



RANCHO MURIETA COMMUNITY SERVICES DISTRICT REGULAR BOARD MEETING

January 16, 2019

Call to Order / Open Session 5:00 p.m.

1. CALL TO ORDER/ROLL CALL

President Les Clark called the Regular Board Meeting of the Board of Directors of Rancho Murieta Community Services District to order at 5:00 p.m. in the District meeting room, 15160 Jackson Road, Rancho Murieta. Directors present were Les Clark, Randy Jenco, Linda Butler, Tim Maybee, and John Merchant. Also, present were Mark Martin, General Manager; Jeff Werblun, Security Chief; Paul Siebensohn, Director of Field Operations; Tom Hennig, Director of Administration; Suzanne Lindenfeld, District Secretary; and Richard Shanahan, District General Counsel.

2. CONSIDER ADOPTION OF AGENDA

Motion/Butler to adopt the agenda. Second/Merchant. Ayes: Clark, Jenco, Butler, Maybee, Merchant. Noes: None. Absent: None. Abstain: None.

3. CONSENT CALENDAR

Motion/Jenco to adopt the consent calendar. Second/Butler. Roll Call Vote: Ayes: Clark, Jenco, Butler, Maybee, Merchant. Noes: None. Absent: None. Abstain: None.

President Clark reported that the Board had received an email from a resident that he will be forwarding to staff.

4. STAFF REPORTS

Under Agenda Item 4a, Mark Martin, General Manager, commented on the upcoming Joint Security Committee meeting scheduled for February 28, 2019 and the District meeting with Rancho Murieta Association (RMA) next week regarding the holiday issues at the gates. Staff will be receiving a demonstration from our current software vendor regarding updates to the program. Mr. Martin also gave a brief overview of the key topics from General Legislative updates.

Under Agenda Item 4b, Director Maybee requested that the FTE requirements be included in the financial reports.

Director Merchant commented on the District conducting a more detailed reserve study, what each reserve fund provides, depreciation, and a rate analysis.

5. CONSIDER CONFERENCE/EDUCATION OPPORTUNITIES

Mark Martin, General Manager and Tom Hennig, Director of Administration, will be attending a Prop 218 training through California Special District Association (CSDA).

6. EMPLOYEE ANNOUNCEMENTS, PROMOTIONS, COMMENDATIONS, AND KUDOS

Tom Hennig, Director of Administration reported that the District has a new Office Assistant, Maimie Chyinsky.

President Clark commented on the efforts by the General Manager and Director of Administration for all their hard work recently regarding improving District operations.

7. REVIEW FEBRUARY 2019 BOARD/COMMITTEE MEETING DATES/TIMES

No discussion.

8. CORRESPONDENCE

President Clark reiterated that he will be forwarding the email from a resident that the Board received.

9. COMMENTS FROM THE PUBLIC

A resident suggested that the Board ask for public comment after each agenda item.

David Mistetti commented on his concern regarding an unauthorized person in the gate and the Security Department's practices regarding allowing guests access to the community. Chief Werblun stated that he has addressed the issue with the Officer and has added additional instructions to Mr. Mistetti's account. Chief Werblun is looking into changing the practice of realtors being allowed to call in guests to residences. Director Maybe suggested this be discussed at the District and RMA meeting next week. President Clark requested it also be discussed at the Joint Security Committee meeting.

10. RECEIVE AND FILE THE 2017-2018 ANNUAL RANCHO MURIETA COMMUNITY SERVICES DISTRICT AUDIT REPORT AND THE COMMUNITY FACILITIES DISTRICT #2014-1 AUDIT REPORT

Larry Bain, CPA, gave a brief summary of the 2017-2018 audit reports. They were clean reports. A question and answer period followed.

11. CONSIDER ADOPTION OF RESOLUTION R2019-01 AMENDING CONFLICT OF INTEREST CODE, APPENDIX B – DESIGNATED POSITIONS AND DISCLOSURE CATEGORIES

Mark Martin, General Manager, gave a brief summary of the recommendation to adopt Resolution R2019-01 amending the District's designated positions of the Conflict of Interest Code.

Motion/Clark to adopt Resolution R2019-01, a resolution amending the District Code Chapter 3, Conflict of Interest Code Appendix B – Designated Positions and Disclosure Categories. **Second/Merchant. Roll Call Vote: Ayes: Clark, Jenco, Butler, Maybee, Merchant. Noes: None. Absent: None. Abstain: None.**

12. CONSIDER APPROVAL OF FACILITIES EXTENSION AND FEE REIMBURSEMENT AGREEMENT WITH DEVELOPER FOR HIGHWAY 16 BORE AND INSTALLATION OF BORE CASING FOR FUTURE TWELVE INCH RECYCLED WATER LINE

Mark Martin, General Manager, gave an overview of the recommendation to approve a Facilities Extension & Reimbursement Agreement with Developer for the Highway 16 bore and bore casing for future installation of a twelve-inch recycled water line one of four components of the Northwest Recycled Water Transmission Main (CIP 17-5-05) and authorize the General Manager to sign the Caltrans Encroachment Permit for the project.

John Sullivan requested the Encroachment Permit date be updated. The Board agreed.

