



RANCHO MURIETA COMMUNITY SERVICES DISTRICT

15160 JACKSON ROAD
RANCHO MURIETA, CA 95683
916-354-3700
FAX – 916-354-2082

AGENDA

*“Your Independent Local Government Agency Providing
Water, Wastewater, Drainage, Security, and Solid Waste Services”*

REGULAR BOARD OF DIRECTORS MEETINGS ARE HELD
3rd Wednesday of Each Month

REGULAR BOARD MEETING

August 21, 2013

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

RMCS D Administration Building – Board Room

15160 Jackson Road

Rancho Murieta, CA 95683

BOARD MEMBERS

Gerald Pasek	President
Roberta Belton	Vice President
Betty Ferraro	Director
Paul Gumbinger	Director
Michael Martel	Director

STAFF

Edward R. Crouse	General Manager
Darlene Gillum	Director of Administration
Greg Remson	Security Chief
Paul Siebensohn	Director of Field Operations
Suzanne Lindenfeld	District Secretary

**RANCHO MURIETA COMMUNITY SERVICES DISTRICT
REGULAR BOARD MEETING
AUGUST 21, 2013**


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

AGENDA

	RUNNING TIME
1. CALL TO ORDER - Determination of Quorum - President Pasek (Roll Call)	4:00
2. ADOPT AGENDA (<i>Motion</i>)	4:05
3. SPECIAL ANNOUNCEMENTS AND ACTIVITIES (<i>5 min.</i>)	4:10
a. District Transparency Certificate of Excellence	
4. CLOSED SESSION	4:15
<p><i>Under Government Code section 54956.8: Conference with Real Property Negotiators - Real Property APN 128-0080-067; APN 128-0080-068; APN 128-0080-069; APN 128-0080-076; and APN 128-0100-029. Real Property Agency Negotiator: Edward R. Crouse, General Manager. Negotiating Party: CSGF Rancho Murieta, LLC, BBC Murieta Land, LLC, Murieta Retreats, LLC, PCCP CSGF RB PORTFOLIO, LLC. Under Negotiation: Price and Terms.</i></p> <p><i>Conference with Legal Counsel – Anticipated Litigation. Initiation of litigation pursuant to Government Code Section 54956.9(c): (One Potential Case).</i></p> <p><i>Conference with Legal Counsel – Anticipated Litigation. Significant Exposure to Litigation Pursuant to 54956.9(b): (One Potential Case).</i></p> <p><i>Under Government Code 54957: Public Employee Performance Review: Title: General Manager.</i></p> <p><i>Under Government Code 54957.6: Conference with Labor Negotiator. Agency Designated Representative: Gerald Pasek. Unrepresented Employee: District General Manager.</i></p>	
5. OPEN SESSION	5:00
<p><i>The Board will discuss items on this agenda, and may take action on those items, including informational items and continued items. The Board may also discuss other items that do not appear on this agenda, but will not act on those items unless action is urgent, and a resolution is passed by a two-thirds (2/3) vote declaring that the need for action arose after posting of this agenda.</i></p> <p><i>The running times listed on this agenda are only estimates and may be discussed earlier or later than shown. At the discretion of the Board, an item may be moved on the agenda and or taken out of order. TIMED ITEMS as specifically noted, such as Hearings or Formal Presentations of community-wide interest, will not be taken up earlier than listed.</i></p>	

- 6. REPORT ACTION FROM CLOSED SESSION** 5:05
- 7. COMMENTS FROM THE PUBLIC** 5:10
Members of the public may comment on any item of interest within the subject matter jurisdiction of the District and any item specifically agendized. Members of the public wishing to address a specific agendized item are encouraged to offer their public comment during consideration of that item. With certain exceptions, the Board may not discuss or take action on items that are not on the agenda.
- If you wish to address the Board at this time or at the time of an agendized item, as a courtesy, please state your name and address, and reserve your comments to no more than 3 minutes so that others may be allowed to speak.*
- 8. CONSENT CALENDAR (Motion) (Roll Call Vote) (5 min.)** 5:20
All the following items in Agenda Item 8 will be approved as one item if they are not excluded from the motion adopting the consent calendar.
- a. Approval of Board Meeting Minutes**
 - 1. July 17, 2013 Board Meeting
 - 2. July 18, 2013 Special Board Meeting
 - b. Committee Meeting Minutes (Receive and File)**
 - 1. August 1, 2013 Finance Committee Meeting
 - 2. August 1, 2013 Security Committee Meeting
 - 3. August 7, 2013 Personnel Committee Meeting
 - 4. August 8, 2013 Improvements Committee Meeting
 - c. Approval of Bills Paid Listing**
- 9. STAFF REPORTS (Receive and File) (5 min.)** 5:25
- a.** General Manager’s Report
 - b.** Administration/Financial Report
 - c.** Security Report
 - d.** Water/Wastewater/Drainage Report
- 10. CORRESPONDENCE (5 min.)** 5:30
- 11. AUTHORIZE NEGOTIATION OF A CONTRACT WITH ROEBBELEN CONSTRUCTION MANAGEMENT SERVICES, INC., FOR CONSTRUCTION MANAGER AT RISK SERVICES (Discussion/Action) (Motion) (10 min.)** 5:35
- 12. APPROVE AGREEMENT WITH ATKINS FOR CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) SERVICES FOR AUGMENTATION WELL AND PIPELINE PROJECT (Discussion/Action) (Motion) (5 min.)** 5:45

- 13. DISCUSS HIRING ADDITIONAL SECURITY OFFICERS AS DESIGNATED DRIVERS FOR SUMMERFEST** (Discussion/Action) **(Motion)** (10 min.) 5:50
- 14. TIMED ITEM - PUBLIC HEARING – PLACING DELINQUENT ACCOUNTS ON THE TAX ROLLS OF SACRAMENTO COUNTY FOR COLLECTION** 6:00
(Time is approximate but will not be conducted before 5:30 p.m.)
- a. Presentation by Staff.
 - b. The Board President will open a public hearing for public comment on placing delinquent accounts on the tax rolls of Sacramento County for collection.
 - c. The Board President will close the public hearing on placing delinquent accounts on the tax rolls of Sacramento County for collection.
 - d. Board Discussion/Approval of Resolution 2013-03, a Resolution Authorizing Collection and Requesting Inclusion of Delinquent Rates, Special Taxes, Charges and Penalties for Water, Sewer, Solid Waste, Drainage and Security Service on the Tax Roll for the Forthcoming Fiscal Year in the Same Manner as the General Taxes. **(Motion)** **(Roll Call Vote)** (10 min.)
- 15. ADOPT DISTRICT ORDINANCE 2013-02, AMENDING DISTRICT CODE CHAPTER 8, THE COMMUNITY FACILITIES FEE CODE, SECTION 3.00** 6:10
 (Discussion/Action) **(Motion)** **(Roll Call Vote)** (5 min.)
- 16. APPROVE PROPOSAL FOR PIPE PURCHASE FOR HOLE #13 CULVERT REPLACEMENT** (Discussion/Action) **(Motion)** (5 min.) 6:15
- 17. ACCEPT BID FOR MAIN LIFT NORTH REHABILITATION PROJECT** 6:20
 (Discussion/Action) **(Motion)** (5 min.)
- 18. APPROVE PROPOSAL FOR CONSTRUCTION INSPECTION SERVICES AND PROPOSAL FOR CONSTRUCTION ENGINEERING SERVICES FOR MAIN LIFT NORTH REHABILITATION PROJECT** (Discussion/Action) **(Motion)** (5 min.) 6:25
- 19. APPROVE AGREEMENT WITH HDR FOR CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) SERVICES FOR THE PROPOSED WATER TREATMENT PLANT EXPANSION** (Discussion/Action) **(Motion)** (5 min.) 6:30
- 20. REPORT BACK ON FINANCING AND SERVICES AGREEMENT** 6:35
 (Discussion/Action) **(Motion)** (10 min.)
- a. Comments Reviewed
 - b. Next Steps

- 21. ADOPT DISTRICT POLICY 2013-04, USE OF PERSONAL ELECTRONIC COMMUNICATION DEVICES DURING DISTRICT MEETINGS** (Discussion/Action) 6:45
 (Motion) **(Roll Call Vote)** (5 min.)
- 22. APPROVE ASSISTANT GENERAL MANAGER JOB DESCRIPTION** 6:50
 (Discussion/Action) (Motion) **(Roll Call Vote)** (5 min.)
- 23. NOMINATIONS FOR LAFCO SPECIAL DISTRICT COMMISSIONER OFFICE NO. 7 AND ALTERNATE SPECIAL DISTRICT COMMISSIONER FOR OFFICE NO. 6 & 7** (Discussion/Action) (Motion) (5 min.) 6:55
- 24. REVIEW AND SELECT CONFERENCE/EDUCATION OPPORTUNITIES** 7:00
 (Discussion/Action) (Motion) (5 min.)
- 25. MEETING DATES/TIMES FOR THE FOLLOWING:** (5 min.) 7:05
- Next Regular Board Meeting:** SEPTEMBER 18, 2013
- Committee Meeting Schedule:**
- | | |
|--|---------------------------------|
|  Personnel | September 4, 2013 at 9:00 a.m. |
|  Improvements | September 5, 2013 at 8:30 a.m. |
|  Finance | September 5, 2013 at 9:30 a.m. |
|  Security | September 5, 2013 at 10:00 a.m. |
|  Communications | September 6, 2013 at 8:00 a.m. |
|  Parks - | T.B.A. |
|  Joint Security - | T.B.A. |
- 26. COMMENTS/SUGGESTIONS – BOARD MEMBERS AND STAFF** 7:10
In accordance with Government Code 54954.2(a), Directors and staff may make brief announcements or brief reports of their own activities. They may ask questions for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda.
- 27. ADJOURNMENT** (Motion) 7:15

"In accordance with California Government Code Section 54957.5, any writing or document that is a public record, relates to an open session agenda item and is distributed less than 72 hours prior to a regular meeting, will be made available for public inspection in the District offices during normal business hours. If, however, the document is not distributed until the regular meeting to which it relates, then the document or writing will be made available to the public at the location of the meeting."

Note: This agenda is posted pursuant to the provisions of the Government Code commencing at Section 54950. The date of this posting is August 16, 2013. Posting locations are: 1) District Office; 2) Plaza Foods; 3) Rancho Murieta Association; 4) Murieta Village Association.



RECEIVED
AUG 05 2013
Rancho Murieta
Community Services District

July 31, 2013

Mr. Edward Crouse
General Manager
Rancho Murieta Community Services District
15160 Jackson Road
Rancho Murieta, CA 95683-1050

RE: District Transparency Certificate of Excellence

Dear Mr. Crouse:

Congratulations! The Rancho Murieta Community Services District has successfully completed the District Transparency Certificate of Excellence program through the Special District Leadership Foundation (SDLF).

On behalf of the SDLF Board of Directors, I would like to congratulate your district on achieving this important certificate. By completing the District Transparency Certificate of Excellence Program, the Rancho Murieta Community Services District has proven its dedication to being fully transparent as well as open and accessible to the public and other stakeholders.

Included with this letter is your press release template and a window cling so your district may showcase this important accomplishment.

Congratulations and thank you for your dedication to excellence in local government.

Most sincerely,

A handwritten signature in black ink, appearing to read 'David Aranda', written in a cursive style.

David Aranda
SDLF Board President

cc: Suzanne Lindenfeld, District Secretary

July 31, 2013

The Honorable Ken Cooley
Member, California State Assembly
2729 Prospect Park Dr., Ste 130
Rancho Cordova, CA 95670

Dear Assembly Member Cooley:

On behalf of the Special Districts Leadership Foundation (SDLF), I am pleased to inform you that the Rancho Murieta Community Services District is the recipient of the SDLF District Transparency Certificate of Excellence, in recognition of the district's outstanding efforts to promote transparency and good governance. By receiving this Certificate, the Rancho Murieta Community Services District has demonstrated its commitment to being open and accessible to constituents and local stakeholders.

SDLF is an independent, non-profit organization formed to promote good governance and best practices among California's special districts through certification, accreditation and other recognition programs. In order to receive the Certification, the Rancho Murieta Community Services District first had to complete eight essential governance transparency requirements, including conducting ethics training for all board members, properly conducting open and public meetings, and filing Financial Transactions and Compensation Reports to the State Controller in a timely manner.

The district also fulfilled fifteen website requirements, providing readily available information to the public, such as board agendas, past minutes, the current district budget, and the most recent financial audit. Finally, the district confirmed its commitment to public engagement through a regular district newsletter and an annual informational public budget hearing.

The Rancho Murieta Community Services District is commended for its efforts to conduct business on behalf of its constituents in an open and transparent manner and serves as a model of best practices for other agencies in our state.

Sincerely,



David Aranda
SDLF President



Neil McCormick
SDLF Administrator

July 31, 2013

The Honorable Tom Berryhill
Member, California State Senate
4641 Spyres Way, Ste. 2
Modesto, CA 95356

Dear Senator Berryhill:

On behalf of the Special Districts Leadership Foundation (SDLF), I am pleased to inform you that the Rancho Murieta Community Services District is the recipient of the SDLF District Transparency Certificate of Excellence, in recognition of the district's outstanding efforts to promote transparency and good governance. By receiving this Certificate, the Rancho Murieta Community Services District has demonstrated its commitment to being open and accessible to constituents and local stakeholders.

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The district also fulfilled fifteen website requirements, providing readily available information to the public, such as board agendas, past minutes, the current district budget, and the most recent financial audit. Finally, the district confirmed its commitment to public engagement through a regular district newsletter and an annual informational public budget hearing.

The Rancho Murieta Community Services District is commended for its efforts to conduct business on behalf of its constituents in an open and transparent manner and serves as a model of best practices for other agencies in our state.

Sincerely,



David Aranda
SDLF President



Neil McCormick
SDLF Administrator

STATE CAPITOL
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FAX (916) 319-2108

DISTRICT OFFICE
2729 PROSPECT PARK DRIVE, SUITE 130
RANCHO CORDOVA, CA 95670
(916) 464-1910
FAX (916) 464-1915

E-MAIL
Assemblyman.Cooley@assembly.ca.gov

Assembly California Legislature



KEN COOLEY
ASSEMBLYMAN, EIGHTH DISTRICT

COMMITTEES
ACCOUNTABILITY AND ADMINISTRATIVE
REVIEW
GOVERNMENTAL ORGANIZATION
INSURANCE
RULES (D-ALT)

SELECT COMMITTEES
CHAIR: COMMUNITY AND
NEIGHBORHOOD DEVELOPMENT
COMMUNITY COLLEGES
JOB CREATION FOR THE NEW ECONOMY
GOVERNMENT EFFICIENCY,
TECHNOLOGY AND INNOVATION
ASIA/CALIFORNIA TRADE AND
INVESTMENT PROMOTION

ALFRED E. ALQUIST SEISMIC SAFETY
COMMISSION

August 2, 2013

Edward R. Crouse
General Manager, Rancho Murieta Community Services District
15160 Jackson Road,
Rancho Murieta, CA 95683

RECEIVED

AUG 18 2013

Rancho Murieta
Community Services District

Dear Mr. Crouse,

Congratulations on being awarded by the Special Districts Leadership District Transparency Certificate of Excellence.

Operating a special district is no easy task, but the Rancho Murieta Community Services District has set a standard for excellence in governance and transparency. This achievement exemplifies your commitment in staying attuned to the needs of our community and ensuring your customers' confidence in the District. I commend you, your staff, and the Board on managing and outstanding service district.

Again, congratulations on this recognition. I wish you continued success. If I can ever be of assistance, please reach out.

Sincerely,

A handwritten signature in blue ink that reads "Ken Cooley".

Ken Cooley,
Assemblyman, 8th District

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Board of Directors Meeting

MINUTES

July 17, 2013

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, Roberta Belton, Betty Ferraro, Paul Gumbinger, and Michael Martel. Also present were Edward R. Crouse, General Manager; Darlene Gillum, Director of Administration; Greg Remson, Security Chief; Paul Siebensohn, Director of Field Operations; and Suzanne Lindenfeld, District Secretary.

2. ADOPT AGENDA

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

3. COMMENTS FROM THE PUBLIC

None.

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

Under Government Code section 54956.8: Conference with Real Property Negotiators - Real Property APN 128-0080-067; APN 128-0080-068; APN 128-0080-069; APN 128-0080-076; and APN 128-0100-029. Real Property Agency Negotiator: Edward R. Crouse, General Manager. Negotiating Party: CSGF Rancho Murieta, LLC, BBC Murieta Land, LLC, Murieta Retreats, LLC, PCCP CSGF RB PORTFOLIO, LLC. Under Negotiation: Price and Terms.

Conference with Legal Counsel – Anticipated Litigation. Significant Exposure to Litigation Pursuant to 54956.9(b): One Potential Case.

Conference with Legal Counsel – Anticipated Litigation. Initiation of litigation pursuant to Government Code Section 54956.9(c): One Potential Case.

Under Government Code 54957: Public Employee Performance Review: Title: General Manager.

5/6. BOARD RECONVENED TO OPEN SESSION AT 5:03 P.M. AND REPORTED THE FOLLOWING:

Under Government Code section 54956.8: Conference with Real Property Negotiators - Real Property APN 128-0080-067; APN 128-0080-068; APN 128-0080-069; APN 128-0080-076; and APN 128-0100-029. Real Property Agency Negotiator: Edward R. Crouse, General Manager. Negotiating Party: CSGF Rancho Murieta, LLC, BBC Murieta Land, LLC, Murieta Retreats, LLC, PCCP CSGF RB PORTFOLIO, LLC. Under Negotiation: Price and Terms. Nothing to report.

Conference with Legal Counsel – Anticipated Litigation. Significant Exposure to Litigation Pursuant to 54956.9(b): One Potential Case. Nothing to report.

Conference with Legal Counsel – Anticipated Litigation. Initiation of litigation pursuant to Government Code Section 54956.9(c): One Potential Case. Nothing to report.

Under Government Code 54957: Public Employee Performance Review: Title: General Manager. Nothing to report.

7. COMMENTS FROM THE PUBLIC

None.

8. CONSENT CALENDAR

On Agenda Item 8 a 1, President Pasek stated the time the Board convened to open session was at 12:50 p.m. not a.m. Director Gumbinger stated that the numbers for the year were in the wrong order.

Motion/Gumbinger to adopt the consent calendar with the noted changes. **Second/Ferraro. ROLL CALL VOTE: Ayes: Pasek, Belton, Ferraro, Gumbinger, and Martel. Noes: None.**

9. STAFF REPORTS

Under Agenda Item 9d, Director Belton commented on the Sacramento Bee article regarding impact on water rights due to the dry year and asked if it would impact Rancho Murieta. Paul Siebensohn stated that would impact the ranchers not the District. The ranchers will develop a water use schedule.

10. CORRESPONDENCE

Director Gumbinger stated it is nice to get a letter thanking staff for their efforts.

11. APPROVE THE RECYCLED WATER FEASIBILITY STUDY, BY KEVIN KENNEDY, AECOM

Ed Crouse gave a brief summary of the Recycled Water Feasibility Study. The Study was put out for public comment and review. To date, no comments have been received.

John Sullivan commented on possible cost savings and the need for more recycled water than is available. Mr. Sullivan recommended adopting the Study. Ed Crouse stated that each project will be fine tuned as they proceed.

President Pasek suggested staff check to see if OE-3 is willing to do some of the work for future storage of recycled water. John Sullivan commented that he has already begun conversations with OE-3 regarding doing the work.

Motion/Belton to adopt the Final Recycled Water Feasibility Study developed by Kevin Kennedy, AECOM. **Second/Gumbinger. Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

12. INTRODUCE ORDINANCE 2013-02 AMENDING DISTRICT CODE CHAPTER 8, COMMUNITY FACILITIES FEES

Darlene Gillum gave a brief overview of the history of the Community Park Fee and the Water Supply Augmentation Fee. The proposed increase was then discussed, followed by a question and answer period.

President Pasek opened the public hearing at 5:39 p.m. and asked for public comments. John Sullivan gave a brief history of the Water Augmentation Fee. Ed Crouse stated the next step is to update the Water Augmentation Fee report.

President Pasek closed the public hearing at 5:44 p.m.

Director Gumbinger suggested next time to include the entire paragraph in the Ordinance, not just the part that is changed.

Director Martel suggested the District look into collecting Parks Fees from all the entities in Rancho Murieta. Ed stated he will get with Greg Vorster, General Manager, Rancho Murieta Association, to see what the agreements are.

John Sullivan stated that the Parks Fee Exhibit A needs to be updated.

Motion/Gumbinger to introduce Ordinance 2013-02, an Ordinance amending District Code Chapter 8, the Community Facilities Fee Code, Section 3.00, to increase the Water Supply Augmentation and the Community Parks fees, waive the full reading of the Ordinance and continue to the August 21, 2013 Board meeting for adoption. **Second/Ferraro. Roll Call Vote: Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

13. APPROVE PROPOSAL FOR DRIED SLUDGE REMOVAL

Paul Siebensohn gave a brief summary of the recommendation to approve the proposal from Biosolids Recycling, Inc. for dried sludge removal. Biosolids Recycling, Inc. has again agreed to maintain the same hauling and disposal costs as in the previous years.

Motion/Martel to approve the proposal from Biosolids Recycling, Inc., in an amount not to exceed \$15,000 for dried biosolids removal. Funding to come 50% from Sewer Operating Budget and 50% from Water Operating Budget. **Second/Ferraro. Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

14. APPROVE PROPOSAL FOR PIPE PURCHASE FOR HOLE #13 CULVERT REPLACEMENT

Paul Siebensohn stated that this item has been pulled from the agenda and will be going back to the Improvements Committee in August.

15. APPROVE PAYMENT OF INVOICE FOR PAVING WORK COMPLETED

Paul Siebensohn gave a brief summary of the recommendation to approve payment of the invoice from JB Bostick, Co., for paving work already completed.

Motion/Gumbinger to approve payment of invoice from JB Bostick Co., in an amount of \$3,000 for paving work completed at the wastewater reclamation plant. Funding to come from Sewer Replacement Reserves. **Second/Ferraro. Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

16. APPROVE COST FOR RETROFIT OF NEW MAINTENANCE VEHICLE

Paul Siebensohn gave a brief summary of the recommendation to approve the proposal from Tom's House of Hydraulics for retrofitting of the new maintenance vehicle.

Motion/Gumbinger to approve the proposal from Tom's House of Hydraulics for retrofitting the new maintenance vehicle in an amount not to exceed \$8,500. Funding to come from Water Replacement Reserves. **Second/Pasek. Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

17. REVIEW AND SELECT CONFERENCE/EDUCATION OPPORTUNITIES

Director Ferraro is going to the California Special District Association (CSDA) Annual Conference in September.

Director Martel will be taking Chief Remson on a tour Friday, July 19, 2013 of the prison in Lone to look at the surveillance camera system.

18. MEETING DATES/TIMES

No changes.

Directors Martel and Ferraro will not be at the September Board meeting.

19. COMMENTS/SUGGESTIONS – BOARD MEMBERS AND STAFF

President Pasek asked about the status of the new billing statements. Darlene Gillum stated that everything is on schedule to begin using them in July 2013.

Chief Remson stated that Gate Officer Debbie Cory will be retiring in August 2013. The District is accepting applications for both Patrol Officer and Gate Officer. There were smaller crowds than usual for the July 4, 2013 festivities. RMA gave out 1,400 passes. The Riverview Bike Track opens this Saturday. Chief Remson will be meeting with the New North Gate Committee Thursday.

Director Martel asked about fireworks not being allowed when it the ground is so dry. Chief Remson stated that it is a homeowner association rule that fireworks can be used on private property. Director Belton stated that the county can issue a ban on fireworks.

Paul Siebensohn stated that for the last two (2) months, there have been no taste or odor complaints or detectable compounds.

Director Gumbinger stated that he is on the New North Gate committee and suggested the District start to look at and get involved with how traffic will be handled when the North Gate is closed for construction. Director Ferraro suggested getting Supervisor MacGlashan involved. John Sullivan

commented on getting everyone involved to get Caltrans to get the intersection of Stonehouse and Jackson improved.

Ed Crouse reminded everyone of the Board workshop tomorrow morning at 9:00 a.m.

20. ADJOURNMENT

Motion/Belton to adjourn at 6:25 p.m. **Second/Gumbinger. Ayes: Pasek, Belton, Ferraro, Gumbinger, and Martel. Noes: None.**

Respectfully submitted,

Suzanne Lindenfeld
District Secretary

DRAFT

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Special Board of Directors Meeting

MINUTES

July 18, 2013

9:00 a.m.

1. CALL TO ORDER/ROLL CALL

President Gerald Pasek called the special meeting of the Board of Directors of Rancho Murieta Community Services District to order at 9:00 a.m. in the District meeting room, 15160 Jackson Road, Rancho Murieta. Directors present were Gerald Pasek, Roberta Belton, Betty Ferraro, Paul Gumbinger, and Michael Martel. Also present were Edward R. Crouse, General Manager; Darlene Gillum, Director of Administration; Greg Remson, Security Chief; Paul Siebensohn, Director of Field Operations; and Suzanne Lindenfeld, District Secretary.

2. ADOPT AGENDA

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

3. COMMENTS FROM THE PUBLIC

None.

4. WATER TREATMENT PLANT UPGRADE AND EXPANSION PROJECT

a. Discuss 30% Basis of Design Report – Presentation by Rich Stratton, HDR

Rich Stratton, HDR, gave a PowerPoint presentation on the Draft Basis of Design Report. The objectives of the study are to establish current and projected demands, review regulatory requirements, and evaluate new membrane technology alternatives for the water treatment plant. Areas discussed in the presentation included: existing water demands, future water demands, existing water treatment plant limitations, regulatory considerations, treatment plant expansion membrane alternatives, comparison of alternatives, sodium hypochlorite conversion, and ozonation system. A question and answer period followed.

Director Martel asked about the electrical costs with a new membrane system. Mr. Stratton stated that the power costs are usually lower than what we are paying with our current system.

After a discussion, by consensus, the Board agreed to going with a submerged membrane system.

The Board took a break at 10:24 a.m. and returned at 10:29 a.m.

b. Review Financing Alternatives

Darlene Gillum gave a PowerPoint presentation regarding the financing options available to the District for financing the water treatment plant upgrade and expansion. The options include General Obligation Bonds, Revenue Bonds, Assessment Districts, Mello-Roos Community Facility Districts, Certificates of Participation (COP), Enterprise Fund Based COPs, and private placement bank loan. A question and answer period followed.

Ted Hart commented on checking to see what kind of financing GE is willing to offer.

Darlene stated that a decision on the financing will be made after the Financing and Services Agreement has been signed and the District knows the amount that will need to be financed, but the private placement bank loan, at this time, did appear to be the best option.

c. Discuss Procurement Methods

Ed Crouse reviewed procurement methods available. They are Design, Bid, Build, and Construction Manager at Risk.

The pros for the Design, Bid, Build option are: best understood; longest legal history, can produce highly competitive pricing; bottom line costs; auditors, attorneys, public officials are most comfortable with this method; default method for government well suited to uncomplicated projects with straight forward objectives; and adequate time; and least personality driven. The cons are: inherently antagonistic, can create significant legal issues when unforeseen problems arise, low bids can encourage high change orders, can be difficult for inexperienced contractors in constrained environments, owner liable for design errors and change orders, delay claims and disputes are common, can be dangerous for inexperienced owners, guaranteed price late in process, and the books are closed.

The pros for the Construction Manager at Risk are: can work well for projects where early construction contractor participation is desired for coordination among trades; complex scheduling addressed early; resolving challenging constructability issues early in the process; provides more certainty to the owner than design/build; clear schedule under control of CM at Risk; explicit design geared for various trades; suitable where facility must continue to operate during construction; pricing and cost model are developed along with design; owners get to select designer and construction manager; and opportunities for fast tracking. The cons are: Architect and CM at Risk have separate contractual relationships with the owner which can be a source of conflict; owner must invest equal degrees of control to both parties; needs to have the right mesh of personalities; project staff turnover can create problems; owners need to have sufficient expertise to manage both CM at Risk and Architect.

Ted Hart commented that the District needs to consider who will be in charge of the construction project.

Mo Chaudhry commented on a third option which is to have the designer responsible for everything including the construction. Ed stated that the Improvements Committee looked at that option and felt it is a conflict of interest for one company to have control over the entire project.

After a discussion, by consensus, the Board agreed to go with the Construction Manager at Risk. Ed stated he will work with legal counsel to get the advertisement out the beginning of next week. A selection committee will review the applications and recommend the top one (1) or two (2) to be interviewed by the Board and the contract approved at the August Board meeting.

Les Hock commented on the amount the District will need to fund will be clear after the signing of the Financing and Services Agreement.

John Sullivan suggested language be put in the Financing and Services Agreement which would require the developers to pay their fair share of the water treatment plant upgrade and expansion.

5. COMMENTS/SUGGESTIONS – BOARD MEMBERS AND STAFF

No comments.

6. ADJOURNMENT

Motion/Gumbinger to adjourn at 11:55 a.m. **Second/Belton. Ayes: Pasek, Belton, Ferraro, Gumbinger, and Martel. Noes: None.**

Respectfully submitted,

Suzanne Lindenfeld
District Secretary

DRAFT

MEMORANDUM

Date: August 1, 2013
To: Board of Directors
From: Finance Committee Staff
Subject: August 1, 2013 Finance Committee Meeting

1. CALL TO ORDER

Director Pasek called the meeting to order at 9:30 a.m. Present were Directors Belton and Pasek. Present from District staff were Edward Crouse, General Manager; Darlene Gillum, Director of Administration; Paul Siebensohn, Director of Field Operations; and Suzanne Lindenfeld, District Secretary.

2. COMMENTS FROM THE PUBLIC

None.

3. UPDATES

New Billing Statement Design

Darlene Gillum reported that there were a few glitches with the new billing statement software so the statements went out later than usual.

Community Facilities District #1 Annual Bond Levies

The District will not be enacting a levy for the CFD #1 for the 2013-2014 tax year. Staff is working with NBS to call the bond early. Letters will be sent out to the bank and to bond holders notifying them of the bond being called early.

Water Treatment Plant Expansion Financing Alternatives

Darlene reported she is working with California Special District Association (CSDA) Finance Corporation on getting quotes from lenders regarding financing the Water Treatment Plant Expansion Project. Staff is also seeking information for bank loans.

Financing and Services Agreement

To date, staff has not received any comments on the Draft Financing and Services Agreement. **This item will be added to the August 21, 2013 Board of Directors meeting agenda.**

4. RESOLUTION 2013-03, DELINQUENT CHARGES/TAXES

Darlene Gillum gave a brief summary of the adoption of Resolution 2013-03. This is done annually. **This item will be added to the August 21, 2013 Board of Directors meeting agenda.**

DIRECTORS' & STAFF COMMENTS/SUGGESTIONS

Director Belton asked that it be made clear to everyone that any surplus moneys the District has, has to stay in the department it is from. Director Belton suggested that any increase in property taxes the District receives could be spent on security cameras for the District owned property.

5. ADJOURNMENT

The meeting was adjourned at 10:03 a.m.

DRAFT

MEMORANDUM

Date: August 1, 2013
To: Board of Directors
From: Security Committee Staff
Subject: August 1, 2013 Security Committee Meeting

1. CALL TO ORDER

Director Belton called the meeting to order at 10:05 a.m. Present was Director Belton. Present from District staff were Edward R. Crouse, General Manager; Darlene Gillum, Director of Administration; Greg Remson, Security Chief; Paul Siebensohn, Director of Field Operations; and Suzanne Lindenfeld, District Secretary. Director Martel was absent.

2. COMMENTS FROM THE PUBLIC

None.

3. MONTHLY UPDATES

Operations

Chief Remson reported that the 4th of July festivities went well from a security standpoint. There were smaller crowds due to the hot weather. The Gate Officers did a good job with the increased phone calls, dispatching calls for service, and processing the additional traffic. Rancho Murieta Association (RMA) issued 1,467 guest passes for the event. Patrol Officers and off-duty Sheriff's Deputies handled calls for service including noise complaints from late fireworks. There was one road rage incident and possibly related vandalism.

Security Patrol Officer Scarzella attended the Riverview Pump Track Grand Opening. It looked like all of the riders had a great time. So far, 145 people have signed the waiver.

Sergeant Bieg and I held interviews for the open Gate Officer and Patrol Officer positions. We are continuing to receive applications and are evaluating the applicants.

Incidents of Note

Chief Remson gave a brief overview of the incidents of note for the month of July 2013.

RMA Citations/Advisals

Chief Remson reported on the following Rancho Murieta Association (RMA) rule violation citations for the month of July, which included 36 driveway parking, 16 stop sign and 13 overnight street parking. RMA rule violation admonishments and/or complaints for the month of July included 83 open garage doors, 28 loose/off leash dogs, 14 speeding, and 14 stop sign.

The meeting was held on July 8, 2013 at the Rancho Murieta Association (RMA) office. There was one (1) appearance scheduled for driveway parking, and two (2) letters regarding stop sign and property maintenance. The next meeting is scheduled for August 5, 2013.

JOINT SECURITY COMMITTEE MEETING

The Joint Security Committee Meeting was held on July 26, 2013 at the RMA office. Items that were discussed were the status of the new North Gate, surveillance cameras, adding signs from the Folsom area to Rancho Murieta, and golf cart access through the North Gate. The next meeting is scheduled for October 25, 2013.

JAMES L. NOLLER SAFETY CENTER

The Safety Center has been open most Mondays and Wednesdays from 10:00 a.m. to 2:00 p.m., VIPS Jacque Villa and Steve Lentz continue patrolling the District as another set of “eyes and ears”.

The Safety Center is also available to all law enforcement officers for report writing, meal breaks and any other needs that arise.

Anyone interested in joining the VIPS program or would like information on the Neighborhood Watch program should contact the VIPS at the Safety Center office at 354-8509.

NEW NORTH GATE

Surveyors were out at the new North Gate site last week. The tentative construction start date is spring of 2014.

BEACH ACCESS/PTF GATES

Patrol Officers continue to open the gate at dawn and close it at dusk. Calls for service have been minor. Due to the occasional driver who drives around the Bass Lake PTF gate, RMA has requested that Security lock the gate located on the east end of Bass Lake. Once RMA has installed reflective warning signs on both sides of the gates, Patrol will begin locking and unlocking the gate at the same time the beach access gate is locked and unlocked.

4. SECURITY SURVEILLANCE CAMERA PLAN- Update

Chief Remson reported that on July 26, 2013, the Joint Security Committee met regarding the Security Surveillance Camera Plan. The PDF Security Solutions proposal was very detailed and expensive and used a microwave system. Watchdogs Surveillance was more of a standard system using Rancho Murieta Association (RMA) cable and wireless to cover areas without power, telephone or cable.

Comments were made regarding the high cost of one proposal, the need for cameras in residential areas since there are crimes and other issues occurring there, and the use of staff to install some of the equipment. I explained that each entity would be responsible for the cost of their own surveillance camera systems.

Chief Remson explained the need for a “viewing” system that will allow different types of video software to be viewed at the gates and the patrol vehicle laptop. Staff will inform the entities of what systems are compatible with the District’s system, if they wish to link into the District’s “viewing” system.

5. ALTERNATIVE PATROL VEHICLES

Chief Remson stated that due to the variety of areas that Patrol Officers drive to, the heat in the summer, the cold in the winter, the rain, etc., alternative vehicles would not work well for Security Patrol Officers.

6. NEW NORTH GATE – REVIEW DISTRICT’S NEEDS

Chief Remson gave a brief summary of the items on the New North Gate Project Equipment List from February 2010. These items are basic needs to operate the gate efficiently. RMA is now wanting the District to pay for some of the New North Gate. Ed Crouse stated that when the list was agreed to during RMA’s negotiations of their MBA, there was no mention or agreement that the District contribute towards the new gate.

7. DIRECTOR & STAFF COMMENTS

No comments.

8. ADJOURNMENT

The meeting adjourned at 10:33 a.m.

DRAFT

MEMORANDUM

Date: August 7, 2013
To: Board of Directors
From: Personnel Committee Staff
Subject: August 7, 2013 Personnel Committee Meeting

Director Ferraro called the meeting to order at 3:30 p.m. Present were Directors Ferraro and Gumbinger. Present from District staff were Edward R. Crouse, General Manager; Greg Remson, Security Chief; Paul Siebensohn, Director of Field Operations; and Suzanne Lindenfeld, District Secretary.

COMMENTS FROM THE PUBLIC

None.

UPDATES

Employee Relations

Paul Siebensohn reported that the Temporary Utility Worker position has been filled and the District is still accepting applications for the Utility 1 position.

Chief Remson reported that the injury Patrol Officer is tentatively scheduled to come back the first week of September, Gate Officer Debbie Corey's last day is August 15, an offer has been made to fill the Gate Officer position, and the District is still accepting applications for the Patrol Officer position.

Ed Crouse reported that Darlene Gillum is on vacation this week.

REVIEW DISTRICT POLICY ON PERSONAL COMMUNICATION DEVICES

Director Ferraro stated she was not clear on the reasoning behind the request for the policy. After a discussion, the Committee agreed to consistently use the word "communication". **This item will be added to the August 21, 2013 Board meeting agenda.**

REVIEW ASSISTANT GENERAL MANAGER JOB DESCRIPTION

Ed Crouse gave a brief summary of the Assistant General Manager Description. Director Pasek had suggested adding a bullet point under Qualification Requirements stating Need excellent written and verbal communication skills, including ability to make clear, concise and convincing presentations. The Committee agreed. **This item will be added to the August 21, 2013 Board meeting agenda.**

360 EVALUATION SURVEY QUESTIONS - UPDATE

Ed Crouse stated that the survey has been sent out to all employees. As of last week, only eight (8) responses had been received. Director Gumbinger suggested sending a reminder email out to all staff.

DIRECTORS' & STAFF COMMENTS/SUGGESTIONS

Suzanne Lindenfeld stated that the District had received the Transparency Certificate of Excellence from California Special District Association (CSDA).

Director Ferraro commented on the discussion at the Joint Security Committee meeting regarding the use of the Escuela gate during construction of the new North Gate. An update will be given at the next Joint Security meeting.

ADJOURNMENT

The meeting was adjourned at 4:03 p.m.

DRAFT

MEMORANDUM

Date: August 8, 2013
To: Board of Directors
From: Improvements Committee Staff
Subject: August 8, 2013 Committee Meeting Minutes

1. CALL TO ORDER

Director Pasek called the meeting to order at 8:30 a.m. Present were Directors Pasek and Gumbinger. Present from District staff were Edward Crouse, General Manager; Greg Remson, Security Chief; Paul Siebensohn, Director of Field Operations; and Suzanne Lindenfeld, District Secretary.

2. COMMENTS FROM THE PUBLIC

None.

3. UPDATES

Augmentation Well

Test hole drilling is postponed until the week of August 16, 2013 due to the driller's scheduling conflict.

Hotel Water Service Agreement

No change from last month. The final Agreement was sent to Cosumnes Land for signature. No word as to when it will be signed.

Recycled Water Standards

We received electronic formatted standards from EID, Sacramento County and Delta Diablo Sanitation District to assist in developing our standards and to help in preparing the final standard drawings and details. Kevin Kennedy will be completing the initial draft shortly. We are hopeful of bringing the standards to the Committee next month.

CM at Risk

We sent SOQ/RFPs to four (4) true CM firms and three (3) contractors who do CM at Risk work as part of their construction practice. In addition, we send a copy to the Sacramento Builders Exchange for publication in their weekly newsletter and for reference in their plan room.

SOQ/RFPs are due Friday, August 9, 2013 at noon and opening at 1:00.

Main Lift North Rehabilitation Project

The project is out to bid, with bid opening Wednesday August 8. Paul will have bid results to review as part of this meeting under a separate agenda item.

4. WATER TREATMENT PLANT EXPANSION PROJECT

Ed Crouse gave a brief update on the meeting with Rich Stratton, HDR, last week regarding the water treatment plant phasing and core facilities. Design efforts by HDR are on hold until the CM at Risk has been hired.

5. NEW NORTH GATE – REPORT BACK FROM PAUL GUMBINGER

Director Gumbinger gave a brief status of the New North Gate. The ad hoc committee includes of three (3) Rancho Murieta Association (RMA) Directors, RMA General Manager, two (2) architecture consultants, the contract architect, and Chief Remson. There has been three (3) meetings so far. The gate house is 550 square feet, is all glass, and includes a break room. The canopy allows for only 10 feet of clearance, which Director Gumbinger and Chief Remson feel should be higher. The landscaping will include a water feature, possibly two (2) depending on the cost. The landscaping will go along Jackson Highway from the North Gate to Stonehouse Road.

Director Gumbinger stated that the traffic study needs to be reviewed since when it was completed the school was included in the impact study. Once the design has been agreed on by the Committee, it will go out for public review and comment.

Paul Siebensohn suggested reminding RMA of the need to upgrade the electrical panel at the gazebo as well as the North Gate. Chief Remson will contact Greg Vorster to remind him.

Chief Remson summarized the District's equipment and facility list for the new North Gate. Both Directors Pasek and Gumbinger reaffirmed that the list is comprised of basic needs and that the District has not and will not commit funds to contribute for the new North Gate construction.

6. MAIN LIFT NORTH REHABILITATION PROJECT – REVIEW BID RESULTS

Paul Siebensohn gave a brief summary of the recommendation to approve the bid from TNT Industrial Contractors, Inc. A short discussion followed. **This item will be on the August 21, 2013 Board of Directors meeting agenda.**

7. MAIN LIFT NORTH CONSTRUCTION INSPECTION SERVICES

Paul Siebensohn gave a brief summary of the recommendation to approve the proposal from Bay Area Coatings for wet well lining inspection and the recommendation to approve the proposal from HDR for construction engineering services for the Main Lift North Rehabilitation Project. **This item will be on the August 21, 2013 Board of Directors meeting agenda.**

8. APPROVE PIPE PURCHASE FOR HOLE #13 CULVERT REPLACEMENT

Paul Siebensohn gave a brief summary of the recommendation to approve the proposal from Groeniger & Company for the pipe purchase for Hole #13 Culver Replacement Project. A short discussion followed. **This item will be on the August 21, 2013 Board of Directors meeting agenda.**

9. AGREEMENT WITH ATKINS FOR CEQA SERVICES

Ed Crouse gave a brief summary of the recommendation to approve the agreement with Atkins for CEQA services related to the augmentation wells and conveyance pipeline. A short discussion followed. **This item will be on the August 21, 2013 Board of Directors meeting agenda.**

10. DIRECTORS' & STAFF COMMENTS/SUGGESTIONS

Paul Siebensohn stated that staff has provided comments to HDR on the 2005 design plans for the Water Treatment Plant Rehabilitation Project. Director Pasek stated that staff should look at the need to update the maintenance capabilities once the project is completed.

11. ADJOURNMENT

The meeting was adjourned at 9:33 a.m.

DRAFT

MEMORANDUM

Date: August 15, 2013
To: Board of Directors
From: Darlene Gillum, Director of Administration
Subject: Bills Paid Listing

Enclosed is the Bills Paid Listing Report for **July 2013**. Please feel free to call me before the Board meeting regarding any questions you may have relating to this report. This information is provided to the Board to assist in answering possible questions regarding large expenditures.

