



RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Board of Directors Regular Meeting

MINUTES

February 18, 2015

4:00 p.m. Closed Session - 5:00 p.m. Open Session

1. CALL TO ORDER/ROLL CALL

President Gerald Pasek called the regular meeting of the Board of Directors of Rancho Murieta Community Services District to order at 4:00 p.m. in the District meeting room, 15160 Jackson Road, Rancho Murieta. Directors present were Gerald Pasek, Betty Ferraro, Paul Gumbinger, Michael Martel, and Mark Pecotich. Also present were Darlene J. Gillum, General Manager; Greg Remson, Security Chief; Paul Siebensohn, Director of Field Operations; Suzanne Lindenfeld, District Secretary; and Richard Shanahan, General Counsel.

2. ADOPT AGENDA

Motion/Gumbinger to adopt the agenda. **Second/Ferraro**. **Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

3. SPECIAL ANNOUNCEMENTS AND ACTIVITIES

None.

4. BOARD ADJOURNED TO CLOSED SESSION AT 4:01 P.M. TO DISCUSS THE FOLLOWING ITEMS:

Under Government Code 54957.6: Conference with designated Labor Negotiator, Darlene Gillum, Regarding Negotiations with the International Union of Operating Engineers, Local 3, AFL-CIO.

Under Government Code 54956.9(d)(1) Conference with Legal Counsel - Existing Litigation - Papas v. Rancho Murieta Community Services District, Rancho Murieta Association, Sacramento Superior Court Case Number: 34-2014-00170251.

Under Government Code 54956.9(d)(2) Conference with Legal Counsel - Existing Litigation - , Significant exposure to litigation involving an indemnity claim filed by Rancho Murieta Association relating to the Papas v. Rancho Murieta Community Services District Litigation.

5. BOARD RECONVENED TO OPEN SESSION AT 5:02 P.M. AND REPORTED THE FOLLOWING:

Under Government Code 54957.6: Conference with designated Labor Negotiator, Darlene Gillum, Regarding Negotiations with the International Union of Operating Engineers, Local 3, AFL-CIO. **Nothing to report.**

*Under Government Code 54956.9(d)(1) Conference with Legal Counsel - Existing Litigation - Papas v. Rancho Murieta Community Services District, Rancho Murieta Association, Sacramento Superior Court Case Number: 34-2014-00170251. **Nothing to report.***

Under Government Code 54956.9(d)(2) Conference with Legal Counsel - Existing Litigation -, Significant exposure to litigation involving an indemnity claim filed by Rancho Murieta Association relating to the Papas v. Rancho Murieta Community Services District Litigation. **Nothing to report.**

6. COMMENTS FROM THE PUBLIC

John Merchant, lot 723, commented on the new development and the need for dialogue between Rancho Murieta Association, the developers and the District to get a better idea of what the developers are planning. Mr. Merchant also suggested the District hold workshops to inform the community about the status of the water, including where it comes from through the process, augmentation issues, and the impact on water that full build out will have. President Pasek stated that was a good idea.

Pat Mellor, Murieta Village Board President, requested the District install cameras in Murieta Village and commented on a break-in that occurred over the weekend.

7. CONSENT CALENDAR

Motion/Martel to adopt the consent calendar. Second/Gumbinger. Roll Call Vote: Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.

8. STAFF REPORTS

Under Agenda Item 8b, Darlene Gillum commented that the monthly report will now be showing funds being repaid to the reserve accounts.

Director Martel commented on the Reserve Study and asked about the clay piping. Darlene Gillum stated that the Reserve Study will be on the March 18, 2015 Board meeting agenda for discussion.

Under Agenda Item 8d, Paul Siebensohn stated that storage is at 89%.

Director Ferraro commented on Security going above and beyond by helping to secure some lose manhole covers in the community.

9. CORRESPONDENCE

a. Letter from Murieta Village, dated January 20, 2015 Concerning Request for Security Cameras
President Pasek stated that staff will be presenting the draft camera plan to the Security Committee in March.

