="" type="radio"/> Master Services	Augmentations
Land Line Phone Service	CIP Project Number none	4/8/26		Total Budget 0
2024.004	California Public Employees' Retirement	5/15/24 Ongoing	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget
Services			<input type="radio"/> Standard Agreement <input checked="" type="radio"/> Master Services	Augmentations
OPEB	CIP Project Number none			Total Budget 0
2024.003	NMI Holdings, Inc.	5/3/24 Until Complete	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget 486,500
Services			<input checked="" type="radio"/> Standard Agreement <input type="radio"/> Master Services	Augmentations
Granlees Safety Rehab	CIP Project Number 23-04-01			Total Budget 486,500
2024.002	OnSolve - CodeRed	4/9/24	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget 2,366
Services			<input checked="" type="radio"/> Standard Agreement <input type="radio"/> Master Services	Augmentations
Emergency Notification Svstem	CIP Project Number none	4/8/25		Total Budget 2,366
2023.013	Adkins Engineering and Survevina. Inc.	1/19/23 open	<input type="radio"/> Yes <input checked="" type="radio"/> No	Initial Budget 0
Services			<input type="radio"/> Standard Agreement <input type="radio"/> Master Services	Augmentations
General Services	CIP Project Number			Total Budget 0
2023.012	TNT Industrial Contractors	1/19/23 Ongoing	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget
Services			<input type="radio"/> Standard Agreement <input checked="" type="radio"/> Master Services	Augmentations
Industrial Contractors. MSA	CIP Project Number none			Total Budget 0
2023.011	Sacramento County Elections Department	8/28/23 Until Complete	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget 1,000
Services			<input checked="" type="radio"/> Standard Agreement <input type="radio"/> Master Services	Augmentations
11/5/2024 Polling Facility	CIP Project Number none	11/8/24		Total Budget 1,000
2023.010	Stratus	10/3/23 1 Year	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget 17,217
Services			<input checked="" type="radio"/> Standard Agreement <input type="radio"/> Master Services	Augmentations
FOG & IDDE Reporting	CIP Project Number none	10/3/24		Total Budget 17,217

2023.009	Liebert Cassidy Whitmore (LCW)	9/13/23	Ongoing	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget	
Services			Contract Type	<input type="radio"/> Standard Agreement <input checked="" type="radio"/> Master Services	Augmentations	
Legal Services	CIP Project Number none				Total Budget	0
2023.008	Condor	9/11/23	Until Complete	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget	6,600
Services			Contract Type	<input checked="" type="radio"/> Standard Agreement <input type="radio"/> Master Services	Augmentations	
Process Hazard Analysis	CIP Project Number none				Total Budget	6,600
2023.007	Lumos & Associates	8/28/23	Until Complete	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget	159,437
Services			Contract Type	<input checked="" type="radio"/> Standard Agreement <input type="radio"/> Master Services	Augmentations	
CIP Planning & 5 Year Rate Study	CIP Project Number 24-200-01 &				Total Budget	159,437
2023.005	Economic and Business Plannina Svstems	8/10/23	Ongoing	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget	10,000
Services			Contract Type	<input type="radio"/> Standard Agreement <input checked="" type="radio"/> Master Services	Augmentations	
670 FSA Advisor	CIP Project Number none				Total Budget	10,000
2023.004	Crime Alert Security	8/10/23	Ongoing	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget	40
Services			Contract Type	<input checked="" type="radio"/> Standard Agreement <input type="radio"/> Master Services	Augmentations	
Keyless entry at District Office	CIP Project Number none				Total Budget	40
2023.002	Solitude Lake Managemnt	1/19/23	Ongoing	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget	23,400
Services		?	Contract Type	<input checked="" type="radio"/> Standard Agreement <input type="radio"/> Master Services	Augmentations	
Bi-Monthly Water Testina	CIP Project Number none				Total Budget	23,400
2023.001	Solitude Lake Managemnt	1/19/23	Ongoing	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget	27,300