The following major expense items (excluding payroll related items) are listed *in order as they appear* on the Bills Paid Listing Report:

Vendor	Project/Purpose	Amount	Funding
Borges & Mahoney Co.	Maint and Repair Supplies	\$6,233.04	Operating Expense
California Waste Recovery Systems	Solid Waste Contract	\$44,608.02	Operating Expense
Carrillo Enterprises	Rock & Sand; Backhoe Rental – Multiple Projects	\$11,201.40	Operating Expenses
Elk Grove Ford	2013 F550 Truck	\$40,355.65	Reserve Expenditure
NTU Technologies, Inc.	Chemicals	\$11,935.70	Operating Expense
Prodigy Electric	Multiple Electrician Services	\$15,439.23	Operating Expense
SMUD	Monthly Electric	\$35,317.83	Operating Expense
Univar USA Inc.	Chemicals	\$8,192.00	Operating Expense
USA Blue Book	Tools and Supplies	\$7,486.74	Operating Expense
Kronick, Moskovitz, Tiedeman & Girard	Legal Consulting	\$9,297.85	Operating Expense
NTU Technologies, Inc.	Chemicals	\$5,995.22	Operating Expense

Rancho Murieta Community Services District
Bills Paid Listing for July 2013

Ck Number	Date	Vendor	Amount	Purpose
CM26781	7/5/2013	A Leap Ahead IT	\$3,447.18	Monthly IT Service
CM26782	7/5/2013	Accounting & Association Software Group	\$108.75	Great Plains Support
CM26783	7/5/2013	Ace Hardware	\$249.90	Monthly Supplies
CM26784	7/5/2013	American Family Life Assurance Co.	\$590.23	Payroll
CM26785	7/5/2013	Aramark Uniform Services	\$192.28	Uniform Service - Water
CM26786	7/5/2013	Borges & Mahoney Co.	\$6,233.04	Maintenance & Repair Supplies
CM26787	7/5/2013	CALPELRA	\$350.00	Check Voided
CM26788	7/5/2013	California Public Employees' Retirement Sys	\$32,753.33	Payroll
CM26789	7/5/2013	California Waste Recovery Systems	\$44,608.02	Monthly Solid Waste Charges
CM26790	7/5/2013	Carrillo Enterprises	\$11,201.40	Sand & Rock, Equipment Rental
CM26791	7/5/2013	CVCWA	\$439.00	Annual Membership
CM26792	7/5/2013	Ditch Witch Equipment Company, Inc.	\$407.45	Valve
CM26793	7/5/2013	Dunn Environmental, Inc.	\$2,595.00	Test Well Drilling
CM26794	7/5/2013	Elk Grove Ford	\$40,355.65	F550 Truck
CM26795	7/5/2013	Employment Development Department	\$3,118.28	Payroll
CM26796	7/5/2013	Express Office Products, Inc.	\$320.90	Office Supplies
CM26797	7/5/2013	Folsom Lake Fleet Services	\$1,019.94	Vehicle Service #816 & #213
CM26798	7/5/2013	Gempler's, Inc.	\$902.79	Maintenance & Repair Supplies
CM26799	7/5/2013	Earl Gorton	\$100.00	Water Pressure Reduction Valve Rebate
CM26800	7/5/2013	Groeniger & Company	\$2,015.55	Maintenance & Repair Supplies
CM26801	7/5/2013	Guardian Life Insurance	\$4,766.99	Payroll
CM26802	7/5/2013	Hach Company	\$443.86	Lab Test
CM26803	7/5/2013	Howe It's Done	\$244.32	Board Meeting Dinner
CM26804	7/5/2013	Hunt and Sons	\$3,251.56	Diesel Fuel
CM26805	7/5/2013	J B Bostick Company	\$3,000.00	Street Repair
CM26806	7/5/2013	Barbara Kahl	\$100.00	Toilet Rebate
CM26807	7/5/2013	Legal Shield	\$116.32	Payroll
CM26808	7/5/2013	Murieta Plumbing	\$190.00	Plumbing Service
CM26809	7/5/2013	Nationwide Retirement Solution	\$1,663.23	Payroll
CM26810	7/5/2013	NTU Technologies, Inc.	\$11,935.70	Chemicals
CM26811	7/5/2013	Operating Engineers Local Union No. 3	\$477.18	Payroll
CM26812	7/5/2013	P. E. R. S.	\$12,343.65	Payroll
CM26813	7/5/2013	PERS Long Term Care Program	\$138.76	Payroll
CM26814	7/5/2013	Pitney Bowes	\$76.18	Postage Tape
CM26815	7/5/2013	Prodigy Electric	\$15,439.23	Multiple Electrician Services
CM26816	7/5/2013	Regional Water Authority	\$4,837.94	Annual Dues; Prop 50 Grant Management Fees
CM26817	7/5/2013	Romo Landscaping	\$385.00	Landscaping
CM26818	7/5/2013	S. M. U. D.	\$35,317.83	Monthly Electric
CM26819	7/5/2013	Sierra Chemical Co.	\$2,783.62	Chemicals
CM26820	7/5/2013	Robert Smith	\$100.00	Hot Water Recirculating Pump Rebate
CM26821	7/5/2013	State of California	\$90.00	Grade III Certification

Rancho Murieta Community Services District
Bills Paid Listing for July 2013

Ck Number	Date	Vendor	Amount	Purpose
CM26822	7/5/2013	Sutter EAP Resources	\$282.00	Employee Assistance Services
CM26823	7/5/2013	TASC	\$172.69	Payroll
CM26824	7/5/2013	Tesco Controls, Inc.	\$955.81	Transducer Boards (2)
CM26825	7/5/2013	The Westmark Group, Inc.	\$376.20	Groundwater Reporting
CM26826	7/5/2013	U.S. Bank Corp. Payment System	\$4,847.68	Monthly Gasoline
CM26827	7/5/2013	United Rentals Northwest, Inc.	\$91.49	Equipment Rental
CM26828	7/5/2013	Univar USA Inc.	\$8,192.00	Chemicals
CM26829	7/5/2013	UPS	\$47.31	Shipping Fee
CM26830	7/5/2013	USA Blue Book	\$7,486.74	Tools and Supplies
CM26831	7/5/2013	Useware, Inc.	\$1,500.00	Billing Statement Template Redesign
CM26832	7/5/2013	Vision Service Plan (CA)	\$446.09	Payroll
CM26833	7/5/2013	W.W. Grainger Inc.	\$1,848.79	Maintenance & Repair Supplies
CM26834	7/5/2013	Zep Sales & Service	\$3,651.12	Maintenance & Repair Supplies
ACH	7/8/2013	EFTPS	\$9,267.94	Bi-Weekly Payroll Taxes
CM26835	7/11/2013	CALPELRA	\$210.00	Training
CM26836	7/19/2013	Action Cleaning Systems	\$1,172.00	Monthly Cleaning Service
CM26837	7/19/2013	Allied Waste Services #922	\$344.90	Container Service
CM26838	7/19/2013	American Express	\$1,464.74	Monthly Bill
CM26839	7/19/2013	American Family Life Assurance Co.	\$590.24	Payroll
CM26840	7/19/2013	Applications By Design, Inc.	\$125.00	Security Data Backup
CM26841	7/19/2013	Aramark Uniform Services	\$192.28	Uniform Service - Water
CM26842	7/19/2013	ASR - Sacramento Uniform	\$235.32	Security Uniform
CM26843	7/19/2013	AT&T	\$822.06	Monthly Phone
CM26844	7/19/2013	Borges & Mahoney Co.	\$295.63	Maintenance & Repair Supplies
CM26845	7/19/2013	Caltronics Business Systems	\$1,644.53	Monthly Admin Copier
CM26846	7/19/2013	Carrillo Enterprises	\$1,234.80	Miscellaneous Repairs; Equipment Rental
CM26847	7/19/2013	CLS Labs	\$1,774.78	Monthly Lab Tests
CM26848	7/19/2013	Costco Wholesale	\$1,060.26	Monthly Supplies
CM26849	7/19/2013	County of Sacramento	\$1,698.24	Sheriff's Off-Duty Program
CM26850	7/19/2013	Daily Journal Corporation	\$334.80	Subscription Renewal
CM26851	7/19/2013	Daily Journal Corporation	\$896.00	Public Notices
CM26852	7/19/2013	Employment Development Department	\$2,805.90	Payroll
CM26853	7/19/2013	Express Office Products, Inc.	\$117.61	Office Supplies
CM26854	7/19/2013	Folsom Lake Fleet Services	\$95.00	Vehicle Service #517
CM26855	7/19/2013	Ford Motor Credit Company LLC	\$234.78	Security Vehicle Lease Payment
CM26856	7/19/2013	HDS White Cap Const Supply	\$1,309.90	Tools
CM26857	7/19/2013	Kronick Moskovitz Tiedemann & Girard	\$9,297.85	Legal Consultation
CM26858	7/19/2013	Legal Shield	\$116.32	Payroll
CM26859	7/19/2013	Maxim Crane Works, LP	\$2,640.00	Equipment Rental
CM26860	7/19/2013	Municipal Maintenance Equipment, Inc.,	\$3,579.36	Sewer Camera; Repair Seeker Camera
CM26861	7/19/2013	Nationwide Retirement Solution	\$1,663.23	Payroll

**Rancho Murieta Community Services District
Bills Paid Listing for July 2013**

Ck Number	Date	Vendor	Amount	Purpose
		CFD#1 Bank of America Checking		
CM2689	7/5/2013	NBS	\$2,077.75	CFD#1 Admin Fees
CM2690	7/19/2013	CoreLogic Solutions, LLC.	\$165.00	CFD#1 Admin Fees
CM2691	7/19/2013	Economic & Planning Systems, Inc.	\$2,008.76	CFD#1 Admin Fees
CM2692	7/19/2013	Kronick Moskowitz Tiedemann & Girard	\$1,264.40	CFD#1 Legal Fees
		TOTAL	\$5,515.91	
		EL DORADO PAYROLL		
Payroll (El Dorado)				
Checks: # CM11032 to CM11042 and Direct Deposits: DD06521 to DD06580			\$ 106,266.97	Payroll
ACH	7/31/2013	National Payment Corp	\$138.38	Payroll
		TOTAL	\$106,405.35	

MEMORANDUM

Date: August 16, 2013
To: Board of Directors
From: Edward R. Crouse, General Manager
Subject: General Manager's Report

The following are highlights since our last Board Meeting.

Employee Relations

Similar to last month, there is little to report this month. Paul and Greg are still interviewing candidates for open positions in their departments although Greg has made offers for the Gate Officer position and Paul's new Temporary Utility Worker is soon to be on board.

Debby is getting the word out that PERS medical enrollment is nearing. Recall this is a once a year enrollment when the employees can select from several different plans as well as confirm with PERS the type of coverage, whether employee only, employee + 1 or employee + family (2 or more).

Finance/IT

Customers, including you, have likely received the new billing statement. We ran into a glitch in matching some accounts' information with their correct graphing. As a result, we had to re-run the batch, which in turn caused a delay in sending out the statements. We received several calls because of our tardiness. Staff is committed to working with customers with this month's payments. We are still drilling down to make sure next month's run is seamless.

By now you should be up and running on our new email hosting service without any problems. It seems as though our transition was not as smooth as we envisioned due in part to our large email files. Their large size caused delays and errors in downloading from our original email-hosting server to the new host's server. Moreover, during the migrations we recognized some email addresses were incorrect, causing delays in getting information to some of you. In the end though, we seem to have it all worked out and our email service is back to normal.

Security

Part time Patrol Officer Fuentes who recently graduated from the Napa College POST Academy accepted a new position with the City of Vallejo as a Police Officer Recruit. We are sorry to see him go again, but at least he helped us out for several weeks of shift coverage due to ongoing Patrol Officer absences and openings.

Water

As like last month, demand stayed at 2.9 mgd, still 10% below our operational capacity of 3.2 mgd.

Paul has been on top of taste and odor as we treated the lakes for algae and completed another treatment mid July. As a result, the taste and odor precursor compounds were non-detectable for the past three weeks. This is the best August for taste and odor in recent memory.

Wastewater

Paul reports our flows of 0.403 mgd are at a seven (7) year low. As a result, our secondary storage reservoirs are likewise below normal for the month and summer to this point. Given Rancho Murieta Country Club (RMCC) demands, Paul believes we will have sufficient storage with incoming flows to deliver recycled water through RMCC's irrigation season without interruption.

Drainage

Paul has been staying on top of midge fly treatments with another one on July 23. So far, we have not received any complaints from residents.

We continue with minimal ditch maintenance.

Solid Waste

Nothing new to report.

Engineering

Augmentation Well

Test hole drilling has been delayed from late July, but will start next week. Once approved, the CEQA work on the final well sites and pipeline alignment will begin, in all likelihood by the end of the month.

Recycled Water Feasibility Study

We have a meeting with California Department of Public Health (CDPH) to discuss their initial response to the comingled use of the Lake 10/11 recycled water for residential irrigation. We have new and supplemental information that we believe will support our belief that Lake 10/11 is a viable source of storage to allow for recycled water use on Rancho Murieta south future subdivisions.

Recycled Water Standards

Kevin Kennedy is completing the draft standards and details. We should have an internal set for review next week.

Water Treatment Plant Design

The design is on hold until we select and engage a Construction Manager at Risk (CMAR) firm.

MEMORANDUM

Date: August 16, 2013
 To: Board of Directors
 From: Darlene Gillum, Director of Administration
 Subject: Administration/Financial Reports

Enclosed is a combined financial summary report for **July 2013**. Following are highlights from various internal financial reports. Please feel free to call me before the Board meeting regarding any questions you may have relating to these reports.

This information is provided to the Board to assist in answering possible questions regarding under or over-budget items. In addition, other informational items of interest are included.

Water Consumption - Listed below are year-to-date water consumption numbers using weighted averages:

		12 month rolling % increase	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Residences	0.0	2,513												
		Weighted average	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Cubic Feet	3074	3074												
Gallons per day	766	766												
Planning Usage GPD	583													

Lock-Offs

For the month of July, there were 19 lock-offs.

Aging Report – Delinquent accounts total \$92,863 which is 14.9% of the total accounts receivable balance of \$621,674. Past due receivables, as a percent of total receivables, have remained flat since June.

Summary of Reserve Accounts as of July 31, 2013 – The District’s reserve accounts have increased \$67,848 year to date since July 1, 2013. The increase is due to the reserve amounts collected in the Water and Sewer base rates and interest earned. The District has expended \$34,381 of reserves since the beginning of the fiscal year, which started July 1, 2013. The total amount of reserves held by the District as of July 31, 2013 is \$8,810,432. Please see the Reserve Fund Balances table below for information by specific reserve account.

Reserve Fund Balances

<i>Reserve Descriptions</i>	<i>Fiscal Yr Beg Balance July 1, 2013</i>	<i>YTD Collected & Interest Earned</i>	<i>YTD Spent</i>	<i>Period End Balance July 31, 2013</i>
Water Capital Replacement (200-2505)	2,682,116	17,690	(7,793)	2,692,013
Sewer Capital Replacement (250-2505)	2,868,621	24,054	(26,588)	2,866,087
Drainage Capital Replacement (260-2505)	26,818	0	(0)	26,818
Security Capital Replacement (500-2505)	51,284	0	(0)	51,284
Sewer Capital Improvement Connection (250-2500)	4,006	0	(0)	4,006
Capital Improvement (xxx-2510)	392,366	0	(0)	392,366
Water Supply Augmentation (200-2511)	2,447,251	0	(0)	2,447,251
Water Debt Service Reserves (200-2512)	139,180	17,461	(0)	156,641
Sewer Debt Service Reserves (250-2512)	163,018	8,643	(0)	171,661
Rate Stabilization (200/250/500-2515)	2,305	0	(0)	2,305
Total Reserves	8,776,965	67,848	(34,381)	8,810,432

PARS GASB 45 Trust: The PARS GASB 45 Trust, which is the investment trust established to fund Other Post Employment Benefits, had the following returns:

Period ended June 31, 2013		
1-Month	3-Months	1-Year
-1.38%	-.02%	11.12%

Financial Summary Report (year to date through July 31, 2013):

Revenues:

Water Charges, year-to-date, are **above** budget \$4,832 or 2.4%

Sewer Charges, year-to-date, are **below** budget \$80 or (0.1%)

Drainage Charges, year-to-date, are **below** budget \$41 or (0.3%)

Security Charges, year-to-date, are **below** budget \$18 or 0%

Solid Waste Charges, year-to-date, are **below** budget \$156 or (0.3%)

Total Revenues, which include other income, property taxes and interest income year-to-date, are **above** budget \$8,664 or 1.7%. Year to date, residential Water usage has exceeded budget projections by 3.2% and year to date commercial Water usage is below budget projections by (6.3%). Other revenue areas that exceeded budget are primarily Title Transfer Fees and Late Charges.

Expenses: Year-to-date total operating expenses are over budget \$74,510 or 19.9%. A large portion of this over-run is due to the fact that year-end 2012-2013 payroll accruals have not been posted yet; meaning that some of the wages and employer costs reflected in these statements are related to work performed in June 2012 and, as such, those costs will be accrued to June 2012. Year-to-date operational reserve expenditures total \$0. Operational reserve expenditures cover projects funded from reserves which are also recorded as operational expenses through the income statement as required by Generally Accepted Accounting Principles (GAAP).

Water Expenses, year-to-date, are over budget \$5,383 or 4.4%, prior to reserve expenditures. Areas running over budget are Chemicals and Taste & Odor Ozone Treatment. Wages are over budget due to pending year-end accruals. Employer Costs are over budget due to pending year-end accruals. Taste & Odor Chemicals and Water Meters are the largest areas running below budget. Year-to-date \$0 of expenses have been incurred from reserves expenditures.

Sewer Expenses, year-to-date, are over budget by \$25,137 or 36.6%, prior to reserve expenditures. Areas running over budget are Chemicals, Maintenance & Repair, and Tools. Wages are over budget due to pending year-end accruals. Employer Costs are over budget due to pending year-end accruals. Areas running below budget are Power and Training/Safety. Year-to-date \$0 of expenses have been incurred from reserves expenditures.

Drainage Expenses, year-to-date, are over budget by \$2,159 or 23.2%. Wages are over budget due to pending year-end accruals. Employer Costs are over budget due to pending year-end accruals. All other areas, except Permits, are running below budget.

Security Expenses, year-to-date, are over budget by \$17,542 or 29.3%. Areas running over budget are Vehicle Fuel and Off-Duty Sheriff (which will be billed to RMA for July 4th security services). Wages are over budget due to pending year-end accruals. Employer Costs are over budget due to pending year-end accruals.

Solid Waste Expenses, year-to-date, are below budget by \$243 or (0.5%).

General Expenses, year-to-date, are over budget by \$24,532 or 36.3%. Wages are over budget due to pending year-end accruals. Employer Costs are over budget due to pending year-end accruals. Office Supplies, Insurance and Training/Safety also running over budget.

Net Income: Year-to-date unadjusted net income, before depreciation, is \$75,909. Net income/(Loss) adjusted for estimated depreciation expense of \$93,140 is (\$17,231).

The YTD expected net operating income before depreciation, per the 2013-2014 budget, is \$141,755. The actual net operating income is \$65,846 lower than the budget expectation due to revenue running \$8,664 over budget and total operating expenses running over budget \$74,510.

Rancho Murieta Community Services District
Summary Budget Performance Report
YTD THROUGH JULY 2013

	% of Total	Annual Budget	% of Total	YTD Budget	YTD Actuals	% of Total	YTD VARIANCE	
							Amount	%
REVENUES								
Water Charges	31.7%	\$1,775,230	38.4%	\$198,595	\$203,427	38.7%	\$4,832	2.4%
Sewer Charges	22.1%	1,237,740	20.0%	103,111	103,031	19.6%	(80)	(0.1%)
Drainage Charges	3.2%	180,430	2.9%	15,035	14,994	2.9%	(41)	(0.3%)
Security Charges	21.2%	1,185,510	19.1%	98,792	98,774	18.8%	(18)	0.0%
Solid Waste Charges	11.1%	621,072	10.0%	51,756	51,600	9.8%	(156)	(0.3%)
Other Income	1.7%	92,550	1.5%	7,581	11,717	2.2%	4,136	54.6%
Interest Earnings	0.0%	1,140	0.0%	17	8	0.0%	(9)	(52.9%)
Property Taxes	9.0%	502,800	8.1%	41,900	41,900	8.0%		0.0%
Total Revenues	100.0%	5,596,472	100.0%	516,787	525,451	100.0%	8,664	1.7%
OPERATING EXPENSES								
Water/Sewer/Drainage								
Wages	14.5%	809,730	8.7%	32,700	58,019	12.9%	25,319	77.4%
Employer Costs	6.9%	385,450	6.4%	24,100	28,492	6.3%	4,392	18.2%
Power	5.8%	325,510	9.3%	34,705	29,173	6.5%	(5,532)	(15.9%)
Chemicals	4.3%	240,200	7.5%	28,150	27,437	6.1%	(713)	(2.5%)
Maint & Repair	6.2%	345,470	5.8%	21,750	30,002	6.7%	8,252	37.9%
Meters/Boxes	1.0%	54,000	1.3%	4,750		0.0%	(4,750)	(100.0%)
Lab Tests	1.3%	74,250	0.7%	2,500	2,025	0.5%	(475)	(19.0%)
Permits	1.1%	64,300	1.8%	6,900	11,305	2.5%	4,405	63.8%
Training/Safety	0.4%	21,700	0.8%	3,175	751	0.2%	(2,424)	(76.3%)
Equipment Rental	0.8%	43,500	2.1%	7,850	6,335	1.4%	(1,515)	(19.3%)
Other	7.0%	394,010	8.7%	32,778	38,498	8.6%	5,720	17.5%
Subtotal Water/Sewer/Drainage	49.3%	2,758,120	53.2%	199,358	232,037	51.6%	32,679	16.4%
Security								
Wages	11.2%	625,100	7.1%	26,500	42,888	9.5%	16,388	61.8%
Employer Costs	6.7%	374,700	6.5%	24,500	25,582	5.7%	1,082	4.4%
Off Duty Sheriff Patrol	0.1%	6,000	0.1%	500	1,698	0.4%	1,198	239.6%
Other	1.7%	94,700	2.3%	8,471	7,345	1.6%	(1,126)	(13.3%)
Subtotal Security	19.7%	1,100,500	16.0%	59,971	77,513	17.2%	17,542	29.3%
Solid Waste								
CWRS Contract	9.7%	543,000	12.1%	45,250	45,315	10.1%	65	0.1%
Sacramento County Admin Fee	0.6%	34,680	0.8%	2,890	2,582	0.6%	(308)	(10.7%)
HHW Event	0.2%	12,000	0.0%			0.0%		0.0%
Subtotal Solid Waste	10.5%	589,680	12.8%	48,140	47,897	10.7%	(243)	(0.5%)
General / Admin								
Wages	9.5%	534,200	5.4%	20,200	39,364	8.8%	19,164	94.9%
Employer Costs	5.2%	292,300	5.0%	18,600	20,267	4.5%	1,667	9.0%
Insurance	0.8%	45,000	1.0%	3,751	5,384	1.2%	1,633	43.5%
Legal	0.4%	25,000	0.5%	2,000	1,092	0.2%	(908)	(45.4%)
Office Supplies	0.3%	19,200	0.4%	1,600	4,876	1.1%	3,276	204.8%
Director Meetings	0.3%	18,000	0.4%	1,502	1,400	0.3%	(102)	(6.8%)
Telephones	0.1%	4,620	0.1%	384	392	0.1%	8	2.1%
Information Systems	1.4%	79,000	2.5%	9,491	6,450	1.4%	(3,041)	(32.0%)
Community Communications	0.1%	5,900	0.1%	450	896	0.2%	446	99.1%
Postage	0.4%	21,780	0.5%	1,815	1,510	0.3%	(305)	(16.8%)
Janitorial/Landscape Maint	0.3%	16,800	0.4%	1,400	2,290	0.5%	890	63.6%
Other	1.5%	86,500	1.7%	6,370	8,174	1.8%	1,804	28.3%
Subtotal General / Admin	20.5%	1,148,300	18.0%	67,563	92,095	20.5%	24,532	36.3%
Total Operating Expenses	100.0%	5,596,600	100.0%	375,032	449,542	100.0%	74,510	19.9%
Operating Income (Loss)	100.0%	(128)	100.0%	141,755	75,909	100.0%	(65,846)	(46.5%)
Non-Operating Expenses								
Net Income (Loss)	100.0%	(128)	100.0%	141,755	75,909	100.0%	(65,846)	(46.5%)

Rancho Murieta Community Services District
Budget Performance Report by FUND
YTD THROUGH JULY 2013

	% of Total	Annual Budget	% of Total	YTD Budget	YTD Actuals	% of Total	YTD VARIANCE Amount %	
WATER								
REVENUES								
Water Charges	98.7%	\$1,775,230	99.0%	\$198,595	\$203,427	98.8%	\$4,832	2.4%
Interest Earnings	0.0%	80	0.0%	5		0.0%	(5)	(100.0%)
Other Income	1.3%	23,830	1.0%	1,986	2,405	1.2%	419	21.1%
Total Water Revenues	100.0%	1,799,140	100.0%	200,586	205,832	100.0%	5,246	2.6%
EXPENSES (excluding depreciation)								
Wages	28.2%	437,250	14.6%	17,658	32,328	25.5%	14,670	83.1%
Employer Costs	13.4%	208,130	10.7%	13,014	15,788	12.5%	2,774	21.3%
Power	10.7%	166,050	12.2%	14,830	14,615	11.5%	(215)	(1.4%)
Chemicals	8.0%	124,500	9.1%	11,000	15,485	12.2%	4,485	40.8%
T&O - Chemicals/Treatment	3.3%	51,000	11.3%	13,700	5,579	4.4%	(8,121)	(59.3%)
Maint & Repair	10.4%	161,070	9.1%	11,000	9,630	7.6%	(1,370)	(12.5%)
Meters/Boxes	3.5%	54,000	3.9%	4,750		0.0%	(4,750)	(100.0%)
Lab Tests	2.3%	36,000	2.1%	2,500	593	0.5%	(1,907)	(76.3%)
Permits	2.1%	32,000	2.1%	2,500	2,735	2.2%	235	9.4%
Training/Safety	0.5%	7,500	0.6%	725	428	0.3%	(297)	(41.0%)
Equipment Rental	1.5%	23,000	4.1%	5,000	3,695	2.9%	(1,305)	(26.1%)
Other Direct Costs	16.2%	251,070	20.3%	24,667	25,851	20.4%	1,184	4.8%
Operational Expenses	100.0%	1,551,570	100.0%	121,344	126,727	100.0%	5,383	4.4%
Water Income (Loss)	16.0%	247,570	65.3%	79,242	79,105	62.4%	(137)	(0.2%)
38.9% Net Admin Alloc	16.0%	247,570	8.0%	9,756	18,706	14.8%	8,950	91.7%
Total Net Income (Loss)	0.0%		57.3%	69,486	60,399	47.7%	(9,087)	(13.1%)
SEWER								
REVENUES								
Sewer Charges	98.7%	1,237,740	98.7%	103,111	103,031	98.3%	(80)	(0.1%)
Interest Earnings	0.0%	140	0.0%	9		0.0%	(9)	(100.0%)
Other Income	1.3%	15,990	1.3%	1,332	1,832	1.7%	500	37.5%
Total Sewer Revenues	100.0%	1,253,870	100.0%	104,452	104,863	100.0%	411	0.4%
EXPENSES (excluding depreciation)								
Wages	29.7%	315,800	18.6%	12,753	22,140	23.6%	9,387	73.6%
Employer Costs	14.1%	150,330	13.7%	9,399	10,915	11.6%	1,516	16.1%
Power	13.5%	143,960	26.6%	18,275	13,423	14.3%	(4,852)	(26.5%)
Chemicals	6.6%	70,300	5.1%	3,500	11,952	12.7%	8,452	241.5%
Maint & Repair	16.2%	172,500	14.2%	9,750	20,260	21.6%	10,510	107.8%
Lab Tests	3.6%	38,250	0.0%		1,432	1.5%	1,432	0.0%
Permits	2.6%	27,300	6.4%	4,400	3,706	3.9%	(694)	(15.8%)
Training/Safety	1.3%	14,200	3.6%	2,450	323	0.3%	(2,127)	(86.8%)
Equipment Rental	1.5%	16,000	3.4%	2,350	2,640	2.8%	290	12.3%
Other Direct Costs	10.9%	116,240	8.5%	5,836	7,059	7.5%	1,223	21.0%
Operational Expenses	100.0%	1,064,880	100.0%	68,713	93,850	100.0%	25,137	36.6%
Sewer Income (Loss)	17.7%	188,990	52.0%	35,739	11,013	11.7%	(24,726)	(69.2%)
29.7% Net Admin Alloc	17.8%	189,020	10.8%	7,447	14,282	15.2%	6,835	91.8%
Total Net Income (Loss)	0.0%	(30)	41.2%	28,292	(3,269)	-3.5%	(31,561)	(111.6%)
DRAINAGE								
REVENUES								
Drainage Charges	100.0%	180,430	100.0%	15,035	14,994	100.0%	(41)	(0.3%)
Interest Earnings	0.0%	30	0.0%	1		0.0%	(1)	(100.0%)
Total Drainage Revenues	100.0%	180,460	100.0%	15,036	14,994	100.0%	(42)	(0.3%)
EXPENSES (excluding depreciation)								
Wages	40.0%	56,680	24.6%	2,289	3,551	31.0%	1,262	55.1%
Employer Costs	19.1%	26,990	18.1%	1,687	1,789	15.6%	102	6.0%
Power	10.9%	15,500	17.2%	1,600	1,135	9.9%	(465)	(29.1%)
Chemicals	3.8%	5,400	4.8%	450		0.0%	(450)	(100.0%)
Maint & Repair	8.4%	11,900	10.8%	1,000	112	1.0%	(888)	(88.8%)
Permits	3.5%	5,000	0.0%		4,864	42.4%	4,864	0.0%
Equipment Rental	3.2%	4,500	5.4%	500		0.0%	(500)	(100.0%)
Other Direct Costs	11.1%	15,700	19.1%	1,775	9	0.1%	(1,766)	(99.5%)
Operational Expenses	100.0%	141,670	100.0%	9,301	11,460	100.0%	2,159	23.2%
Drainage Income (Loss)	27.4%	38,790	61.7%	5,735	3,534	30.8%	(2,201)	(38.4%)
6.1% Net Admin Alloc	27.4%	38,820	16.4%	1,525	3,033	26.5%	1,508	98.9%
Total Net Income (Loss)	0.0%	(30)	45.3%	4,210	501	4.4%	(3,709)	(88.1%)
SECURITY								
REVENUES								
Security Charges	96.4%	1,185,510	96.4%	98,792	98,774	94.7%	(18)	0.0%
Interest Earnings	0.0%	410	0.0%	2		0.0%	(2)	(100.0%)
Other Income	3.6%	43,730	3.6%	3,661	5,480	5.3%	1,819	49.7%
Total Security Revenues	100.0%	1,229,650	100.0%	102,455	104,254	100.0%	1,799	1.8%

Rancho Murieta Community Services District
Budget Performance Report by FUND
YTD THROUGH JULY 2013

	% of Total	Annual Budget	% of Total	YTD Budget	YTD Actuals	% of Total	YTD VARIANCE	
							Amount	%
EXPENSES (excluding depreciation)								
Wages	56.8%	\$625,100	44.2%	\$26,500	\$42,888	55.3%	\$16,388	61.8%
Employer Costs	34.0%	374,700	40.9%	24,500	25,582	33.0%	1,082	4.4%
Equipment Repairs	0.4%	4,400	0.6%	367		0.0%	(367)	(100.0%)
Vehicle Maintenance	0.6%	6,700	0.9%	550	95	0.1%	(455)	(82.7%)
Vehicle Fuel	1.9%	20,560	3.3%	1,955	3,737	4.8%	1,782	91.2%
Off Duty Sheriff Patrol	0.5%	6,000	0.8%	500	1,698	2.2%	1,198	239.6%
Other	5.7%	63,040	9.3%	5,599	3,513	4.5%	(2,086)	(37.3%)
Operational Expenses	100.0%	1,100,500	100.0%	59,971	77,513	100.0%	17,542	29.3%
Security Income (Loss)	11.7%	129,150	70.8%	42,484	26,741	34.5%	(15,743)	(37.1%)
20.3% Net Admin Alloc	11.7%	129,190	8.5%	5,080	9,762	12.6%	4,682	92.2%
Total Net Income (Loss)	0.0%	(40)	62.4%	37,404	16,979	21.9%	(20,425)	(54.6%)
SOLID WASTE REVENUES								
Solid Waste Charges	99.9%	621,072	100.0%	51,756	51,600	100.0%	(156)	(0.3%)
Interest Earnings	0.1%	400	0.0%			0.0%		0.0%
Total Solid Waste Revenues	100.0%	621,472	100.0%	51,756	51,600	100.0%	(156)	(0.3%)
EXPENSES (excluding depreciation)								
CWRS Contract	92.1%	543,000	94.0%	45,250	45,315	94.6%	65	0.1%
Sacramento County Admin Fee	5.9%	34,680	6.0%	2,890	2,582	5.4%	(308)	(10.7%)
HHW Event	2.0%	12,000	0.0%			0.0%		0.0%
Operational Expenses	100.0%	589,680	100.0%	48,140	47,897	100.0%	(243)	(0.5%)
Solid Waste Income (Loss)	5.4%	31,792	7.5%	3,616	3,703	7.7%	87	2.4%
5.0% Net Admin Alloc	5.4%	31,820	2.6%	1,253	2,404	5.0%	1,151	91.9%
Total Net Income (Loss)	0.0%	(28)	4.9%	2,363	1,299	2.7%	(1,064)	(45.0%)
OVERALL NET INCOME(LOSS)	100.0%	(128)	100.0%	141,755	75,909	100.0%	(65,846)	(46.5%)

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

INVESTMENT REPORT

CASH BALANCE AS OF JULY 31, 2013

INSTITUTION	YIELD	BALANCE
CSD FUNDS		
<i>EL DORADO SAVINGS BANK</i>		
SAVINGS	0.03%	\$ 3,170,025.80
CHECKING	0.02%	\$ 8,099.75
PAYROLL	0.02%	\$ 59,423.14
<i>PREMIER WEST BANK</i>		
EFT	N/A	\$ 88,435.96
<i>LOCAL AGENCY INVESTMENT FUND (LAIF)</i>		
UNRESTRICTED		\$ -
RESTRICTED RESERVES	0.25%	\$ 5,682,493.04
<i>CALIFORNIA ASSET MGMT (CAMP)</i>		
OPERATION ACCOUNT	0.07%	\$ 3,595,047.44
<i>UNION BANK</i>		
PARS GASB45 TRUST	(balance as of 6/30/13)	\$ 491,539.68
TOTAL		\$ 13,095,064.81

BOND FUNDS

COMMUNITY FACILITIES DISTRICT NO. 1 (CFD)

<i>BANK OF AMERICA</i>		
CHECKING	N/A	\$ 1,747,998.05
<i>CALIFORNIA ASSET MGMT (CAMP)</i>		
SPECIAL TAX	0.07%	\$ 8,298.67
<i>US BANK</i>		
SPECIAL TAX REFUND	0.00%	\$ -
BOND RESERVE FUND/ SPECIAL TAX FUND	0.00%	\$ 876,000.00
TOTAL		\$ 2,632,296.72
TOTAL ALL FUNDS		\$ 15,727,361.53

The investments comply with the CSD adopted investment policy.

PREPARED BY: *Darlene Gillum*
Director of Administration

MEMORANDUM

Date: August 16, 2013
To: Board of Directors
From: Greg Remson, Security Chief
Subject: Security Report for the Month of July 2013

OPERATIONS

The 4th of July went well from a security standpoint. There were smaller crowds due to the hot weather. The Gate Officers did a good job with the increased phone calls, dispatching calls for service, and processing the additional traffic. Rancho Murieta Association (RMA) issued 1,467 guest passes for the event. Patrol Officers and off-duty Sheriff's Deputies handled calls for service including noise complaints from late fireworks. There was one road rage incident and possibly related vandalism.

Security Patrol Officer Scarzella attended the Riverview Pump Track Grand Opening. It looked like all of the riders had a great time. So far 145 people have signed the waiver.

Sergeant Bieg and I held interviews for the open Gate Officer and Patrol Officer positions. A job offer has been made for a Gate Officer. She is going through the pre-employment process and has a tentative start date of August 24, 2013. We continue to receive applications for the Patrol Officer position and are evaluating the applicants.

INCIDENTS OF NOTE

July 4, Thursday, reported at 5:37 p.m. at Clementia Park. Report of a physical fight resulting from a road rage incident. Officers checked the area and were unable to locate a victim or suspect.

July 4, Thursday, reported on July 5 at 1:19 p.m. on Murieta Parkway. While a vehicle was parked during the fireworks, two (2) right side tires were slashed. The victim feels it was a result of the earlier road rage incident.

July 10, Wednesday, reported at 1:35 p.m. on Murieta Parkway at Alameda Drive. Hit and Run. The street light pole in the median was knocked down. No suspect information.

July 12, Friday, reported at 2:43 a.m. Domestic violence arrest on Venado Drive. Report of a female yelling. Male resident arrested by Sacramento Sheriff's Department (SSD) for domestic violence.

July 15, Monday, reported at 6:10 p.m. on Topspin Way. A vehicle driving on Jackson Road went off of the roadway and struck the sound wall. Debris from the block wall hit the house and windows. No one was home at the time. Single vehicle involved with no injuries. California Highway Patrol (CHP) responded for a report.

July 19, Friday, reported at 5:43 a.m. Vandalism. Lock to the gate leading into PTF property was cut.

July 20, Sunday, reported at 8:55 a.m. on Domingo Drive. Theft from open garage. Referred to SSD for a report.

July 25, Thursday, reported at 2:09 a.m. on Verona Drive. Vandalism. Vehicle drove over lawn.

July 29, Monday, reported at 9:52 a.m. on Camino Del Sol. Theft from open garage. A bicycle and golf clubs were taken.

July 30, Tuesday, reported at 12:21 a.m. on Via Sereno. Vandalism. A parked, unoccupied vehicle parked in the street had a window smashed and was "keyed". Referred to SSD for a report.

During the month of July, District Security Patrol Officers also responded to complaints of loud music and disturbances.

RANCHO MURIETA ASSOCIATION COMPLIANCE/GRIEVANCE/SAFETY COMMITTEE MEETING

The meeting was held on July 8, 2013 at the Rancho Murieta Association (RMA) office. There was one (1) appearance scheduled for driveway parking, and two (2) letters regarding stop sign and property maintenance. The next meeting is scheduled for August 5, 2013.

JOINT SECURITY COMMITTEE MEETING

The Joint Security Committee Meeting was held on July 26, 2013 at the RMA office. Items that were discussed were the status of the new North Gate, surveillance cameras, adding signs from the Folsom area to Rancho Murieta, and golf cart access through the North Gate. The next meeting is scheduled for October 25, 2013.

JAMES L. NOLLER SAFETY CENTER

The Safety Center has been open most Mondays and Wednesdays from 10:00 a.m. to 2:00 p.m. VIPS Jacque Villa and Steve Lentz continue patrolling the District as another set of "eyes and ears".

The Safety Center is also available to all law enforcement officers for report writing, meal breaks and any other needs that arise.

Anyone who is interested in joining the VIPS program or would like information on the Neighborhood Watch program can contact the VIPS at the Safety Center office at 354-8509.

NEW NORTH GATE

There have been recent site visits with the construction estimator, Greg Vorster, members of the RMA Maintenance Department and Paul Siebensohn. Part of the discussions included proposed water features and water usage. The next committee meeting should be during the last week of August and will include cost estimates.

BEACH ACCESS/PTF GATES

Patrol Officers continue to open the gate at dawn and close it at dusk. Calls for service have been minor. Due to the occasional driver who drives around the Bass Lake PTF gate, RMA has requested that Security lock the gate located on the east end of Bass Lake. Once RMA has installed reflective warning signs on both sides of the gates, Patrol will begin locking and unlocking the gate at the same time the beach access gate is locked and unlocked.

MEMORANDUM

Date: August 6, 2013
To: Board of Directors
From: Paul Siebensohn, Director of Field Operations
Subject: Water/Wastewater/Drainage Report

The following is District Field Operations information and projects staff has worked on since the last Board meeting.

Water

Water Treatment Plant #1 production flow is currently set at 1.2 million gallons per day (MGD) and Plant #2 production is at 1.7 MGD for a total of 2.9 MGD, with facility run times currently operating around 21 hours per day.

Total potable water production for July 2013 was approximately 80.713 million gallons (MG) (247.7 acre-feet) up from last month's total flow of 68.6 MG. Based off of production versus number of connections, the average usage per customer connection was 995 gallons per day during the month of July. A total of 0.0" of rainfall was recorded for the month of July with evaporation at 8.76" as measured by the U.S. Bureau of Reclamation at Folsom Lake.

Maintenance at the Water Treatment Plant included: Tesco uploaded new program to Plant 2 Liq IV PLC for sludge valves controls; replaced exterior soffit lamps that had failed; built new caustic feed system pump mount and plumbing; cleaned all effluent pumps; cleaned lenses of all security cameras; and serviced entry gate motor controller.

Water Source of Supply

On July 29, 2013, the combined raw water storage for Calero, Chesbro, and Clementia Reservoirs measured approximately 1,449 MG (4,448 acre-feet).

We treated Chesbro on July 17 to control the algae that form the taste and odor compounds in our water supply. We also had the aquatic vegetation along the shoreline of Chesbro harvested. The harvester even noted that the water in Chesbro is clearer than he has seen it in the past and there is not as much vegetation as there was last year.



The Clementia subdrain pump station, which pumps water away from the base of the dam, failed last month. The power to the subdrain is run from a SMUD power pole near the Bass Lake pump station over twelve-hundred feet (1,200') away. There were numerous wire connections that were not to code, a faulty power transformer, and several pull boxes buried up to six feet (6') deep that were fixed, brought up to ground level and replaced, along with new wire being pulled in.

Wastewater

Influent wastewater flow averaged 0.403 million gallons a day, for a total of 12,518,434 gallons, (38.4 acre-feet) for the month of July. This is 14% lower than the past seven (7) year average. A total of 44.6 MG (137 acre-feet) of secondary wastewater was measured in the secondary storage reservoirs on July 31, 2013. This supply is below normal for an average irrigation demand to the Rancho Murieta Country Club (RMCC) for the rest of the irrigation season; especially since sewer plant influent flows have been lower than average. RMCC was supplied 46.275 MG of reclaimed water in the month of July for their irrigation needs.

There were two (2) calls for sewer service this past month which were determined to be on the homeowner's property. As part of sewer system preventative maintenance, staff used the sewer camera to inspect (CCTV) 725 feet of sewer main in Unit 4, and 1375 feet near Trinidad Drive in District sewer laterals F and E in Unit 2.