10. CONSIDERATION OF JANUARY 30, 2015 CLAIM AGAINST DISTRICT SUBMITTED BY RANCHO MURIETA ASSOCIATION

Richard Shanahan, District General Counsel, recommended the Board defer action at this time, allowing for staff to discuss with the District's insurance carrier. By consensus, the Board agreed.

11. RECEIVE PRESENTATION OF THE FINAL 2013-2014 ANNUAL AUDIT REPORT BY LARRY BAIN, CPA

Larry Bain, CPA, gave a brief summary of the 2013-2014 audit report. It was a clean report with only two (2) findings. A question and answer period followed.

12. DISCUSS JANUARY 17, 2015 SECURITY PATROL CALL FOR SERVICE

President Pasek stated that this item has not been discussed by the Board in closed session, as stated by Director Martel in the Security Committee meeting. Director Martel stated that it was a misstatement on his part and that the Security Committee discussed the incident and is pleased with the outcome.

President Pasek suggested the body camera policy and training be reviewed.

Bob Tauber commented on the incident, stating that it was not an officer caused incident, the District needs to pay for additional training for the officers especially with the increase in service area for Security due to the new development coming in.

13. RECEIVE SECURITY DEPARTMENT ANNUAL REPORT - PRESENTATION BY GREG REMSON, SECURITY CHIEF

Chief Remson gave his annual presentation of the Security Department for 2014. The items covered in the presentation include: gate operations, patrol operations, calls for service, patrol time, and the James L. Noller Safety Center. A question and answer period followed.

14. RECEIVE FIELD OPERATIONS ANNUAL REPORT - PRESENTATION BY PAUL SIEBENSOHN, DIRECTOR OF FIELD OPERATIONS

Paul Siebensohn gave the annual presentation of the Field Operations for 2014. The presentation discussed the following: staffing, facilities, Capital Improvement Projects completed, projects completed, water production, and water quality. A question and answer period followed.

15. CONSIDER APPROVING AMENDMENT TO AGREEMENT WITH NBS GOVERNMENT FINANCE GROUP FOR COMMUNITY FACILITIES DISTRICT NO. 2014-1 FOR ADMINISTRATION SERVICES

Darlene Gillum gave a brief summary of the recommendation to approve the amendment to the agreement with NBS Government Finance Group for administrative services related to the Community Facilities District (CFD) No. 2014-1.

Motion/Martel to approve amendment to agreement with NBS Government Finance Group for Community Facilities District No. 2014-1 administrative services. **Second/Ferraro. Roll Call Vote: Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

16. CONSIDER APPROVING SOLE SOURCE CONTRACT FOR WATER TREATMENT PLANT EXPANSION PROJECT TEMPORARY FILTRATION SYSTEM

Paul Siebensohn gave a brief summary of the recommendation to approve the sole source contract for Water Treatment plant Expansion Project temporary filtration system. With the Water Treatment Plant Expansion Project extending into the warmer months, the community's water demand will increase beyond the capability of Plant #2. A temporary filtration unit will most likely be needed.

Director Martel asked if Plant #2 would be able to supply enough water to supply the community's water demand. Paul stated no, especially with the fire flow requirement.

Motion/Pecotich to approve sole source contracting for GE Mobile MPAK 80, as the use of GE Submerged Membrane Technology was previously approved as a sole source component for the Water Treatment Plant Expansion on December 18, 2013, and authorize the General Manager to negotiate, finalize, and sign an agreement with GE Mobile Water, Inc. in an amount not to exceed \$304,560. Funding to come from Water Operations Budget. **Second/Ferraro. Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

17. CONSIDER APPROVING CONTINUED ENGINEERING COSTS RELATED TO THE WATER TREATMENT PLANT EXPANSION PROJECT

Paul Siebensohn gave a brief summary of the recommendation to approve the continued engineering costs related to the Water Treatment Plant Expansion Project. Currently, funding is set to run out next month. HDR had originally supplied a proposal that had what they believed to be adequate to cover costs for engineering services during construction, totaling \$413,486. However, at that time, the Improvement Committee felt the cost was too high and requested that their proposal be revised down. The amount approved in March 2014 for engineering services during construction was \$150,186.