Services			Contract Type	<input checked="" type="radio"/> Standard Agreement <input type="radio"/> Master Services	Augmentations	
Monthly Maintenance to	CIP Project Number none				Total Budget	27,300
2022.010	California Waste Managemnt Services	11/17/22	10 years	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget	
Services		1/1/33	Contract Type	<input type="radio"/> Standard Agreement <input checked="" type="radio"/> Master Services	Augmentations	
Waste Hauler	CIP Project Number none				Total Budget	0
2022.009	Tyler Technologies	1/17/22		<input checked="" type="radio"/> Yes <input type="radio"/> No	Initial Budget	176,852
Services			Contract Type	<input type="radio"/> Standard Agreement <input type="radio"/> Master Services	Augmentations	
Financial Software & Svcs	CIP Project Number				Total Budget	176,852
2022.008	Ring Central	2/18/22	Ongoing	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget	8,853
Services			Contract Type	<input checked="" type="radio"/> Standard Agreement <input type="radio"/> Master Services	Augmentations	
VOIP Phone Service	CIP Project Number none				Total Budget	8,853

2022.007	Adkins		12/22/22	Ongoing	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget	295,000
Services				Contract Type	<input checked="" type="radio"/> Standard Agreement <input type="radio"/> Master Services	Augmentations	113,368
IWMP	CIP Project Number	24-200-02				Total Budget	408,368
2022.006	Dewberry		10/7/22	Until Complete	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget	214,668
Services				Contract Type	<input checked="" type="radio"/> Standard Agreement <input type="radio"/> Master Services	Augmentations	
WWTP Sodium Hypochlorite Design	CIP Project Number	23-14-02				Total Budget	214,668
2022.005	Luxury Cleaning Services		6/2/22	Ongoing	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget	
Services				Contract Type	<input type="radio"/> Standard Agreement <input checked="" type="radio"/> Master Services	Augmentations	
Facilities Cleaning	CIP Project Number	none				Total Budget	0
2022.002	HDR		4/13/22	Until Complete	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget	238,310
Services				Contract Type	<input checked="" type="radio"/> Standard Agreement <input type="radio"/> Master Services	Augmentations	24,866
Design for WTP Sodium Hypochlorite	CIP Project Number	21-02-01				Total Budget	263,176
2022.001	Del Rio Advisors		2/2/22	Ongoing	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget	
Services				Contract Type	<input type="radio"/> Standard Agreement <input checked="" type="radio"/> Master Services	Augmentations	
Bond Advisors	CIP Project Number	none				Total Budget	0
2021.002	CalCad		8/23/21	Ongoing	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget	19,595
Services				Contract Type	<input checked="" type="radio"/> Standard Agreement <input type="radio"/> Master Services	Augmentations	41,458
GIS 2021	CIP Project Number	none				Total Budget	61,053
2021.001	Dominichelli & Assoc		3/19/21		<input type="radio"/> Yes <input type="radio"/> No	Initial Budget	
Services			3/19/24	Contract Type	<input type="radio"/> Standard Agreement <input checked="" type="radio"/> Master Services	Augmentations	
Engineering & Const Insp	CIP Project Number	none				Total Budget	0
2020.002	Richardson & Company		9/20/20	5 Years	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget	26,350
Services			9/20/25	Contract Type	<input type="radio"/> Standard Agreement <input checked="" type="radio"/> Master Services	Augmentations	
Auditing Services	CIP Project Number	none				Total Budget	26,350
2020.001	Pitney-Bowes		6/24/20	5 Years	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget	483
Services			6/24/25	Contract Type	<input checked="" type="radio"/> Standard Agreement <input type="radio"/> Master Services	Augmentations	
Stamp Machine	CIP Project Number	none				Total Budget	483
2018.001	Clark Pest Control		11/11/18	6 years	<input type="radio"/> Yes <input type="radio"/> No	Initial Budget	
Services			11/10/24	Contract Type	<input type="radio"/> Standard Agreement <input checked="" type="radio"/> Master Services	Augmentations	
Pest Control	CIP Project Number	none				Total Budget	0