Staff has been working on restoring a chemical feed tank and installing lines to be able to receive bulk caustic deliveries to save on product costs. The caustic is used for adjusting the pH of the tertiary treated water up after chlorination, a condition of our Waste Discharge Requirement.

Drainage / CIA Ditch

Laguna Joaquin was treated again on July 23 to help control midge flies, as well as algae around the Rancho Murieta Association's (RMA) irrigation pump intake. Both seem to be working well. With flow in the Cosumnes River historically low at 6 cfs, the level in Laguna may begin to drop as demands on the river increase from riparian users.

Staff continued cutting vegetation throughout the community drainage system, including two (2) basins on the South this past month.

We received a receipt of our Notice of Intent (NOI) and required guidance document filed, and issued WDID#5S34M200009, for our District to comply with State Water Resources Control Board Water (SWRCB) Quality Order No. 2013-0001-DWQ National Pollutant Discharge Elimination System (NPDES) General Permit No. CAS000004, Waste Discharge Requirements (WDRs) for Storm Water Discharges From Small Municipal Separate Storm Sewer Systems (MS4s) (General Permit). This is updating the previous requirements of our 2009 SWMP to a more stringent program by the SWRCB.

We also received receipts of our NOI packages for complying with the Aquatic Weed General Order 2004-0009-DWQ NPDES, receiving WDID #2004-0009DWQ-R5S-066, and the Vector NPDES 2012-0002-DWQ, receiving WDID #534AP00032. These allow us to apply aquatic herbicides per our submitted Aquatic Pesticide Application Plan and a midge fly control product per our

submitted Vector Pesticide Application Plan. Other entities within the District will need to follow the requirements of these plans or submit their own compliance documents.

Water metering & Utility Staff work

Staff completed all of the necessary water meter maintenance in July which included replacement of three (3) water meters, four (4) meter registers and zero (0) MXUs. Utility staff responded to fourteen (14) calls for water leaks, nine (9) were homeowner issues for water leaks and five (5) were District service line water leaks which were repaired. Also completed were seven (7) underground service alert (USA) requests and ten (10) Utility Star service orders.

Other Projects

Water Plant Phase 3

The Board has decided to move forward on the rehabilitation of Water Plant #1 with a submerged membrane technology. Further design is on hold until the District contracts with a construction manager at risk, however, staff met with HDR to make changes based on their 2005 design.

Main Lift North Rehabilitation Project

Requests for bids have been posted on the Sacramento Builder's exchange, advertised in the Sacramento Bee, and posted on our website for the Main Lift North rehabilitation. Bids will be opened and reviewed on August 7, 2013.

Well Project

The target for well test well drilling has been postponed by the well driller until week of August 29, 2013. If the geotechnical analysis has been completed in time the options for how to proceed with the well development will be discussed at the September Improvements Committee meeting. I discussed the project with our CDPH engineer, who will need to provide approvals should we move forward with potable water production wells.

Recycled Water For Future Use

We are continuing dialogue with the California Department of Public Health (CDPH) and have requested a meeting. We are currently waiting to hear back from them.

Hole 13 North Course Culvert Replacement

RMCC requested that we wait until November of this year or July of next year to proceed with project. Due to potential concerns with weather and staff being off in November the project is being scheduled for July 2014.

MEMORANDUM

Date: August 13, 2013
To: Board of Directors
From: Edward R. Crouse, General Manager
Subject: Authorize Negotiations of a Contract with Roebbelen Construction Management Services, Inc., for Construction Manager at Risk Services

RECOMMENDED ACTION

Authorize negotiations of a contact with Roebbelen Construction Management Services, Inc., for Construction Manager at Risk Services for the Water Treatment Plant Expansion Project.

BACKGROUND

On July 22, 2013, the District sent out seven (7) Statement of Qualifications (SOQ) Request for Proposals (RFP) to four (4) true construction management firms and three (3) contractors that have construction manager at risk services as part of their contracting business. In addition, the SOQ/RFP package was sent to the Sacramento Builders Exchange for advertising and release to their member contractors. Responses were due by August 9, 2013.

Up to the last week, we had interest from one Construction Management firm and two (2) contractors. In the end, only one (1) contractor submitted a response, Roebbelen Construction Management Services. Attached is their response.

On August 15, 2013, Directors Gumbinger and Pasek, Paul Siebensohn, Darlene Gillum and I interviewed the Roebbelen team comprised of Bob Kjome, Executive Vice President; Dave Hoskins, Project Manager; Joel Gallion, Senior Estimator; and Mike Tucker, Project Superintendent. All the individuals will be assigned to our project, although their direct involvement will vary over time. Attached is the interview handout of talking points prepared by Roebbelen.

During the interview we discussed their approach to preconstruction services and construction services; project costing and phasing; project schedule; fee structure; as well as keys to a successful project.

Given the ever changing scope and size of the project, from a capacity standpoint, Roebbelen committed to the project even if the final project is less than full capacity.

In the end the interview went well from all parties' perspectives. Staff and Directors Gumbinger and Pasek are comfortable with and supportive of Roebbelen's approach and believe Roebbelen can deliver a quality project within budget and on schedule.

As a result, we recommend the Board authorize contract negotiations with Roebbelen Construction Management Services, Inc., for a Construction Manager at Risk (CMAR) services contract for the Water Treatment Plant Expansion Project.

Both Roebbelen and the District believe successful contract negotiations can be completed in time for contract approval at the September Board meeting. This will ensure the water treatment plant expansion project will stay on schedule.

August 9, 2013

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Construction Management Services



Koebbelen

QUALITY CONSTRUCTION SINCE 1959
INSTITUTIONAL • COMMERCIAL • INDUSTRIAL

**Rancho Murieta
Community Services District**



TRANSMITTAL

August 9, 2013

Mr. Edward R. Crouse
General Manager
Rancho Murieta Community Services District
P.O. Box 1050
15160 Jackson Road
Rancho Murieta, CA 95683

**RE: Construction Manager at Risk Services
Water Treatment Plan Upgrade and Expansion**

We are sending you:

Date	No. of Copies	Description
8/9/13	1	Original Qualifications/Proposal
8/9/13	5	Copy of Qualifications/Proposal
	1	Form 1 - Contact Information
8/9/13	1	Form 2 - SOQ/RFP Packet Checklist
8/2/13	1	Notarized Bond Letter from CNS Surety

<input checked="" type="checkbox"/> For Your Use	<input type="checkbox"/> Per Your Request
<input type="checkbox"/> For Your Review & Comment	<input type="checkbox"/> For Your Approval

FORM 1
CONTACT INFORMATION
(REQUIRED FOR ALL FIRMS)

Firm Name: Roebbelen Construction Management Services, Inc.

Business License # 2005-035121 Contractor's License # 808764

License # License Type A and B

Address: 1241 Hawks Flight Court

City El Dorado Hills, CA Zip Code: 95762

Contact Name: Robert J. Kjome

Title: Executive Vice President

Email: bd@roebbelen.com

Phone: (916) 939-1149 Fax: (916) 939-4028

FORM 2
SOQ/RFP PACKET CHECKLIST
(REQUIRED FOR ALL FIRMS)

1 Original complete packet (stamped ORIGINAL)	<input type="radio"/> Yes	<input type="radio"/> No
5 Copies of original packet (stamped COPY)	<input type="radio"/> Yes	<input type="radio"/> No
Form 1 – Contact Information (filled out)	<input type="radio"/> Yes	<input type="radio"/> No
Form 2 – SOQ/RFP Packet Checklist	<input type="radio"/> Yes	<input type="radio"/> No



August 9, 2013

Mr. Edward R. Crouse
General Manager
Rancho Murieta Community Services District
P.O. Box 1050
15160 Jackson Road
Rancho Murieta, CA 95683

Re: Water Treatment Plant Upgrade and Expansion
Construction Manager at Risk Services

Dear Mr. Crouse and Members of the Selection Committee:

The expansion and upgrade to the water treatment plant is a major milestone for the growth of our community. The new technology contemplated to be installed will provide a means for continued capacity growth as the community expands. RMCS D will benefit from a construction management firm who is well versed in the use of construction management at-risk as this delivery method brings together a low cost bid approach with effective hands-on management. The leadership role during the design and preconstruction phases will translate into savings for the District ensuring the project plan has a realistic budget. We will provide fully vetted design documents, bid packages without holes or ambiguities, and a schedule that is phased to meet the needs of our community water usage.

Roebbelen is a union contractor that was founded in 1959 in Sacramento and is currently headquartered in El Dorado Hills, California. Not only are we proficient in the Construction Manager at Risk delivery method, we are also a general contractor who prides itself on our ability to self-perform many trades. Being a builder and not just a broker will guarantee that the trade contractors are lead by a skilled team that solves problems in real-time.

I would like to personally thank you for the opportunity to share our company's qualifications with you. Our chosen team of Joel Gallion, David Hoskins and Mike Tucker will lead this project as if they were the owner and strive for your satisfaction. Please feel free to contact me with any questions you may have regarding this Statement of Qualifications.

Sincerely,

ROBERT J. KJOME
Executive Vice President

1241 Hawks Flight Court
El Dorado Hills, CA 95762
(916) 939-1149 (direct line) | (916) 939-4028 FAX
bd@roebbelen.com

1241 Hawks Flight Court
El Dorado Hills, CA 95762

p 916.939.4000
f 916.939.4028

www.roebbelen.com

Roebbelen Management, Inc.
Roebbelen Contracting, Inc. CA License #734124
Roebbelen Contracting, Inc. NV License #0056512
Roebbelen Contracting, Inc. OR License #124156
Roebbelen Contracting, Inc. WA License #ROEBBC1967KQ
Roebbelen Contracting, Inc. AZ License #ROC222519
Roebbelen Construction Management Services, Inc. CA License #808764

ISO 9001: 2008 Certified

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Legal Organization

Roebbelen was founded by Hans Roebbelen in 1959 in Sacramento, California. Reorganized and incorporated in 1997, Roebbelen is an award-winning construction corporation dedicated to satisfying the needs and requirements of every client. Roebbelen maintains our headquarters in El Dorado Hills, CA along with several regional satellite offices providing excellent accessibility and service our clients throughout the West Coast.

Roebbelen specializes in public works projects and provides construction management, lease-leaseback, design-build, general contracting and value analysis services. We are dedicated to delivering the very best construction management services to our clients.

Licenses Held By Firm

- Roebbelen Construction Management Services, Inc. – License No. 808764, Expiration May 31, 2014 (Class A and B)
- Roebbelen Contracting, Inc. – License No. 734124, Expiration March 31, 2015 (Class A, B, C-8, C-13, HAZ, ASB)
- Roebbelen / Daum, a Joint-Venture – License No. 951827, Expiration September 30, 2014 (Class A, B, C8)
- Carter Kelly / Roebbelen, a Joint-Venture – License 866808, Expiration November 30, 2013 (Class A, B, C8)

Licenses Held by Key Personnel

- McLean Construction – License No. 963246, Expiration July 31, 2013 (Held by Robert McLean, Executive Vice President)
- JJACK Investments Inc., dba Pacific Region Contracting – License No. 948013, Expiration June 3, 2014 (Held by Kenneth Wenham, President)

OTHER REQUIRED INFORMATION

Contract Termination

Roebbelen (the firm) or any of its officers has not been terminated from any project in the past five years.

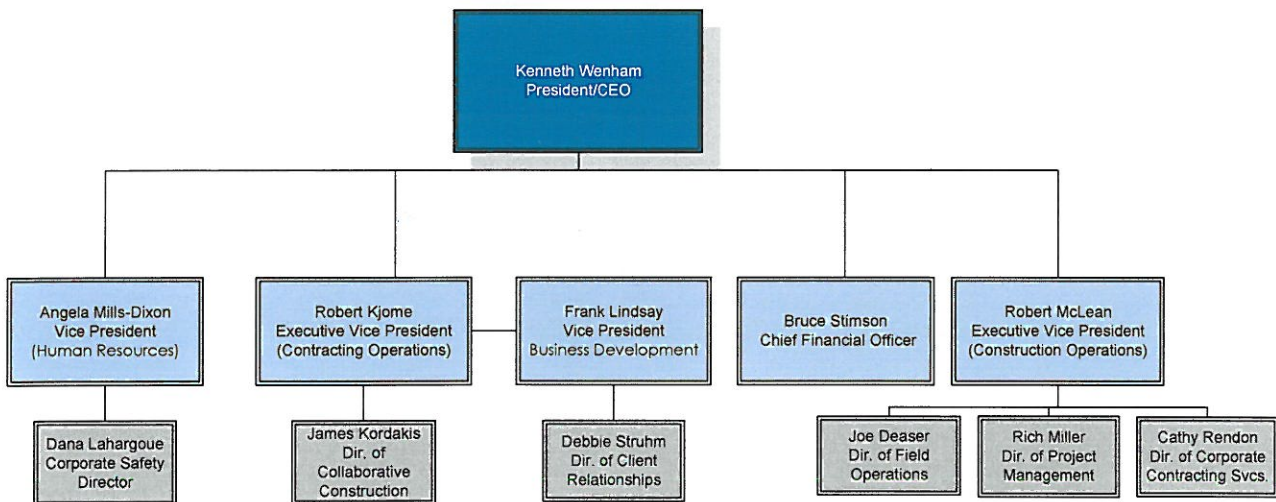
Claims

Roebbelen was the Framing Contractor working under Vanir Construction Management on the East Avenue Elementary School for the Hayward Unified School District. Roebbelen has filed for breach of contract and negligence to receive payment. This litigation is currently pending.

All Action was a poorly performing electrical subcontractor on the County Fleet Maintenance for the County of Sacramento. All Action sued Roebbelen for additional compensation for work they claimed as extra. The complaint was filed August 2007 before the Sacramento County Superior Court. In July 2009 the court ruled in Roebbelen's favor.



Executive Team





*Jones Fork Hydraulic Plant
Union Valley, CA*

Valley Unique Electric, Inc. filed a claim against Roebbelen Contracting, Inc. for damages and to enforce stop notice, or alternatively to foreclose mechanic's lien. This case is pending.

Levy Drywall filed a claim against Roebbelen Contracting for complaint for breach of contract to enforce stop notice and to recover money due. The subcontractor refused to perform his contract work. This case was settled.

National Metal Fabricators filed a claim against Roebbelen Contracting, Inc. for unpaid contract balance due to pass-through claims. Roebbelen countersued subcontractor for damages due to delay and disruption the subcontractor caused to the project. This case was settled.

Roebbers Inc. filed a claim for unpaid contract balance due to pass-through claims. This case was settled.

Apprentice Program

Roebbelen is signatory to the following labor agreements covering work performed in the 46 Northern California Counties: 2011-2015 CEA/Carpenters Master Agreement for Northern California and 2010-2012 CEA/Laborers Master Builders Agreement for Northern California. These agreements require signatory contractors to employ apprentices in accordance with the applicable rules and regulations of the respective labor-management Training Committees and the Apprenticeship Standards that have been registered with and adopted by the California Apprenticeship Council and Division of Apprenticeship Standards. Roebbelen is recognized by the following Apprenticeship Committees as an approved employer to train apprentices: Carpenters Training Committee for Northern California, (925) 462-9640 and Northern California Laborers J.A.T.C., (925) 556-0858.

Roebbelen will ensure that all subcontractors meet this requirement.

Medical Insurance

Roebbelen provides a choice of several medical insurance plans for eligible employees who regularly work 32 or more hours per week. Eligible employees may join the medical plan on the first of the month following 30 days of consecutive employment with the Company. The Company currently pays 100% of the cost for the employee. If an employee wishes to enroll a dependent(s), the employee will contribute to the monthly cost of the coverage through payroll deductions on a pre-tax basis through a Section 125 Plan. Employees may add their qualified dependents, as well as a registered domestic partner to the medical plan at the time of their own election for benefits.



PROJECT DATA FORM
(REQUIRED FOR ALL FIRMS)

Complete for each comparable project submitted as evidence of your firm's experience.

SECTION 1 - DESCRIPTION OF PROJECT

Project Name: Chevron Reclamation Facility Project Location: Richmond, CA
Project Description: New treatment plan for the treatment of wastewater into reclaimed water for landscape use. The project encompassed approximately 55 pumps. We also were in charge of running the plant during the initial 3 months of operation. Also included was a new Administration Building. We self performed all of the concrete.

Construction Type: New Construction Size (gross sq. ft.) 305,000 SF

Was construction of the project begun and completed within the last 10 years: Yes No

If completion did not occur within the Contract time at bid date or within the formally adjusted Contract Time, then explain the reason for the delay: N/A

SECTION 2 - ROLE OF THE FIRM

CMAR Yes No % of Work Type of Work
Construction Manager Yes No % of Work Type of Work
General Contractor Yes No % of Work 100 Type of Work General Contractor Svcs
How is this project comparable to our project? It was a new wastewater treatment plan.

SECTION 3 - PROJECT INFORMATION

Project Owner: East Bay Municipal Utility District
Firm Name: East Bay Municipal Utility District
Address: 375 11th Street City Oakland State CA
Phones: (866) 403-2683 E-mail: custsvc@ebmud.com
Manager: Dana Lahargoue Superintendent: Joe Deaser
Architect: Project Engineer:
Engineer: Consultant:

SECTION 4 - REFERENCE INFORMATION

Reference 1
Name
Address City State
Phone E-mail
Reference 2
Name
Address City State
Phone E-mail

EXPERIENCE AND QUALIFICATIONS





PROJECT DATA FORM
(REQUIRED FOR ALL FIRMS)

Complete for each comparable project submitted as evidence of your firm's experience.

SECTION 1 - DESCRIPTION OF PROJECT

Project Name: South Tahoe PUD Customer Service Facility Project Location: Lake Tahoe, CA
Project Description: New addition to the existing wastewater/customer service facility. The addition consisted of Office space, conference room, wastewater lab, lab casework, high-end finishes. Because this project was completed at an active wastewater plant, all regulations and safety protocol were constantly monitored.

Construction Type: New Construction/Addition Size (gross sq. ft.) 35,000 SF

Was construction of the project begun and completed within the last 10 years: Yes No

If completion did not occur within the Contract time at bid date or within the formally adjusted Contract Time, then explain the reason for the delay: N/A

SECTION 2 - ROLE OF THE FIRM

CMAR Yes No % of Work Type of Work
Construction Manager Yes No % of Work Type of Work
General Contractor Yes No % of Work 100 Type of Work Gen. Contracting Svcs.

How is this project comparable to our project? This project is comparable because it involved an active wastewater treatment plant facility.

SECTION 3 - PROJECT INFORMATION

Project Owner: Paul Sciuto, Assistant General Manager/Engineer
Firm Name: South Tahoe Public Utility District
Address: 1275 Meadow Crest Drive City South Lake Tahoe State CA
Phones: (530) 523-6206 E-mail: psciuto@stpud.dst.ca.us
Manager: Sean Honegger Superintendent: Dave Champion
Architect: Smith Design Group Project Engineer: Bryan Todd
Engineer: Consultant:

SECTION 4 - REFERENCE INFORMATION

Reference 1
Name John Thiel, Principal Engineer, South Tahoe Public Utility District
Address 1275 Meadow Crest Drive City South Lake Tahoe State CA
Phone (530) 544-6474 E-mail jthiel@stpud.dst.ca.us

Reference 2
Name Tim Rieger, Engineering Technician II, South Tahoe Public Utility District
Address 1275 Meadow Crest Drive City South Lake Tahoe State CA
Phone (530) 544-6474 E-mail trieger@stpud.dst.ca.us





PROJECT DATA FORM
(REQUIRED FOR ALL FIRMS)

Complete for each comparable project submitted as evidence of your firm's experience.

SECTION 1 - DESCRIPTION OF PROJECT

Project Name: Vista del Lago High School Project Location: Folsom, CA
Project Description: Construction of a new high school on a 52-acre site. The project was complicated due to the massive grading operations required to construct the building pads on the hillsides of Folsom, CA. The campus features multiple two-story classroom buildings comprised of a structural steel frame, elevated decks, single-ply roofing, metal stud framing, curtain wall, glazing and a lath/plaster exterior skin. Many of the connecting second-floor walkways were cast-in-place decks with cantilevered bridges. The supporting facilities include emergency access roads, retaining walls, three parking lot areas, sidewalks and site underground utilities.

Construction Type: New Construction Size (gross sq. ft.) 305,000 SF

Was construction of the project begun and completed within the last 10 years: Yes No

If completion did not occur within the Contract time at bid date or within the formally adjusted Contract Time, then explain the reason for the delay: N/A

SECTION 2 - ROLE OF THE FIRM

CMAR Yes No % of Work 100 Type of Work Precon and Post Construction
Construction Manager Yes No % of Work
General Contractor Yes No % of Work 15 Type of Work: Concrete Trade package
How is this project comparable to our project? This is a construction management at-risk project that included preconstruction and construction phase services. While it is not a water treatment plant, we worked extensively with our trade contractors on water treatment and on-site retention due to naturally occurring asbestos and SWPPP requirements. Project was completed in multiple phases due to funding, design and DSA approval process.

SECTION 3 - PROJECT INFORMATION

Project Owner: Debbie Bettencourt, Superintendent
Firm Name: Folsom Cordova Unified School District
Address: 1965 Birkmont Drive City Rancho Cordova State CA
Phones: (916) 294-9000 x104500 E-mail: dbettenc@fcusd.org
Manager: Adam Villacara Superintendent: Steve Chizek
Architect: Rainforth Grau Architects Project Engineer: Doug Nelson
Engineer: Consultant:

SECTION 4 - REFERENCE INFORMATION

Reference 1
Name Teri Jamison, Architect, Rainforth Grau Architects
Address 2407 J Street City Sacramento State CA
Phone (916) 368-7990 E-mail tjamison@rainforthgrau.com

Reference 2
Name Matt Washburn, Facilities Director, Folsom Cordova Unified School District
Address 1965 Birkmont Drive City Folsom State CA
Phone (916) 294-9000 x103350 E-mail mwashbur@fcusd.org

p:\bd\proposals\rcms\2013\rmcsd water treatment plant\cm at risk\tab 2 _ project data form _ vista.docx



As requested, the Staff Experience Form for each person assigned to this project. Below is a listing of completed and on-going projects that this team has been involved with over the past two (2) years.

Dave Hoskins, Project Manager

California Medical Facility Enhanced Outpatient Program and Treatment Space, California Department of Corrections, Vacaville, CA (100% complete)

New Shasta County Juvenile Rehabilitation Facility, Redding, CA (90% complete)

Michael Tucker, Superintendent

FCUSD Educational Services Building, Rancho Cordova, CA (100% complete)

Claybank Adult Detention Center, Fairfield, CA (60% complete)

Hollister Courthouse, San Francisco (90% complete)

California Medical Facility Enhanced Outpatient Program and Treatment Space, California Department of Corrections, Vacaville, CA (100% complete)

Dave Hoskins will be assigned to this project 50% and will work on another project concurrently. Michael Tucker will be assigned to this project for 100% of his time and we do not anticipate assigning him to any other projects during the life of this project.



KEY PERSONNEL





STAFF EXPERIENCE FORM
(REQUIRED FOR ALL FIRMS)

Complete for each employee assigned to the project.

Name: Robert Kjome Title: Executive Vice President

Employed by this firm: Yes No Years: 21

If employed by another firm, provide firm name: N/A

Table with 5 columns: License Classification, License Code, License Number, Date Issued, Expiration Date. Row 1: General Contractor, B, [blank], [blank], [blank].

Qualifications: Masters of Business Administration, California State University, Sacramento
Bachelors of Science in Construction Management, California State University, Sacramento

COMPARABLE PROJECTS AND EXPERIENCE

Project Data Sheet Provided

1. Project: South Tahoe PUD Customer Service Facility Yes No

Describe experience: New addition to the existing wastewater/customer service facility. The addition consisted of Office space, conference room, wastewater lab, lab casework, high-end finishes. Because this project was completed At an active wastewater plant, all regulations and safety protocol were constantly monitored.

2. Project: Chevron Reclamation Facility Yes No

Describe experience:

3. Project: Vista del Lago High School Yes No

Describe experience: Construction of a new high school on a 52-acre site. The project was complicated due to the massive grading operations required to construct the building pads on the hillsides of Folsom, CA. The campus features multiple two-story classroom buildings comprised of a structural steel frame, elevated decks, single-ply roofing, metal stud framing, curtain wall, glazing and a lath/plaster exterior skin. Many of the connecting second-floor walkways were cast-in-place decks with cantilevered bridges. The supporting facilities include emergency access roads, retaining walls, three parking lot areas, sidewalks and site underground utilities.

Other relevant information:

[Blank lines for additional information]





STAFF EXPERIENCE FORM
(REQUIRED FOR ALL FIRMS)

Complete for each employee assigned to the project.

Name: Dave Hoskins Title: Project Manager

Employed by this firm: Yes No Years: 1

If employed by another firm, provide firm name: N/A

Table with 5 columns: License Classification, License Code, License Number, Date Issued, Expiration Date. Title: LICENSES HELD

Qualifications: Mr. Hoskins brings over 27 years of industry experience to Roebbelen. He has a Bachelors of Science in Construction Management from California State Chico. His primary responsibilities include contract management, labor resource, schedule and budget management. He monitors construction activities and updates the schedule to ensure that projects meet the established completion dates. He interacts with Project Superintendents and field personnel to monitor field activities and verify all safety rules are adhered.

COMPARABLE PROJECTS AND EXPERIENCE

Project Data Sheet Provided

1. Project: Arden Pump Station Yes No

Describe experience: The scope of work included a new cast-in-place concrete building for three large generators, new switchgear and new VFDs. With the pumping plant in operation we removed three pump motors and replaced them with new pump motors, removed the existing drive shafts (about 40-50' tall) and installed new drive shafts. Also included was the removal of the existing pumps which were sent to a machine shop to be rebuilt and reinstalled. The hydraulically operated gate operators were converted to electrically controlled gate operators. All this work was done while keeping the facility running without interruption.

2. Project: Drinking Water Treatment Facility - City of Vacaville Chlorine Contact Basin Rehabilitation Yes No

Describe experience: Removed the wood structure/lid off the top of a large concrete water treatment tank. The tank was cleaned and new gates, electrical controls, and piping were installed along with new cast-in-place concrete wall extensions and a concrete lid was installed on the tank along with access hatches.

Other relevant information:

Blank lines for other relevant information.





STAFF EXPERIENCE FORM
(REQUIRED FOR ALL FIRMS)

Complete for each employee assigned to the project.

Name: Joel Gallion Title: Lead Preconstruction

Employed by this firm: Yes No Years: 3

If employed by another firm, provide firm name: N/A

Table with 5 columns: License Classification, License Code, License Number, Date Issued, Expiration Date. Title: LICENSES HELD

Qualifications: Bachelor of Science in Construction Management, California State University, Sacramento

COMPARABLE PROJECTS AND EXPERIENCE

Project Data Sheet Provided

1. Project: Sacramento Regional Wastewater Treatment Plant – Bar Screen Replacement Yes No

Describe experience: Project included the addition of new bar screens to an existing facility, and building a new facility for motor control centers, SCADA system, and dewatering equipment.

2. Project: Natomas East Levee Pump Station Yes No

Describe experience: Construction of a new pump station for SAFCA along the Natomas East Main Drainage Canal with associated pumps, trash racks, overhead cranes and outfall structures.

3. Project: Stockton Wastewater Treatment Plant Yes No

Describe experience: Project included the addition of a new tertiary system to the plant.

4. Project: Sacramento Regional Wastewater Treatment Plant – Facilities Expansion Yes No

Describe experience: Project included the addition of a new laboratory building, engineering building and remodeling of the existing shop spaces and offices.

Other relevant information:

Mr. Gallion brings over 18 years of estimating and project management experience on a mixture of design-build and hard bid projects.





STAFF EXPERIENCE FORM
(REQUIRED FOR ALL FIRMS)

Complete for each employee assigned to the project.

Name: Michael Tucker Title: Superintendent

Employed by this firm: Yes No Years: 2

If employed by another firm, provide firm name: N/A

Table with 5 columns: License Classification, License Code, License Number, Date Issued, Expiration Date. Title: LICENSES HELD

Qualifications: Mr. Tucker joined the Roebbelen organization in 2011 and has proven to be a great asset to the Roebbelen team. He has extensive experience with new construction, renovations and concrete structures. He successfully completed Carpentry Apprenticeship Training.

COMPARABLE PROJECTS AND EXPERIENCE

Project Data Sheet Provided

1. Project: Arden Pump Station Yes No

Describe experience: The scope of work included a new cast-in-place concrete building for three large generators, new switchgear and new VFDs. With the pumping plant in operations we removed three pump motors and replaced them with new pump motors, removed the existing drive shafts (about 40-50' tall) and installed new drive shafts. Also included was the removal of the existing pumps where they were sent to a machine shop to be rebuilt and reinstalled. The hydraulically operated gate operators were converted to electronically controlled gate operators. This work was done while keeping the facility running without interruption.

2. Project: Stockton Wastewater Treatment Plant Yes No

Describe experience: Project included the addition of a new tertiary system to the plant.

3. Project: Elk Grove USD Water Treatment Plan Yes No

Describe experience: Project included a new plant to treat the wastewater at the school and turn it into recycled water for landscape watering.

Other relevant information:

Mr. Tucker is an eleven time recipient of the Total Quality Management Award and a 3 time recipient of the Total Quality Safety Award.



Project Management Approach

Roebbelen is project manager centric from pre-construction through closeout. This means this project will have the same project manager, David Hoskins, from inception through completion and warranty. There will be no hand-off from pre-construction to the operations team; these teams will be one in the same. Our project manager centric process virtually eliminates inefficiency and the need for knowledge transfer between the preconstruction phase the construction phase.

Our approach to all projects is to "put the project first." By focusing on the project as opposed to individual motives, mutual team project goals will be met and the experience will be beneficial and enjoyable for all parties. Roebbelen team members are empowered to make binding decisions at the jobsite level. Our guiding principles are our core values: "Treat individuals with dignity and respect; conduct our business with honesty and integrity; create relationships that benefit every stakeholder; continuously raise the benchmark of quality in the industry." All decisions made within these core values are always acceptable to Roebbelen management.

Preconstruction Services

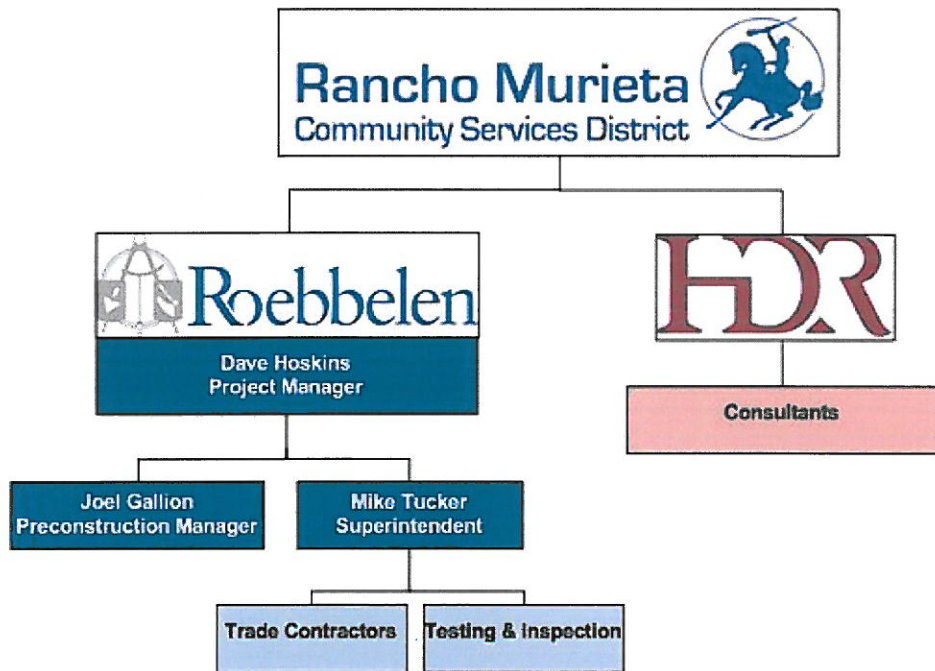
We take pride in our Preconstruction Services Department and the value it brings to our clients. This planning phase requires complete buy-in and understanding of roles and responsibilities of all team members. The first step will be the creation of a project plan that will serve as our guiding document. This plan will provide clarity on critical milestones and schedule, overall budget and construction estimate, milestone deliverables for each party and a responsibility matrix that will show who is the lead, assist or information only for each task with the critical milestones.

Our preconstruction estimator, Joel Gallion, will work with RMCS and HDR to provide an initial detailed cost estimate and review the plans for constructability purposes. It is our understanding that HDR has completed the design documents to a 30% level and our initial estimate and constructability report will serve as a control estimate for the remainder of the project. All of our estimating is completed using digital technology such as On-Screen Takeoff and Sage Estimating. Dave Hoskins will work with Joel Gallion to concurrently provide a detailed phasing schedule that will include the remainder of the design and pre-construction activities as well as a detailed network for the trade contractor scopes of work. Our scheduling software is Primavera Project Planner and there are many ways to provide reporting and collaboration with the team using this software. It will be important to pay attention to special needs of the District with respect to the cut-over from the plant and creating contingency plans for portable treatment needs should they be required. This need will be vetted during the design completion and bidding phase of the project.

Trade Contractor Bidding

Roebbelen will take care of all aspects of the bid process. This includes prequalification of contractors, creation of front-end bidding documents, advertising, conducting the pre-bid conference, handling bid questions, addendum preparation (in conjunction with HDR), and conducting the bid opening. Once bids are received, they will be analyzed for responsiveness to the bid requirements and all necessary contracts and forms will be provided by Roebbelen for Board approval.

Our bid process maximizes value to the District and reduces overlapping markups present with a single general contractor bidding. Each of these will be a prime trade contractor under a contract with the District



that will be assigned to Roebbelen for the purposes of contract administration. Each trade contract will require bonding and responsibility to coordinate with the other trade contractors for the betterment of the project. Roebbelen will guarantee that the scope of the project is fully outlined in these trade contracts and will not ask the District for additional monies due to scope gaps created by our services. Based on our preliminary review of the project, we see the following trade contract packages being developed:

- Sitework (Earthwork, Utilities and Paving)
- General Trades (Select Demolition, Concrete, Steel, Building work)
- Mechanical (Cut-over, Piping, HVAC, Plumbing, Equipment and connections)
- Electrical (Site and Building Electrical)

Construction

As your Construction Manager, it is our responsibility and duty to guide you through the construction phase. Most of the planning will be accomplished during preconstruction and the project team will ensure that the construction is going according to plan. Weekly meetings conducted by Roebbelen will keep all parties informed of progress and document all decisions made with respect to contractual issues. Changes are inevitable, and when they happen we develop detailed estimates on every potential change on the project. The estimate is evaluated to validate the actual work that was either added and/or deleted as a result of the change. Roebbelen's estimating department is available to evaluate proposed changes as necessary to ensure that the contractor's pricing is fair and reasonable. All project allowances and contingencies are tracked through the standard change management process and any cost movements are approved at the weekly project meetings. Should the project show signs of exceeding the budget during the construction phase, we will work with the entire project team and to identify the areas of concern and work together to find solutions to bring the project back within budget.

Quality Control

The foundation of the Roebbelen's commitment to quality is documented in our project specific Quality Management System (QMS), established to meet the ISO 9001:2000 standard of requirements. The QMS includes documented procedures, quality objectives, measurable goals, productivity studies, the company Strategic Plan, and the continuous improvement of these efforts. Through the utilization of our QMS, Roebbelen will strive to obtain uniform, high-quality workmanship throughout all phases of procurement, fabrication, construction and installation of equipment and facilities. We will ensure that you receive the highest quality project by maintaining supervised controls and written instructions governing quality controls procedures and practices. Accurate records of test certifications and other required information will be documented. Any discrepancies found will immediately be addressed for corrective action and the corrective action will be implemented quickly and properly.

Dispute Resolution

Roebbelen has the ability to actively manage trade contractors at all phases of the project. As part of our core values, we do not tolerate unethical or questionable behavior. In the unlikely case of a dispute, we would have an open discussion with the trade contractor to determine the reasons for their claim. We would consider the information and present their position to Rancho Murieta Community Services District. If Roebbelen and the District disagree with the subcontractor, we will direct the subcontractor to complete their portion of the work. If they refuse, we would then provide proper notice and have the work done for the trade contractor. The front end documents will spell out the provisions for disputes and mediation that is recommended to settle the issue. Roebbelen has completed over 50 CM At-Risk contracts and have been able to resolve any disputes without the need for formal mediation or litigation.

Safety Management

Many see construction as a commodity service; however, we believe our superintendents run some of the cleanest, safest and well-organized projects in the state. This factor contributes to make our projects run smoothly and efficiently. Our Corporate Safety Officer, Dana Lahargoue, is well respected in the industry and serves on boards and committees for Cal-OSHA, SRBX Annual Safety Expo and the Construction Employers Association. Roebbelen's approach to safety is to have our superintendent be the on-site safety officer and empowers all workers to use the "STAR" system (Stop, Think, Act and Review) in order to quickly resolve safety issues or concerns. Our EMR of 0.66 is 34% below industry average with over 625,000 man-hours in 2012.

Local Labor Force

Roebbelen was founded in Sacramento in 1959 and has been operating locally ever since. As a local contractor, we are sensitive to the current economic situation and the potential positive impact your project can have on our local community. Because of our strong local presence within the community, we have earned a trusted relationship within the local subcontractor community. In fact, Roebbelen received the Contractor of the Year Award in 2005 from the AMS (American Subcontractors Association), Sacramento Chapter. Because of this relationship, and our solid union presence (which is outlined within our Apprentice Program on Page 7) we receive preferred pricing from our subcontractors.



Fees

Roebbelen's skills and processes developed through our Construction Manager at Risk projects will provide the Rancho Murieta Community Services District with complete scope coverage. One of our goals in using this delivery method is that the only change order the RMCS D will see is a deductive change order at the end of the project that will true-up and return any unused contingencies and allowances back to the District. The establishment of allowances will be a team decision based on work that is desired to be included in the contract but is not clearly delineated at the time of bidding (such as portable water treatment). These allowances will be tracked separately and the contingency will be adjusted up or down based on the actual costs for each allowance. The contingency funds will account for changes in the work that are not reasonably foreseeable to the Construction Manager at Risk entity at the time of GMP establishment.

Pre-construction service fees – It is our understanding that the preconstruction activities will commence on September 18, 2013 and will be complete by February 1, 2014. During this time, our team will be billing on a monthly basis for hours worked and any reimbursable expenses such as plan reproduction and bid advertising expenses. Our not to exceed budget for this phase is \$42,652 plus an expense allowance of \$6,398 for a total of \$49,049. The attached worksheet will provide a breakdown.

Construction management fees – Based on the information provided to date our proposed fee for this project would be 3.5% based on the direct cost of construction and excludes general condition costs. General condition costs would include a part time project manager, a full time superintendent, temporary office, toilets, cell phones, debris boxes and office supplies. Our budget for General conditions is \$305,607 and is broken down per the attached worksheet. All other items are to be considered direct project costs and will be included in the trade contract bid packages as applicable.

All of the above will be presented in an open book format. CM fees and Pre-Construction fees are negotiable.



FEEES





Roebbelen

QUALITY CONSTRUCTION SINCE 1959
INSTITUTIONAL • COMMERCIAL • INDUSTRIAL

WWW.ROEBBELEN.COM | 916.939.4000

It's time to do something for

YOU.



YOUR VISION • OUR GOAL • UNMATCHED SATISFACTION





San Francisco Branch
555 Mission Street Suite 200 San Francisco CA 94105

August 2, 2013

Rancho Murieta Community Services District
Attention: Edward R. Crouse, General Manager
P.O. Box 1050
15160 Jackson Road
Rancho Murieta, CA 95683

Re: Roebbelen Contracting, Inc.
Request for Statement of Qualifications/Request for Proposal for Construction Manager
at Risk Services
Water Treatment Plant Upgrade and Expansion
Estimated Construction Cost: \$6.5 million

Dear Mr. Crouse:


Roebbelen Contracting, Inc. is a highly regarded and valued client of Western Surety Company, a member of the CNA Insurance Companies. Western Surety Company carries an A.M. Best rating of A XII, is listed in the U.S. Department of the Treasury's Listing of Approved Sureties, and is an admitted surety insurer in the State of California. Roebbelen Contracting, Inc.'s surety agent is Woodruff-Sawyer & Co., 50 California St., 12th Fl., San Francisco, CA 94111 (415) 391-2141.

Roebbelen Contracting, Inc.'s current bonding capacity is in excess of \$100 million. Accordingly, we would anticipate no difficulty in providing the customary performance bond and payment bond should Roebbelen Contracting, Inc. be awarded a contract(s). The execution of any final bonds is subject to a review of and acceptability of the final contract terms, conditions and financing by our client and ourselves.

Should you require any further assurances or have any questions, please do not hesitate to contact us.

Sincerely,

Western Surety Company

By: 
Nerissa S. Bartolome, Attorney-in-Fact

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

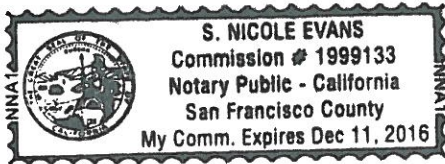
CIVIL CODE § 1189

State of California }
County of San Francisco

On 8.2.13 before me, S. Nicole Evans, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Nerissa S. Bartolome
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Nerissa S. Bartolome

- Corporate Officer — Title(s): _____
- Individual
- Partner -- Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: _____

Signer's Name: _____

- Corporate Officer — Title(s): _____
- Individual
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- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: _____

Western Surety Company

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

Lawrence J Coyne, Charles R Shoemaker, Nancy L Hamilton, Roger C Dickinson, Stanley D Loar, Kelly Holtemann, Mark M Munekawa, Nerissa S Bartolome, Joan De Luca, Yvonne Roncagliolo, Thomas E Hughes, S Nicole Evans, Individually

of San Francisco, CA, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed on this 25th day of March, 2013.



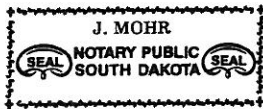
WESTERN SURETY COMPANY

Paul T. Bruflat
Paul T. Bruflat, Vice President

State of South Dakota }
County of Minnehaha } ss

On this 25th day of March, 2013, before me personally came Paul T. Bruflat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires
June 23, 2015



J. Mohr
J. Mohr, Notary Public

CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this 2nd day of August, 2013.