HDR's proposal includes additional services for Startup and Testing & Technical Report to Support Water Treatment Plant Permit Update. With this additional engineering cost, the total is still under the original proposal from HDR Engineering.

Motion/Gumbinger to approve the proposal from HDR Engineering for additional engineering services related to the Water Treatment Plant Expansion Project in an amount not to exceed \$108,763. Funding to come from Water Treatment Plant Expansion Project Fund. **Second/Martel. Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

18. CONSIDER ADOPTION OF DISTRICT RESOLUTION 2015-01, ADVERTISING IN DISTRICT COMMUNICATIONS

Darlene Gillum gave a brief summary of the recommendation to adopt Resolution 2015-01.

Motion/Gumbinger to adopt District Policy 2015-01, advertising in District communications. **Second/Ferraro. Roll Call Vote: Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

19. CONSIDER APPROVING NORTH GATE PROJECT FUNDING COMPLETION COSTS AND UPDATE

Chief Remson gave a brief summary of the recommendation to approve North Gate Project Funding completion costs in an amount not to exceed \$258,203.34. This cost includes previously approved equipment and services in addition to final estimates of all known soft costs. The approval request includes the total projected cost plus contingency of \$11,000.00 (approximately 4.4%). By approving the final completion project costs, the District's General Manager will be authorized to approve the remaining project costs, to be paid from reserves, without the need to bring each of these small items to the Board for approval.

Motion/Martel to approve the request for the North Gate Project Funding completion costs not to exceed \$258,203.34. This cost includes previously approved equipment and services in addition to final estimates of all known soft costs. The approval request includes the total projected cost plus contingency of \$11,000.00 (approximately 4.4%). Funding to come from Security Replacement

Reserves and/or internal inter-fund borrowing from Capital Improvement Fees. **Second/Gumbinger. Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

20. RECEIVE REPORT BACK ON AD HOC SECURITY COMMITTEE

Director Martel gave a report back on the ad hoc Security Committee. The goal of the Committee was to enhance the Security Surveillance Camera Plan and Security Strategic Plan to reduce crime, including vandalism and thefts, throughout the community with the use of surveillance cameras.

The Committee conducted site visits to view other security camera systems. Several Committee members attended the International Security Conference in Las Vegas, which allowed members to view camera systems and discuss them with the vendors.

The Surveillance Camera Implementation, Integration and Expansion Plan will be updated with recommendations and presented to the Security Committee for comment at the March meeting.

21. RECEIVE WATER TREATMENT PLANT EXPANSION PROJECT UPDATE

Paul Siebensohn gave an update on the Water Treatment Plant Expansion Project. The major project news is that the project schedule provided by Roebelen Construction Management (CMAR) is not realistic. The schedule showed commissioning activities of the facility would be completed within 48 days and we could begin Acceptance Testing on April 25, 2015. GE said, and had provided a schedule to CMAR on June 19, 2014, that commissioning would take them between 69-80 days, a three (3) week difference. CMAR reported that they were holding back on incorporating this into the overall schedule hoping to make a determination in January if they had made up enough time to roll back GE's commissioning time needs. Time had not been made up but had fallen further behind. CMAR contends that the primary cause for schedule delay is due to the District not allowing the Water Treatment Plant to be shut down on July 15, 2014, per a revised project schedule that had been added to the Contract bid documents in Addendum #4, pg. 39 of 63. This differed significantly from the late start schedule originally provide in bid Exhibit G – base bid Schedule A which had the operationally agreed upon shutdown scheduled for October 15, 2014. Also, it has always been in the Contract Documents and Specifications that *"Plant 1 can only be taken out of service, without the use of temporary filters, during the winter."* The actual Plant 1 shutdown took place on September 11, 2014.