Motion/Clark approve a Facilities Extension & Reimbursement Agreement with Developer in an amount not to exceed \$299,377 for the Highway 16 bore and bore casing for future installation of a twelve inch (12") recycled water line one of four components of the Northwest Recycled Water Transmission Main (CIP 17-5-05); and authorize the General Manager to sign the Caltrans Encroachment Permit for the project. Funding is to come from the Water Supply Augmentation Reserves. **Second/Jenco. Roll Call Vote: Ayes: Clark, Jenco, Butler, Maybee, Merchant. Noes: None. Absent: None. Abstain: None.**

13. CONSIDER APPROVAL OF SHARED COSTS WITH DEVELOPER FOR FORCE MAIN BREAK AT CANTOVA LIFT STATION AND REQUESTED RELOCATION OF LINE

Mark Martin, General Manager, gave a brief summary of the recommendation to approve the General Manager to commit the District to share one-half of the costs for emergency/interim repair of the sewer force main adjacent to the Cantova lift station and approve the General Manager to commit the District to share one-half of the costs for relocation of the sewer force main adjacent to the Cantova Lift Station.

Motion/Clark to approve the General Manager to commit the District to share one-half of the costs for emergency/interim repair of the sewer force main adjacent to the Cantova lift station. Estimates are a total cost of \$21,279.87 for the emergency and interim repairs by the District and Developer's contractor, including a 15% contingency for the contractor portion, of which the District would commit a maximum of one-half or \$10,639.94. Funding to come from Sewer Replacement Reserves after detailed report of the costs is provided to the District.

Approve the General Manager to commit the District to share one-half of the costs for relocation of the sewer force main adjacent to the Cantova Lift Station. Estimates are a total cost of is \$80,615.00 for the relocation, including a 15% contingency, of which the District would commit a maximum of one-half or \$40,307.50 after detailed report of the costs is provided to the District. Funding to come from Sewer Replacement Reserves.
Second/Jenco. Roll Call Vote: Ayes: Clark, Jenco, Butler, Maybee, Merchant. Noes: None. Absent: None. Abstain: None.

14. CONSIDER APPROVAL OF PROPOSAL FROM CISCO-INGERSOLL RAND FOR WASTEWATER RECLAMATION PLANT COMPRESSOR REPLACEMENT

Paul Siebensohn, Director of Field Operations, gave a brief summary of the recommendation to approve the proposal from Cisco-Ingersoll Rand for the wastewater reclamation plant compressor replacement.

Motion/Merchant to approve proposal from Cisco – Ingersoll Rand for replacement air compressors for the wastewater reclamation plant, in an amount not to exceed \$24,476 which includes a 15% contingency. Funding to come from Sewer Replacement Reserves. Second/Clark. Roll Call Vote: Ayes: Clark, Jenco, Butler, Maybee, Merchant. Noes: None. Absent: None. Abstain: None.

15. CONSIDER APPROVAL OF PROPOSAL FROM NJM FOR WEST DAF SATURATION TANK REPLACEMENT

Paul Siebensohn, Director of Field Operations, gave a brief summary of the recommendation to approve the proposal from NJM for the wastewater reclamation plant west DAF saturation tank replacement.

Motion/Clark to approve proposal from NJM, in an amount not to exceed \$33,415.55 for the wastewater reclamation plant west DAF saturation tank replacement. This amount includes a 15% contingency. Funding is to come from Sewer Replacement Reserves. Second/Jenco. Roll Call Vote: Ayes: Clark, Jenco, Butler, Maybee, Merchant. Noes: None. Absent: None. Abstain: None.

16. REVIEW OUTLINE OF PROCESS FOR RENEWING THE DISTRICT'S WATER RIGHTS

Richard Shanahan, District General Counsel, gave an outline of the process for the District to renew their water rights. The District needs to hire an attorney and an engineer familiar with the renewing of water rights process. An evaluation of the current use and future use should be conducted. An EIR will need to be done but could possibly be piggy-backed on to a current one from the County. Then the actual petition to extend the water rights needs to be filed. The parameters of the request need to be defined. This undertaking will be costly and needs to be considered in creating the next budget.

17. DISCUSS RELEASING A REQUEST FOR QUALIFICATIONS FOR AUDITOR SERVICES

Tom Hennig, Director of Administration, gave a brief summary of the request to release a request for qualifications for audit services. President Clark suggested the costs include those of staff to assist with the audit. By consensus, the Board approved the release of a request for qualifications for audit services.

18. RECEIVE FINANCIAL RESERVES UPDATE

Mark Martin, General Manager, gave an update on staff's assessment of the current available reserve information and recommendations to develop a more detailed and transparent financial reserve report. A professional estimator will be required to help with evaluating the value, depreciation, and cost to replace items. This assessment will take some time to complete.

President Clark explained the difference between a Capital Improvement Project (CIP) and a Capital Replacement Project (CRP). The CIP is a new improvement and CRP is replacement of assets.

19. DIRECTOR COMMENTS

Director Merchant stated that he feels the District is on the right track in finding out the District's future financial picture, he was appointed by Supervisor Sue Frost for another 2 years on CPAC.

Director Jenco asked that the Board consider having non-Board members on committees. President Clark agreed.

Director Butler asked about the District's financial responsibility for future development infrastructure. President Clark stated that it is addressed in the agreements between the District and the developer.

President Clark stated that the Board Goal Workshop is scheduled for Monday, January 21, 2019 and stated that the goals should not be detailed and suggested there be no more than 10, with 5 that can be completed within a year; reminded that the Joint Security Committee meeting is scheduled for February 28, 20 19 at the District office; again thanked staff for all their efforts in improving staff efficiencies which has decreased the workload; and would like the District's role in Parks be defined.

20. ADJOURNMENT

Motion/Jenco to adjourn at 7:59 p.m. Second/Clark. Ayes: Clark, Jenco, Butler, Maybee, Merchant Noes: None. Absent: None. Abstain: None.

Respectfully submitted,



Suzanne Lindenfeld
District Secretary