WESTERN SURETY COMPANY

L. Nelson
L. Nelson, Assistant Secretary



San Francisco Branch
555 Mission Street Suite 200 San Francisco CA 94105

August 2, 2013

Rancho Murieta Community Services District
Attention: Edward R. Crouse, General Manager
P.O. Box 1050
15160 Jackson Road
Rancho Murieta, CA 95683

Re: Roebbelen Contracting, Inc.
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at Risk Services
Water Treatment Plant Upgrade and Expansion
Estimated Construction Cost: \$6.5 million

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By: 
Nerissa S. Bartolome, Attorney-in-Fact

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California }
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personally appeared Nerissa S. Bartolome
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



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Signer's Name: Nerissa S. Bartolome

- Corporate Officer — Title(s): _____
- Individual
- Partner -- Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

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- In Unlimited Amounts -

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This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

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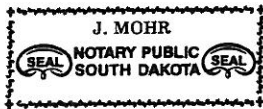
WESTERN SURETY COMPANY

Paul T. Bruflat
Paul T. Bruflat, Vice President

State of South Dakota }
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June 23, 2015



J. Mohr
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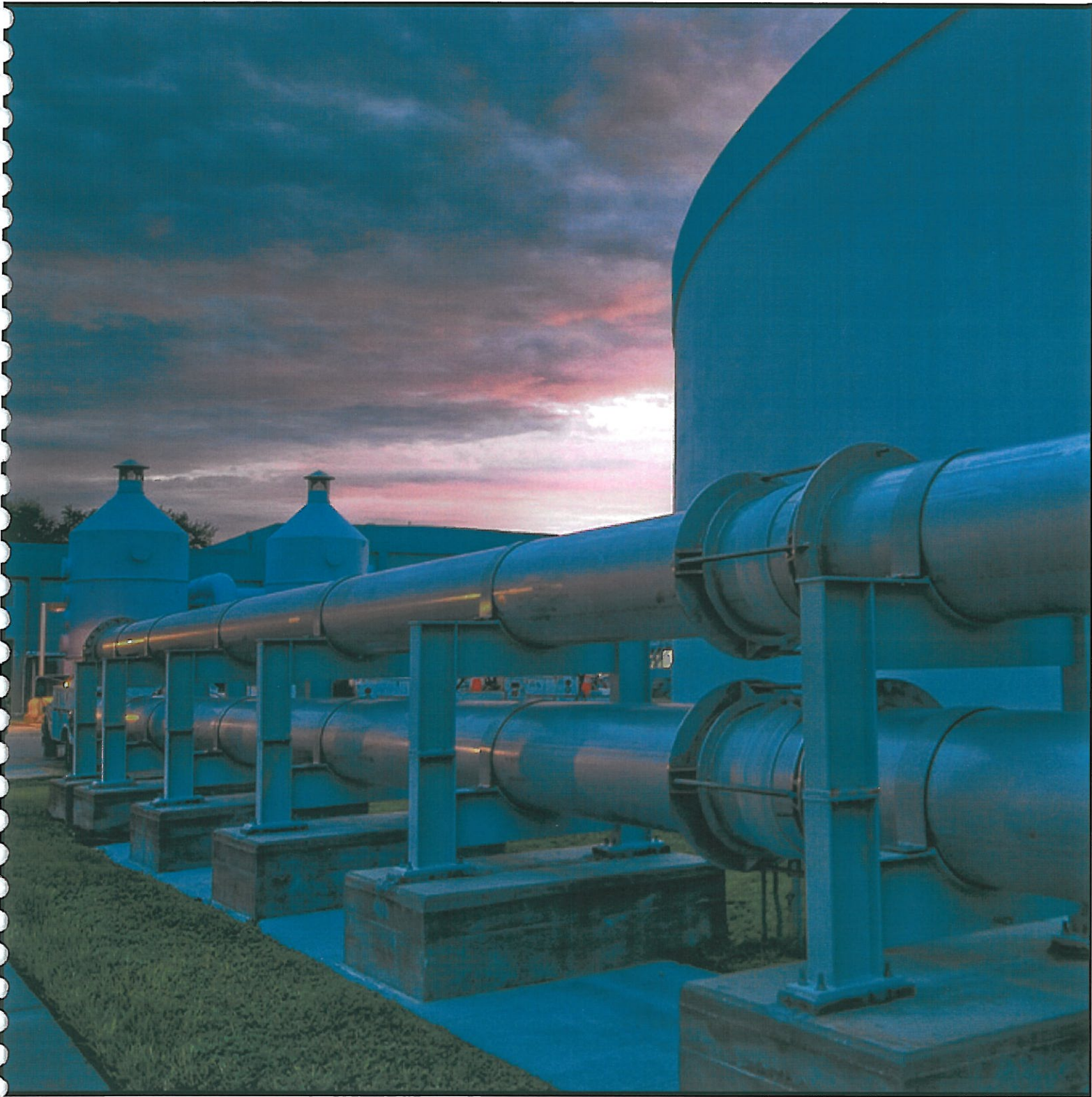
WESTERN SURETY COMPANY

L. Nelson
L. Nelson, Assistant Secretary

	A	B	C	D	E	F	G	H	I	
1			ROEBBELEN CONSTRUCTION MANAGEMENT SERVICES							
2			GENERAL CONDITION SERVICES							
3	JOB NAME:	RMCS D WTP Upgrade & Expansion				6,500,000	Budget	Date:	8/8/2013	
4	PRECONSTRUCTION COSTS									
5	COST CODE	DESCRIPTION	QTY	TYPE	UNIT COST	EXTENSION	INDIRECT	TOTAL		
6										
7		DIVISION MANAGER								
8	01-111	Site Survey	2	HR	\$ 112	223	34	257		
9	01-112	Design Meetings	20	HR	\$ 112	2,235	335	2,570		
10							0			
11		PROJECT MANAGER								
12	01-111	Site Survey	4	HR	\$ 94.13	377	56	433		
13	01-112	Design Meetings	60	HR	\$ 94.13	5,648	847	6,495		
14	01-113	Constructability Review	40	HR	\$ 94.13	3,765	565	4,330		
15	01-114	Scheduling/Planning	16	HR	\$ 94.13	1,506	226	1,732		
16	01-115	Front End Document Development	16	HR	\$ 94.13	1,506	226	1,732		
17	01-116	Value Savings	16	HR	\$ 94.13	1,506	226	1,732		
18	01-117	Bidding and Contracts	8	HR	\$ 94.13	753	113	866		
19	01-123	Construction Document Estimate	4	HR	\$ 94.13	377	56	433		
20	01-124	Final Estimate	4	HR	\$ 94.13	377	56	433		
21							0			
22		SUPERINTENDENT								
23	01-111	Site Survey	8	HR	\$ 99.68	797	120	917		
24	01-113	Constructability Review	24	HR	\$ 99.68	2,392	359	2,751		
25	01-114	Scheduling/Planning	8	HR	\$ 99.68	797	120	917		
26	01-115	Front End Document Development	4	HR	\$ 99.68	399	60	459		
27	01-116	Value Savings	4	HR	\$ 99.68	399	60	459		
28	01-117	Bidding and Contracts	4	HR	\$ 99.68	399	60	459		
29	01-123	Construction Document Estimate	4	HR	\$ 99.68	399	60	459		
30	01-124	Final Estimate	4	HR	\$ 99.68	399	60	459		
31							0			
32		ESTIMATOR								
33	01-111	Site Survey	4	HR	\$ 94.65	379	57	435		
34	01-112	Design Meetings	16	HR	\$ 94.65	1,514	227	1,742		
35	01-113	Constructability Review	24	HR	\$ 94.65	2,272	341	2,612		
36	01-115	Front End Document Development	8	HR	\$ 94.65	757	114	871		
37	01-116	Value Savings	8	HR	\$ 94.65	757	114	871		
38	01-117	Bidding and Contracts	40	HR	\$ 94.65	3,786	568	4,354		
39	01-123	Construction Document Estimate	40	HR	\$ 94.65	3,786	568	4,354		
40	01-124	Final Estimate	40	HR	\$ 94.65	3,786	568	4,354		
41							0			
42		CONTRACT ADMINISTRATOR								
43	01-115	Front End Document Development	16	HR	\$ 43	681	102	783		
44	01-117	Bidding and Contracts	16	HR	\$ 43	681	102	783		
45							0			
46										
47		TOTALS	462			0	42,652	6,398	49,049	

ROEBBELEN CONSTRUCTION MANAGEMENT SERVICES							
GENERAL CONDITION SERVICES							
JOB NAME:	RMCS D WTP Upgrade & Expansion	6,500,000	Budget	Date:	02/01/04		
SQ FT:							
GENERAL CONDITIONS							
COST CODE	DESCRIPTION	QTY	TYPE	UNIT COST	EXTENSION	INDIRECT	TOTAL
SUPERVISION							
01-002	PROJECT MANAGER						
	Salary	8	Month	\$ 16,284	\$ 130,276		\$ 130,276
	Subsistance		Month		\$ -		\$ -
01-001	SUPERINTENDENT						
	Salary	8	Month	\$ 17,245	\$ 137,957		\$ 137,957
	Subsistance		Month		\$ -		\$ -
01-013	ESTIMATOR						
	Salary	1	Month	\$ 16,374	\$ 16,374		\$ 16,374
	Subsistance		Month		\$ -		\$ -
	Subtotal:				284,607	0	284,607
MOBILIZATION							
01-090	Bond		Lump Sum		\$ -	in Trade Contra	\$ -
01-093	Builders Risk		Lump Sum		\$ -	Direct Cost	\$ -
01-094	Liability Insurance		Lump Sum		\$ -	Direct Cost	\$ -
01-511	Temp. Power Distr.		Month	400	\$ -	Direct Cost	\$ -
01-512	Temp. Water Distr.		Month	250	\$ -	Direct Cost	\$ -
01-531	Temp Fencing		Month	750	\$ -	Direct Cost	\$ -
01-904	Advertising		Lump Sum		\$ -	in Precon	\$ -
	Subtotal:				0	0	0
JOB EXPENSE							
01-008	Security		Month		\$ -	Reimbursable	\$ -
01-016	Labor Compliance		Lump Sum	0	\$ -	Not Required	\$ -
01-095	Permits & Fees		Lump Sum		\$ -	Reimbursable	\$ -
01-510	Storage Container		Month	125	\$ -	Direct Cost	\$ -
01-513	Job Telephone	8	Month	500	\$ 4,000		\$ 4,000
01-514	Inspector's Telephone		Month	500	\$ -	Not Required	\$ -
01-515	Electricity Consumption		Month	750	\$ -	By Owner	\$ -
01-516	Water Consumption		Month	200	\$ -	By Owner	\$ -
01-517	Temp Toilets	8	Month	500	\$ 4,000		\$ 4,000
01-518	Temp Heating Units		Lump Sum	3,500	\$ -	Not Required	\$ -
01-519	Temp Lighting		Lump Sum	3,000	\$ -	Not Required	\$ -
01-521	Job Trailer	8	Month	500	\$ 4,000		\$ 4,000
01-522	Inspectors Trailer		Month	500	\$ -	Not Required	\$ -
01-523	Bottled Water	8	Month	75	\$ 600		\$ 600
01-524	Office Equipment/Furniture	8	Month	300	\$ 2,400		\$ 2,400
01-525	Office Supplies	8	Month	250	\$ 2,000		\$ 2,000
01-526	Plans & Specifications		Lump Sum		\$ -	Reimbursable	\$ -
01-541	Safety Equipment		Month	500	\$ -	Direct Cost	\$ -
01-741	Final Clean-up		Lump Sum	0	\$ -	Direct Cost	\$ -
01-742	Continuous Clean-up		Month	1,600	\$ -	Direct Cost	\$ -
01-322	Network Resources/Equip		Month	350	\$ -	Not Required	\$ -
01-454	Testing Costs		Lump Sum		\$ -	By Owner	\$ -
01-527	Travel Expenses		Lump Sum		\$ -	Not Required	\$ -
01-551	Temporary Road		Lump Sum		\$ -	Direct Cost	\$ -
01-552	Winterization		Lump Sum		\$ -	Direct Cost	\$ -
01-553	Traffic Control		Month		\$ -	Direct Cost	\$ -

ROEBBELEN CONSTRUCTION MANAGEMENT SERVICES							
GENERAL CONDITION SERVICES							
JOB NAME:	RMCS D WTP Upgrade & Expansion	6,500,000	Budget	Date:	02/01/04		
SQ FT:							
GENERAL CONDITIONS							
COST CODE	DESCRIPTION	QTY	TYPE	UNIT COST	EXTENSION	INDIRECT	TOTAL
01-554	Parking		Month		\$ -	Not Required	\$ -
01-561	Temporary Partitions		Lump Sum		\$ -	Not Required	\$ -
01-562	Barricades		Lump Sum		\$ -	Not Required	\$ -
01-563	Equipment Protection		Lump Sum		\$ -	Not Required	\$ -
01-743	Dump Fees	8	Month	500	\$ 4,000		\$ 4,000
	Subtotal:				21,000	0	21,000
JOB EQUIPMENT							
01-502	Fuel & Oil		Month	350	\$ -	Direct Cost	\$ -
01-503	Equipment Transport		Lump Sum	2,500	\$ -	Direct Cost	\$ -
01-544	Crane		Month		\$ -	Direct Cost	\$ -
01-545	Material Lift		Month		\$ -	Direct Cost	\$ -
01-546	Scaffold		Lump Sum		\$ -	Direct Cost	\$ -
01-547	Equipment Rental		Lump Sum	3,500	\$ -	Direct Cost	\$ -
01-548	Consumables		Month	350	\$ -	Direct Cost	\$ -
01-550	Tools/Equipment Purchase		Month		\$ -	Direct Cost	\$ -
	Subtotal:				0	0	0
JOB CLOSEOUT							
01-781	Punch List		Hour	55	\$ -	in Superintende	\$ -
01-782	As -Builts / O & M's		Hour	45	\$ -	In Proj. Mgr	\$ -
01-783	Guarantees/Warranties		Hour	55	\$ -	Trade Contracts	\$ -
	Subtotal:				0	0	0
TOTALS					305,607	0	305,607
						# of Months	Cost/Month
						8	38,201
	Summary						
	NTE Preconstruction Fees		49,049	Not to Exceed - billed monthly			
	NTE General Conditions		305,607	Not to exceed - billed monthly			
	CM Fee	3.5%	See Bid Summary for example				



Water Treatment Plant Upgrade and Expansion



Rancho Murieta
Community Services District



Introducing Your Team...

Name: Bob Kjome, Executive Vice President
(916) 939-1149 | bobk@roebbelen.com

Role: Principal-in-Charge

Bob joined the Roebbelen organization in 1992 and has been a successful member of the estimating team for over 18 years. In 1999, he was appointed Vice President overseeing and securing continuity between the Preconstruction and Estimating Departments. Bob is extremely experienced in construction contractual issues and has a wealth of knowledge regarding alternative delivery method agreements. In 2010, he was appointed to Executive Vice President overseeing the entire contracting operations for the company.

Relevant Experience:


- ▲ South Tahoe Public Utility District Addition | South Lake Tahoe, CA
- ▲ Chevron Reclamation Facility | Richmond, CA
- ▲ Vista del Lago High School | Folsom, CA
- ▲ All Construction Manager at Risk Projects for Roebbelen

Name: Joel Gallion, Senior Estimator
(916) 939-1182 | joelg@roebbelen.com

Role: Lead Preconstruction

Joel joined the Roebbelen organization in 2011. He brings over 18 years of estimating and project management experience on a mixture of alternative delivery and hard bid projects. As a Project Manager and Estimator, he has been involved with multiple treatment plant facilities.

Relevant Experience:




- ▲ Sacramento Regional Wastewater Treatment Plant - Bar Screen Replacement | Sacramento, CA
 - ▲ Natomas East Levee Pump Station | Natomas, CA
 - ▲ Sacramento Regional Wastewater Treatment Plant - Facilities Expansion | Sacramento
 - ▲ Stockton Wastewater Treatment Plant | Stockton, CA
 - ▲ 100's of estimates and bids for public owners
- 

Name: Dave Hoskins, Project Manager
(916-939-1135 | daveh@roebbelen.com)

Role: Project Manager

Dave brings over 27 years of industry experience to Roebbelen. He will be the main point of contact for Rancho Murieta CSD. His primary responsibilities include contract management, labor resource, schedule and budget management. He monitors construction activities and updates the schedule to ensure that projects meet the established completion dates. He will interact with Mike Tucker and field personnel to monitor field activities and ensure all safety rules are adhered. Dave will work closely with Joel during preconstruction so valuable knowledge gained in preconstruction will have a seamless transfer to the construction phase.

Relevant Experience:






-  Arden Pump Station | Sacramento, CA
-  Drinking Water Treatment Facility - City of Vacaville Chlorine Contact Basin Rehabilitation | Vacaville, CA
-  UC Davis Watershed Science Research Center | Davis, CA

Name: Mike Tucker, Superintendent
(916) 307-9804 | michael@roebbelen.com

Role: Superintendent

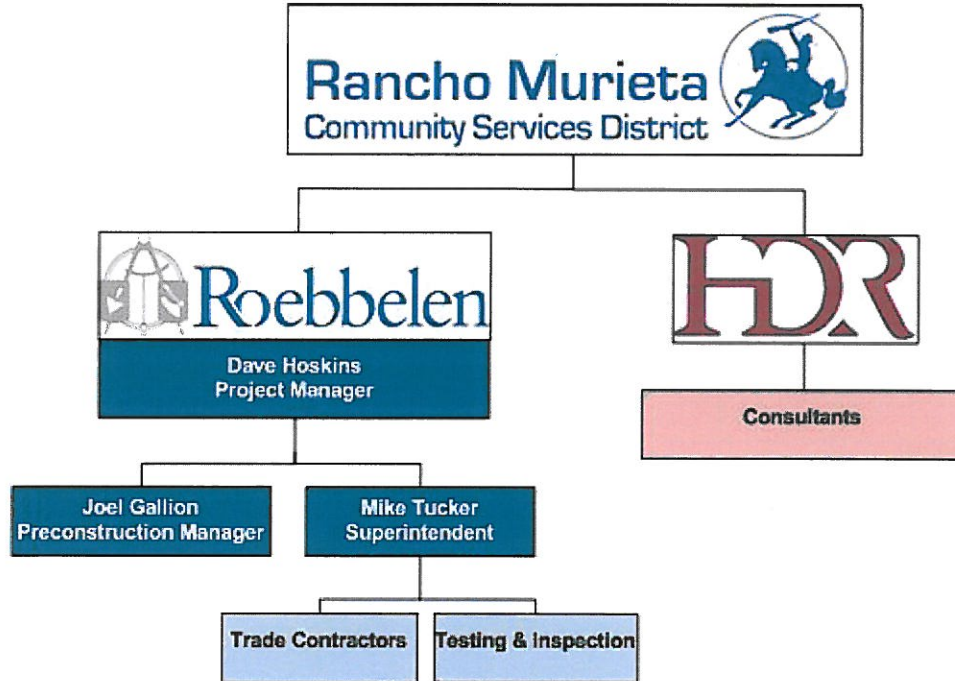
Mike joined the Roebbelen organization in 2011 and has proven to be a great asset to the Roebbelen team. He has extensive experience in new construction, renovations and concrete structures. Mike will work closely with Dave to ensure daily job site safety as well as report the project progress. He will be responsible to help develop and enforce the project schedule to ensure that the work performed meets or exceeds the quality requirements. He will also record safety documentation, prepare short interval schedules, oversee/conduct weekly project meetings as well as all trade meetings as required, manage and motivate field labor forces. Mike will coordinate and schedule inspections and testing.

Relevant Experience:

-  Arden Pump Station | Sacramento, CA
-  Stockton Wastewater Treatment Plan | Stockton, CA
-  Elk Grove USD Water Treatment Plan | Elk Grove, CA
-  Natomas East Levee Pump Station | Natomas, CA
-  Consumnes River Elementary School | Sloughhouse, CA



Organizational Chart



Approach

Preconstruction

Project Plan

- Expectations alignment and clear task list with deliverables and responsibility matrix by critical milestone

Preconstruction Services – Open Book

- Budget Estimating
- Constructability
- Value Savings
- Scheduling and Planning
 - Long Lead Items and Strategic Windows
 - Portable treatment options for fallback plan
 - Site Logistics Plan
 - Verify underground utilities and as-built surveys
 - Use of Laser scanner and BIM 3D models for coordination

Trade Contractor Bidding

- Clear scope with no gaps/omissions

GMP Process and Board Presentation

- Only change order will be to return unused savings in contingency

Issue Trade Contracts

Construction

Involved from Preconstruction to Closeout

- Meet with site staff to build relationships and go over plant concerns

Refine schedule with awarded trade contractors

Set-up and monitor budget control

- Open book change management

Conduct regular project meetings

Complete all documentation and certifications

Control safety on site

Control quality, testing and inspection requirements

Close-out begins with submittals & ends with

commissioning/training

Solutions only and no surprises!

Schedule

Preconstruction

September 18, 2013 to February 1, 2014

Construction

February 1, 2014 – June 1, 2015

We will need to work with potential contractors to verify the best window to actually shut the plant down and perform the work during the November 1 – May 1 strategic window.

Please reference attached schedule on the following page

Critical Issues


Entitlements and Approvals

- CEQA Process – Obtain a categorical exemption or mitigated negative declarations
- SMUD Engineering – File application for new service and transformer
- California Department of Public Health – Meet with them to approve design and certify plant during commissioning
- Funding – Timing of the funding will help determine how to address long lead items and bidding strategy

Long Lead Items

- GE Equipment – Permeate pumps and blowers have a 25 week lead time. This may necessitate the issuance of a PO by the District to start Design/Shop Drawings. The PO can be assigned to the successful Mechanical Trade Contractor.
- Controls and Instrumentation – This can also be pre-negotiated and assigned to the successful Electrical Trade Contractor.
- Structural Steel – This is a 14 week lead time item and may work out if we decide on starting the actual work in the winter months.
- Electrical Switchgear – This is a 8-10 week lead time and should be OK to wait until the Trade Contracts are bid.

Change Orders

- Changes can be minimized during preconstruction and the bidding process.
 - Change order requests will be thoroughly investigated and denied when there is no merit. Acceptable changes will be analyzed for appropriate pricing.
- 

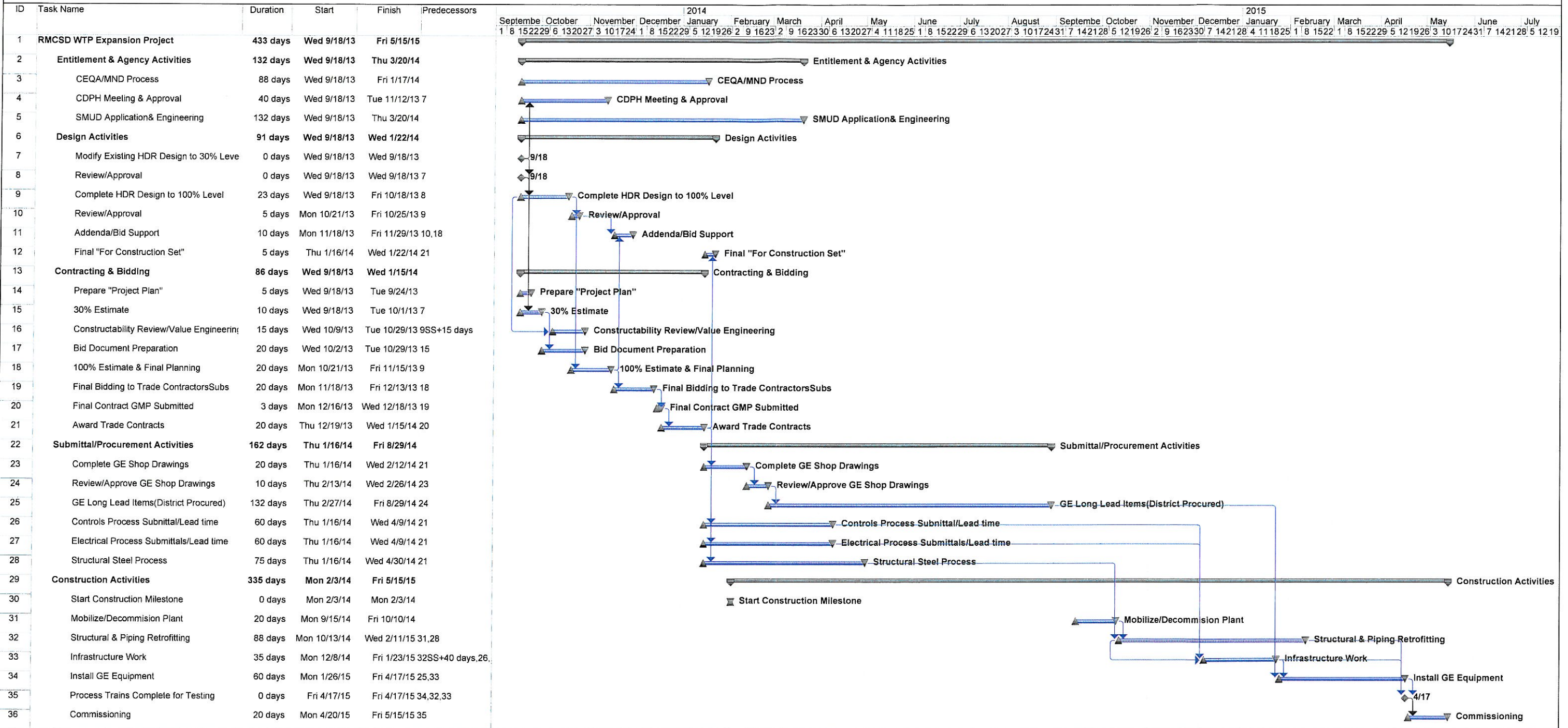
Fee Structure

Our fee structure is negotiable. We can work on hourly rates or a stipulated sum. For the purposes of the SOQ/RFP, we have assumed the following:

- Preconstruction – This is based on our providing 462 hours of services and minor reimbursements. Our estimate for this is \$49,049.
- General Conditions – This is based on our being on-site for 8 months and providing supervision, project management and job site general requirements such as fencing, trailers, portable toilet/washing facilities, water etc. for the betterment of the project. Our estimate for this is \$305,607.
- CM Fee – This percentage covers home office overhead, executive oversight, and profit. Our fee is 3.5% of the total costs.
- Cost Summary – Upon completion of public trade bidding, we will produce a complete workbook with bid results of each trade package and finalized fees and general conditions costs. An example of this is shown below.

District: Rancho Murieta Community Services District			TOTAL: \$0		
Project: Rancho Murieta Water Treatment Plant Upgrade & Expansion			Precon Lead: Joel Gallion	Estimate Date: TBD	
RCMS Job No: TBD			Estimator: Juan Sanchez	Estimate Time: TBD	
Location: Rancho Murieta, CA			Bid Date: TBD	Duration: TBD	
GPD 3,168,000			Bid Time: 2:00 PM	LD'S: \$1,000/day	

BID DIV:	DESCRIPTION	ESTIMATE (FOR ILLUSTRATION ONLY)	LOW TRADE BIDDER	TOTAL	NAME	GPD UNIT COST
	PRECONSTRUCTION SERVICES	49,049		0	RCMS	\$0.000
	GENERAL CONDITIONS	305,607		0	RCMS	\$0.000
10	SITWORK	350,000		0	TBD	\$0.000
27	MECHANICAL	3,700,000		0	TBD	\$0.000
28	ELECTRICAL	850,000		0	TBD	\$0.000
36	MISC. TRADES PACKAGE	750,000		0	TBD	\$0.000
SUBTOTAL		5,955,607		0		\$0.000
		23,822	0.400% All-Risk Insurance	0	RCMS	\$0.000
		20,845	0.350% Liability Insurance	0	RCMS	\$0.000
		300,014	5.000% Contingency	0	RCMSD	\$0.000
		6,300,288	Sub Total	0		\$0.000
		220,510	3.50% FEE:	0		
		6,520,798	Total	0		\$0.000



Project: RMCS D WTP Expansion CM
Date: Thu 8/15/13

Task Split Progress Milestone Summary Project Summary External Tasks External Milestone Deadline

It's time to do something for

YOU.

YOUR VISION • OUR GOAL • UNMATCHED SATISFACTION

We begin with an understanding of your needs and wants, in order to develop a tailored approach to your project.

We will treat your project as if we were the client and demand high quality service from ourselves and trade contractors

A+ Employers/
Employee Choice
Award for "Best
Place to Work"



Consistently ranked on ENR's Top 400 Contractors List and Top 25 Telecommunications Contractors List.
*ENR (Engineering News Record) is a National Trade Magazine published by McGraw Hill.



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Roebbelen and has
been successfully
completing
projects!

Western Council of Construction Consumers - Twelve-time award winner for Distinguished Projects

OUR COMMITMENT TO OUR COMMUNITY

Roebbelen Contracting, Inc. prides itself on its continued commitment to support and contribute to charitable organizations in the local communities we live and work in. Roebbelen is currently ranked #7 in the Sacramento Business Journal for Philanthropic Corporations (#1 General Contractor).

Roebbelen is one of a very short list of U.S. based general contractors to be ISO 9001, ISO 14001 and OHSAS 18001 certified. This unique distinction is the backbone of our quality control program.



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MEMORANDUM

Date: August 9, 2013
To: Board of Directors
From: Improvements Committee Staff
Subject: Approve Agreement with Atkins for California Environmental Quality Act (CEQA) Services for Augmentation Wells and Pipeline Project

RECOMMENDED ACTION

Approve the proposal from Atkins for California Environmental Quality Act (CEQA) services related to the augmentation wells and conveyance pipeline, in an amount not to exceed \$38,310. Funding to come from Water Supply Augmentation Reserves.

BACKGROUND

Attached is the proposal for CEQA services related to the augmentation wells and conveyance pipeline. Atkins recently completed an environmental scan of the proposed test hole location and found no fatal flaws.

This is a full CEQA compliance document consisting of an Initial Study and Negative Declaration or more likely a Mitigated Negative Declaration. This effort is a necessary part of our grant as well as a requirement for new construction. Staff has reviewed the proposal and recommends approval.

The Improvements Committee recommends approval.



Public Client

PROFESSIONAL SERVICE AGREEMENT

THIS AGREEMENT made and entered into, by and between Atkins North America, Inc. (Atkins) and the Client identified herein, provides for the Professional Services described under Item 2 of this Agreement.

CLIENT: Rancho Murieta Community Services District

PHONE NUMBER: 916-354-3700

ADDRESS: 15160 Jackson Road
Rancho Murieta, CA 95683

FAX NUMBER: 916-354-2082

PROJECT NUMBER:

SHORT TITLE: Groundwater Augmentation Well Project

1. DESCRIPTION OF PROJECT SITE:

Project area located approximately 0.75 mile south of Jackson Road (Highway 16) and approximately one (1) mile southwest of the community of Rancho Murieta, Sacramento County. The project area is characterized by urban development (baseball and play fields and agricultural farming lands).

2. SCOPE OF SERVICES TO BE PROVIDED BY ATKINS (If additional pages are necessary, they are identified as Attachment A):

Funding through the State of California i.e. IRWMPs and Proposition 84 requires compliance with the CEQA. As such, RMCSD is the CEQA lead agency for the proposed project. Atkins proposes to prepare a complete, comprehensive, and legally adequate environmental review. The environmental review will be prepared in accordance with the California Environmental Quality Act (CEQA), the CEQA Guidelines as amended, recent case law, and the Sacramento County General Plan and code of ordinances.

3. THE COMPENSATION TO BE PAID ATKINS for providing the requested services shall be (If additional pages are necessary, they are identified as Attachment B):

- Direct personnel expense plus a surcharge of ___%, plus reimbursable costs.*
A Lump-Sum charge of \$ ___, plus out-of-pocket expenses.*
[checked] Unit Cost/Time Charges identified in Attachment B, plus reimbursable costs.*
Other - See Attachment B.

* See explanation under Item 5 below.

4. IF ATKINS's SERVICES UNDER THIS AGREEMENT ARE DELAYED for reasons beyond Atkins' control, the time of performance shall be adjusted appropriately. Except where the services provided are under a continuous service contract for more than one year, if the services under this Agreement are delayed for a period of more than one (1) year from the beginning date (as above provided), the fees shall be subject to renegotiation; any change in such fees shall apply only to the unfinished services as of the effective date of such change.

IN WITNESS WHEREOF, this Agreement is accepted on the date written above and subject to the terms and conditions above stated. (SIGN WITH BALL POINT PEN)

CLIENT: Rancho Murieta Community Services District

ATKINS NORTH AMERICA, INC.

SIGNED:

SIGNED:

TYPED NAME: Ed Crouse

TYPED NAME: Glenn McPherson

TITLE: General Manager

TITLE: Associate Vice President

DATE:

DATE:

5. **COMPENSATION:** Direct personnel expense shall be defined as: the cost of salaries and fringe benefit costs related to vacation, holiday, and sick leave pay; contributions for Social Security, Workers' Compensation Insurance, retirement benefits, and medical and insurance benefits; unemployment and payroll taxes; and other allowed benefits of those employees directly engaged in the performance of the requested service.

Reimbursable costs include: fees of Professional Associates (whose expertise is required to complete the project) and out-of-pocket expenses, the cost of which shall be charged at actual costs plus an administrative charge of 18% and shall be itemized and included in the invoice.

Typical out-of-pocket expenses shall include, but not be limited to, travel expenses (lodging, meals, etc.), job-related mileage at the prevailing Company rate, long distance telephone calls, courier, printing and reproduction costs, and survey supplies and materials. In the event the requested service involves the use of electronic measuring equipment, computers, plotters, and other special equipment such as boats, swamp buggies, etc., an additional direct charge shall be made for the use of this equipment. It is understood and agreed that ATKINS' services under this Agreement are limited to those described in Item 2 hereof (and Attachment A, if applicable) and do not include participation in or control over the operation of any aspect of the project. Compensation under this Agreement does not include any amount for participating in or controlling any such operation.

6. **INVOICE PROCEDURES AND PAYMENT:** ATKINS shall submit invoices to the Client for work accomplished during each financial month. For services provided on a Lump Sum basis, the amount of each monthly invoice shall be determined on the "percentage of completion method" whereby ATKINS will estimate the percentage of the total work (provided on a Lump Sum basis) accomplished during the invoicing period. Monthly invoices shall include, separately listed, any charges for services for which time charges and/or unit costs shall apply. Such invoices shall also include, separately listed, any charges for Professional Associates and reimbursable costs. Such invoices shall be submitted by ATKINS as soon as possible after the end of the month in which the work was accomplished and shall be due and payable by the client upon receipt.

The Client, as owner or authorized agent for the owner, hereby agrees that payment as provided herein will be made for said work within 30 days from the date the invoice for same is mailed to the Client at the address set out herein or is otherwise delivered, and, in default of such payment, hereby agrees to pay all costs of collection, including reasonable attorney's fees, regardless of whether legal action is initiated. The Client hereby acknowledges that unpaid invoices shall accrue interest at the maximum retailed by law after they have been outstanding for over 30 days. ATKINS reserves the right to suspend all services on the Client's project without notice if an invoice remains unpaid 45 days after date of invoice. This suspension shall remain in effect until all unpaid invoices are paid in full.

It is understood and agreed that ATKINS' services under this Agreement do not include participation, whatsoever, in any litigation. Should such services be required, a supplemental Agreement may be negotiated between the Client and ATKINS describing the services desired and providing a basis for compensation to ATKINS.

7. **COST ESTIMATES:** Client hereby acknowledges that ATKINS cannot warrant that any cost estimates provided by ATKINS will not vary from actual costs incurred by the Client.
8. **LIMIT OF LIABILITY:** The limit of liability of ATKINS to the Client for any cause or combination of causes shall be, in total amount, limited to the fees paid under this Agreement.
9. **CONSTRUCTION SERVICES:** If, under this Agreement, professional services are provided during the construction phase of the project, ATKINS shall not be responsible for or have control over means, methods, techniques, sequences, or procedures, or for safety precautions and programs in connection with the Work; nor shall ATKINS be responsible for the Contractor's failure to carry out the Work in accordance with the Contract Documents or for the Contractor's failure to comply with applicable laws, ordinances, rules or regulations.
10. **INSURANCE:** ATKINS shall at all times carry Workers' Compensation insurance as required by statute; commercial general liability insurance including bodily injury and property damage; automobile liability coverage; and professional liability coverage. Insurance certificates will be provided to the Client upon request. Client agrees to require that ATKINS be named as an additional insured on insurance coverages provided by contractors on the project.
11. **ASSIGNMENT:** Neither the Client nor ATKINS will assign or transfer its interest in this Agreement without the written consent of the other.
12. **SUSPENSION, TERMINATION, CANCELLATION OR ABANDONMENT:** In the event the project described in Attachment A, or the services of ATKINS called for under this Agreement, is/are suspended, cancelled, terminated or abandoned by the Client, ATKINS shall be given seven (7) days prior written notice of such action and shall be compensated for the professional services provided up to the date of suspension, termination, cancellation or abandonment in accordance with the provisions of this Agreement for all work performed up to the date of suspension, termination, cancellation or abandonment, including reimbursable expenses.
13. **ENTIRETY OF AGREEMENT:** This writing, including attachments and addenda, if any, embodies the entire agreement and understanding between the parties hereto, and there are no other agreements and understandings, oral or written, with reference to the subject matter hereof that are not merged herein and superseded hereby. No alteration, change or modification of the terms of this Agreement shall be valid unless made in writing signed by both parties hereto.
14. **DOCUMENTS:** Any reuse by the client or others of documents and plans that result from ATKINS' services under this agreement shall be at the Client's or others' sole risk without liability to ATKINS.
15. **WAIVER:** Any failure by ATKINS to require strict compliance with any provision of this contract shall not be construed as a waiver of such provision, and ATKINS may subsequently require strict compliance at any time, notwithstanding any prior failure to do so.
16. **DISPUTE RESOLUTION:** If a dispute arises out of or relates to this Agreement or the breach thereof, the parties will attempt to settle the matter between themselves. If no agreement can be reached the parties agree to use mediation with a mutually agreed upon mediator before resorting to a judicial forum. The cost of a third party mediator will be shared equally by the parties. In the event of litigation, the prevailing party will be entitled to reimbursement of all reasonable costs and attorneys' fees. The parties mutually agree that a similar dispute resolution clause will be contained in all other contracts executed by Client concerning or related to this contract and all subcontracts executed by ATKINS.
17. **HAZARDOUS WASTE, MATERIALS OR SUBSTANCES:** Unless otherwise specifically provided in this Agreement, ATKINS shall not be responsible for or have control over the discovery, presence, handling, removal, transport or disposal of hazardous waste, materials or substances in any form on the project site.
18. **GOVERNING LAW:** This Agreement shall be governed by and construed according to the laws of the State where the situs of the work is located.
19. **LIMITED COPYRIGHT LICENSE:** ATKINS grants Client a paid-up, non-transferable, non-exclusive license to make or have made copies of any copyrightable materials delivered under this Agreement and specifically marked by ATKINS as "Reproduction Authorized".
20. **INTELLECTUAL PROPERTY:** With the sole exception of specifically marked reproducible materials subject to the Limited Copyright License herein, all worldwide right, title and interest in and to any and all Intellectual Property conceived, invented, authored or otherwise made by or on this Agreement shall remain the sole and exclusive property of ATKINS, its successors and assigns unless licensed or assigned by ATKINS pursuant to a separate written instrument. The term "Intellectual Property" shall be construed broadly to include all forms of intellectual property including without limitation all inventions, discoveries, designs, plans, improvements, trademarks, service marks and copyrights in drawings, computer programs, architectural works and in all other original works of authorship.

**RANCHO MURIETA COMMUNITY SERVICES DISTRICT
PROJECT PLAN, SCOPE OF WORK AND BUDGET FOR THE CEQA ENVIRONMENTAL REVIEW
FOR THE
PROPOSED GROUNDWATER AUGMENTATION WELL PROJECT**

Project Overview

As requested by the Rancho Murieta Community Services District (District or RMCS D), Atkins presents this Project Plan, Scope of Work and Cost Estimate for Proposed Groundwater Augmentation Well Project. The Project, as proposed is construction and operation of potentially two groundwater augmentation wells and pipelines within the Community of Rancho Murieta (proposed project), located in unincorporated Sacramento County.

The Project Plan and Scope of Work presents the steps necessary to develop a comprehensive project description, an Initial Study (IS) and ultimately, a defensible environmental report. The Project Plan presents the necessary steps and elements including the general content, areas of concern, specific services to be analyzed, and level of analysis to be included in the environmental report. The Scope of Work presents the tasks and work products that are expected as a result of the environmental review process. The environmental review will analyze, evaluate and disclose potential impacts to the environment that may result from implementation of the Proposed Project.

Atkins proposes to prepare a complete, comprehensive, and legally adequate environmental review. The environmental review will be prepared in accordance with the California Environmental Quality Act (CEQA), the CEQA Guidelines as amended, recent case law, and the Sacramento County General Plan and code of ordinances.¹

Project Understanding

Our current understanding of the proposed project is based on discussions with RMCS D staff and reports and studies, other consulting firms, previous biological resources surveys of the potential test well sites and information gathered at the test well site visit on 21 June 2013.

Atkins understands that RMCS D relies solely on surface water supplies from the Cosumnes River; the District's drought preparedness plan identified groundwater as a viable supplemental supply source to augment its surface water supplies in low precipitation or dry years. As part of the Regional Water Authority's (RWA) Integrated Regional Water Management Plan (IRWMP) RMCS D received planning and design funding for the proposed project through Proposition 84 and is now exploring sites for two new groundwater well(s) (TH-A and TH-B) with sufficient capacity to extract up to 600 acre-feet (AF) or 370 gallons per minute (gpm) to augment its surface water supplies in low precipitation years. RMCS D has identified two (2) potential test well sites along an alignment of 2,200 ft in agricultural land in the Community of Rancho Murieta. Funding through the State of California i.e. IRWMPs and Proposition 84 requires compliance with the CEQA. As such, RMCS D is the CEQA lead agency for the proposed project.

Project Plan and Scope of Work

¹ Any description of the proposed project in this Scope of Work is for illustrative purposes only and informing Atkins's scope of work and budget estimate.

The Project Plan and Scope of Work proposed for the evaluation of services and environmental review is organized into the following seven (7) tasks.

Task 1: Prepare Project Description

Task 2: Data Collection and Review

Task 3: Prepare Initial Study (IS)

Task 4: Prepare Environmental Document for CEQA Compliance

Task 5: Prepare and Circulate Final Negative Declaration/Mitigated Negative Declaration

Task 6: Review Public Comments and Prepare Response Memorandum

Task 7: Public Hearing and Project Management

It is Atkins' understanding that the area of analysis is located approximately 0.75 mile south of Jackson Road (Highway 16) and approximately one (1) mile southwest of the community of Rancho Murieta, Sacramento County, California within Township 7 North Range 8 East of the "Carbondale, CA" United States Geological Survey (USGS) 7.5-minute quadrangle map. Specifically, the Project is comprised of two (2) proposed test-well drilling sites with approximate footprints of 7,500 square feet; Site TH-A is located at 38° 29'21.36" North and 121° 06' 26.30" West, and Site TH-B is located at 38° 28'58.12" North and 121° 06' 54.04" West.

It is anticipated the evaluation of services and environmental review will consist of the following key elements:

- Purpose and use of the IS and the environmental review document
- Project Setting, and District Description
- Need for the proposed project
- Structure of the CEQA environmental review

Task 1: Prepare Project Description

Atkins will use information provided by the District and project team along with relevant Sacramento County information to formulate a description of the proposed project. It will describe the proposed project in a clear and concise manner, which is critical to the associated environmental review, and ultimately, the successful completion of the project and acceptance by the local community.