A new schedule has been provided by CMAR on January 19, 2015 revised to show Commissioning – Process Startup/ Acceptance testing on July 2, 2015. GE believes we may be able to provide processed effluent into our system sooner; however, Department of Drinking Water (DDW) approval must be obtained.

Paul stated that he is trying to coordinate a meeting with all contractors/subcontractors and the CMAR.

President Pasek suggested Paul get a copy of the construction schedule from other plants that have had this type of system installed.

John Sullivan commented on his frustration with Roebelen not being able to meet the original time line/completion date promised for. Mr. Sullivan stated that it is not the District's fault.

22. RECEIVE WATER CONSERVATION UPDATE

Paul Siebensohn gave a brief update on water conservation in the community. Water treatment plant production for January 2015 was up 0.7% vs. the past five (5) year average and decreased 21.8% vs. January of last year. Since in January we received only 0.30" of rain and it was unseasonably warm, some of the community began irrigating again. Water treatment plant production for December was down 19.9% vs. the past five (5) year average and 28.7% vs. December of last year.

23. CONSIDER CONFERENCE/EDUCATION OPPORTUNITIES

No comments.

24. DISCUSS PARKS COMMITTEE MEETING AGENDA ITEMS

Director Pecotich asked the Board for input on the Parks Committee meeting agenda items.

Darlene Gillum stated that parks is one of the District's latent powers and therefore could take over the parks.

John Sullivan suggested a trust fund for the park funds be set up and commented on the District to providing funding for the proposed community center.

Richard Shanahan commented the Parks Committee is not a legal entity and the District has a very limited role with the Committee. Mr. Shanahan commented on how the various Parks Agreements are somewhat confusing as to the role the District plays.

Director Martel stated that the District needs to either get in the Parks business or get out of the Parks business. Mr. Shanahan agreed and suggested repealing the Ordinance regarding collecting Park Funds and reviewing and updated the Parks Agreement.

John Merchant commented that if the District took over the parks, then the parks would have to be open to the public.

Director Martel asked about the status of the water for the Escuela Park. Mr. Shanahan stated that District Code allows for the General Manager to approve temporary water connections in the District. Director Martel commented on RMA having received change of use approval from the County which would mean that a final plan has been approved. The Board directed Darlene Gillum to send a letter to RMA regarding the moneys owed for the water at Escuela Park. A report back will be provided at the March Board meeting.

25. REVIEW MEETING DATES/TIMES

No comments.

26. COMMENTS/SUGGESTIONS

Paul Siebensohn commented on staff looking into getting the District maps on a CAD system.

Director Martel commented on a meeting he and Darlene had with Brad Beer regarding Murieta Airport. He felt the meeting went well and he is satisfied that Mr. Beer has done everything

required. Director Martel also commented that Security should put criminal complaints as a priority and that he would like to see the Security Department be able to solve crimes in the future.

Director Gumbinger commented on the weekly updates that Darlene provides the Board. Darlene stated that she will be providing an update each week, except for Board packet week since the General Manager's report is in the packet.

Director Pecotich asked about the augmentation grant. Darlene stated she needs to verify the date.

Darlene Gillum gave a brief summary of the Presidents Meeting. Items covered include getting all the Boards together for a joint meeting which they were open to; RMA and the District will work on developing a list of equipment that can be shared and the necessary agreements along with the possibility of sharing fuel; Rancho Murieta Country Club is working on Phase II of their irrigation system and has a new golf cart maintenance contract.

President Pasek commented on an email he sent to Darlene regarding lost property/money the State is holding. Darlene stated she will get with Debby to see what the \$300 is from.

27. ADJOURNMENT

Motion/Ferraro to adjourn at 9:26 p.m. **Second/Gumbinger**. **Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

Respectfully submitted,



Suzanne Lindenfeld
District Secretary