The project description defines the project under review and consideration. It also establishes an understanding of the project and its purpose. As stated previously, the proposed project is the construction and operation of potentially two groundwater augmentation wells with sufficient capacity to extract up to 600 AF (or 370 gpm) within the Community of Rancho Murieta. The groundwater supplies would augment the District's surface water supplies in dry or low precipitation years.

In order to provide adequate information to conduct the environmental review for the project, it is the duty of the project description to present the facts of the proposed project in a clear and useful fashion. In order to succeed, the project description needs present the many complexities and necessary steps (from applications to environmental review to local and County approvals) involved with the proposed project.

To accurately portray the proposed project, graphics will be developed from information provided by the District and project team along with pertinent Sacramento County information to identify the project area. A draft of the project description will be provided to the District and project team for review and comment early in the CEQA process.

Task 1: Deliverables-Products-Meetings

- Submit Project Description for review and comment.

Task 2: Data Collection and Review

Atkins assumes all relevant planning documents, technical studies, and associated financial information within two (2) weeks of an executed contract or Notice to Proceed. Atkins will review the documents to determine whether the type of information is sufficient to prepare the IS. Atkins may also request the land owners to submit information related to the proposed well site properties. If additional information or data is needed, Atkins will develop an approach to collecting the required information, recognizing that the level of effort should be efficient and economical, and that different geographic areas and/or services may require differing levels of detail to address specific funding requirements.

Task 3: Prepare an Administrative Draft Initial Study

Atkins will prepare an Administrative Draft IS that includes: (1) a description of the proposed project, including project location; (2) an identification of the environmental setting; (3) an identification of the environmental effects in several issue areas (described below); (4) a description of ways to mitigate any potentially significant environmental effects, if any; and (5) a discussion regarding whether the proposed project would be consistent with existing County zoning, plans and other County land use controls. The Administrative Draft IS will be based upon the environmental checklist in Appendix G of the CEQA Guidelines. The IS narrative will include brief explanations for all effects (i.e., Potentially Significant, Potentially Significant without Mitigation Incorporated, Less Than Significant, and No Impact). For each issue area in the CEQA environmental checklist, the IS will evaluate the available data that has been collected and reviewed pursuant to Task 3 in order to determine whether there is substantial evidence that the Project may have a significant effect on the environment. The IS will determine whether each potential environmental impact is: (1) *less than significant*; (2) *less than significant with the incorporation of mitigation measures*, if a potential impact can be mitigated to a less than significant level with the incorporation of mitigation measures; or (3) *significant and unavoidable*. If the proposed project will not have an impact within an issue area, then the IS will specify that there will be no impact.

Primary issue areas to be addressed in the Administrative Draft IS may include: (1) aesthetics; (2) agricultural resources; (3) air quality; (4) biological resources; (5) cultural resources; (6) geology and soils; (7) hazards and hazardous materials; (8) hydrology and water quality (during construction); (9) land use and planning; (10) noise and sensitive receptors (during construction); (11) population and housing; and (12) transportation/traffic (during construction). The following discussion presents our approach to the analysis of each of these key issues. Atkins understands that the District as the lead agency for this proposed project will be considering possible construction and operation of two groundwater augmentation wells.

A. Aesthetics

In the environmental review, Atkins will describe the anticipated visual character of the proposed groundwater well sites, based on information provided by the District and project team along with pertinent Sacramento County information and use this information discuss how the well sites, when completed may potentially impact the visual quality of the surrounding areas.

B. Agricultural and Forestry Resources

Atkins will investigate and analyze the current agricultural uses of the proposed well sites TH-B as compared to those uses under proposed project implementation. TH-A is sited in a recreational playfield, outside of any agricultural lands

C. Air Quality

Our analysis of the proposed project’s impacts on air quality during construction activities will provide an introductory discussion of the air pollutants of concern in the region, summarize local and regional air quality, describe pertinent characteristics of the air basin, and provide an overview of the physical conditions affecting pollutant buildup and dispersion in the area.

D. Biological Resources

Atkins will analyze the impact of the proposed project on biological resources. In late November 2012, Atkins biologists conducted a Special-status Species Habitat Survey and Preliminary Wetland Assessment (Survey and Assessment) for sensitive biological resources, including potential listed species habitats, vernal pools, wetlands and other waters of the US, which may be impacted by the proposed project.

The results of reconnaissance-level Survey and Assessment for the proposed project provided information about the habitats and species within the proposed project well sites. The Survey and Assessment also provided recommendations to avoid and/or buffer project-related activities from the presence and/or occurrence of sensitive biological resources within the project area.

The environmental review as reported in the IS would include analyses related to wildlife and vegetation, for which Atkins wildlife biologists may need to conduct a follow-up pedestrian survey of the proposed project well sites to update previously identified sensitive biological resources, including potential listed species habitats, vernal pools, wetlands and other waters of the US, which may not have been previously identified and could be potentially impacted by the proposed project.

We understand that a formal wetland delineation will not be needed during preparation of the IS. Atkins, based on its knowledge of the area, will review biological reports prepared in December 2012 relevant to the proposed well sites along with pertinent Sacramento County information and to obtain updated information will consult the California Natural Diversity Database (CNDDB) and other relevant information sources in preparing the biological analysis. To the extent necessary, Atkins will recommend mitigation measures that may reduce any potentially significant impacts related to these biological resources to less-than-significant levels. These mitigation measures would be prepared to the satisfaction of responsible agencies, such as the California Department of Fish & Wildlife or U.S. Fish and Wildlife Service.

E. Cultural Resources

The IS will analyze the impact of the proposed project on cultural resources. In early 2007, as part of another project for the District, Atkins conducted a cultural resource and historic properties records search in the U.S. Geological Survey Carbondale 7.5’ quadrangle, the results of this investigation returned valuable data about the historic properties in the Community of Rancho Murieta; the North Central Information Center (NCIC) identified a historic district that overlaps with three irrigated pastures adjacent to the District’s wastewater treatment plant. The name of the historic district is the Michigan Bar Mining District; its common name is the Van Vleck – Ruman Diggins of the Michigan Bar Mining District. The Michigan Bar Mining District is eligible as a historic mining landscape for the National

Register of Historic Places.² It follows auriferous deposits of the Lone and Mehrten formations, westward from Michigan Bar on the Cosumnes River to the Sloughhouse area. Michigan Bar was the most prominent of all early gold camps on the Cosumnes River in Sacramento County. Founded in 1849 by two men from Michigan, it reached a population of 1,500 or more in the early 1850s.³ The district was mined extensively and primarily by hydraulic techniques and ground sluicing between the 1850s and 1900. Other methods, such as hand mining, drifting, and dredging were also used. Dredging in particular became a useful method into the 1950s. Some of this data can be used in Atkins’s analysis in this IS. However, the cultural resource and historic properties records searches are only valid for up to two years; as such, Atkins will need to initiate a project-specific Information Center records search. Atkins will summarize the results of the records search and this information will be incorporated into the IS. Although it seems unlikely at the well sites and potential pipeline, to the extent necessary, and Atkins will recommend mitigation measures that may reduce any potentially significant impacts to less-than-significant levels.

F. Geology and Soils

The IS will analyze the impact of the proposed project on geology and soils. This section of the IS will describe the existing geologic conditions underlying the proposed groundwater well sites. We will consider geotechnical studies generated by the District and project team along with pertinent Sacramento County information. Our analysis will use supporting documentation and regional information from such agencies as the California Geological Survey, the United States Geological Survey, and the Natural Resources Conservation Service.

G. Hazards and Hazardous materials

Atkins will describe the existing environmental conditions of the well sites to determine whether or not the potential exists for site workers, the public, or the environment to be exposed to hazardous materials or wildland fires. This evaluation will rely upon available environmental, geological, and hydrological documents prepared in concert with and independent of the proposed project. Atkins will conduct a survey of existing and potential hazardous materials sites on and near the project sites to provide a benchmark of hazardous sites and businesses (if any) from the California List of Hazardous Materials Release Sites (or Cortese List). Atkins will present an overview of the federal, State, and local regulations that apply to the transport, storage, use, and disposal of hazardous materials within and adjacent to the well sites.

G. Hydrology and Water Quality

Although current land uses are expected to remain unchanged for the foreseeable future, the proposed project would result in the addition of minimal impervious surfaces at the proposed well sites. If necessary, the analysis will describe the process for mitigating project-generated runoff on-site and downstream impacts to ensure consistency with adopted standards.

Relevant regulations that govern drainage, flooding, and water quality will be summarized, including FEMA, California Department of Water Resource, and Sacramento County’s stormwater quality management program. The Project’s consistency with the applicable hydrology and drainage standards and policies will also be summarized.

² Department of Parks and Recreation, Van Vleck – Ruman Diggins of the Michigan Bar Mining District, Primary # P-34-679, Trinomial CA-SAC-640-H.

³ Hoover, Mildred Brooke, et al., *Historic Spots in California*, 1966, p. 290.

H. Land Use and Planning

Key issues to be addressed in the land use and planning section include consistency with adopted plans, zoning, and compatibility with adjacent land uses. The section will identify proposed zoning districts, land use designations, and applicable land use goals and policies contained in the adopted County General Plan. The survey area in proximity to site TH-A is characterized by urban development and agricultural lands; at the time of the Survey and Assessment, the agricultural land was fallow. However, on 21 June 2013 rows of corn were planted and prevalent throughout. The urban developed land is characterized by a recreational field planted with turf grasses and various non-native weedy species, an unpaved levee road, commercial buildings, and a stormwater pump station that discharges into a stormwater channel on the north side of the levee road. The survey area in proximity to site TH-B is characterized by disturbed riparian-like habitat and agricultural land. All current land uses proposed well sites are expected to remain unchanged for the foreseeable future.

I. Noise

Atkins’ analysis will consider the proposed project’s impacts on noise levels during construction activities at and near the project area. Atkins understands that all current land uses at the proposed well sites are expected to remain unchanged for the foreseeable future. We will conduct a desktop survey of the area and document the distance to sensitive noise receptors.

J. Other Items and Topics

Provide an assessment for potential impacts for all issues contained in Appendix G of CEQA Guidelines. In addition to the key issues cited above, Atkins will evaluate the effects of the proposed project on greenhouse gas emissions, mineral resources, population and housing, public services, recreation, and utilities and service systems and we will develop a comprehensive section of “mandatory findings of significance.”

Task 3: Deliverables-Products-Meetings:

- Submit one (1) electronic PDF of the Administrative Draft IS to the District for review and comment.

Task 4: Prepare Draft Environmental Document with results of the IS

Atkins will prepare a comprehensive draft of the IS based upon the environmental checklist in Appendix G of the CEQA Guidelines, as amended. The IS will include the results of findings in each of the issue items, and areas of concern described in Task 3. Depending on the results of the IS, Atkins will prepare an appropriate CEQA environmental document, which could be a negative declaration (ND), a mitigated negative declaration (MND) including impact discussions and any proposed mitigation measures, or environmental impact report. In the event that an MND is the appropriate CEQA document, mitigation measures will be identified and the discussion of each measure will clearly explain how implementation of the mitigation measure will reduce the related environmental impacts to a less-than-significant level. Those impacts that cannot be reduced to a less-than-significant level because adequate information is either not available, or because no mitigation measures are available, will be identified as being *Potentially Significant Impacts*. If Potentially Significant Impacts are identified, Atkins will immediately contact the District regarding preparation of an Environmental Impact Report (EIR).

Task 4: Deliverables-Products-Meetings:

- Submit three (3) copies for review and comment of the Administrative Draft IS and, if an ND or MND is the appropriate CEQA document.
- Submit one (1) complete electronic PDF of the Administrative Draft IS and, if an ND or MND is the appropriate CEQA document.

Task 5: Prepare and Circulate Final ND/MND Document

Upon receipt of one (1) consolidated set of comments from the District and project team on the Administrative Draft IS document, we will incorporate revisions as appropriate and prepare a final document. If the IS identifies no impacts, less than significant impacts or impacts that can be mitigated to less than significant level then Atkins will prepare a proposed ND or MND for public circulation. After incorporation of comments, Atkins will publish copies for the State Clearinghouse for distribution to responsible agencies and concerned parties for a 30-day public comment period.

Task 5: Deliverables-Products-Meetings:

- Submit one (1) Screencheck (electronic version) of the draft IS and proposed ND/MND for review prior to printing.
- Submit fifteen (15) copies and one (1) electronic PDF of the draft IS and proposed ND/MND to the State Clearinghouse for public review and distribution.
- Publish fifteen (15) copies of the draft IS and any proposed ND/MND for the District and distribute to any other interested parties.
- Submit one (1) electronic PDF of the document to the District.

Task 6: Prepare Response to Public Comments Memorandum

After the close of the public review period, Atkins can meet with the District and project team to review comments from other agencies and the public on the IS and any proposed ND/MND. Atkins will then prepare a Response to Comment Memorandum. This document will be available for consideration by the District’s Board of Directors while they are considering the proposed project and adopting the proposed ND/MND and a Notice of Determination.

Task 6: Deliverables-Products-Meetings

- Submit five (5) copies of the Responses to Comments Memorandum.
- Submit one (1) electronic PDF of the Responses to Comment Memorandum.

Task 7: Public Hearing and Project Management

Atkins’s project management approach is designed to quickly identify and resolve issues of concern, and to facilitate efficient use of time for the Atkins team, the District and project team. Atkins will take the lead in overall project strategy and document design. Atkins recognizes the importance of thorough project management responsibilities along with clear and concise communication. With that understanding, Atkins will attend up to four (4) project-related meetings with the District not including Project-specific public hearing.

Mr. David Beauchamp, the Project Manager, is responsible for budget management, will ensure adherence to the schedule, and is responsible for quality control of the final product. He will manage the preparation of the document, address specific issue items and handle the day-to-day administration of the Project. Mr. Beauchamp will keep the District informed of the status of work on the environmental review process. Ms. Alice Tackett, Sr. Project Manager will have senior review responsibilities with an

emphasis on Quality Control and Assurance for Projects⁴ (QCAP) of all documents during the environmental review process. Additional Atkins staff with technical expertise will be utilized to prepare specific sections of the areas of concern and CEQA document.

Task 7: Deliverables-Products-Meetings

- Prepare presentation materials for the public hearing.
- Present findings and results of the environmental review and proposed ND/MND; support District staff and respond as needed to questions and comments pertaining to the environmental review
- Submit detailed monthly invoices and monthly status reports.
- Attend up to five (5) meetings with District staff and project team over the life of the project.
- Submit detailed monthly invoices and monthly status reports.

Project Schedule

We have reviewed our current workload and staff availability and based on that information, Atkins can complete the Administrative Draft IS and proposed ND/MND within 8 weeks of receiving an executed contract or Notice to Proceed.⁵ This schedule assumes Atkins, the District and project team will have an approved Project Description within 2-weeks of the executed contract or NTP.

Atkins assumes a 2-week review period by District staff and its project team. The proposed ND/MND will follow in 2 weeks after receiving the District’s and its project team’s comments on the Administrative Draft IS and the final proposed ND/MND will be ready for public review within one (1) week. The final document will be circulated for public review as required under CEQA Guidelines, Sections 15073 and 15087. (CEQA Public review periods: mitigated negative declaration 30 days required). After close of the public review period, Atkins will prepare the Response to Comment Memorandum and append it to the proposed ND/MND and then having satisfied the requirements of CEQA the proposed ND/MND would be presented to the District’s Board of Directors for consideration. Atkins understands that the nature of the proposed project could stir up public opposition; consequently, for preparation of this Scope of Work, it is not possible to accurately project the time it would take to appropriately respond to public comments. Atkins anticipates two or three weeks could be necessary.

In summary, Atkins will complete the final ND/MND within approximately 20 weeks of receiving an executed contract or Notice to Proceed.

In total, the schedule calls for the final documents, public review period, preparation of the Public Response to Comment Memorandum (~2 weeks), and Project approval would conclude in approximately 22 weeks from receipt of the executed contract or NTP. *Neither Atkins nor the District anticipates any delays in this schedule; however, some amount of uncertainty exists until the Project Description is approved.*

Project Cost Estimate

Time and Materials cost for completion of the tasks listed above, including direct expenses, is not-to-exceed \$38,310. The cost estimate (next page) provides a breakdown of tasks, estimated labor hours

⁴ Atkins’s program for Quality Control and Assurance for Projects (QCAP). It sets forth the minimum standards of quality control to be applied on projects by all services.

⁵ Atkins can begin work upon receipt of a Notice to Proceed. An executed contract must be received within 30 days of the Notice to Proceed.

allotted per task, current billing rates, and direct project expenses. Atkins reserves the right to adjust task budgets in order to manage the financial stability of the contracted budget amount. This is necessary to maintain control of task costs, prevent overruns or underutilized task budgets at project completion. Attachment 1 is Atkins's current billing schedule.

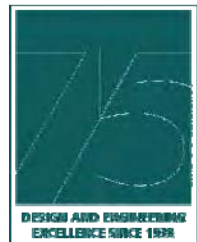
The projected cost is based on the following key assumptions:

- Atkins will strictly adhere to the scope of work presented above;
- Analysis will rely on technical reports prepared by the District, its agents, Sacramento County information, other consultants and agencies;
- Atkins will print up to thirty (30) copies of the final environmental documents;
- Atkins is responsible for public circulation of the document;
- No significant delays in the environmental review process are anticipated by Atkins unless necessitated by alterations of the proposed project ; and
- Any additional documentation, such as preparation of an EIR, will be approved as a separate task order.



COST ESTIMATE - RMCSO Groundwater Well Augmentation Project Initial Study/Environmental Review

Task	Project Title	Sr. Project Manager	Project Manager/ CEQA Lead	Associate Scientist	Associate Scientist	Env Planner	WP	Graphics	Hours	Task Cost	Cost Total
Start	Project Initiation		4						4	\$580	\$580
1	Project Description	2	16						18	\$2,650	\$2,650
2	Data Collection and Review		8	6	6	6			26	\$3,110	\$3,110
3	Prepare Initial Study	3	32	12	12	30	4	4	97	\$11,415	\$11,415
4	Prepare ND/MND for CEQA Compliance	3	24	8	8	16	4	4	67	\$8,055	\$8,055
5	Prepare and Circulate Final ND/MND Document		6			12			18	\$1,950	\$1,950
6	Review Public Comments/Response Memo		8			4	2		14	\$1,700	\$1,700
7	Meetings, Public Hearing and related Proj. Mgt		40						40	\$5,800	\$5,800
Total Hours		8	138	26	26	68	10	8	284		
Hourly Rate		\$165	\$145	\$120	\$115	\$90	\$90	\$100			
Atkins Labor Total		\$1,320	\$20,010	\$3,120	\$2,990	\$6,120	\$900	\$800		\$35,260	\$35,260
In-House Copies										\$150	
Printing										\$2,000	
Travel, meals, misc.										\$150	
Cultural/Historic Properties Records Search										\$750	
Expenses, ODC, Misc. Totals											\$3,050
TOTAL										\$38,310	\$38,310





**SCIENCES & PLANNING – CALIFORNIA AND SOUTHWEST
HOURLY BILLING RATES AND JOB CLASSIFICATIONS**

Sr Division Manager/ Principal Technical Professional	\$190–\$300/hour
Sr Group Manager/Project Director/ Sr Planner IV/ Sr Scientist IV/ Sr Engineer IV	\$175–\$300/hour
Group Manager/ Sr Project Manager III/ Sr Planner III/ Sr Scientist III/Sr Engineer III	\$140–\$200/hour
Project Manager/ Sr Planner II/ Sr Scientist II/Sr Engineer II/ Sr GIS Analyst II	\$120–\$170/hour
Associate Project Manager /Sr Planner I/Sr Scientist I/ Sr Engineer I/Sr GIS Analyst I	\$95–\$135/hour
Planner II/ Scientist II/Engineer II	\$85–\$120/hour
Planner I/ Scientist I/Engineer I	\$65–\$100/hour
Sr Administrator/Operations Coordinator/Administrative Coordinator	\$90–\$135/hour
Sr Word Processor/Regional Graphics Specialist/Sr Program Assistant	\$75–\$110/hour
Word Processor	\$65–\$100/hour
Field Technician II	\$55–\$90/hour
Planner Intern/Scientist Intern/Field Technician I/Technical Aide/Administrative	\$45–\$75/hour
Mileage	\$0.565/mile

In addition, identifiable, non-salary costs that are directly attributable to the project (i.e., travel, meals, lodging, auto rentals, printing and copies, graphic materials, phone charges, equipment and specialized computer charges, etc.) and subcontractor fees include a 15% administration charge to cover overhead and administration.

1. This schedule is effective until April 1, 2014, and is subject to annual and/or periodic revisions thereafter, as necessary to accommodate inflationary trends, salary adjustments, and the general costs of business.
2. Invoices will be submitted by Consultant monthly. Client will notify Consultant, in writing, of any objections to an invoice within ten (10) days of the date of invoice. Otherwise, the invoice shall be deemed acceptable by the Client. Amounts indicated on invoices are due and payable immediately upon receipt.
3. A late payment finance charge at a rate of 18% per annum (or the maximum amount allowed per law if lower) will be applied to any unpaid balance commencing 30 days after the date of the original invoice.
4. Fees for litigation and expert witness services will be charged at \$450.00 per hour with a 4-hour minimum per day.

MEMORANDUM

Date: August 16, 2013
To: Board of Directors
From: Edward Crouse, General Manager
Subject: Using District Security Officers as Designated Drivers

RECOMMENDED ACTION

Provide staff direction for the use of District Security Patrol Officers as designated drivers for the Summerfest event.

BACKGROUND

A request has been made by Director Martel to use District Security Patrol Officers as designated drivers during the upcoming Summerfest event at Stonehouse Park. The goal is to provide a service to the community and to reduce or eliminate driving under the influence at the event, therefore keeping the community safe.

It is our policy to not allow our Patrol Officers to act as designated drivers or generally give suspected DUI drivers rides home for liability and operational reasons. The District has denied similar requests from Rancho Murieta Country Club (RMCC) for some of their events.

From a liability perspective, the District assumes the liability and risk for transporting an intoxicated person to their home (or friend's home) and, upon their release, we have no ability to make sure the person does not again attempt to drive or otherwise leave the premises and then cause further harm, be involved in a subsequent accident or cause some other type of disturbance. In short, we should have known or anticipated this would have happened, given the intoxication of the individual.

From an operation standpoint this places the Patrol Officer in a decision making role that is subjective, i.e., should we give the individual a ride home or call Sacramento Sheriff's Department (SSD) for public intoxication or California Highway Patrol (CHP) for a driving under the influence (DUI) incident. It tends to open up to claims of "you gave so-and-so a ride home, why not me".

If the District decides to give a person a ride home there are issues with their level of intoxication, their ability to care for themselves in transport, issues with opposite sex transports, location of drop off, age related (teenagers vs. adults), who is responsible for the person at the drop off, how do we insure access to the premises is available, etc.,

The request was discussed with the District's legal counsel who agrees with our assessment and decision not to act as designated drivers. He also opined this does not seem to be a core function

of the District's Security Patrol Officers and suggested maybe the Summerfest Board could designate one of their own or use volunteers as designated drivers.

We also ran this by our insurance carrier, Golden State Risk Management Authority (GSRMA), whose opinion is that this opens the District up to too many risks and recommends that we do not agree to provide this service. GSRMA's opinion is that even if Summerfest added us an additional insured, that the limits would not be sufficient for our full protection.

Once we go down this path it will open the door to other similar requests from individuals, event organizers and community organizations.

And finally, it will increase the operational burden on staff by making them unavailable for assistance and response to other calls for service.

MEMORANDUM

Date: August 13, 2013
To: Board of Directors
From: Finance Committee Staff
Subject: Adopt Resolution 2013-03 Placing Delinquent Charges/Taxes on the Sacramento County Tax Rolls

RECOMMENDED ACTION

Adopt Resolution 2013-03 placing delinquent water, sewer, solid waste, security and/or drainage charges/taxes on the Sacramento County tax rolls to be purchased by Sacramento County under the Teeter Plan.

BACKGROUND

The Board adopts this Resolution annually placing any delinquent water, sewer, garbage, security and/or drainage charges/taxes on the Sacramento County (County) tax rolls. Sacramento County has the option to purchase these charges from the District under the Teeter Plan thereby shifting responsibility for collection to the County. In exchange, the County receives all penalties and interest incurred after the charges are billed to the property owner via the property tax bills.

Exhibit A will be prepared on August 2, 2013 to be published as required by regulations in the Daily Recorder. An updated Exhibit A will be provided at the August 21, 2013 Board meeting which will reflect the then most current delinquent accounts. The final Exhibit A will be filed with the County on August 23, 2013 for collection through the Teeter Plan.

The Finance Committee recommends adoption.

RESOLUTION 2013-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF RANCHO MURIETA COMMUNITY SERVICES DISTRICT AUTHORIZING COLLECTION AND REQUESTING INCLUSION OF DELINQUENT RATES, SPECIAL TAXES, CHARGES AND PENALTIES FOR WATER, SEWER, SOLID WASTE, DRAINAGE AND SECURITY SERVICE ON THE TAX ROLL FOR THE FORTHCOMING FISCAL YEAR IN THE SAME MANNER AS THE GENERAL TAXES

WHEREAS, the Government Code authorizes the District to establish rates and charges for water, sewer, drainage and security services, prescribed penalties for nonpayment of those charges, and to have delinquent charges and penalties collected on the County tax roll; and

WHEREAS, the Rancho Murieta Community Services District, pursuant to Rancho Murieta Community Services District Code, Chapters 14, 15, 16, 21, and 31 prescribes rates, special taxes, and charges for water, sewer, solid waste, drainage and security service, provide for penalties for delinquent water, sewer, drainage and security rates, special taxes, and charges with the County tax roll; and

WHEREAS, the notices prescribed by law were duly published and mailed, and the Board of Directors held a Public Hearing on August 21, 2013 to consider all objections and protest, if any, to the reports on the delinquent charges prepared pursuant to law;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Rancho Murieta Community Services District hereby;

1. Adopts the written report of delinquent water, sewer, drainage and security rates, special taxes, charges and penalties attached hereto as Exhibit "A" and incorporated herein as of June 30, 2013, and determines that each amount described in said report for each parcel is proper and correct.
2. Request the Sacramento County Board of Supervisors to authorize the Auditor and Tax Collector to perform the functions provided by the Government Code and Rancho Murieta Community Services District Codes; Chapter 14, 15, 16, 21 and 31 respecting the placement of said delinquent charges on the tax roll and collecting said charges with the general taxes, for compensation at a cost not to exceed the amounts set by law.
3. The delinquent charges report, in the form submitted to this meeting and on file with the Board, is hereby approved and adopted. The General Manager of the District, or one or more of his/her designees, is hereby authorized to make changes to the Delinquent Charges Report before it is filed with the Sacramento County Auditor as provided in Section 4 hereof and to make changes in response to payments received from ratepayers.

4. A certified copy of this Resolution together with a list of all delinquent parcels subject to being placed on the tax rolls shall be delivered to the Sacramento County Auditor no later than August 23, 2013 as specified by written consent of the Sacramento County Auditor.

BE IT FURTHER RESOLVED, the Secretary of the Board is hereby directed to transmit a certified copy of this Resolution to the Board of Supervisors, County of Sacramento.

PASSED AND ADOPTED by the Board of Directors of the Rancho Murieta Community Services District at their regular meeting held on this 21st day of August 2013 by the following roll call vote:

Ayes:

Noes:

Absent:

Abstain:

Gerald Pasek, President of the Board
Rancho Murieta Community Services District

[seal]

Attest:

Suzanne Lindenfeld, District Secretary
Rancho Murieta Community Services District

MEMORANDUM

Date: August 14, 2013
To: Board of Directors
From: Finance Committee Staff
Subject: Adopt Ordinance 2013-02, Amending District Code Chapter 8, Community Facilities Fees

RECOMMENDED ACTION

Adopt Ordinance 2012-02, an Ordinance amending District Code Chapter 8, the Community Facilities Fee Code, Section 3.00, to increase the Water Supply Augmentation and the Community Parks fees.

BACKGROUND

On a yearly basis, the District reviews and adjusts, as necessary, the fees collected to meet the District's current and future service needs. As part of that review, the District is required by Government Code Section 66000 to prepare a report on the findings and supporting background information on the fee adjustment. The attached report is for the Water Supply Augmentation fee.

The fee increase is summarized as follows:

<u>Fee</u>	<u>Index</u>	<u>% Increase</u>	<u>Current fee</u>	<u>Proposed fee</u>
Water Supply Augmentation	CPI	1.1	\$ 4,421.00	\$ 4,571.00

The Community Park Fee is not changed as the ENR Index remained flat for the period of April 2012 to April 2013.

Increasing the fees requires a public hearing, which will be noticed for the July Board meeting.

The Finance Committee recommends adoption.

This is the second and final reading. No public comments or opposition have been received.

ORDINANCE 2013-02

AN ORDINANCE OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT AMENDING DISTRICT CODE CHAPTER 8, SECTION 3.00 OF THE COMMUNITY FACILITIES FEE CODE

BE IT ORDAINED by the Board of Directors of the Rancho Murieta Community Services District, Rancho Murieta, Sacramento County, California, as follows:

SECTION ONE:

Chapter 8 of the District Community Facilities Fee Code, Section 3.00 Fees is amended, in part, as follows:

3.03

- a) **A Capital Improvement Fee:** No Change
- b) **A Community Park Fee:** No Change
- c) **A Water Supply Augmentation Fee** in the amount of Four Thousand Five Hundred Seventy-One Dollars (\$4,571.00) per EDU to be applied to: (Note: the remainder of the paragraph is unchanged and this fee is to be paid upon issuance by the District by a water/sewer permit).

SECTION TWO:

To the extent the terms and conditions of this Ordinance may be inconsistent or in conflict with the terms and provisions of any prior District ordinances, resolutions, rules or regulations the terms of this Ordinance shall prevail with respect to the terms and provisions thereof, and such inconsistent or conflicting terms and provisions of prior ordinances, resolutions, rules and regulations are hereby repealed.

SECTION THREE:

This Ordinance shall be in full force and effect thirty (30) days after adoption and shall be published within 10 days of adoption in a newspaper of general circulation published within the District.

SECTION FOUR:

The establishment, modification, structure, restructuring and approval of the fees, rates tolls or other charges as set forth herein are for the purposes of continuing to meet the District's cost for operation and maintenance, supplies and equipment, financial reserves, and capital replacement needs, and are necessary to maintain service within the District's existing service area.

PASSED AND ADOPTED by the Board of Directors of the Rancho Murieta Community Services District, Sacramento County, California, at a meeting duly held on August 21, 2013, by the following roll call vote:

Ayes:

Noes:

Abstain:

Absent:

[seal]

Gerald Pasek, Board President
Rancho Murieta Community Services District

ATTEST:

Suzanne Lindenfeld, District Secretary

RANCHO MURIETA COMMUNITY SERVICES DISTRICT
GOVERNMENT CODE 66000 COMPLIANCE REPORT
FOR
CAPITAL IMPROVEMENT FEE
July 2013

This report sets forth the findings and background information required by Government Code 66000 for updating of the Districts' Capital Improvement Fee. The current amount of this Fee is \$1,180 per equivalent dwelling unit of new development.

The District has independently adopted a Community Park Fee to fund the acquisition and/or construction of community park facilities and a Water Supply Augmentation Fee to fund the expansion of the District's water supply. The funds generated by this Capital Improvement Fee are not intended to be used for and shall not be used to fund water storage projects or park development.

I. PURPOSE OF FEE

The purpose of the Capital Improvement Fee (the "Fee") is to provide funds for the orderly and timely expansion of the District facilities to meet future demand and to maintain and/or improve the District's existing level of service.

II. USE OF FEE

Funds generated by the Fee will be used to acquire and/or construct various capital facilities, plant and equipment for the provision of water, wastewater, drainage, security and administrative services. A complete breakdown of the projected capital facilities and costs is shown in Exhibit "A".

The capital facilities shown in Exhibit "A" have been divided into two categories. Category I facilities include those capital facilities that are required to serve future users resulting from new development within the District. Category II facilities include those facilities that are required to serve both existing and future users within the District.

III. RELATIONSHIP BETWEEN USE OF FEE AND TYPE OF DEVELOPMENT

Virtually all development that occurs within the District requires the use of District facilities, plant and equipment for public services. This Fee is established to insure the adequacy and reliability of such facilities, plant and equipment as development of undeveloped land occurs.

IV. RELATIONSHIP BETWEEN DWELLING UNITS AND EQUIVALENT DWELLING UNITS

In order to compare residential, commercial, and industrial properties for purposes of establishing an equitable capital improvement fee structure, properties within the District have been assigned the following EDU ratios in accordance with the EDU ratio calculation shown in Exhibit "B":

A. RESIDENTIAL

<u>Type of Property</u>	<u>EDU Ratio</u>
1. Estate, Cottage, Circle (70' or 90'), or Halfplex Lot	1.0 EDU/lot
2. Townhouse, Murieta Village or The Villas Lot	0.5 EDU/lot

B. COMMERCIAL / INDUSTRIAL / MUNICIPAL

<u>Type of Property</u>	<u>EDU Ratio</u>
1. Business and Professional Offices	0.3 EDU/1,000 sq. ft.
2. Retail, Commercial, Clubhouse, Community Buildings, Restaurants, Bars, Cocktail Lounges, Schools & Training Facilities	0.6 EDU/1,000 sq. ft.

<u>Type of Property</u>	<u>EDU Ratio</u>
3. Light Industrial, Murieta Equestrian Center & Airport Buildings	0.2 EDU/1,000 sq. ft.
4. Motel/Hotel Facility Buildings	0.4 EDU/room
5. Irrigated Lands, or Other Miscellaneous Property Uses	1.6 EDU/acre

Non-residential properties having a private Fire Department connection ("FDC") shall pay, in addition to the fee amounts calculated pursuant to the above EDU ratios, an amount determined in accordance with the following EDU ratios:

4" Diameter FDC Connection	0.40 EDU/connection
6" Diameter FDC Connection	0.50 EDU/connection
8" Diameter FDC Connection	0.60 EDU/connection

These ratios reflect the relative demand placed upon the District for community facilities to be funded by this Fee as a function of land use.

The Rancho Murieta Planned Development Ordinance (PD Ordinance), approved Sacramento County, authorizes not more than 5,189 residential dwelling units (DU) and approximately 1,018 equivalent dwelling units (EDU) of associated municipal, commercial and industrial land uses within the existing boundaries of the District. Exhibit "C" includes a breakdown of the total and existing EDU's within the District.

V. DETERMINATION OF BENEFITED PROPERTIES

All undeveloped properties within the District will share the cost of providing Category I facilities based on the EDU ratios set forth above. All properties within the District, whether developed or undeveloped, will share the cost of providing Category II facilities based on the EDU ratios set forth above.

VI. DETERMINATION OF THE BUDGET

There are several types of capital facilities that will be required by the District in the future to maintain the existing level of service as build-out of the District occurs. These facilities can be generally grouped into the following types:

A. WATER / WASTEWATER FACILITIES

These facilities include electrical control replacements, sewer main cleaning equipment, air compressors, water meter retrofit, telemetry and central control facilities, material and equipment warehouses, drainage ditch maintenance equipment, bulk storage bunkers, utility and service vehicles, reservoir protection system, drainage and channel improvements, facility triangulation control system, hydro-electric generation facilities and appurtenances, reservoir road grading, air injection system, storm water monitoring and testing equipment, algae induction system, risk management protection system.

B. SECURITY FACILITIES

These facilities include a security center in the District administrative complex, security vehicles, north gate improvements, gate computer network, gate video operation link equipment identification system, radio equipment and appurtenances.

C. ADMINISTRATIVE & COMMUNITY FACILITIES

These facilities include a District administrative center, accounting computer and software, record storage/retrieval system, board meeting recording equipment and appurtenances.

Also included within the projects to be funded by the Fee are the necessary architectural and engineering studies and designs and administrative costs to implement these projects. A complete breakdown of the projected costs is shown in Exhibit "A".

VII. DETERMINATION OF THE FEE

This Fee is based on the projected cost of the capital facilities included in Exhibit "A". These capital facilities are anticipated to be required to assure that the District maintains its existing level of service at full build-out of the District.

The proposed Capital Improvement Fee is determined as shown below and in Exhibit "A". The amount of this Fee is \$1,180 per EDU.

CATEGORY I	
FACILITIES	
Total Budget	\$ 1,320,595
Total Benefited Properties	4,356 EDU
Category I Component of Fee	\$ 303/EDU

CATEGORY II
FACILITIES

Total Budget	\$ 5,207,510
Total Benefited Properties	5,899 EDU
Category II Component of Fee	\$ 883/EDU
Category I Component of Fee	\$ 303/EDU
Category II Component of Fee	<u>883/EDU</u>
Total Capital Improvement Fee	\$ 1,186/EDU

While the project budget yields an equivalent dwelling unit fee (\$1,186) which is greater than the current fee (\$1,180), there is no significant difference between the budget fee and the current fee. **Therefore, there is no justification at this time to increase the current fee.** A capital improvement fee of \$1,180 per dwelling unit, when applied to the remaining 4,156 dwelling units, will yield sufficient revenues (\$4,904,080) plus earned interest to cover such remaining costs.

VIII. ALLOCATION OF CAPITAL COSTS BETWEEN EXISTING AND NEW DEVELOPMENT

A. CATEGORY I IMPROVEMENTS

The facilities that make up Category I of Exhibit "A" are capital improvements that would not be required but for the additional service requirements imposed upon the District by new users. These improvements include both new facilities and facilities required to replace deteriorated portions of existing plant and equipment that have sat idle since their original construction, where such idle capacity was reserved to serve future users.

B. CATEGORY II IMPROVEMENTS

The facilities that make up Category II of Exhibit "A" are capital improvements that will serve both existing and future users.

C. EXISTING USER CONTRIBUTION

As of March 31, 1998, the District had 1,855 users that generate an equivalent demand for capital improvements of 1,752 EDU. These users have paid a total of \$1,518,187 in capital and community facilities fees.

As of that same date, the District had expended \$1,202,586 of these funds on various capital facilities. The fund had received interest earnings in the amount of \$247,201. The balance of the fund as of March 31, 1998 was \$562,802. Some \$342,619 of the \$1,180,405 spent from Capital Improvement Fees are not listed on Exhibit A of the Budget & Fee Schedule. These funds were spent before a Budget and Fee Schedule was adopted.

D. ALLOCATION OF CATEGORY II FACILITY COSTS BETWEEN EXISTING AND FUTURE USERS

The per user share of Category II costs allocated among both existing and future users on a pro-rata basis is \$883 per EDU:

Total Category II Costs \$5,207,510
Total EDUs at Build out 5,908

Cost Allocation per EDU = \$ 883

The existing users collective share of total Category II costs equals \$1,547,016:

Existing User Count = 1,752 EDU
(As of March 31, 1998)

x Cost Allocation per EDU \$ 883
Existing Users
Collective Share = \$1,547,016

IX. TOTAL EQUIVALENT DWELLING UNITS

The total number of equivalent dwelling units at ultimate buildout may be reduced due to development constraints or other unforeseen circumstances. In this event, the amount of dollars collected may be less than projected and not all projects will be able to be funded. Therefore, the District has prioritized the projects in the capital improvement program to insure the completion of projects in the order of importance to the community.

While the ultimate number of EDU's within the District cannot be calculated with absolute certainty at this time, it has been determined that the methodology utilized in the development of this Fee yields a reasonable estimate of the total number of EDUs that will be built within the District. Correspondingly, the amount of this Fee is deemed to be, within a reasonable margin of error, a reasonable estimate of the amount that this Fee would be if the ultimate number of EDUs within the District was known with certainty at this time.

X. COLLECTION OF FEE

This Fee will be collected at the time of issuance of the Water and Sewer Service Permit. This will be a one time per EDU Fee.

**RANCHO MURIETA COMMUNITY SERVICES DISTRICT
GOVERNMENT CODE 66000 COMPLIANCE REPORT
FOR
COMMUNITY PARK FEE**

July 2013

This report sets forth the findings and background information required by Government Code 66000 for the 2013 update of the District's Community Park Fee. The amount of this Fee is \$1,889.48 per residential dwelling unit ("DU").

I. Purpose of Fee

The purpose of the Community Park Fee (the "Fee") is to fund the public component of a mixed public/private community parks program to serve the Rancho Murieta community. The public component of the mixed public/private community parks program is currently anticipated to consist of development of community park facilities on the District owned park site located on Stonehouse Road.

In September 2004, the CSD granted the Stonehouse Park site to RMA as part of a three property exchange between RMA, CSD and PTF.

The fee is not normally collected by the District. The Rancho Murieta Association (RMA) collects a like amount Community Park Fee on all new development in the residential portions of the community north of Highway 16. Should the RMA not be able to collect the Fee, the CSD will collect the Fee and transfer the Fee to RMA.

II. Use of Fee

The revenues generated by the Fee will be used to fund the public portion of the costs of building a community park on the District property located on Stonehouse Road in Rancho Murieta (the "Stonehouse Community Park"). The Stonehouse Community Park is currently anticipated to consist of ball fields, hard courts, a concession building, a pool and cabana, picnic areas, landscaping, and other miscellaneous park related improvements (the "Stonehouse Community Park Facilities"). A more complete listing of the Stonehouse Community Park Facilities is provided in the budget attached to this report as Exhibit "A" (the "Public Community Park Program Budget").

Over time, the Parks Committee has made scope and project improvement changes to the original park facilities contemplated by this fee. While the facilities may have changed, the overall budget is still appropriate and will continue as the basis for the fee.

III. Relationship Between the Type of Development on which the Fee Is Imposed, the Fee's Use and the Need for the Facilities Being Funded Thereby

Residential development creates need and demand for community park and recreation facilities. Such facilities play a critical role in promoting and protecting the health, safety and general welfare of the residents of Rancho Murieta.

The park and recreational facilities required to serve the residents of the District are to be addressed through a mixed public/private community parks program that will include not only the publicly funded facilities on the Stonehouse site, but also privately funded facilities to include two community centers as well as park improvements for the Clementia Valley and Clementia Lakeside park sites. Whereas the public funds generated by this Fee will be administered by the District on behalf of all residents of the District, the private funds will be administered by the Rancho Murieta Association ("RMA") on behalf of its present and future members.

IV. Relationship Between the Amount of the Fee and the Cost of Providing Facilities to Address the Needs Attributable to the Development on which the Fees Are Imposed

A. Determination of Properties to be Served

The Community Park Facilities will be provided for the use of all present and future residents of the District and all present and future residents will contribute to the provision thereof. Those facilities funded with revenues generated by this Fee, or any other public resources, will be operated and maintained by the District. The total number of private dwelling units to be served by the Community Park Facilities is 4,962.¹

The Stonehouse facilities, to date in 2005, have been constructed by the RMA through their community and neighborhood park fee program. Accordingly, the CSD has not collected any public fees or constructed facilities.

As of December 1990, of these 4,962 dwelling units, the lands then annexed to RMA north of the Cosumnes River included 1,534 dwelling units and/or vacant lots. RMA agreed to contribute \$1,500,000 towards the construction of private community park facilities within the District in behalf of these 1,534 DU and/or lots. This contribution represented a fair share allocation of the cost of the community's overall community park program for these 1,534 dwelling units and/or lots. Additionally, as explained below, of the 4,962 dwelling units, 78

¹The Sacramento County approved Rancho Murieta Planned Development Ordinance (PD Ordinance) authorizes not more than 5,189 residential dwelling units within the existing boundaries of the District. In calculating the number of units to be served by the Community Park Facilities, however, two types of existing residential developments have been excluded. The existing mobile home park (189 dwelling units) has its own self-contained recreational facility. Also excluded will be the Rancho Murieta Country Club Lodge with 38 dwelling units used to provide temporary lodging to guests of its members. It has been determined by the District that the mobile home park and the Lodge will place negligible recreational demand on a community park. The total remaining properties to be served by the Community Parks Program is as follows:

Rancho Murieta PD Ordinance	5,189 DU
1. Mobile Home Park	< 189 DU >
2. RMCC Lodge - Villas	< 38 DU >
Total Properties To Be Served	4,962 DU

dwelling units within Rancho Murieta South had previously met their community park obligation.

Accordingly, the remaining number of dwelling units subject to this fee is determined as follows:

Total Properties To Be Served:	4,962 DU
Less:	
(1) RMA Units/Lots	<1,534 DU>
(2) Rancho Murieta South Lots	< 78 DU>
Properties Subject To Fee:	3,350 DU

B. Determination of the Community Parks Program Budget

The costs of building the Stonehouse Community Park Facilities are estimated to be \$4,082,000. A detailed breakdown of such costs is provided in the attached Exhibit A.

C. Relationship Between Public and Private Community Park Program and Funding Sources

The relationship between the public and private community parks and the source of funds to cover the costs of the Community Parks Program are explained as follows:

i. Community Park Program

In 1990 and 1991, RMA entered into a series of Park Development Agreements with the owners of all undeveloped land within the District that requires the owners of these lands to convey certain neighborhood and community park sites to RMA and to pay a per dwelling unit fee to RMA for the development of those park sites. In December 1990, under the theory that the District needed to create an enforcement mechanism to assure compliance of the parties to the Park Development Agreements, the District, also being a signatory to these agreements, adopted a Community Park Fee of a like amount to fund the development of a community park at the Stonehouse site.

The demand placed on the District for community park facilities will decrease over time pro-rata in direct relationship to the number of dwelling units that are annexed to RMA and pay RMA's community park development fee. As development of the community progresses, the District's contingent responsibility decreases pro-rata until all residential lands within the District are developed and annexed to RMA.

In the event that one or more of the parties to the private park program created by the agreements failed to meet their respective responsibilities, the District would collect fees from the then remaining

undeveloped dwellings units thereby funding the construction of community park facilities on the Stonehouse site. The public community park facilities constructed through this process would fill the resulting void in the private community park facilities created by the failure of the private park program.

The proposed public community park budget is designed to yield a per dwelling unit fee equivalent to the current community park fee per dwelling unit (the "Contract Fee") then due under RMA's Park Development Agreements. Originally set at \$1,095 per dwelling unit in February 1991, these agreements included a provision that the Contract Fee would be adjusted annually pro-rata to the change in the Engineering News Record (ENR) Construction Cost Index for the San Francisco Region. Through April 2012, this Contract Fee had been adjusted to \$1,889.48 per residential dwelling unit. From April 2012 to April 2013, the ENR Index has not increased, thus the current fee remains \$1,889.48.

Practically speaking, if, in the unlikely event that one or more of the parties default from their responsibilities under the agreements, the District would collect fees from the affected dwelling units, scale back the public community park budget accordingly and construct the needed community park facilities on the Stonehouse site. Over time, the District's "budget" for community park facilities will in effect dwindle in direct relationship to the ever declining number of yet to be developed residential dwelling units such that the resulting fee (reduced "budget" divided by the number of remaining undeveloped dwelling units) would continue to be equivalent to the amount of the per dwelling unit fee then due under the agreements.

ii. Private Funding Sources

1. RMA has agreed, on behalf of the owners of the 1,534 developed lots north of the Cosumnes River, that the Association, as of December 1990, would contribute One Million Five Hundred Thousand Dollars (\$1,500,000) towards the construction of private Community Park Facilities. (A complete listing of the properties covered by the RMA agreement is attached as Exhibit "B" to this Report.)
2. In addition, RMA has entered into a Park Development Agreement with the owners of 1142 of the 1220 undeveloped lots south of the Cosumnes River and a series of "sister" Park Development Agreements with the owners of all of the undeveloped residential land north of the Cosumnes River (estimated to be developed into 2,208 DU) pursuant to which the Landowners originally agreed to contribute \$1,095 per dwelling

unit to the RMA administered private Community Parks Program. (A complete listing of the properties subject to these Park Development Agreements is attached as Exhibit "C" to this Report.) The District has agreed to grant a credit to these Landowners in the amount of each lot's contribution to the RMA Administered Private Community Parks Program.

iii. Public Funding Sources

1. Approximately 78 of the 1220 lots south of the Cosumnes River had already met their community park funding obligations (and therefore are not subject to the Park Development Agreement) prior to execution of the Park Development Agreements in 1990 by paying the District's Community Facilities Fee then in effect of which slightly over forty percent (40%) has been allocated to park funding.

D. Determination of Fee

The Public Community Park Fee is intended to fund the costs of the public community park facilities at the Stonehouse site. The Stonehouse Community Park is expected to cost \$4,082,000. The previously mentioned 78 lots south of the Cosumnes River that is not subject to the Park Development Agreements had paid approximately \$63,960 towards the cost of the Stonehouse Community Park facilities as of October 1990. Since that time, these funds have accrued approximately \$35,129 in interest from the District's account in the State of California's Local Agency Investment Fund. In June 1998, the District released to RMA \$63,960 which represents the south's community parks contribution, less the District's costs for site grading at the Stonehouse site. The remaining costs of the Stonehouse Community Park facilities, in the amount of \$3,982,911 will be funded through the Fee. A community park fee of \$1,889.48 per dwelling unit, when applied to the 3350 dwelling units, will yield sufficient revenues (\$6,329,758) to cover such remaining costs.

E. Summary of Funding for Public Community Park Program

1. Public Community Park Program Budget:
 - a. Stonehouse Community Park Facilities \$4,082,000
2. Funding Sources:
 - a. Public Sources of Funds Community Park Fee (3350 DU x 1,889.48) \$6,329,758
 - b. Park Component of Community

Facilities Fee for 78 Rancho Murieta South units
 Not subject to Park Development Agreement
 (Including interest earnings) \$99,089

Total Public Funds Available for Public Community
Parks Program

\$6,428,847

However, this total funding assumes a greater number of units than are currently anticipated. The estimate of the number of units as of 2004 that will have paid the fee is:

Unit 6	110
Rancho Murieta South (Units 1-9, Crest, Greens)	749
Lakeview	99
Riverview	150
Rancho Murieta North MBA	1,093
Old School Site	50
Apartment site	<u>200</u>
TOTAL	2,151

The summary of contributions to the parks fund is 2,151 lots at \$1,889.48, totaling \$4,064,271.

Of the 2,151 lots contributing to the parks program, as of 2012 the following lots remain undeveloped and subject to the fee:

Lakeview	99
Riverview	150
Rancho North MBA	1,093
Old School Site	50
Apartment site	200
Unit 6	<u>11</u>
TOTAL	1,627

The summary of contributions to the parks fund is 1603 lots at \$1,889.48, totaling \$3,028,836.

V. Determination of Credits

At any time prior to payment of the Fee, the owner of an undeveloped lot subject to the Fee may choose to participate in a Park Development Agreement with RMA. Such participants shall receive a credit towards the Fee for any amounts paid to RMA pursuant to such a Park Development Agreement, provided that RMA agrees to utilize the revenue thereby collected to construct improvements substantially similar in type and purpose to those enumerated in Exhibit A.

VI. Collection of Fee

This fee will be collected at the time of issuance of a water/sewer service permit. This will be a one-time per DU fee.

EXHIBIT B

PROPERTIES SUBJECT TO RMA AGREEMENT

Rancho Murieta Association's agreement to contribute One Million Five Hundred Thousand Dollars (\$1,500,000) towards construction of Community Park Facilities was made on behalf of the owners of the developed lots in the following existing subdivisions:

	Recording Information or APN
1. Rancho Murieta Unit No. 1	95BM18
2. Rancho Murieta Unit No. 1A	111BM23
3. Rancho Murieta Unit No. 2	121BM8
4. Rancho Murieta Unit No. 3	132BM14
5. Rancho Murieta Unit No. 3A	163BM1
6. Rancho Murieta Unit No. 3B	172BM17
7. Rancho Murieta Unit No. 4	142BM9

EXHIBIT C

PROPERTIES SUBJECT TO THE PARK DEVELOPMENT AGREEMENT

The following properties are subject to the park Development Agreement:

	Recording Information or APN
1. Rancho Murieta South Unit No. 1A ²	202 BM 10
2. Rancho Murieta South Unit No. 1B ³	202 BM 11
3. Rancho Murieta South Unit No. 2A	207 BM 1
4. Rancho Murieta South Unit No. 2B	207 BM 2
5. Rancho Murieta South Unit No. 3	209 BM 4
6. Rancho Murieta South Unit No. 4	209 BM 5
7. Rancho Murieta South Unit No. 5	216 BM 11
8. Rancho Murieta South - "Phase II"	128-0080-089 & 128-0080-090
9. Rancho Murieta South - "The Crest" (Parcel 3)	123 PM 26
10. Rancho Murieta South - "The Greens" (Parcel 4)	123 PM 26
11. Rancho Murieta South - "Lakeview" (Parcel 5)	123 PM 26
12. Rancho Murieta South - "Riverview" (Parcel 6)	123 PM 26
13. Rancho Murieta North Hotel Site (Parcel A)	98 PM 23
14. Rancho Murieta North Unit No. 6	213 BM 6
15. The Villas Townhouse Site (Parcel 1)	92 PM 22
16. Rancho Murieta North Unit No. 5	073-0190-071 & 073-0190-047
17. Calero Residential (Parcel A)	801102 O.R. 842
18. Rancho Murieta North - School Site (Lot A)	95 BM 18
19. Rancho Murieta North Remainder (Parcel 7)	123 PM 26
20. Murieta "Ruins" Parcel (Parcel 12)	123 PM 26
21. Future Driving Range Site (Parcel 10)	123 PM 26

²Of the 57 recorded lots in Rancho Murieta South Unit No. 1A, only 12 lots are subject to the Park Development Agreement. The 12 lots that are subject to the Parks Development Agreement are Lots 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 49 & 50.

³Of the 40 lots contained in Rancho Murieta South Unit No. 1B only 7 lots are subject to the Park Development Agreement. The 7 lots that are subject to the Park Development Agreement are Lots 51, 53, 58, 75, 80, 81, & 82.

RANCHO MURIETA COMMUNITY SERVICES DISTRICT
GOVERNMENT CODE 66000 COMPLIANCE REPORT
FOR
WATER SUPPLY AUGMENTATION FEE

July ~~2012~~2013

This report sets forth the findings and background information required by Government Code 66000 for the ~~2012-2013~~ update of the District's Water Supply Augmentation Fee. The amount of this Fee is ~~\$4,521,004~~\$4,571,000 per equivalent dwelling unit.

I. Purpose of Fee

The purpose of the Water Supply Augmentation Fee is to provide funds for the orderly and timely expansion of the District's water supply system to meet the future demands of the undeveloped lands within the District's existing boundaries.

II. Use of Fee

Funds generated by the Fee will be used to develop a Water Supply Augmentation Project, which is currently anticipated to consist of a system of water wells, construction of transmission facilities, construction of irrigation facilities and the performance of various studies and other miscellaneous management and administrative functions. A complete breakdown of the projected water supply augmentation facilities and costs are shown in Exhibit "A".

III. Relationship Between Need for Facilities, Use of Fee and Type of Development

Virtually all development that occurs within the District requires a potable water supply as required by the California Health and Safety Code, as well as by local agencies responsible for such services as fire protection. The current water supply facilities of the District are adequate to serve existing development, but additional water supply facilities are required to serve future development within the District. Specifically, this fee applies on an equitable basis only to those future developments that require water service, and the funds generated from this fee will be used to develop water supply facilities that will be capable of meeting the water supply needs of said future development. This Fee is established to insure the adequacy and reliability of the District's water supply as development of undeveloped lands occurs.

IV. Relationship Between Dwelling Units and Equivalent Dwelling Units

The Sacramento County approved Rancho Murieta Planned Development Ordinance (PD Ordinance) authorizes not more than 5,189 residential dwelling units (DU) and approximately 839 equivalent dwelling units (EDU) of associated municipal, commercial and industrial land uses within the existing boundaries of the District.

In order to compare residential, commercial, and industrial properties for purposes of establishing an equitable fee structure, water consumption has been evaluated on an EDU basis. Using a standard rate of 750 gallons per day (GPD) per EDU (750 GPD/EDU), the equivalent dwelling unit counts for all residential, municipal, commercial and industrial land uses can be computed. The basis for the EDU determination is the District's Water Supply Study prepared by Giberson & Associates titled "Rancho Murieta Water Supply: Planning for Future Droughts (February 1990)."

Exhibit "B" contains the calculations that convert the various residential, municipal, commercial and industrial land uses to a total EDU count. The total of the proposed and existing residential, municipal, commercial and industrial land uses planned within the boundaries of the District is 5,273 EDU. Existing development within the District as of the date of creation of this fee (December 1990) generated a water demand estimated at 1,364 EDU. The properties subject to this Fee will generate a water demand estimated at 3,909 EDU.

V. Determination of Benefited Properties

The District's Water Supply Study determined that the District's existing water supply system has the ability to provide adequate and reliable water service to approximately 3,206 EDU (estimated at 3,500 DU of various residential land uses and 451 EDU of municipal, commercial and industrial land uses). Since the District had an existing commitment to serve 1,364 EDU in December 1990, the District could then serve an additional 1,842 EDU before exceeding the existing capacity of the water supply system.

Under the terms of the District's 1986 Acquisition and Service Agreement (October 23, 1986), Rancho Murieta Properties, Inc. (RMPI), the then owner of nearly all of the undeveloped lands within the District, expressly acknowledged the potential need for additional capacity and agreed to pay for any needed additional water supply facilities. In 1990 and 1991, the 2nd Amendment to the Acquisition and Service Agreement was executed by all owners of remaining undeveloped land that was subject to the original Acquisition and Service Agreement. The 2nd Amendment established a contract fee to be paid by these landowners per EDU for water supply augmentation. Originally set at \$2,500/EDU, the 2nd Amendment included a provision that the contract fee would be adjusted annually pro-rata to the change in the U.S. Consumer Price Index (CPI). The CPI from April ~~2011-2012~~ to April ~~2012-2013~~ increased ~~2.31.1~~%, thus the current fee is ~~\$4,521.00~~\$4,571.00 per EDU. The District recognizes that other future customers may benefit from the development of additional District water supplies to be funded by the lands subject to the Acquisition and Services Agreement (ASA).

Accordingly, the District proposes to require all future customers to pay for their pro-rata share of the cost to improve the District's water supply system and, through enactment of the Water Supply Augmentation Fee, to impose a uniform fee upon all new development. For the purposes of the determination of the Fee, all undeveloped properties within the District subject to the 2nd Amendment of the Acquisition and Service Agreement will share the cost of improving the District's water supply system on an equitable basis. The following properties will be subject to the Fee.

1. All undeveloped lands subject to the 2nd Amendment of the Acquisition and Service Agreement.
2. The following lands which are not subject to the Acquisition and Service Agreement:
 - a. Rancho Murieta Airport
 - b. Murieta Airport Business Park
 - c. Murieta Equine Complex
 - d. Miscellaneous Park Sites Not Subject To The ASA.

VI. Determination of the Budget

There are three major water facilities that are currently anticipated to be required to augment the District's water supply system:

1. An on-site well system to be located in the southwest corner of the District.
2. An off-site well system to be located in the vicinity of Sloughouse - some five miles west of the District boundary.
3. A commercial area irrigation system to provide raw irrigation water to the landscaped portions of the commercial area. By eliminating these demands from the domestic system, additional domestic demands can be served in lieu of developing additional water supplies.

However, in the 1990's, options 1 & 2 proved unsuccessful. The District embarked in additional investigations of groundwater and surface water alternatives. The most likely project is groundwater source south of the Cosumnes River. The District is working with the Sacramento Central Groundwater Authority and the South County Groundwater Council to position the District to make use of 1500 AF of water from SMUD as part of the Water Forums agreement. The actual budget of the preferred alternative is still undetermined, although the current budget is still appropriate for the basis for the current fee.

In 2007 the District completed its first Integrated Water Management Plan. This IWMP evaluated the potential to utilize all of the District's water resources for the benefit of the District residents and businesses. In 2010 the District updated the 2007 IWMP. The 2010 IWMP included new analysis of the water supply based on 2020 Compliance, new critical hydrologic year supplies and the use of recycled water. The net result of the study shows a supply shortfall of 600 AF including a 300 AF prudent reserve.

Based on these results the District solicited and received a DWR grant for a joint Augmentation Supply and Recharge project. The new augmentation supply is a ground water well first evaluated in the 1990's, south of the airport. Given the new shortfall of 600 AF, it is believed this well will meet the supply shortfall.

The District adopted policies in July 2011 requiring all new development to use recycled water for landscape irrigation. This use of recycled water is a necessary component of the supply equation to reduce the shortfall to 600 AF.

Accordingly, the new well and recycled water facilities logically will be funded in part by the augmentation reserves. However, at this time, the fee remains the same, until such time as the District embarks on a more detailed cost analysis of augmentation projects.

Also included within the projects to be funded by the Fee are the necessary studies and administrative costs to implement this program. A complete breakdown of the projected costs is shown in Exhibit "A".

VII. Determination of the Fee

This Fee is based on a Project composed of a combination of on-site and off-site well systems and a raw water irrigation system. These systems are anticipated to be required to assure that the District's water supply system is adequate and reliable at full build-out of the District.

Notwithstanding the annual CPI adjustment provision mentioned above, the 2nd Amendment to the Acquisition and Service Agreement also includes a provision that allows the contract amount to be adjusted to an amount necessary to augment the District's water supply system "which will provide an augmented water supply sufficient to serve" the anticipated future development. The project budget determined above was prepared to review the reliability of the CPI adjusted contract budget contained in the 2nd Amendment to the ASA and was based on current cost estimates of the water supply augmentation project contemplated in the 2nd Amendment to the ASA.

While the project budget determined above is slightly lower than the CPI adjusted contract budget contained in the 2nd Amendment to the ASA, within a reasonable margin of error, there is no significant difference between the contract budget and the project budget determined above. Accordingly, there is no justification at this time to adopt a fee amount that is in excess of the contract amount established by the CPI adjusted contract fee amount.

The proposed Water Supply Augmentation Fee is determined as follows:

o	Total Benefited Properties	3,909 EDU
o	Total Budget	\$11,714,000
o	Water Supply Augmentation Fee	\$ <u>4,5214,571</u> /EDU

The development community is reducing the density. As a result, the fee may increase following determination of a community buildout density scenario and attendant

augmentation supply project. Likewise, with reduced density, a lower shortfall may result, which may reduce the fee.

VIII. Revision of Costs, Refunds, Agreements

As stated above, certain property owners have previously entered into the 2nd Amendment to the ASA which independently imposed the proposed fee and provided for a refund mechanism in the event that the Water Supply Project is less costly than presently contemplated. Any of the land owners subject to this Fee may similarly enter into such an Amendment providing for a refund mechanism.

IX. Collection of Fee

This Fee will be collected at the time of issuance of the Water and Sewer Service Permit. This will be a one time per EDU Fee.

DRAFT

EXHIBIT A

RANCHO MURIETA COMMUNITY SERVICES DISTRICT
GOVERNMENT CODE 66000
WATER SUPPLY AUGMENTATION
BUDGET & FEE DETERMINATION
~~2012~~2013

As of 1997, estimated cost of development of the proposed Water Supply Augmentation Project is:

1. Off-site Well System		
a. Wells	\$	1,530,000
b. Right of Way		850,000
c. Transmission Mains		5,000,000
d. Contingency (20%)		1,480,000
e. Engineering, Inspection, Supervision & Administration (25%)		1,845,000
	Subtotal:	\$ 10,705,000
2. Commercial irrigation		
a. Pipe	\$	222,000
b. Pump Station		163,000
c. Modifications		10,000
d. Contingency (20%)		82,000
e. Engineering, Inspection, Supervision & Administration (25%)		119,000
	Subtotal:	\$ 596,000
3. Miscellaneous Studies & Administration		
a. Engineering Feasibility Studies	\$	56,000
b. Ground Water Exploration		82,000
c. Ground Water Testing		127,000
d. Environmental Studies		20,000
e. Legal Fees		56,000
f. Staff Time		36,000
g. Miscellaneous		36,000
	Subtotal:	\$ 413,000
	TOTAL BUDGET	\$ 11,714,000

EXHIBIT A (cont)

RANCHO MURIETA COMMUNITY SERVICES DISTRICT
GOVERNMENT CODE 66000
WATER SUPPLY AUGMENTATION
BUDGET & FEE DETERMINATION
~~2012~~2013

5. Fee Calculation
- | | |
|---------------------|---------------|
| a. Budget Total | \$ 11,714,000 |
| b. Benefiting EDU's | 3,909 |
| c. Fee/EDU | 2,996 |
6. Comparison of Calculated Fee to CPI Adjustment of Contract Amount Per 2nd Amendment of Acquisition and Services Agreement (ASA)
- | | |
|------------------------------------|---------------------------|
| a. Original Contract Amount | \$ 2,500/EDU
(1990) |
| b. Updated Contract Amount Per CPI | \$ <u>4,5214,571</u> /EDU |
7. Fee Determination

The fee as calculated above from the 1997 Cost Estimate is lower than the CPI adjusted contract amount from the 2nd Amendment of the ASA (\$2,996 vs. \$4,5214,571).

While the project budget determined above is lower than the CPI adjusted contract budget contained in the 2nd Amendment to the ASA, the difference between the contract budget and the project budget determined above, taking into account the uncertain nature of actual construction costs or the final project elements and components, as well as reduced density is appropriate.

Therefore the fee is determined to be: \$4,5214,571/EDU

EXHIBIT B
RANCHO MURIETA COMMUNITY SERVICES DISTRICT
GOVERNMENT CODE 66000
CALCULATIONS FOR EQUIVALENT DWELLING UNITS
WATER SUPPLY AUGMENTATION FEE

TYPE OF USE	FACILITY COUNTS	EDU RATIO	TOTAL EDU	EXISTING EDU (4)
1. RESIDENTIAL				
Estate Lots - North (F)	2125 DU	1.00	2,125	0
Estate Lots - North (E)	494 DU	1.00	494	494
Estate Lots > 12,000 S.F. - South (F)	203 DU	1.00	203	0
Estate Lots < 12,000 S.F.- South (F)	1037 DU	0.90	933	0
Halfplex Lots - South (F)	60 DU	0.50	30	0
Cottage Lots (E)	197 DU	0.70	138	138
Circle Lots (E)	457 DU	0.70	320	320
Townhouse Lots (E)	389 DU	0.50	195	195
Mobile Home Lots (E)	189 DU	0.30	57	57
The Villas	38 DU	0.50	19	19
SUBTOTAL	5,189		4,513	1,223
2. COMMERCIAL/INDUSTRIAL				
Hotel	200 Rooms	0.5000	100	0
Airport	87,000 S.F.	0.0001	9	3
Fire Department	5,000 S.F.	0.0005	3	3
RMA Admin Building	7,000 S.F.	0.0001	1	1
Murieta Village (Clubhouse)	5,000 S.F.	0.0005	3	3
Murieta Village (Irrigation)	3 Acres	3.5000	11	11
Auxiliary Golf Course	1 Acre	3.5000	4	4
RMA Facilities	2,500 S.F.	0.0001	0	0
Plaza Irrigation (Est.)	2 Acres	3.5000	7	7
Murieta Equestrian Center	120,000 S.F.	0.0002	24	24
Country Store	4,000 S.F.	0.0002	1	1
R.M.T.C.	55,500 S.F.	0.0005	33	33
Lone Pine Ponds	1 Acre	3.5000	4	4
Light industry	550,000 S.F.	0.0001	55	13
Retail Shopping	495,000 S.F.	0.0002	99	14
Offices	440,000 S.F.	0.0001	44	0
Clubhouse Facilities (E)	40,000 S.F.	0.0005	20	20
SUBTOTAL			415	141
3. PARKS				
80 Acres (Est.)	80 Acres	3.5000	260	0
4. SCHOOLS				
Schools w/o Showers (Est.)	1,200 students	0.0200	24	0
Schools w/ Showers (Est.)	2,000 students	0.0200	40	0
TOTAL			5,273	1,364
Less Existing EDU			<u>(1,364)</u>	
TOTAL NEW EDU			3,909	

NOTES

1. Calculation for the Total EDU Counts is as follows: EDU = (Facility Count) x (EDU Ratio)
2. All building areas represent gross floor area
3. All acreage represents gross parcel areas
4. Existing EDUs are not subject to the fee

EXHIBIT B
RANCHO MURIETA COMMUNITY SERVICES DISTRICT
WATER SUPPLY AUGMENTATION FEE EDU RATIO CALCULATION
DECEMBER 12, 1990

NO	LAND USE TYPE	UNIT	WATER USE (GPD)	CONSUMPTION PER EDU	EDU RATIO (1)	ADOPTED EDU RATIO
A. <u>RESIDENTIAL LAND USES</u>						
1.	Estate Lot > 12,000 S.F.	Dwelling Unit	750	750	1.00	1.0
2.	Estate Lot < 12,000 S.F.	Dwelling Unit	650	750	0.87	0.9
3.	Cottage Lot	Dwelling Unit	500	750	0.67	0.7
4.	Circle Lot	Dwelling unit	550	750	0.73	0.7
5.	Halfplex Lot	Dwelling Unit	400	750	0.53	0.5
6.	Townhouse Lot	Dwelling Unit	350	750	0.47	0.5
7.	Murieta Village Lot	Dwelling Unit	200	750	0.37	0.3
8.	Country Club Lodge Lot	Dwelling Unit	400	750	0.53	0.5
B. <u>NON-RESIDENTIAL LAND USES</u>						
1.	Business & Professional Office Buildings	1,000 S.F.	80	750	0.11	0.1
2.	Retail & Commercial Buildings	1,000 S.F.	180	750	0.24	0.2
3.	Clubhouse Buildings	1,000 S.F.	400	750	0.53	0.5
4.	Community Buildings	1,000 S.F.	400	750	0.53	0.5
5.	Restaurants, Bars & Cocktail Lounges	1,000 S.F.	1,500	750	2.00	2.0
6.	School Buildings	100 students	1,500	750	2.00	2.0
7.	Training Facility Buildings	100 students	500	750	0.67	0.5
8.	Light Industrial Buildings	1,000 S.F.	40	750	0.05	0.1
9.	Murieta Equestrian Center Buildings	1,000 S.F.	175	750	0.23	0.2
10.	Airport Buildings	1,000 S.F.	30	750	0.04	0.1
11.	Motel/Hotel Facilities	Room	245	750	0.33	0.3
12.	Irrigated Lands & Miscellaneous Property Uses	Acres	2,600	750	3.47	3.5

FOOTNOTES:

1. EDU Ratio = Water Use in GPD per Unit / (750 GPD/EDU)
2. An EDU is defined as a single family home located on an estate lot greater than 12,000 S.F. with an average water consumption rate of 750 GPD.
3. All building areas represent gross floor area
4. All acreage represents gross parcel area

MEMORANDUM

Date: August 9, 2013
To: Board of Directors
From: Improvements Committee Staff
Subject: Approve Proposal for Pipe Purchase for Hole #13 Culvert Replacement

RECOMMENDED ACTION

Approve proposal from Groeniger & Company for pipe purchase for Hole #13 Culvert Replacement, in an amount not to exceed \$18,921.60. Funding to come from Drainage Replacement Reserves, CIP No 13-01-2.

BACKGROUND

The two (2) 36" corrugated metal pipe (cmp) pipes that served as the drainage culvert across hole #13 on the North Golf Course near the green have corroded after thirty plus years of being in the ground and need replacement. Although the bottom of the pipes have corroded out from age and wear, staff found that the top sides of the pipe which have failures in it are due to Rancho Murieta Country Club (RMCC) having made unauthorized connections from their course and bunker drains into the District's culvert pipe. Staff is working with the RMCC to move forward with District permits for connecting into the pipes and properly make connections. CIP 13-01-2 has been designated to replace the culverts.

We solicited bids for seven hundred and twenty (720) feet of 30" soil-tight ADS N12 High-density-polyethylene (HDPE) pipe to replace the original corrugated metal pipe (cmp) that had been installed. This will replace the original type of pipe installed with the equivalent capacity of flow, and this type of pipe should easily provide forty (40) years of service. The lowest cost came from Groeniger & Co., for the HPDE pipe.

Although this project was scheduled to occur in this fall, RMCC has requested that it be delayed until July of 2014. As there may be a long lead time in acquiring the pipe, I would like to purchase it now to be ready for the project.



Photo of entrance to existing Hole 13 North culvert pipes showing bottoms rusted out.

The Improvements Committee recommends approval.



**Groeniger
& Company**
Over 53 Years of Service

GROENIGER #3304 (SACRAMENTO)

7601 14TH AVE
SACRAMENTO, CA 95820-3601

Deliver To: john.slaughter@ferguson.com
From: John Slaughter
Comments:

00:46:07 JUL 18 2013

FERGUSON ENTERPRISES INC 1423

Price Quotation

Page # 1

Phone : 916-455-3333

Fax : 916-455-3402

Bid No.....: B196270

Bid Date.....: 07/18/13

Quoted By.: JPS

Cust 916-354-3700

Terms.....: NET 10TH PROX

Customer: RANCHO MURIETA COMM SERV DIST
P O BOX 1050
RANCHO MURIETA, CA 95683

Ship To: RANCHO MURIETA COMM SERV DIST
15160 JACKSON ROAD
RANCHO MURIETA, CA 95683

Cust PO#...: PAUL SIEBENSOHN

Job Name: RMCC HOLE 13 DRAINAG

Item	Description	Quantity	Net Price	UM	Total
A30850020IB	30X20 N12 PROLIN S/T SLD HDPE PIPE	720	21.000	FT	15120.00
A3097AN65BB	30 N12 PROLINK WT 45 ELL	3	800.000	EA	2400.00

Net Total: \$17520.00
Tax: \$1401.60
Freight: \$0.00
Total: \$18921.60

Quoted prices are based upon receipt of the total quantity for immediate shipment (48 hours). SHIPMENTS BEYOND 48 HOURS SHALL BE AT THE PRICE IN EFFECT AT TIME OF SHIPMENT UNLESS NOTED OTHERWISE. Seller not responsible for delays, lack of product or increase of pricing due to causes beyond our control, and/or based upon Local, State and Federal laws governing type of products that can be sold or put into commerce. This quote is offered contingent upon the buyer's acceptance of Seller's terms and conditions, which are incorporated by reference and found either following this document, or on the web at http://wolseleyna.com/terms_conditionsSale.html.
Govt Buyers: All items are open market unless noted otherwise.

LEAD LAW NOTICE: Brass/bronze products without "LF" in the description field may contain lead and thus not comply with low lead laws. These products must not be used in potable water applications.

EWING, EL DORADO HILLS 151
5050 HILLSDALE CIRCLE
EL DORADO HILLS, CA
(916) 933-8822 95762

*** QUICK PRICE ***

PAGE: 1
INQRY DATE: 8/01/2013
PRINT DATE: 8/01/2013
INQUIRY #: 1800330

- SUBJECT TO CONDITIONS BELOW -
JOB: 30 N12 AND FITTINGS

FOR: 13696 CUSTOMER PHONE: (916) 354-3700
RANCHO MURIETA COMM SVC DIST
P O BOX 1050
RANCHO MURIRTA CA 95683
CUSTOMER FAX: 1 (916) 354-2082

DESCRIPTION	ITEM NUMBER	QUANTITY	LIST PRICE	NET PRICE	EXTENDED PRICE
30850020IB 30 N12 ST WITH BELL	99000000	720		28.102	20233.44
3089AN65BB 30" 90 DEGREE ELL	99000000	3		862.727	2588.18

DIRECT DROPSHIP BY ADS TO

SITE ADDRESS:
15160 JACKSON HWY
RANCHO MURIETTA CA 95683

SITE CONTACT:
PAUL SIEBENSOHN 916-354-3700

PRICES SHOWN ARE CURRENT AS OF 8/01/2013 AND WILL BE GOOD UNTIL 8/31/2013. **EXCEPTION: WIRE & PIPE PRICES GOOD FOR 2 WEEKS.**

SUBTOTAL	22,821.62
7.5000% TAX	1,711.62
INQUIRY TOTAL	24,533.24

BY RMK

EWING IRRIGATION PRODUCTS & INDUSTRIAL PLASTICS

MEMORANDUM

Date: August 9, 2013
To: Board of Directors
From: Improvements Committee Staff
Subject: Accept Bid Proposal for Main Lift North Rehabilitation Project

RECOMMENDED ACTION

Accept bid proposal from TNT Industrial Contractors, Inc., for the Main Lift North Rehabilitation Project, in an amount not to exceed \$458,391. Funding to come from Sewer Replacement Reserves, CIP #12-04-2.

BACKGROUND

This project was advertised in the Sacramento Builders Exchange and Sacramento Bee. Three (3) contracts attended the mandatory pre-bid meeting. Attached are the bids received. The bids are broken into two parts. Part One (1) is for the rehabilitation and Part Two (2) is for the trolley & hoist Installation. These items have been separated to allow the Board to make a decision as to whether or not to proceed with item number two (2) based on costs received. The engineer's estimate for the project was \$460,000 for the entire project: \$380,000 for Part One and \$80,000 for Part Two.

Staff recommends proceeding with the bid approval from TNT Industrial Contractors, Inc., to include the cost for the trolley and hoist installation.

Bidder	\$ for MLN Rehab.	\$ for Trolley & Hoist	Total \$
TNT Industrial Cont. Inc.	\$388,934	\$69,457	\$458.391

The Improvements Committee recommends approval.

REQUEST FOR BIDS
MAIN LIFT NORTH WET WELL REHABILITATION PROJECT

Notice is hereby given that Rancho Murieta Community Services District (District) invites sealed bids for the MAIN LIFT NORTH WET WELL REHABILITATION PROJECT (Project), CIP No. 12-05-2 at Rancho Murieta CSD Office located at 15160 Jackson Rd, Sacramento County, California. Sealed bids will be received until **11:00 a.m., August 7, 2013**. Opening of bids will commence immediately to be read aloud at the District office.


Work consists of rehabilitation of the Main Lift North Wet Well, two sewer manholes, and other related improvements. This is a prevailing wage job.

Each bid shall be made on the Bid Forms provided and shall be sealed in an envelope with the Bidder's name and the title of the project on the outside. If forwarded by mail, the sealed envelope containing the bid must be enclosed in another envelope addressed to the **Rancho Murieta Community Services District, P. O. Box 1050, Rancho Murieta, California 95683**.

The District's right is reserved to reject all bids. Any bid not conforming to the intent and purpose of the Request for Bid may be rejected. At any time prior to bid opening, the District may issue addenda to the specifications. The receipt of any addenda shall be noted on the bid and will become part of the Request for Bid.

The attention of bidders is directed to the requirements and conditions of employment to be observed and the prevailing wage rates to be paid under the Contract. Prevailing wage determinations are available at <http://www.dir.ca.gov/dlsr/pwd/index.htm>.

Award will be made to the lowest responsible bidder.

BY  DATE: 7/12/13
General Manager
Rancho Murieta Community Services District

1. BIDDING FORMS

BID

Proposal of TNT Industrial Contractors, Inc.

(Hereinafter called Bidder), organized and existing under the laws of the State of

California, doing business as _____.*

Bidder agrees to perform all the work described for the following Lump Sum or unit prices:

(See Bid Schedule on the following pages.)

CONTRACT BID SCHEDULE

MAIN LIFT NORTH WET WELL REHABILITATION PROJECT

The bid items as listed are meant to encompass all work items as called out in the contract specification and as shown on the plans. If an item is not specifically mentioned, it shall be assumed to be included in the most appropriate bid item. For definition of the bid items, see the Technical Specifications.

ITEM #	DESCRIPTION	TOTAL PRICE
1A	Mobilization and Demobilization	20,803
1B	Wet Well and Manhole Rehabilitation	271,661
1C	Sanitary Sewer Bypass	96,470
2	Trolley and Hoist Installation (Additive Alternate)	69,457
		<u>ITEM #1 TOTAL</u> \$ 388,934
		<u>ITEM #1&#2 TOTAL</u> \$ 458,391

Total cost of bid items 1 or 1 and 2 may be utilized in determining the successful bidder.

Respectfully Submitted:



 Signature
 President

 Title
 TNT Industrial Contractors, Inc.

 Company
 3600 51st Avenue

 Address
 Sacramento, CA

 City, State
 August 7, 2013

 Date
 622974

 License Number

Attest  _____

DESIGNATION OF SUBCONTRACTORS

The following is the name and location of the mill, shop or office of each subcontractor who will perform work or labor or render services to the above-signed bidder.

TYPE OF WORK	BUSINESS NAME & CONTACT	LICENSE NO.	BUSINESS ADDRESS/PHONE
ELECTRICAL	SAC Valley Electric	840435	BRAD KIRK - 916-922-1139 24 Blue Sky CT. SACRAMENTO CA.
Painting/coating	HANSEN Painting	394751	PHIL Sadler - 916-392-9020 SACRAMENTO, CA.

STATEMENT OF EXPERIENCE OF BIDDER

The Bidder shall state below what work of similar magnitude, character and comparable difficulty at similar rates of progress he has done, and give references that will enable the District to judge his experience, skill, and business standing and his ability to conduct the work as completely and as rapidly as required under the terms of the contract. The District will require that the Bidder have the necessary experience and ability to perform the work, and if, in the opinion of the District, any Bidder does not have the requisite experience or ability, the bid of that Bidder may be rejected as not responsive. The Bidder is also expected to utilize only personnel experienced with the equipment under the conditions described on this job. By signing below, the Bidder agrees to abide by this clause. Failure to comply shall be sufficient cause for termination of this contract by the District. Should this occur the District shall withhold sufficient monies from the Contract to ensure completion of the job in a timely manner and to pay any liquidated damages due the District. By signing below, Bidder covenants, warrants and represents the following:

1. Bidder is knowledgeable and experienced in performing services comparable to the work required by District under the Contract.
2. The Work shall be performed in a manner consistent with the highest level of care and skill exercised by other contractors performing similar work.
3. Bidder is currently, and at all times during the performance of the Work will be, qualified to carry out and perform the Work by reason of the fact that Bidder and its personnel are in compliance and will continue to comply with (a) all federal, state and local licensing, registration, certification, training, environmental, and health and safety requirements governing the performance of the Work; and (b) all applicable laws, codes, ordinances, rules, regulations and requirements of federal, state, local or other authorities (collectively, "Government(al) Agencies") having jurisdiction over the Work.

Bidder understands that if Bidder is the successful bidder, the foregoing representations, warranties and covenants are a material inducement in District's retention of Bidder to perform the Work.

<u>LOCATION OF WORK</u>	<u>CONTACT PERSON</u>	<u>CONTACT PHONE</u>
<u>SKF Sanitation Dist</u>	<u>Veronica Cazares, P.E.</u>	<u>559-897-6500</u>
<u>Sac Regional SD</u>	<u>Ramzi Salameh</u>	<u>916-875-9150</u>
<u>Malaga CWD</u>	<u>Dan Boud, P.E.</u>	<u>559-320-0344</u>

Respectfully submitted,



(Signature)



**MAIN LIFT NORTH
REHABILITATION
PROJECT**
CIP NO. 12-05-2

ADDENDUM No.1

To: All prospective bidders

This addendum forms a part of the Contract Documents and modifies the original bid document.

Bidders shall acknowledge receipt of this Addendum in the space below and include this page with the proposal. Failure to do so may subject the bidder to disqualification.

The time of day, date, and place of receiving bids remains unchanged. Bidders are reminded that the bids must be received by the District office by **11:00 a.m., August 7, 2013. Rancho Murieta Community Services District, 15160 Jackson Road, P. O. Box 1050, Rancho Murieta, California 95683.**

Approved;

BY

DATE:

[Handwritten Signature]
7/19/13

General Manager
Rancho Murieta Community Services District

I acknowledge receipt of this Addendum No. 1, consisting of two pages including this one.

Signed:

[Handwritten Signature]

Date:

[Handwritten Date]
8/5/2013

Contractor:

[Handwritten Contractor Name]
TNT Industrial Contractors Inc

MAIN LIFT NORTH REHABILITATION PROJECT

CIP NO. 12-05-2

ADDENDUM No.1

Item 1: *Under SPECIAL PROVISIONS, SP-6 is revised to:*

SP-6. WARRANTY

The Contractor shall guarantee all work and materials for a period of ONE (1) year following the date of final acceptance by RMCS D including any deficiencies found at the one (1) year inspection. The Contractor is hereby notified that RMCS D will inspect the project one (1) year following the date of final acceptance. The Contractor shall be notified by certified letter as to the date and time of the one (1) year inspection and will be encouraged to attend with the coating manufacturer's representative. All defects in workmanship and materials shall be repaired by the Contractor at no cost to RMCS D in accordance with the project specifications and to the satisfaction of RMCS D or their appointed representative.

This removes the previously specified retention and amount.

Item 2: *Under SPECIAL PROVISIONS, SP-9 is revised to:*

SP-9. TIME OF COMPLETION

The Project must be completed by November 22, 2013.

This removes a set completion time of 30 days and changes the completion date from October 11 to November 22, 2013.

Item 3: *Under SPECIAL PROVISIONS, SP-10 is revised to:*

SP-10. LIQUIDATED DAMAGES

Liquidated damages shall be Two-Hundred Dollars (\$200.00) per day, each day beyond the scheduled completion date.

This corrects a typo.

MEMORANDUM

Date: August 9, 2013
To: Board of Directors
From: Improvements Committee Staff
Subject: Approve Proposal for Construction Inspection Services and Proposal for Construction Engineering Services for Main Lift North Rehabilitation Project

RECOMMENDED ACTION

Approve the proposal from Bay Area Coatings for wet well lining inspection for the Main Lift North Rehabilitation Project, in an amount not to exceed \$6,400, as part of CIP #12-04-2, funding to come from Sewer Replacement Reserves.

Approve the proposal from HDR for Construction Engineering Services for the Main Lift North Rehabilitation Project, in an amount not to exceed \$10,722, as part of CIP#12-04-2, funding to come from Sewer Replacement Reserves.

BACKGROUND

During the construction work for the Main Lift North (MLN) Rehabilitation Project, it is recommended that all surface preparation, concrete rehabilitation, and coating application be inspected by a NACE International Level III Certified Coatings inspector in the field as needed. This would help to ensure that all specification requirements and painting industry standards are adhered to and to ensure a long life of the coating system. Attached is an estimated work effort and cost, assuming two (2) weeks for construction inspection.

Additionally, an estimate of cost was provided by HDR for engineering services during construction. This would cover pre-construction management and meeting, submittal review, site visits, and contract clarifications. Actual time needed, and therefore costs, may be less.

Attached are quotes from HDR/Schiff and Bay Area Coatings.

The Improvements Committee recommends approval.



August 7, 2012

Mr. Paul Siebensohn Director of Field Operations
 Rancho Murieta CSD
 P.O. Box 1050
 Rancho Murieta, CA 95683

Subject: Wet Well-NACE Lining Inspection

Dear Mr. Siebensohn:

Enclosed is our cost estimate on the lining inspection of your wet well for concrete repair and lining inspection. We have talked to you about the schedule for a basis for this estimate so this will be based on an hourly basis. BACC will provide a NACE coating inspector to oversee the surface preparation, application and holiday testing as per the contract documents. BACC will provide written reports including photographs as per NACE and SSPC guidelines and standards. All BACC employees are confined space certified. The Contractor will be required to set up safety equipment, confined space permit and air monitor. BACC will provide personal PPE and harness.

NACE Coating Inspection Services				
<u>TASK 1: (Inspection)</u>				
Labor Rate	Man-hours	Overtime	Field Truck	Total \$\$
\$80.00	80.0	0.0	\$0.00 (Per hour)	\$6,400.00
Estimated Total:				\$6,400.00

National Association of Corrosion Engineers Certified Inspector	
Billing Rates	
Base Rate: Billing Rate	\$80.00 Per Hour
Time X 1.5 Billing Rate	\$127.50 Per Hour
Double Time: Billing Rate	\$180.00 Per Hour
Truck Charge:	\$0.00 Per Hour
Subsistence/Hotel:	\$0.00 per day
4.0 Hour Minimum	

Please call if you have any questions or, if you want to further discuss the information contained in this proposal.

Respectfully Submitted,



Ed Darrimon
President
Bay Area Coating Consultants, Inc.
Ph (888)-384-6839
Fax (209) 669-3633
edarrimon@bayareacoating.com
www.bayareacoating.com

Corporate: 1- 888-384-6839 Bakersfield Office: 1-661-836-5799 Fax: 1-661-832-2210
www.bayareacoating.com

Coating and Lining Inspection Services Since 1987
Member: API-AWWA-NACE-SSPC-ASTM

Corporate: 1- 888-384-6839 Bakersfield Office: 1-661-836-5799 Fax: 1-661-832-2210

www.bayareacoating.com

Coating and Lining Inspection Services Since 1987

Member: API-AWWA-NACE-SSPC-ASTM

August 7, 2013

Mr. Paul Siebensohn
Director of Field Operations
Rancho Murieta Community Services District
15160 Jackson Road
Rancho Murieta, CA 95683

RE: HDR's Proposal to Provide Construction Phase Services for the Main Lift North Sewer Pumping Station Wet Well Rehabilitation Project

Dear Mr. Siebensohn:

HDR respectfully submits the following proposal for additional services for the Main Lift North Sewer Pumping Station Wet Well Rehabilitation Project for your review and consideration. Our proposed scope of work, budget, and schedule to provide construction inspection and construction engineering services for the project is presented below.

SCOPE OF WORK

Task 1 - Construction Inspection

HDR's corrosion specialist will perform on-site observations to check the quality and quantity of the work performed by the contractor to assist the District with guarding against defects and deficiencies in the work. Our estimated work effort and fee estimate shows the budget based on a per-week inspection basis.

Daily inspections shall include:

- On-site documentation review to verify on-site products are in accordance with specification requirements as well as approved submittal information.
- Measure and record environmental readings four times per day during the work progress.
- Visual observations of surface preparations.
- Verification of the proper pH of the surface prior to the application of the re-surfacing material to verify "bad" substrate material has been completely removed.
- Visual observations of the application of the re-surfacing material.

- Visual observations of the prime coat application (verify proper WFT wet film thickness) during the application process to the properly prepared substrate.
- Visual observations of the finish coat material mixing and application (verify WFT wet film thickness) during application process.
- Holiday testing and adhesion testing in accordance with specification requirements and industry standards (to be performed once the entire coating system is applied and allowed the proper cure time).
- Preparation of daily inspection report.
- Photographs of daily activities. The photographs will be turned over to the Owner after the project is completed.

Deliverables: Daily inspection reports and digital construction photographs.

Task 2 - Construction Engineering Services

Subtask 2.1 - Project Management

HDR will provide project management for the duration of the project, which includes preparation of monthly invoices.

Deliverables: Monthly invoices.

Subtask 2.2 - Preconstruction Meeting

HDR will attend the preconstruction meeting, along with District staff and the contractor's representatives.

Deliverables: Meeting notes.

Subtask 2.3 - Submittal Reviews

HDR will review the contractor's submittals, including shop drawings and operations and maintenance (O&M) manuals, for conformance with the contract documents.

HDR Engineering will not be responsible for consultation or other services relating to construction means and methods, or construction site safety."

Mr. Paul Siebensohn
August 7, 2013
Page 3

Deliverables: Submittal review comments. The budget for this task includes up to five submittals.

Subtask 2.4 - Site Visits

HDR will visit the construction site as required to assist the District in reviewing the acceptability of the work and to assist in resolving field problems. The budget for this task is based on three site visits.

Deliverables: None.

Subtask 2.5 - Contract Clarifications

HDR will answer questions and provide written interpretations of the requirements of the contract documents, and evaluate the acceptability of substitute materials and equipment.

Deliverables: The budget for this task includes up to 10 clarifications and responses to requests for information (RFIs).

COMPENSATION

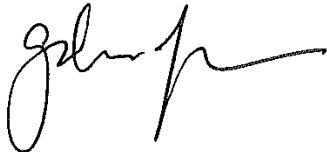
Table 1 shows the estimated work effort and cost to perform the scope of work described above.

SCHEDULE

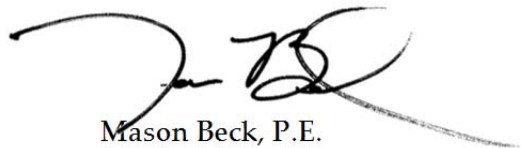
We have assumed a six-week construction schedule, with an approximate start date of August 19, 2013, and approximate end date of November 15, 2013.

Please contact Mason Beck at (916) 817-4827 or Mason.Beck@hdrinc.com if you have any questions or comments.

Sincerely,



Graham D. Sharpe, P.E.
Vice President



Mason Beck, P.E.
Project Manager/Engineer

Table 1 - Estimated Work Effort and Cost

Rancho Murieta Community Services District

Main Lift North Sewer Pumping Station Wet Well Rehabilitation Project - Construction Phase Services

Task	Project Manager/ Engineer (Beck)	Structural (Tavangar/ Li)	Sr. Electrical (Smithey)	Corrosion (Caldwell)	Admin/ Clerical	Total Hours	Total Labor	Total Expenses	Total Cost
Task 1 - Construction Inspection									
1.1 Construction Inspection (per-week period)	2			80	8	90	\$8,979	\$2,585	\$11,564
Subtotal Task 1	2	0	0	80	8	90	\$8,979	\$2,585	\$11,564
Task 2 - Construction Engineering Services									
2.1 Project Management	12				4	16	\$1,916	\$50	\$1,966
2.2 Preconstruction Meeting	4					4	\$529	\$20	\$549
2.3 Submittal Reviews (up to 5)	8	2	2		2	14	\$2,098	\$100	\$2,198
2.4 Site Visits (up to 3)	8	4				12	\$1,946	\$100	\$2,046
2.5 Contract Clarifications (up to 10)	20	4			4	28	\$3,862	\$100	\$3,962
Subtotal Task 2	52	10	2	0	10	74	\$10,352	\$370	\$10,722
Totals	54	10	2	80	18	164	\$19,331	\$2,955	\$22,286

MEMORANDUM

Date: August 16, 2013
To: Board of Directors
From: Edward R. Crouse, General Manager
Subject: Approve Agreement with HDR for California Environmental Quality Act (CEQA) Services for the Proposed Water Treatment Plant Expansion

RECOMMENDED ACTION

Approve the proposal from HDR for California Environmental Quality Act (CEQA) services related to proposed water treatment plant expansion, in an amount not to exceed \$46,292.

Approve additional tasks, if needed, related to the completion of the CEQA document. Air Quality Technical Memo, in an amount not to exceed \$7,471; Cultural Resources Technical Memo, in an amount not to exceed \$7,312; and Streambed Alteration Agreement Permit Application, in an amount not to exceed \$9,995.

Funding to come from Water Replacement Reserves, with the bill being submitted to Reynen & Bardis for payment. If payment not received, payment to be made through the letter of credit.

BACKGROUND

The proposed water treatment plant expansion project will need to comply with the requirements of the California Environmental Quality Act (CEQA) and the State CEQA guidelines. There have been several changes in the regulations and changes to the CEQA Initial Study checklist since the District filed a Notice of Exemption for the proposed project in 2003. As a result, the 2003 document is considered outdated. The new CEQA effort will use the 2003 document and information to the extent possible.

This is a full CEQA compliance document consisting of an Initial Study and Negative Declaration or more likely a Mitigated Negative Declaration. Staff has reviewed the proposal and recommends approval. Attached is the proposal from HDR for CEQA services.

August 15, 2013

Mr. Edward R. Crouse
General Manager
Rancho Murieta Community Services District
15160 Jackson Road
Rancho Murieta, CA 95683

**RE: HDR's Proposal to Provide California Environmental Quality Act (CEQA)
Documentation for the Proposed Water Treatment Plant Expansion**

Dear Mr. Crouse:

HDR respectfully submits the following proposal to prepare CEQA documentation for the proposed water treatment plant expansion project. Our proposed scope of work, budget, and schedule is provided below.

SCOPE OF WORK

The proposed expansion at the water treatment plant will need to comply with the requirements of the CEQA (Public Resources Code Section 21000 et seq.) and the State CEQA Guidelines (Title 14, Section 15000 et seq. of the California Code of Regulations). The District will serve as the lead agency for the purposes of CEQA. Since 2003, when the District filed a Notice of Exemption for the proposed project under CEQA, there have been several changes in the regulations, including the adoption of AB 32 and changes to the CEQA Initial Study (IS) checklist. In addition, listing statuses for special-status species have changed since 2003, and additional species have been listed as endangered and/or threatened that may occur in the project area and vicinity. Therefore, a new CEQA analysis and document is needed for the project.

Task 1 - Project Description Preparation

HDR will prepare a project description, as required by CEQA. The project description will provide the background for the proposed project, document and confirm the location and boundaries of the project at the water treatment plant site, provide and confirm a statement of the objectives of the proposed project, and provide a general description of the proposed project's technical, environmental, and construction aspects, such as staging, site access, and phasing. The project description will also include information regarding the project schedule, information to assess the proposed project's potential impacts on the

Mr. Edward R. Crouse
August 15, 2013
Page 2

environment, and one or more figures showing the location of the proposed project facilities based on existing maps.

Deliverables: PDF of project description (for environmental document) for review by District.

Task 2 - Administrative Draft IS/MND

HDR will prepare an Administrative Draft IS to determine if the proposed project may have a significant effect on the environment and to what extent. If no significant effects are identified, then the IS would lead to and support the adoption of a Mitigated Negative Declaration (MND).

Based on our current understanding of the project, the project will most likely result in some temporary, short-term construction, and/or community disruption impacts (i.e., air quality, biological resources, noise, traffic, etc.). However, it is anticipated at this time that these effects can be avoided or mitigated to less-than-significant levels through the incorporation of mitigation measures consisting of construction best management practices and avoidance strategies. Therefore, our budget assumes that an IS/MND will be prepared for the project.

In the event that the IS concludes that the project may have a significant effect on the environment that cannot be avoided or mitigated to a less-than-significant level, an Environmental Impact Report (EIR) will be needed. Preparation of an EIR is not included in this scope of work or the budget. A detailed scope of work and budget for the completion of an EIR will be submitted to the District, should an EIR be needed for the project.

HDR will also conduct a biological resources analysis as part of preparation of the IS/MND. HDR will prepare a technical memorandum (TM) for biological resources. This TM will be included as an appendix to the IS/MND. The technical memorandum will discuss the potential construction related effects of the proposed project on biological resources in the project area and immediate vicinity.

HDR biologists will review U.S. Fish and Wildlife Service (USFWS), National Marine Fisheries (NMFS), and California Department of Fish and Wildlife (CDFW) species lists, along with the California Natural Diversity Database (CNDDDB) for records of special-status species in the project area and vicinity. HDR biologists will also perform a field reconnaissance survey to determine the potential presence of protected-species and/or habitats and waters of the US, including wetlands in the project area. A habitat map will be prepared based on the results of the field survey. HDR assumes that the project will not adversely affect a federally listed species; therefore, this scope of work does not include

Mr. Edward R. Crouse
August 15, 2013
Page 3

preparation of a Biological Assessment (BA). The USFWS and CDFW species lists, along with the results of the CNDDDB review, the field reconnaissance survey, and the habitat map, will be incorporated into a TM. The findings of the TM will be incorporated into the IS/MND.

Deliverables: Two bound copies and one CD with electronic files of the Administrative Draft IS.

Task 3 - Public Draft IS/MND

HDR will incorporate client comments on the Administrative Draft IS and prepare a Public Draft IS/MND that will be circulated to the public for a 30-day public review period as required by CEQA.

As part of this process, HDR will provide the District with two copies of a screen check Public Draft IS/MND to review to ensure that District comments have been appropriately addressed prior to release of the public draft.

HDR will then provide one unbound camera ready copy of the Public Draft IS/MND and Notice of Completion (NOC). On behalf of the District, HDR will submit 15 copies of the Public Draft IS/MND to the State Clearinghouse along with the NOC transmittal form. District staff will be responsible for distribution of the document to other local entities (such as the local public library) and other interested parties.

HDR will also prepare the Notice of Intent to adopt a MND. It is assumed that the District will file one copy of the Notice of Intent to adopt a MND with the County Clerk Recorder and will publish the Notice of Intent to adopt a MND in the appropriate newspaper.

Deliverables: Two bound copies of the screen check Public Draft IS/MND, one unbound camera ready copy and one CD with electronic files of the Public Draft IS/MND, and Notice of Completion.

Task 4 - Final IS/MND

Upon completion of the 30-day public review period, HDR will assist District staff in considering comments received. HDR will prepare an Administrative Final IS/MND that will include and respond to the public comments received on the Public Review Draft IS/MND. HDR will assist District staff in considering public comments received, and will review comments received on the Draft IS/MND and prepare draft responses to public comments. HDR will include a Responses to Public Comments Appendix in the Final IS/MND. Due to the uncertainties associated with the level of effort needed to respond to

comments, HDR has provided a contingency estimate of 24 hours for this effort. The Administrative Final IS/MND may also include necessary minor corrections, changes, or revisions to the IS/MND as appropriate.

Assuming that the project is approved by the District Board of Directors, HDR will prepare a Notice of Determination (NOD). HDR will submit the NOD to District staff for review and signature. Upon receipt of the signed NOD, HDR will assist the District with filing the NOD with the County Clerk and the State Clearinghouse. The CDFW filing fees for adoption of an IS/MND must accompany the NOD when filing it with the County Clerk. Once the NOD is filed with the County Clerk and the CDFW filing fees are paid, HDR will submit the NOD, receipt of acceptance of the NOD by the County Clerk, and receipt of payment of the CDFW filing fees to the State Clearinghouse for compliance with CEQA. HDR assumes that the District will be responsible for paying any and all filing fees.

Deliverables: Two bound copies and one electronic copy (in PDF format) of the Final IS/MND, and NOD.

Task 5 - Mitigation Monitoring and Reporting Program (MMRP)

HDR will prepare a MMRP for the project in accordance with CEQA. The MMRP will specify the project impacts to be mitigated, initiation/timing of mitigation, monitoring frequency, responsibility for verification of compliance, performance criteria, the date compliance is completed, and other specifications as necessary.

Deliverables: Two bound copies and one electronic copy (in PDF format) of the MMRP.

Task 6 - Public Meeting Attendance

HDR will provide up to 16 hours for attendance at meetings with the District, including one public meeting, such as the Community Services District Board of Directors Meeting for adoption of the IS/MND. This estimate is for the duration of the project.

Optional Tasks

Optional Task A - Technical Analyses and Memorandums

After development of the project description, if it is determined that additional technical analyses for air quality and cultural resources are necessary to support the IS/MND, HDR would conduct these analyses as part of preparation of the Administrative Draft IS/MND. Under this optional task, HDR would prepare technical memorandums for air quality and

cultural resources. These technical memorandums would be included as appendices to the IS/MND. The technical memorandums would discuss the potential construction related effects of the proposed project on the aforementioned resource areas as they relate to the local community.

- **Air Quality TM:** HDR will estimate air quality emissions associated with the construction phase of the proposed project using the appropriate air emissions model. HDR will then evaluate the significance of the construction emissions based on significance thresholds established by the Sacramento Metropolitan Air Quality Management District (SMAQMD). Mitigation measures will be developed, as necessary. The TM will also include an assessment of the proposed project's construction-related greenhouse gas emissions and the project's potential contribution to global climate change. HDR will qualitatively analyze the modeled GHG emissions associated with construction of the project using the appropriate air emissions model. The findings of the TM will be incorporated into the IS/MND.
- **Cultural Resources TM:** HDR will conduct a records search at the North Central Information Center of the California Historical Resources Information System located at California State University, Sacramento. This record search will consult California's database of previous studies and previously recorded sites within the project area and within a half-mile radius. HDR will then conduct a cultural resources field survey of the project area. The results will be provided in a TM. In addition, forms documenting cultural or archaeological resources or historic properties in the area of potential effects will be included with the TM. The findings of the TM will be incorporated into the IS/MND.

Optional Task B - Streambed Alteration Agreement

A streambed alteration agreement, in compliance with Section 1601 of the California Fish and Game Code, is required when projects will substantially divert, obstruct, or change the natural flow of a river, stream, or lake; substantially change the bed, channel, or bank of a river, stream, or lake; or use material from a streambed. If it is determined that the project will affect the bank of a drainage with the crossing of a raw water pipeline, HDR will prepare an application package for a streambed alteration agreement that would be sent to CDFW. The current CDFW application fee shall be provided by the District, and must be included in the package. The application package will describe the project features; construction period; construction methods; impacts on vegetation, fish, and wildlife; and proposed mitigation and restoration measures. HDR will revise a draft version of the application once based on comments from the District. In addition, CDFW is required to ensure that their actions are disclosed/ covered under the CEQA process before the final

Mr. Edward R. Crouse
August 15, 2013
Page 6

streambed alteration agreement is issued. As a result, the District will be required to send a copy of the certified final CEQA compliance document (IS/MND) to CDFW.

BUDGET ESTIMATE

Table 1 shows the estimated work effort and cost to perform the scope of work described above.

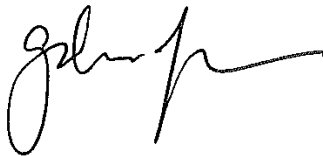
SCHEDULE

Figure 1 shows the proposed project schedule, which assumes a Streambed Alteration Agreement is not required for the project.

If required, a new Streambed Alteration Agreement could take up to six months for approval. The schedule will be modified accordingly if a Streambed Alteration Agreement is required.

Please contact Rich Stratton at (916) 817-4819 or Rich.Stratton@hdrinc.com or Linda Fisher (916) 817-4962 or Linda.Fisher@hdrinc.com if you have any questions or comments.

Sincerely,



Graham D. Sharpe, P.E.
Vice President



Richard G. Stratton, P.E.
Project Manager/Vice President

Table 1 - Estimated Work Effort and Cost

Rancho Murieta Community Services District

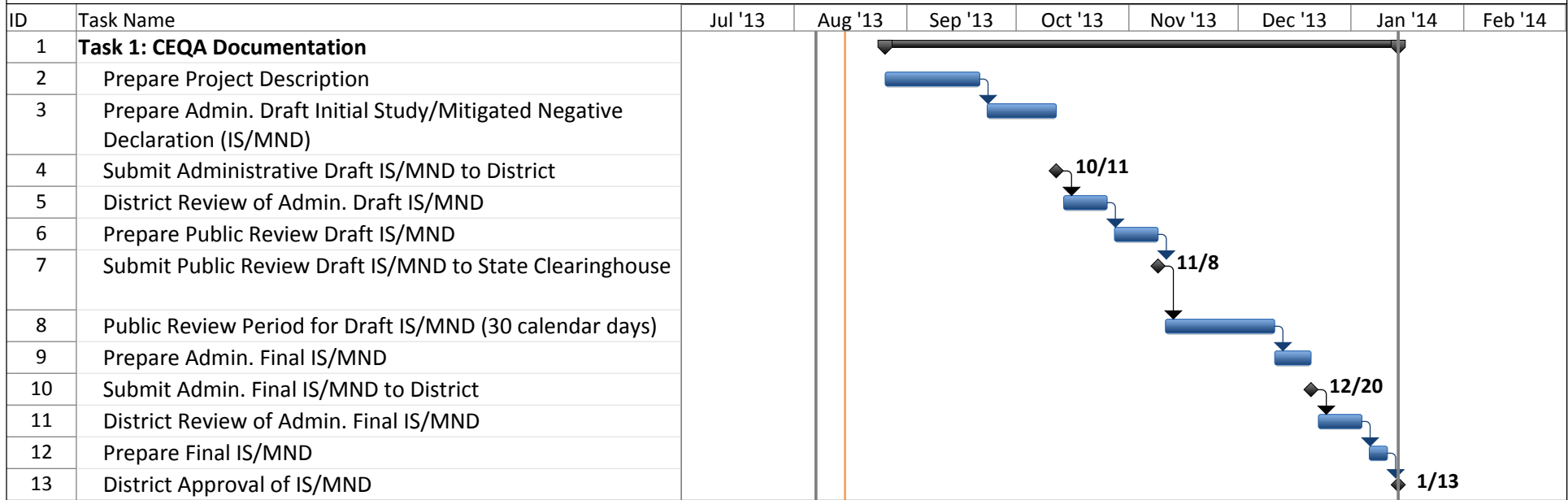
CEQA Review for Water Treatment Plant Expansion

Task	QA/QC (Dehoney)	Project Manager (Stratton)	Project Manager (Beck)	CEQA Planner (Fisher)	Biologist (Wong)	Cultural Resources (Ramsey)	Air Quality (Ernst)	GIS (Jones)	Admin/ Clerical	Total Hours	Total Labor	Total Expenses	Total Cost
1 Project Description Preparation	1	1	8	24				8		42	\$5,308	\$180	\$5,488
2 Administrative Draft IS	5	2	2	82	56	8	8	12	6	181	\$22,864	\$745	\$23,608
3 Public Draft IS/MND	2		2	16				4	2	26	\$3,342	\$246	\$3,589
4 Final IS/MND	5			52	2	2	2	2	2	67	\$8,726	\$323	\$9,049
5 MMRP	1		2	16						19	\$2,447	\$95	\$2,543
6 Public Meeting Attendance				16						16	\$1,896	\$119	\$2,015
Totals	14	3	14	206	58	10	10	26	10	351	\$44,584	\$1,709	\$46,292

OPTIONAL TASKS

A1 Air Quality Technical Memo	1			4			48		2	55	\$7,193	\$279	\$7,471
A2 Cultural Resources Technical Memo	1			4		48		8	2	63	\$7,004	\$308	\$7,312
B Streambed Alteration Agreement Permit Application	1		1	8	64					74	\$9,571	\$424	\$9,995

Figure 1 - Project Schedule



**Rancho Murieta Community Services District
Water Treatment Plant Expansion
CEQA Documentation**

Task  Milestone  Summary 

MEMORANDUM

Date: August 14, 2013
To: Board of Directors
From: Edward R. Crouse, General Manager
Subject: Report Back on Financing and Services Agreement

RECOMMENDED ACTION

Information only. Provide staff direction as appropriate

BACKGROUND

Comment Letters

The public comment period for the Financing and Services Agreement (FSA) closed on August 1, 2013. Attached are the two (2) comment letters staff received; one from Richard Brandt and one from John Sullivan.

The comment letters have been forwarded to Les Hock and his legal counsel for their review, comment, and suggestions. We have not yet heard back from Les due to scheduling conflicts but hope to do so next week.

Internally, staff and legal counsel have reviewed the letters and have discussed approaches to address the comments. In addition, staff has received informal comments from Directors and suggested changes to the FSA.

Lastly, I have met with Dick Brandt regarding his letter and our initial thoughts on his comments. Likewise, I am endeavoring to meet with John Sullivan regarding his comment letter and our initial thoughts on his comments.

Next Steps

Board consideration of a final FSA will be carried over to September 2013. Given Director absences at the regular Board meeting, we will coordinate a Special Board meeting for review and approval of the final FSA.

In the ensuing period, we will endeavor to reach consensus on the comments and how to address them in the final FSA.

Richard E. Brandt
6330 Agua Vista
Rancho Murieta, CA 95683

July 30, 2013

RECEIVED
AUG 31 2013
Rancho Murieta
Community Services District

Edward Crouse, General Manager
Rancho Murieta Community Service District
P.O. Box 1050
Rancho Murieta, CA. 95683
(Hand Delivered)

RE: Draft Financing and Services Agreement

Dear Mr. Crouse,

This letter is submitted in response to the Rancho Murieta Community Services District (RMCS D) request for public comments on the Draft Financing and Services Agreements for the mapped but undeveloped subdivisions of Rancho Murieta. My comments are mainly directed to the FSA provisions regarding the expansion and upgrade of the water treatment plant (WTP), the last major RMCS D facility of Community Facilities No. 1 (CFD No. 1), the Mello Roos district formed to finance the RMCS D facilities serving Murieta South.

At the April 26th RMCS D workshop on the expansion and upgrade of the WTP, I urged the RMCS D to do everything possible to maximize the use of the \$4.2 million letter of credit (LOC) provided by the Murieta South developers under the terms of the 1991 Reimbursement and Shortfall Agreement (Shortfall Agreement) (Exhibit A) as security for funding the WTP expansion and the other facilities of CFD No. 1. Since April, new factual information has come to light regarding the WTP upgrade requirement and the uncertain identity of the party or parties responsible or entitled under the Shortfall Agreement that calls for further comment before discussing the specifics of the FSA.

As to the WTP upgrade requirement, the RMCS D recently disclosed that the California Department of Health Care Services (DHS) has not required the RMCS D to upgrade the existing WTP now or at any specific time in the future. The proposed upgrade of the existing plant at an expected cost to existing Murieta residents of \$3 million will be required only because the FSA calls for the expansion of the plant to serve new development. I believe the FSA should compensate RMCS D for accepting this unrequired obligation.

As to the rights and obligations of the parties to the Shortfall Agreement, a recent search of California Secretary of State Records shows that Rancho Murieta 205 LLC, the last RMCS D approved landowner assignee of the Shortfall Agreement, no longer exists because it was converted in 2002 to a new limited partnership, Rancho Murieta 205 LLP (Exhibit B). John Reynan, is listed as the person responsible for the new partnership. John Reynan and Chris Bardis, the two individuals who personally

guaranteed the Shortfall Agreement when its term was extended in 2001 (Exhibit C), reportedly both filed for personal bankruptcy after the real estate crash of 2008. Also, a group of individual lenders (Boras, Baker, *et. al.*) apparently have acquired, in some sense, the reimbursement rights under the Agreement. None of the changes in parties have been approved by the RMCS D, as is required by the Shortfall Agreement. Based on these facts, I believe that the FSA provisions, which delegate to Economic Planning Systems (EPS) all of the RMCS D powers to identify and pay parties entitled to reimbursement but fail to protect the RMCS D from the payment errors of EPS, are a significant and unjustifiable financial risk to the RMCS D. Neither the changes of the parties nor the lack of a RMCS D obligation to upgrade the existing WTP are addressed in the proposed FSA.

Despite what I see as defects of the FSA, I support the idea of a revised and improved FSA for several reasons. Without the additional treated water that will be provided by an expansion of the WTP, no new development beyond the hotel proposed for Murieta Gardens is possible in Rancho Murieta. I believe that new development in some form is needed to insure the continued financial viability of Rancho Murieta businesses and organizations (Rancho Murieta Association, Rancho Murieta Country Club, *etc.*) and to protect Rancho Murieta property values. I realize that at some point in the future the existing WTP will need to be replaced or renovated to an extent that will impose the requirement to upgrade the technology of the plant, and that at some point in the future DHS may require the upgrade of the existing plant (and WTP#2) even if it is not expanded or renovated. In other words, upgrading the plant now for existing residents is an expenditure in advance of need, not a complete waste of money. I also understand that the upgrade of the WTP will provide residents with a higher quality of water and provide protection against some identified health risks that are not protected against by our existing plant. Moreover, interest rates, and therefore financing costs, are now at historic lows. The longer the time until financing the necessary new facilities, the higher the interest rates and financing costs are likely to be. Finally, I fully appreciate that an FSA for new development will bring to a close at last, after more than 22 years, the debate over rights and obligations under the Shortfall Agreement and will draw upon the \$4.2 million LOC before the Shortfall Agreement expires.

In my opinion, there are only two basic criteria the current RMCS D FSA must satisfy. First, and most important, the FSA must be financially fair to existing and future Murieta residents by minimizing their costs and their financial risks from the WTP expansion and upgrade. Second, the FSA should guarantee, or to the maximum extent possible insure, that the new development made possible by the WTP expansion will happen now, when Rancho Murieta needs it. If the RMCS D Board believes that new development is not needed near future, I see no justification for the Board to consider a FSA now. The terms of an FSA should be crafted to appropriately address the facts and issues as of the time the FSA is to be performed.

I have reviewed the FSA, and, in my opinion, it fails and fails somewhat badly to satisfy my two criteria. I cannot fully explain all of the reasons for my opinions without describing the connections and interactions between the current FSA and the earlier RMCS D facility financings; the 1986 Acquisition & Services Agreement and Improvement District No. 1 bond issue and the 1990-1991 CFD No.1, its bond issue, and the Reimbursement and Shortfall Agreement. Unfortunately, such a discussion would

unreasonably extend this already too long letter. Numbered pages 26-35 of the Offering Statement for the CFD No. 1 bond issue (Exhibit D) summarize the financing of Rancho Murieta water and sewer facilities from the beginning of the development through the Shortfall Agreement. To avoid getting lost further than necessary in the fog of details, I will simply state my points on the FSA.

THE PROPOSED FSA IMPOSES UNFAIR FINANCIAL COSTS ON PRESENT AND FUTURE RESIDENTS:

1. The proposed FSA fails to compensate existing residents for the costs they will incur by upgrading the existing WTP in advance of their need for the upgrade.

The expansion and upgrade is required to provide the treated water for the benefit of the FSA landowners, which will increase the value of their land and allow them to develop their property. Although the upgrade is not required for current residents, the FSA provides no compensating *quid pro quo* from the owners of the undeveloped land to the RMCS D for the RMCS D's proposed acceptance the \$3 million upgrade obligation that will be imposed on existing residents. The landowners promoting the proposed FSA assert that RMCS D reserves have been and are being collected for this purpose. The fallacy of this assertion is that the reserves are collected to repair or replace RMCS D facilities when that is necessary, not to upgrade the WTP when that is not yet required. If the WTP is expanded and upgraded now, existing residents will incur interest and carrying cost that they otherwise would not. If upgraded now, before existing residents need the upgrade, the WTP will depreciate and need to be repaired or replaced sooner than if the upgrade is deferred until existing residents need the upgrade. The FSA should compensate the RMCS D for the upgrade in advance of need.

2. The proposed FSA overcharges existing residents for the WTP upgrade by basing the sharing of costs between existing residents and FSA development on their respective percentage use of WTP capacity.

The FSA provides for the sharing of WTP design and construction costs between RMCS D existing residents and FSA landowners based on their respective shares of use of the capacity of the expanded and upgraded WTP (FSA, section 1.3 (K), p. 21). This cost allocation formula charges existing residents for the expansion of the plant when they should only be charged for the upgrade of the capacity that they use. Existing residents receive no benefit from the expansion of the plant. The existing residents cost share should be limited to the amount that the total cost of the expansion and upgrade of the WTP is increased by the fact that the capacity for existing residents is being upgraded in conjunction with the expansion. Stated in other words, the FSA landowners should be responsible for all of the costs of the expansion and upgrade of the WTP except those costs that the FSA landowners would have avoided if the expansion had not included the upgrade of the capacity for existing residents.

3. The proposed FSA overcharges future residents for facilities/infrastructure previously constructed by the Murieta South developers.

The Shortfall Agreement is a contract between the RMCSD and the prior developers of Murieta South. Neither the FSA landowners nor the future residents of FSA development are parties to the Shortfall Agreement. Because the FSA landowners and future residents are not parties to the Shortfall Agreement they are not bound by the reimbursement obligations of the Agreement, and, as a matter of constitutional law, the RMCSD cannot directly charge the FSA landowners or the future residents more for the previously constructed facilities than an amount that is “roughly proportional” to the value of the actual benefit they receive from the facilities *Dolan v. City of Tigard* (1994) 512 U.S. 374. This principle was strongly reaffirmed by the June 25, 2013 decision of the United States Supreme Court in *Koontz v. Saint Johns River Water Management District*.

The 1991 Shortfall Agreement bases its reimbursement amounts on estimates of the value of the benefits that each parcel of undeveloped land outside of CFD No.1 will receive from the CFD No. 1 facilities. These estimates are based on capacity demand assumptions from a 1986 development plan of Rancho Murieta Properties, Inc. (RMPI) used in 1986 to spread the assessments of Improvement District No. 1. (Exhibit A, Section 7.B., pp.12-13). These estimates were known in 1991 to be somewhat inaccurate and over the course of the 22 years since have turned out to wildly overstate the development and ultimate treated water demand of Rancho Murieta. They assume that land outside CFD No. 1 that will supposedly benefit from CFD No. 1 funded facilities will have approximately twice as much development as now will be allowed, that the peak treated water demand of residences on this land in summer will be at least two times what it will now be after recycling and water conservation requirements, and that the WTP will be expanded not later than three years after the bond issuance (1994), as was represented to investors in the documents used to sell the CFD No. 1 bonds (Exhibit D, p. 32). As a result of the assumption that the water plant would be built by 1994, the Shortfall Agreement ignores depreciation, even though the facilities built are now more than twenty years old or more than half way through their useful life.

Equally important, the estimated values fail to reflect the effect on land values of the failure to expand the WTP by 1994. As of today, approximately half of the current claim for reimbursement is based on twenty plus years of interest as calculated under the Shortfall Agreement. Interest can be fairly and constitutionally imposed as a charge for the benefit of facilities to landowners who are not a party to the Shortfall Agreement if the facilities built significantly increase the value of the property of the non-party landowner. Here if the WTP had been built by 1994 and had increased the value of property outside CFD No. 1 as of that date, a charge of interest might be justified. But the WTP expansion was not built, and the landowners outside CFD No. 1 have received no benefit that would call for reimbursement including interest.

Most important, the Shortfall Agreement estimated reimbursement amounts assumed that the Murieta South developers would provide \$6,589,842 for the CFD No.1 facilities, the amount of estimated shortfall (Exhibit A, Section 2, pp. 3-4). It is my understanding that the Murieta South developers actually spent only about \$2.5 million for CFD No. 1 facilities that was not reimbursed. Section 7.E. of the Shortfall Agreement states that the reimbursement shall not exceed the balance of the Shortfall payments made by the developers. By my very rough estimate, the total amount of reimbursement specified by the proposed FSA, although it may be close to the amount actually spent by the Murieta South developers, is still approximately three times more than the amount that can be justified as a “fair share” for landowners outside of CFD No.1 under *Dolan*.

I understand that the RMCS D Board has been advised that *Dolan* technically does not apply in this case because the FSA landowners are freely agreeing to the reimbursement amount; the reimbursement is not being imposed by the RMCS D. That may be true but it does not solve the problem. Section 3.1, p. 31 of the FSA authorizes the establishment of a Mello Roos District to pay the FSA landowners’ facilities costs. Section 7.C., p.13 of the Shortfall Agreement requires that the FSA Mello Roos include the Shortfall Agreement reimbursement as a first priority claim. In practical effect, if the RMCS D approves the FSA, the RMCS D will be directing the FSA landowners to pass on to the future Murieta residents who will be paying the Mello Roos taxes a reimbursement charge for prior facilities that may be roughly three times what those residents could be required to pay if they were charged directly by the RMCS D. I doubt that the future residents will be happy with the RMCS D when they come to understand how this works. The arrangement may be legal, but it is very, very bad politics.

Ironically, the FSA fails to account for some additional reimbursement that may be due under the Shortfall Agreement. The primary Murieta South developer obligation for the WTP under the Shortfall Agreement is to provide all of the treated water needed for the Murieta South development plan that was the basis for property appraisal for the CFD No. 1 bond issue (Exhibit A, last “Whereas” clause, p.1, first “Whereas” clause, p. 3; Exhibit D, Appendix B, “Executive Summary of the Appraisal”). The dollar amount of the CFD No. 1 bonds issued and sold was based on the appraised value of the Murieta South property, and the appraised value of the property was based on the commitment to expand the WTP capacity by the amount required to serve all of the then projected Murieta South development. Performance of this obligation immediately resolves the issue of capacity borrowed by Murieta South; all of the capacity borrowed because it was needed for Murieta South development is again available because the expanded WTP makes up the previous Murieta South capacity shortfall.

Assuming the LOC funds new WTP capacity adequate to replace water entitlements borrowed from outside of CFD No.1 and to provide the treatment capacity needed for all of Murieta South/CFD No. 1, including Riverview and Lakeview, any additional treated water

capacity paid for by the LOC and provided to property outside CFD No. 1 is a benefit to the outside property. The value of the benefit should be reimbursable to someone. Contrary to statements made in the FSA (see, FSA Section 1.3(A) and (J)), to the extent that the funding from the LOC is inadequate to fund all of the capacity needed for CFD No.1, the Riverview and Lakeview property owners are responsible for the cost of their required WTP capacity, just like the landowners outside of CFD No.1 are.

As I previously noted, because of the passage of time and change of circumstances, the actual value of the benefit of previously constructed facilities to property outside CFD No. 1 is probably approximately a third of the amount that the Murieta South developers claim to have spent for those facilities. But what the FSA ignores is that the Shortfall Agreement calls for reimbursement from landowners who benefit from CFD No. 1 facilities whenever the facilities are built. It is not limited to facilities built prior to an FSA. Here is where the passage of time and change of circumstances aids the successors in interest of the Murieta South developers.

By the estimates of the 1991 Shortfall Agreement, the expanded WTP would provide the capacity to serve the development of Murieta South with a tiny surplus of 2.38% (Exhibit C attached to Exhibit A). Because of reduction of the development density of Murieta South, new water conservation programs, and the recycling requirements that may be imposed on Riverview and Lakeview, the same plant 1.5 mgd capacity is now likely to produce a significant surplus over the needs of Murieta South. Section 3.D., p.6 of the Shortfall Agreement (Exhibit A) provides the RMCS D is obligated to reimburse the Mureita South developers or their successors up to the amount of their actual shortfall expenditures from amounts that the RMCS D later collects as reimbursement for the “... amounts paid out or drawn down ..” for CFD No. 1 facilities. Based on the quoted language, it appears that the Shortfall Agreement reimbursed parties may be entitled to payments (up to the reimbursement cap) not just for the actual benefit value that landowners outside CFD No. 1 receive from Murieta South developer expenditures for facilities but also for the benefit values received from facilities costs paid for by funds drawn down on the LOC. To put this rather complicated concept into concrete terms, landowners outside CFD No.1 can be charged, and Shortfall Agreement reimbursement parties reimbursed, for the value of the surplus treated water of the expand WTP provided to the outside landowners even if the facilities were paid for by the LOC.

4. The FSA unjustifiably limits the funding the RMCS D is entitled to from the LOC.

As previously noted, the Murieta South developer were and are obligated by the Shortfall Agreement, the CFD No. 1 documents, and subsequent subdivision maps to provide all of the treated water needed for the Murieta South development plan that was the basis for the property appraisal for the CFD No. 1 bond issue (see citations above). Numerous approvals have defined this treated water need at 1.5 mgd. A more precise engineer estimate concluded that the capacity required was 1.46 mgd (Exhibit

E). The LOC is pledged as security for performance of the Shortfall Agreement obligation to fund all of the facilities of CFD No. 1, including the 1.46-1.5 mgd expansion of the WTP.

Section 1.3 (A) of the FSA limits the obligation of the LOC to payment of the *pro rata* share of Riverview and Lakeview for the WTP expansion and upgrade (FSA, section 1.3(J)) rather than the obligation to pay for the 1.5 mgd WTP expansion and upgrade and other the CFD No. 1 facilities, as required by the Shortfall Agreement (Exhibit A, Last "Whereas" clause on p.1; Section 3.A., p.4) This new limitation of the FSA means that funding costs will be shifted from the LOC to some other source. The other source is obvious, the future residents of the subdivision properties of the FSA landowners. Murieta residents will pay either through higher Mello Roos taxes for WTP expansion costs; the reimbursement overcharges for previously constructed facilities, or higher home prices. The limitation of LOC funding to Riverview and Lakeview is an unjustified give away of public funds that should instead benefit the RMCS D and future Murieta residents.

THE FSA'S FAILURE TO FOLLOW THE TERMS OF THE SHORTFALL AGREEMENT CREATES SIGNIFICANT, UNNECESSARY RISKS THAT THE RMCS D WILL LOSE SHORTFALL FUNDING RIGHTS AND/OR INCREASE RMCS D REIMBURSEMENT OBLIGATIONS.

The proposed FSA incorporates *de facto* changes in the LOC funding and many other rights and obligations established by the Shortfall Agreement. In general, the FSA treats the LOC as a source of funding for the FSA costs of Riverview and Lakeview, the two remaining undeveloped subdivisions of CFD No.1, not as security for performance of the funding obligations of the Shortfall Agreement for the facilities of CFD No.1. The FSA essentially treats Riverview as an owner of the LOC and, in effect, changes the terms of the Shortfall Agreement to fit the deal for Riverview and Lakeview in the FSA. Under the FSA, the reimbursement is changed from reimbursement based on the benefit of particular facilities to particular parcels (Exhibit A, Section 7.B., p.12) to a bundled fee per EDU, *i.e.*, equivalent dwelling unit (FSA, Section, 3.7 C), and the WTP expansion is limited to the capacity needed to serve the FSA landowners (FSA 1.3(A)), not the capacity designated by the CFD No. 1 documents and required by subsequent government approvals.

The FSA requires "participating landowners" (*i.e.*, the landowner or landowners, if there are any, who volunteer to build the WTP expansion and develop their property under the terms of the FSA) to guarantee the funding of the entire cost of all FSA landowners for design costs and for construction costs of the WTP expansion before these costs are incurred (FSA, Section 1.3). But a demand for funding can be made on the LOC only after design or construction costs have been incurred and an initial demand for payment made on the party or parties obligated under the Shortfall Agreement and they have failed to perform. (Exhibit A, Section 3.D., pp. 5-6). The Shortfall Agreement provides that the RMCS D has full control of reimbursement collections and payments. (Exhibit A, Section 7, pp. 11-16). Under the FSA, Economic Planning Systems, an organization selected by the FSA landowners, is designated the Fund Manager for the FSA with the authority to make all determinations regarding

reimbursement. The FSA states that “ ... all responsibilities and obligations for the District to make financial calculations and determinations on funding amounts shall be delegated to and made by the Fund Manager ...,” and “[t]he Fund Manager shall be responsible for all determinations to be made by the District hereunder regarding funding and accounting pursuant to this Agreement ...” FSA, (Section 3.2, p.31). The above conflicting provisions are a few examples of the many rights and obligations of Shortfall Agreement that are directly or indirectly modified by the FSA to the disadvantage of the RMCS D and its residents.

The inconsistencies between the terms of the Shortfall Agreement and the FSA are likely to cause several problems for the RMCS D. The Shortfall Agreement is a contract between the RMCS D and the former Murieta South developers. The FSA landowners are not parties to the Shortfall Agreement. The Shortfall Agreement cannot be amended or modified without the consent of the successors in interest to the Murieta South developers (Exhibit A, section 19, p. 19). The successors in interest, whoever they may be, are not parties to the FSA. In theory, the successors in interest could claim that they are no longer responsible for the shortfall, *i.e.*, the funding for the WTP expansion and upgrade, because their obligations are modified and superseded by the FSA. They could also claim that they are being short changed on the bundled fee or on the more defensible reimbursement based on actual benefit because no account is taken of the benefit that will be conferred by the anticipated surplus of treated water over the amount that now will be required for CFD No.1.

The risk to the LOC funding is probably more significant. Because the participating landowners are required to provide unqualified funding guarantees for the WTP expansion well in advance of any RMCS D entitlement to demand funding from the LOC, the bank issuing the LOC can plausibly argue that the RMCS D has arranged alternate funding for the WTP expansion and there is no shortfall that the bank is obligated to cure. The bank might also argue that the FSA has so modified the rights and obligations of the Shortfall Agreement that the shortfall obligation that the LOC was provided to secure has been replaced by new funding rights and obligations that are inconsistent with the Shortfall Agreement and therefore not secured by the LOC.

I do not contend that the potential claims that the \$4.2 million LOC is no longer responsible for the WTP funding will be successful if they are raised. But there is no reason to structure the FSA in a way that creates such unnecessary financial risks for the RMCS D. The FSA should recognize that the LOC is security for performance of the Shortfall Agreement, not a funding source for the obligations of Riverview and Lakeview. The Shortfall Agreement and the call on the LOC should be performed separately and first, before the performance of the FSA. The FSA should be structured as backup, subordinate financing for the WTP expansion that is to be called upon only in the amount, if any, that the WTP expansion and upgrade costs are not funded by the LOC.

The sweeping delegation of RMCS D powers to EPS is both remarkable and financially threatening. The FSA (section 3.4, pp. 31-32) gives total control of RMCS D facilities funding to EPS; the RMCS D has no supervisory rights over EPS or right to terminate the services of EPS; the decisions of EPS are not subject to any standard that can be enforced by the RMCS D; and the most fundamental powers of the RMCS D, the authority to approve entitlements and provide water and sewer service, cannot be

exercised by the RMCS D without the prior written authorization of EPS, an EPS right of authorization or denial that is left to the totally unrestricted discretion of EPS. This looks to me like an unlawful delegation of RMCS D governmental powers to EPS. But the more immediate problem is financial.

Between the reimbursement obligation for previously constructed facilities and the potential reimbursement obligation for treated water provided to landowners outside of CFD No. 1, the RMCS D is likely to be obligated for the correctly disburse at least \$1-2 million. The RMCS D does not know for sure who is entitled to the reimbursement. But it does know that there could very well be competing claimants (Rancho Murieta 205, LLP; the bankruptcy estates/creditors of John Reynan and Chris Bardis; Boras, Baker, et. al., the group that may have acquired the reimbursement rights; and, possibly, Wells Fargo Bank, the issuer of the LOC). The logical and prudent course in this circumstance would be for the RMCS D to collect the reimbursement(s) and hold the funds until the rightful claimant can be clearly identified by the RMCS D. Under the FSA, that is not possible because the collection and disbursement process has been irrevocably delegated to EPS.

Under the Shortfall Agreement, the RMCS D had control of the reimbursement funds and was protected from liability for erroneous disbursement by the covenant of the developers that the RMCS D, itself, would not be liable for the reimbursement payments. (Exhibit A, section 17, p.19). Since the Shortfall Agreement developers are not parties to the FSA, the protection from liability of the Shortfall Agreement probably does not apply to the disbursement of the reimbursement funds pursuant to the FSA. In summary, if reimbursement funds are collected under the terms of the Shortfall Agreement, the RMCS D is in control and is protected from liability. If reimbursement funds are collected under the terms of the FSA, the RMCS D has no control, the entire process is under the unrestricted control of EPS, and the RMCS D is not protected from liability. If EPS pays the wrong party, the RMCS D probably gets to pay twice. I see no reason that justifies the RMCS D accepting this financial risk.

What I have described is only one of the many problems of delegating the RMCS D's authority to control funds to EPS. For example, EPS apparently can dictate to RMCS D what costs the RMCS D, itself, shall pay for the upgrade of the WTP, and there is no apparent method for the RMCS D to appeal the EPS decision.

THE PROPOSED FSA FAILS TO GUARANTEE, OR AT LEAST DO ALL THAT IS POSSIBLE TO INSURE, THAT NEW DEVELOPMENT IN RANCHO MURIETA WILL PROCEED NOW, WHEN IT IS NEEDED.

As I stated at the outset, I see no reason for the RMCS D to consider a FSA at this time unless the RMCS D Board believes that new development will benefit Rancho Murieta and that the FSA will cause the development to occur now or in the immediate future, when the community needs it. Obviously, the proposed FSA fails the test of guaranteeing development. The FSA does not commit any landowner to proceed with development or to pay its fair share of a WTP expansion and upgrade other facilities costs at any time during the 30 year term of the agreement. The FSA also fails the test of doing all that can be done to insure development now. In fact, it appears to do the opposite.

The FSA is structured to punish the landowner that first develops and reward the landowner that waits and forces the first to develop (the “participating” landowner(s)) to bear the all of the financial costs and risks of designing and constructing the WTP expansion for all seven of the FSA subdivisions (FSA, section 1.3(C) and (D)) The first subdivision to develop must provide security for all of the costs of the WTP expansion (FSA, section 1.3(C) and (F)) without knowing how much, if any amount will be funded by the \$4.2 million LOC. The first to develop landowner has no guarantee that any other landowner will elect to develop and pay its pro-rata share of the design and construction within the 30 year term of the FSA. Even if one landowner does, the original developer must continue to carry the facilities costs for the other five subdivisions. After 30 years, the first to develop landowner loses the right to reimbursement for the facilities costs it has paid. The first developer receives no interest or compensation for carrying the costs of expanding the WTP capacity for the “non-participating” landowners. But the “non-participating” landowners still stand to see a significant increase in the value of their property, despite their refusal to financially contribute to facilities, because their property will have immediate access to treated water (and therefore can be developed) at a price limited to the landowner’s pro-rata share of construction costs. The price is not required to be paid until that point in the next 30 years that the “non-participating” landowner decides it is most advantageous to request water service.

The enormous differences between the proposed FSA’s disincentives to development and incentives to simply hold land at least until the WTP is expanded creates an economic game of “chicken” where landowners compete to see who will give up first and expand the WTP for the benefit of the other landowners. The incentives and disincentives are reflected in the positions of the landowners. The owners of Murieta Gardens and Murieta Retreats, who wish to develop now or soon, oppose the proposed FSA. Other landowners, who have not disclosed plans to develop their property or shown that they have development experience, support the FSA. Of course, I may just be cynical. Or my perceptions of motivations and intentions of landowners regarding future development may be wrong. And I probably would be proven wrong, and the remainder of this letter would probably be irrelevant if, for example, the FSA was amended to provide that the owners of Riverview and the Residences agree to immediately accept the financial obligations of “participating” landowners when requested to do so by the RMCS D.

The differences between the current landowners reflect changes in ownership and economic interests that have occurred since the 2008 real estate crash. The negotiations for the FSA began in 2005 or earlier between landowner developers, companies that made their money by building and selling residential and commercial development, not by investing in land and profiting from its price appreciation. The pre-crash owners included Regency Realty Group, Warmington Homes California, Woodside Rancho Murieta, Murieta Retreats, Rancho Murieta Riverview, and Rancho Murieta Lakeview. In 2005-2006, most of these landowners were in the process of obtaining subdivision maps and were not sure exactly what development would be approved for their property. Without the knowledge of what development would be approved and when and what conditions would be imposed, the landowners without tentative maps were not in a position to make definitive commitments to RMCS D facilities financing. But the owners knew that they collectively did want to proceed with development as

soon as it was possible for them to do so. These circumstances are the reason that the early drafts of the FSA included the “opt out now/opt in later” option for landowners that the proposed FSA still contains today.

Today the circumstances are wholly changed from before the real estate crash. All of the landowners have tentative subdivision maps. The RMCS D and the landowners now know what can be developed on their properties, what facilities the development will require, and what calculations can determine an equitable allocation of facilities costs among landowners. But the landowners and their economic interests have also changed. The landowners today are primarily property investors, not developers. One need only review the FSA signature lines for the landowners who want the FSA to see the obvious. They include: (PCCP CSGF RB, PORTFOLIO, LLC a Delaware limited liability company; CSGF RANCHO MURIETA, LLC a Delaware limited liability by PCCP CSGF RB, PORTFOLIO, LLC a Delaware limited liability company; and BBC MURIETA LAND LLC, a California limited liability company by BBC LONGVIEW LLS, an Illinois limited liability company, LINCOLNSHIRE ASSOCIATES II, LTD., a Texas limited partnership, and DDC 2009 Irrevocable Trust, its General Partner). Most of these signatories are real estate investment entities formed after the real estate crash, and, to the best of my knowledge, have not disclosed any development experience or plan to develop their property.

Admittedly, the FSA landowners have come to their present ownership positions from different circumstances: one or more include parties who had ownership before 2008 and have hung on to some portion of their interest through the real estate crash, private lenders who have taken title to property that secured unpaid debts, and purchasers of distressed property through foreclosure or other means, the type of owner referred to in the financial press as “vulture investors,” the undeveloped land equivalent of residential house “flippers.” What they share in common is some recent increase in the market value of their property and the potential for a further increase in value if some other FSA landowner will pay the cost of expanding the WTP enough to serve their property.

The price that Rancho Murieta is most likely to pay for a FSA favoring property investors over property developers is that nothing will happen because a few of the FSA property investor landowners will hold up development by waiting for a higher, “fairer” price for its property until the next real estate down turn comes along and causes all the owners of undeveloped land to abandon their plans for development. The repeated planning for development without actual development is a movie I have seen before. I have lived in Rancho Murieta for 35 years. I was here in 1985 and involved in the RMCS D when the original owner of Rancho Murieta, the Pension Trust for Operating Engineers Local No.3 (PTF) sold RMPI, its development company and the owner of the Rancho Murieta undeveloped land, to Jack Anderson and related entities. Before RMPI went out of business and PTF reclaimed the land a few years later, RMPI managed to move one or more property lines to allow the sale and development of the Fairways and Murieta South. Since PTF reclaimed the undeveloped land as investor owner, rather than the developer owner, many development plans have been made for Rancho Murieta but later died. No deal has been done to finance RMCS D facilities and allow new development since the January 1991 Shortfall Agreement.

I do not mean to demonize passive investors in Rancho Murieta property. But the point I wish to make is that if RMCS D wishes to promote new development in Rancho Murieta, the RMCS D needs to first level the financial playing field in the FSA between property investors and landowners who wish to develop their property now. Then, perhaps, the RMCS D should tilt the field somewhat in favor of the developers. There are several ways the FSA could do this.

1. The FSA should not require “participating” landowners (developers) to pay WTP costs of for “non-participating” landowners (property investors) unless the costs are for elements of the facility that are critical to the operation of the expanded WTP or will clearly be substantially more expensive if construction is deferred until the “non-participating” landowner requests RMCS D services. For example, participating landowners should not be required to pay for the installation of WTP filter elements that will not be required until the “non-participating” landowners request treated water.
2. The FSA should require “non-participating” landowners to pay a generous rate of interest as reimbursement to “participating” landowners for the costs they pay that benefit the property of “non-participating” landowners. The interest charges should reflect both the cost of money and the financial risks incurred by the “participating” landowners; they should be made in regular installments and commence as soon as the investment is made for the benefit of the “non-participating” landowners property. In other words, even if landowners are allowed to be “non-participating” for some period of time for payment of design and construction costs incurred for their benefit, they should participate from the outset as to carrying costs and financial risks.
3. The FSA should protect the “participating” landowners against the additional share of “non-participating” landowner costs they would otherwise be required to bear if the LOC cannot be drawn down in its entirety. The LOC is a \$4.2 million part of the funding for the WTP expansion. One or two “participating” landowners cannot reasonably be expected to cover so large an expense if the LOC fails to provide the anticipated funds. “Non-participating” must be required to help close the funding gap. I realize that adjustments would need to be made from the strict application of the rule that “non-participating” landowners must make up their share of lost LOC funding. If the LOC paid nothing, the strict application of the rule would force Riverview and Lakeview, in effect, to be “participating” landowners whether they wanted to or not. Moreover, if the loss of LOC funding is sudden and unexpected, “non-participating” landowners would need some time to respond. If the loss of LOC funding is minor, a separate process for making up the default may not be worth the complication.
4. The FSA should set a reasonable deadline on the right of landowners to participate in the FSA (not more than ten years). If the “non-participating” landowner does not “opt in” and pay its share of costs within that time, its rights under the FSA should terminate, except that any future landowner that uses the water capacity reserved for the landowner who fails to “opt in” should reimburse that “non-participating” landowner

for the carrying costs it has paid. The 30 year term of the FSA should apply only to reimbursement, not to the right to “opt in” for water and sewer and other entitlements.

5. The FSA should use the Shortfall Agreement process for the reallocation of costs and benefits for a new financing mechanism, which is referred to in and authorized by section 7.C., p. 13 and section 9, p.16 of the Shortfall Agreement, to reallocate CFD No. 1 costs and benefits based on the circumstances current at the time of the completion of the WTP expansion. At the completion of the WTP, the RMCSD will know the final costs of the CFD No. 1 facilities and, because all of the subdivisions that will benefit from the facilities now have tentative maps, the RMCSD will be able to determine the actual benefit that properties outside CFD No. 1 will receive from the facilities. The allocation based on this information is the allocation that should be used for the final reimbursement obligations of Shortfall Agreement. The reallocation, in effect, will be the final accounting among landowners for the facilities costs of CFD No. 1.

The reallocation will serve a second important function mentioned in the Shortfall Agreement: it will establish the cost and reimbursement obligations to be rolled over/passed on to the successor financing mechanism, the Mello Roos District described in Section 3.1 of the FSA. If properly applied, the Mello Roos District is the mechanism that can insure that at the end of the day “participating” landowners are compensated for the costs they incur for the benefit of “non-participating” landowners. As currently written, landowner participation in the Mello Roos is completely voluntary. It would be unconscionable to allow “non-participating” landowners who have benefited from the expenditures of “participating” landowners, to avoid the obligation to reimburse for the benefit of treated water by declining to participate in the Mello Roos. The FSA should be revised to authorize “participating” landowners who have spent money for the benefit of “non-participating” landowners but have not been reimbursed to require the formation of the Mello Roos and to make participation in the Mello Roos mandatory for landowners who are entitled to request water in the future but have not paid for the benefit. The landowners who pay for the WTP expansion must be paid in the end for the share of their costs that provides access to treated water for other landowners or there will not likely be landowners that volunteer to pay the construction costs of the WTP expansion.

Conclusion

I am sure that critics will prove some of my statements and numbers wrong. I am writing this letter as a private citizen. I have not brought to the task the attention to detail and rigor that I would have if I had written the letter as a lawyer before my retirement. But regardless of any errors or omissions, I hope that the RMCSD Board will give consideration to my main points. An FSA should be financially fair to existing and future Rancho Murieta residents by reducing their costs and financial risks. If the Board believes that Rancho Murieta will benefit from new development now or in the

immediate future (which is what I believe), it should insist upon an FSA that either guarantees that development or does all that is possible to achieve that end result.

I understand, of course, that the FSA is a difficult and unusual challenge for the RMCS D Board. The issues are novel because no similar financing agreement has been considered and approved by the RMCS D Board in more than 20 years. In the past, until 2004, the RMCS D had the benefit of the RMCS D institutional history background, experience and skills of Steve Robbins, the land use lawyer who drafted all proposed and approved financing agreement from the time of the formation of the RMCS D. In the past, at least one RMCS D Board member was directly involved in the negotiations from the very beginning and came to the point of consider a draft agreement with knowledge of the issues, the financial numbers, and the likely financial and economic impacts on Rancho Murieta residents.

I understand that the current Board has none of these advantages. I know that a majority of Board members are relatively new to the job, that no Board member has been directly involved in the FSA negotiations or is old enough to possess the knowledge of RMCS D history that I have lived through. But I know of the Board members' past involvement and accomplishments in community affairs, and I am confident of their ability to sort matters out. If I did not hold that opinion, I would never have spent the time to write this letter. I think the Board should view the resolution of the FSA issues as an opportunity in retirement to take on a task that is interesting, very challenging, and very important to the community. Of course, there is an alternate view, the Board may have fallen victim to the ancient Chinese curse: "May you live in interesting times."

Very Truly Yours,


Richard E. Brandt

REIMBURSEMENT
AND
SHORTFALL AGREEMENT

This Agreement is made by and between Rancho Murieta Community Services District ("District"), Winncrest Homes, Inc. ("Winncrest"), and FN Projects, Inc. ("FN") with respect to the following:

Recitals

WHEREAS, Winncrest owns approximately 98 acres of undeveloped land which is within the District and lies south of the Cosumnes River (the "Winncrest Property").

WHEREAS, FN owns approximately 150 acres of developed and undeveloped land which is within the District and lies south of the Cosumnes River (the "FN Property").

WHEREAS, at the request of Winncrest and FN (collectively, the "Landowners"), the Rancho Murieta Community Services District has taken the necessary steps to form a Community Facilities District (the "CFD") covering lands within that portion of the Rancho Murieta Community Services District south of the Cosumnes River and north of California State Highway No. 16, including but not limited to the Winncrest and FN Properties (collectively, the "Properties").

WHEREAS, the CFD was formed for the purpose of financing improvements (the "Improvements") necessary to serve the lands within the boundaries of the CFD including, but not limited to,

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water transmission and storage facilities, storm drainage facilities, sanitary sewer pumping station, sanitary sewer force main, wastewater treatment plant expansion, water treatment plant expansion and other community facilities.

WHEREAS, FN has, upon request from the District, advanced to the District the sum of \$3,501,831 for expenses incurred by the District in forming the Community Facilities District and/or constructing portions of the Improvements.

WHEREAS, in addition to the funds advanced to the District by FN, FN has itself incurred directly \$663,809 in CFD formation and Improvement costs.

WHEREAS, the funds advanced and the costs incurred by FN for formation of the CFD and for construction of portions of the Improvements, as described above, are costs which are included in the expenses to be paid out of the proceeds of bonds to be issued by the CFD (the "Bonds").

WHEREAS, Landowners and District desire to make provision for reimbursement of the costs incurred and the funds advanced by FN, as described above, out of the proceeds of the Bonds.

WHEREAS, for purposes of assuring the District that the Improvements will be completed, Landowners acknowledge that they will share responsibility for the costs of constructing the Improvements to the extent that the funds for the financing thereof are not available from the Bond proceeds.

WHEREAS, Landowners further acknowledge that the authorization of the issuance of bonds by the CFD is contingent upon the execution of this Reimbursement and Shortfall Agreement with the District providing for the financing of their respective shares of the costs of the Improvements in the event and to the extent that the Bonds provide insufficient funding for the completion of such Improvements.

WHEREAS, the Improvements, or portions thereof, will also benefit property not a part of the CFD.

WHEREAS, Landowners and District also desire to make provisions for the equitable sharing of the costs incurred in constructing the Improvements by the properties benefitting from the Improvements.

NOW, THEREFORE, District, Winncrest and FN agree as follows:

Agreement

1. Initial Reimbursement. In the event, and only in the event, that the Bonds are sold, FN shall be fully reimbursed out of proceeds from the initial CFD bond sale for the \$3,501,831 in CFD-related funds advanced by FN pursuant to District's request and the \$663,809 in CFD-related costs incurred by FN (collectively, the "Initial Reimbursement"). Such Initial Reimbursement shall occur not later than 15 days following closing of the initial CFD bond sale.

2. Anticipated Shortfall. The cost of the Improvements (the "Improvement Costs") is estimated to be \$15,795,000 (inclusive of

the Initial Reimbursement amount) as set forth in Exhibit A, attached hereto and incorporated herein by reference. The proceeds of the proposed CFD bond sale are estimated to be sufficient to fund \$9,205,158 of the Improvement Costs (inclusive of the Initial Reimbursement amount). As a result, an estimated shortfall of \$6,589,842 is anticipated (the "Anticipated Shortfall").

3. Shortfall Securities.

A. To assure completion of the Improvements, Winncrest and FN shall post irrevocable letters of credit, or such other form of security as may be approved by District, the terms of which shall be acceptable to the District and the sum of which shall be equal to the amount of the Anticipated Shortfall (the "Shortfall Securities"). For accounting purposes only, FN's obligations under this Agreement with respect to securing and funding any shortfall, and any reimbursement rights resulting therefrom, shall be allocated to two separate accounts designated "FN-1" and "FN-2" as set forth below and in the provisions that follow. Each Landowner shall post security in the following amounts and percentage shares of the Anticipated Shortfall:

Winncrest	\$1,971,106	29.91%
FN-1	\$2,930,978	44.48%
FN-2	\$1,687,759	25.61%

In the event all or any portion of the Anticipated Shortfall is collected by or reimbursed to District in accordance with

Sections 7.B, 7.C and 7.D below, the amounts of the Shortfall Securities posted by Landowners shall be reduced accordingly as provided in Section 7.D.

B. The Shortfall Security shall have an initial effective period of at least one (1) year and shall be renewed on an annual basis thereafter until the Improvements have been completed and accepted by the District. Each such renewal shall be made by the party posting the security not later than thirty (30) days prior to its expiration.

C. Should Winncrest or FN fail to renew any Shortfall Security in accordance with 3.B above, District shall be entitled to draw down the full amount of the Shortfall Security prior to its expiration.

D. Provided Winncrest and FN are in compliance with the provisions of Section 3.B above, the costs of constructing the Improvements (including the Initial Reimbursement) shall be paid out of the CFD bond proceeds until such proceeds are exhausted. Upon exhaustion of the CFD bond proceeds, District shall be entitled under this Agreement to make monthly written demands (the "Shortfall Demands") upon Winncrest and FN for payment of their respective shares of the costs of the Anticipated Shortfall, as such costs are billed to the CFD. In making a Shortfall Demand, District shall list the Anticipated Shortfall costs by Improvement and shall include copies of invoices evidencing such costs together with a

recommendation from the District Engineer for payment. Within five (5) days following receipt of a Shortfall Demand, each Landowner shall make a cash payment to the District equal to its respective share of the costs of the Anticipated Shortfall, as such share is determined in accordance with the provisions of Section 3.E. If either Landowner fails to make payment within the five (5) day payment period, District shall be entitled, under this Agreement and the express terms of the Shortfall Security, to draw down the Landowner's Shortfall Security by the amount of the Shortfall payment due from such Landowner. In the event all or any portion of the Anticipated Shortfall is collected by or reimbursed to the District in accordance with Sections 7.B, 7.C and 7.E of this Agreement, Winncrest and FN shall be reimbursed all or a portion of the amounts paid out or drawn down hereunder as provided in Section 7.E.

E. Any Improvement costs that result in an Anticipated Shortfall shall be spread among Winncrest and FN in accordance with the following percentage shares:

Winncrest	--	29.91%
FN-1	--	44.48%
FN-2	--	25.61%

4. Unanticipated Shortfall. The actual costs of the Improvements may exceed the estimated costs set forth in Exhibit A. As a result, shortfalls may occur over and above the

Anticipated Shortfalls described in Section 3 (the "Unanticipated Shortfalls"). Unanticipated Shortfalls may be discovered either at the time of or prior to the receipt of bids by the District for construction of an Improvement or after the contract for construction of an Improvement is awarded by the District.

5. Unanticipated Shortfalls Discovered Prior to An Award of Contract.

A. In the event that the bids received by the District for construction of an Improvement result in projected costs that exceed the total estimated cost of the Improvement as set forth in Exhibit A, Landowners shall post security in addition to that required by Section 3.A (the "Additional Security"), the form and terms of which shall be acceptable to the District and the sum of which shall be equal to the difference between the total estimated cost of the Improvement and the projected costs based on the bids received (the "Pre-Contract Unanticipated Shortfall"). Each Landowner shall post such Additional Security in an amount equal to its respective share of the costs of the Pre-Contract Unanticipated Shortfall, as such share is determined in accordance with the following schedule:

Category I Improvements, as designated in Exhibit A:

Winncrest	0.00%
FN-1	100.00%
FN-2	0.00%

Category II Improvements, as designated in Exhibit A:

Winncrest	26.36%
FN-1	51.07%
FN-2	22.57%

Category III Improvements, as designated in Exhibit A:

Winncrest	52.12%
FN-1	3.26%
FN-2	44.63%

Should Landowners fail to post the Additional Security as provided herein, District reserves the right not to proceed with construction of the Improvement. In the event that a portion of the Pre-Contract Unanticipated Shortfall is collected by or reimbursed to District in accordance with Sections 7.B, 7.C and 7.D below, the amount of the Additional Security shall be reduced accordingly.

B. The Additional Security shall have an initial effective period of at least one (1) year and shall be renewed on an annual basis thereafter until the Improvement that is subject thereto has been completed and accepted by the District. Each such renewal shall be made by the party posting the security not later than thirty (30) days prior to its expiration.

C. Should Winncrest or FN fail to renew any Additional Security in accordance with 5.B above, District shall be entitled to draw down the full amount of the Additional

Security prior to its expiration.

D. Provided Winncrest and FN are in compliance with the provisions of Section 5.B above, the costs of constructing an Improvement for which Additional Security has been posted shall be paid first, out of the CFD bond proceeds until such proceeds are exhausted and second, with Anticipated Shortfall payments made pursuant to a Section 3.D demand, until the Anticipated Shortfall is fully funded. Upon exhaustion of the CFD bond proceeds and full funding of the Anticipated Shortfall, District shall be entitled under this Agreement to make monthly written demands upon Winncrest and FN for payment of their respective shares of the costs of the Pre-Contract Unanticipated Shortfall, as such costs are billed to the CFD. In making a Shortfall Demand pursuant to this Section 5, District shall list the Unanticipated Shortfall costs by Improvement and shall include copies of invoices evidencing such costs together with a recommendation from the District Engineer for payment. Within five (5) days following receipt of a Shortfall Demand made pursuant to this Section, each Landowner shall make a cash payment to the District equal to its respective share of the costs of the Pre-Contract Unanticipated Shortfall, as such share is determined in accordance with the schedule set forth in Section 5.A. If either Landowner fails to make payment within the five (5) day payment period, District shall be entitled, under this

Agreement and the express terms of the Additional Security, to draw down the Landowner's Additional Security by the amount of the Shortfall payment due from such Landowner. In the event that any portion of the Pre-Contract Unanticipated Shortfall is collected by or reimbursed to the District in accordance with Sections 7.B, 7.C and 7.E of this Agreement, Winncrest and FN shall be reimbursed all or a portion of the amounts paid out or drawn down hereunder as provided in Section 7.E.

6. Unanticipated Shortfalls Discovered Following an Award of Contract. In the event that an Unanticipated Shortfall occurs following the award of a contract for construction of an Improvement (a "Post-Contract Unanticipated Shortfall"), District may make monthly written demand upon Landowners for payment of the costs of the Post-Contract Unanticipated Shortfall as such costs are billed to the CFD. In making such a demand, District shall list the Post-Contract Unanticipated Shortfall costs by Improvement and shall include copies of invoices evidencing such costs together with a recommendation from the District Engineer for payment. Within five (5) days following receipt of such demand, each Landowner shall make a cash payment to the District equal to its respective share of the costs of the Unanticipated Shortfall, as such shares are determined in accordance with the schedule set forth in Section 5.A.

7. External Benefits; Subsequent Reimbursement.

A. District and Landowners agree that the Improvements, or portions thereof, to be financed pursuant to the provisions of Section 3 above (the "Benefitting Improvements"), will benefit property that is not a part of the proposed Community Facilities District (the "Benefitted Property"). The Benefitted Properties are shown on Exhibit B, attached hereto and incorporated by reference. The value of the Benefitting Improvements attributable to the Benefitted Properties is estimated to be \$6,589,842 (the "External Benefit"), as set forth in Exhibit C, attached hereto and incorporated by reference. The actual External Benefit may either exceed or be below this estimate, depending upon the actual final costs of constructing the Benefitting Improvements. For purposes of determining the External Benefit, the actual final costs of constructing the Benefitting Improvements shall include any financing costs incurred by Winncrest and FN. Financing costs shall be calculated at the average coupon rate of the Bonds.

B. To assure a fair and equitable sharing of Improvement Costs by the owners benefitting from the Improvements, District shall not enter into any agreement to extend or provide facilities nor shall it issue "will serve" letters with respect to a Benefitted Property unless and until the owner of such Property has reimbursed District for its pro

pro rata share of the External Benefit. The External Benefit shall be spread among the Benefitted Properties in accordance with the following percentage allocations or such other allocations as District may adopt through the formation of a Benefit District or a district created in whole or in part for the purpose of financing reimbursement of the External Benefit:

<u>Description of Benefitting Property</u>	<u>Pro Rata Share of External Benefit</u>	<u>Estimate of External Benefit</u>
Stonehouse School	3.9%	\$255,927
Unit No. 5	10.1%	\$663,162
Calero	5.7%	\$377,523
Unit No. 6	4.1%	\$272,612
RM North	45.9%	\$3,017,759
Villas	6.7%	\$443,440
Hotel Site	8.6%	\$567,683
Lt. Industrial	1.0%	\$ 65,418
Commercial	8.0%	\$529,332
Lookout	0.2%	\$ 11,985
RM Country Club	<u>5.8%</u>	<u>\$385,000</u>
TOTAL	100%	\$6,589,842

The pro rata shares of the External Benefit set forth above have been calculated in accordance with allocation of benefit for specific Improvements and, further, in accordance with the

distribution of dwelling units pursuant to the allocations approved for Improvement District No. 1.

C. If any Improvement District, Assessment District, Community Facilities District or other public financing mechanism is created by District which includes any or all of the Benefitted Properties, the amount to be financed by such entity shall include, and the proceeds of any bonds issued by such entity shall first be used to reimburse District (and/or Winncrest and FN in accordance with Section 7.B, 7.D and 7.E) for that portion of the full cost of the Improvements attributable to the benefits received by the Benefitted Properties included therein.

D. In the event that certain costs of the Improvements are collected by District in accordance with Section 4.B or are financed in accordance with Section 4.C, and such collection or financing occurs prior to a cash payment or draw down made pursuant to Section 3.D, the funds so collected or financed shall be used by the District to reduce the amount of the Shortfall Securities posted by Landowners to cover the Anticipated Shortfall. If any funds so collected from or financed by the Benefitted Properties remain after such reductions are made, and the funds are collected or financed prior to a cash payment or draw down made pursuant to Section 5.D, the remaining funds shall be used to reduce the amount of the Additional Security posted by Landowners to cover

Unanticipated Shortfalls discovered prior to the award of a contract, where such Unanticipated Shortfalls involve a Benefitting Improvement.

E. In the event that such collection or financing occurs subsequent to a cash payment or draw down of the Shortfall Security made pursuant to Section 3.D or a contribution to funding an Unanticipated Shortfall involving a Benefitting Improvement made pursuant to Sections 5.D or 6, Winncrest and FN, shall be reimbursed by District from the funds so collected or financed in an amount not to exceed the amount of the outstanding balance of cumulative Shortfall payments made by the Landowners. Such reimbursement shall be made to Landowners in proportion to their respective contributions to the Shortfall and shall include any financing costs incurred by Winncrest or FN during the period that such amounts were outstanding, to be calculated at the average coupon rate of the Bonds. In no event shall the reimbursement obligation assumed by District pursuant to this Agreement exceed the actual amounts collected by District pursuant to Sections 7.B and 7.C.

F. In the event that portions of the External Benefit are received by District subsequent to the reimbursement of Winncrest or FN of the full amounts due pursuant to this Section 7, such portions shall be deposited with the CFD and shall constitute either a prepayment of the Special Tax or

shall be used to retire outstanding bonds issued by the CFD, at the sole discretion of the District. The benefit of such prepayment of tax or bond redemption shall be spread in precise proportion to the levy of the special tax by the CFD.

G. District agrees to use its best efforts to carry out the provisions of this Section 7, but makes no warranty that it will be successful in securing reimbursement of the External Benefit as contemplated herein.

8. Reimbursement from Savings - Unanticipated Shortfalls.

In the event that the Drainage Pump Station, the Sewer Pump Station, and/or the Sewer Force Main are completed at costs below the estimated costs of such Improvements as set forth in Exhibit A, the savings resulting therefrom shall be used, upon completion of all Improvements, to reimburse Winncrest and FN, pro-rata on the basis of the relative amounts paid hereunder, for any contribution made by such Landowners to the funding of an Unanticipated Shortfall.

9. Reimbursement - Formation Costs. In addition to the \$3,501,831 in CFD-related funds advanced by FN that will be fully reimbursed out of Bond proceeds pursuant to Section 1 above, FN also advanced \$169,232 in funds to cover formation costs attributable to consideration of the inclusion of the Benefitted Properties in the CFD. In the event that a subsequent Community Facilities District is formed which includes the Benefitted Properties or some portion thereof and bonds are issued, the

Benefitted Properties included therein shall reimburse FN, in an amount not to exceed \$169,232, for the value of any formation costs that are avoided (the "Avoided Costs") as a result of the work already funded by FN in the course of forming Rancho Murieta Community Services District CFD No. 1. Such reimbursement shall be included in the amount to be financed by the new Community Facilities District and shall be made out of the proceeds of the bonds issued thereby. It is anticipated by the Parties to this Agreement that the Avoided Costs and the reimbursement resulting therefrom will decrease as the time between the formation of RMCS District CFD No. 1 and a subsequent Community Facilities District increases.

10. Reimbursement Personal. The rights to reimbursement under this Agreement are personal to Winncrest and FN and shall not run with the Winncrest and FN Properties unless expressly assigned by Winncrest or FN.

11. Assignment.

A. Landowners may assign their rights and obligations under this Agreement, with the prior written consent of District, which consent shall not be unreasonably withheld and shall be limited to the District's review and analysis of the proposed assignee's financial ability to perform Landowner's obligations hereunder. No such assignment shall be made unless and until the party to which the assignment is to be made has entered into an agreement with the District expressly assuming the obligations set forth herein and has posted such

security as is required hereby, in a form and with terms which are acceptable to the District. The Landowner making the assignment shall not be relieved of any of its obligations under this Agreement unless and until such an assumption agreement has been fully executed and has become effective and such security has been posted and accepted by District.

B. District acknowledges that FN may wish to assign the obligation it has assumed pursuant to its "FN-2" account, as such account is designated and set forth herein, together with any reimbursement rights resulting therefrom, to N.T. Hill, Inc. ("Hill"), the owner of approximately 68 acres of undeveloped land which is within the CFD. The District agrees that such an assignment may be made provided that Hill enters into an agreement with the District containing terms and conditions identical to those set forth herein and posts such security as is required hereby, in a form and with terms which are acceptable to the District.

12. Reimbursement - Twenty Year Term. Landowners' rights to reimbursement under this Agreement shall expire twenty (20) years following the effective date of this Agreement.

13. Failure to Fund. In the event that Landowners fail in any respect to meet their obligations under this Agreement to fund either Anticipated or Unanticipated Shortfalls, District shall have the right to deny or withhold issuance of "will serve" letters, line extension agreements and/or the installation of water meters.

Such remedies shall be in addition to and not in lieu of any other remedy in equity or law to which District may be entitled or any cause of action which District may bring in any state or federal court to enforce the provisions of this Agreement.

14. Ownership of Improvements. The Improvements financed pursuant to this Agreement shall be owned by the District.

15. Severability. In the event that any provision of this Agreement is held to be invalid, void or otherwise unenforceable by any court of competent jurisdiction, such provision(s) shall be deemed severable from the remainder of this Agreement and shall in no way affect, impair or invalidate any other provisions contained herein. Should any provision of this Agreement be held unenforceable, Landowners and District shall take such steps as equity and good faith require to provide for completion of the Improvements and reimbursement of the Improvement costs incurred by Landowners.

16. Indemnification. Landowners agree to defend, indemnify and save and hold harmless District, its officers, agents and employees from any and all claims, damages, liability or actions arising out of or connected with this Agreement, expressly including any action challenging the validity of this Agreement. Such agreement to defend, indemnify and save and hold harmless District shall expressly exclude any and all claims made or actions brought by Landowners or Landowners' heirs or assigns against District to enforce the provisions of this Agreement.

17. Obligations Arising From Agreement. Neither District funds nor District monies, except the CFD funds and accounts, shall be liable for payment of any obligations arising from this Agreement. Neither the full faith and credit nor the taxing power of the District is pledged for the payment of any obligations arising from this Agreement. Landowners may not compel the exercise of Districts' taxing power or the forfeiture of any of its property to satisfy any obligations arising from this Agreement. The obligations arising from this Agreement are not a debt of the District, nor a legal or equitable pledge, charge, lien or encumbrance upon any of its property, or upon any of its income, receipts or revenues, except the revenues to the CFD arising from the Bonds.

18. Legal Fees. In the event that legal action is necessary to enforce the provisions of this Agreement, the prevailing party(ies) shall be entitled to reasonable attorneys' fees and costs.

19. Amendment. Amendments or modifications to this Agreement shall be in writing and executed by all parties.

20. Entire Agreement. This Agreement and any attachments hereto constitute the entire agreement and understanding between District and Landowners concerning the subject matter contained herein.

21. Notices. All notices requested by this Agreement shall be in writing and delivered in person or sent by certified mail,

postage prepaid. Written notices or communications required by or concerning this Agreement shall be addressed as follows:

District:

Rancho Murieta Community Services District
P. O. Box 1050
14670 Cantova Way, Suite 104
Rancho Murieta, California 95683

Winncrest:

Winncrest Homes
9985 Folsom Boulevard
Sacramento, California 95827
Attention: Gary Parker

FN:

FN Projects, Inc.
c/o First Nationwide Savings
706 Mission Street, 9th Floor
San Francisco, California 94103
Attention: Mark Connolly

Any party may change the address stated herein by giving notice in writing to the other parties, and thereafter notices and correspondence shall be addressed and transmitted to the new address.

22. Counterpart Execution. This Agreement may be executed in counterpart.

23. Exhibits. Attached hereto and incorporated herein by this reference are the following Exhibits:

- A - Shortfall Allocations by Improvement
- B - Benefitted Properties
- C - External Benefit by Improvement

IN WITNESS WHEREOF, the parties execute this Agreement on the date(s) set forth below.

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Dated: February 20, 1991

By: [Signature]
President
Board of Directors

Attest:

[Signature]
Secretary

WINNCREST HOMES, INC., a California Corporation

Dated: February 20, 1991

By: [Signature]
THOMAS P. WINN
President

FN PROJECTS, INC., a California Corporation

Dated: February 15, 1991

By: Mark W. Connolly
Its: First Vice President

By: _____

Its: _____

STATE OF CALIFORNIA

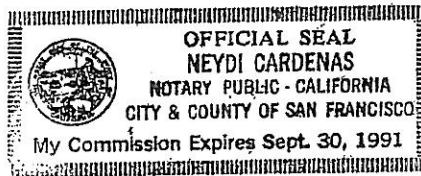
COUNTY OF San Francisco

On February 15, 1991, before me, the undersigned notary public, personally appeared Mark W. Connolly,

[xx] personally known to me
[] proved to me on the basis of satisfactory evidence

to be the person who executed the within instrument as 1st Vice President on behalf of the corporation therein named, and acknowledged to me that the corporation executed it.

Neysi Cardenas
NOTARY PUBLIC



STATE OF CALIFORNIA

COUNTY OF Sacramento

On Feb. 20, 1991, 1991, before me, the undersigned notary public, personally appeared Thomas D. Wilson

[] personally known to me
[] proved to me on the basis of satisfactory evidence

to be the person who executed the within instrument as President on behalf of the corporation therein named, and acknowledged to me that the corporation executed it.

Connie S. Peach
NOTARY PUBLIC



STATE OF CALIFORNIA

COUNTY OF Sacramento

On February 20, 1991, before me, the undersigned notary public, personally appeared W. Corey Trench,

[] personally known to me
[] proved to me on the basis of satisfactory evidence

to be the person who executed the within instrument as President on behalf of the corporation therein named, and acknowledged to me that the corporation executed it.

Carole S. Pugh
NOTARY PUBLIC



Exhibit A
Rancho Murrieta Community Facilities District No. 1
Shortfall Allocations by Improvement

Improvements By Category	Total Estimated Cost of Improvement	Portion of Costs Funded By CFD	Anticipated Shortfall	Allocation of Anticipated Shortfall			Allocation of Unanticipated Shortfall						
				FN-1	FN-2	Wincrest	FN-1	FN-2	Wincrest				
Category I Improvements													
C. Drainage Pump Station	\$1,805,000	\$1,805,000	NA	NA	NA	NA	100.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%
N. Alameda Drive Water Transmission Pipeline	\$100,000	\$71,000	\$29,000	100.00%	0.00%	0.00%	100.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%
Category II Improvements													
A. Water Transmission Pipeline	\$2,350,000	\$1,096,426	\$1,253,574	51.07%	22.57%	26.36%	51.07%	22.57%	26.36%	51.07%	22.57%	26.36%	26.36%
B. Water Storage Reservoir	\$2,600,000	\$940,525	\$1,659,475	51.07%	22.57%	26.36%	51.07%	22.57%	26.36%	51.07%	22.57%	26.36%	26.36%
F. Wastewater Treatment Plant - Phase II	\$3,025,000	\$1,131,346	\$1,893,654	51.07%	22.57%	26.36%	51.07%	22.57%	26.36%	51.07%	22.57%	26.36%	26.36%
D. Sewer Pump Station	\$560,000	\$560,000	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
E. Sewer Force Main	\$150,000	\$150,000	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
H. Cosumnes River Bridge	\$770,000	\$139,269	\$630,731	51.07%	22.57%	26.36%	51.07%	22.57%	26.36%	51.07%	22.57%	26.36%	26.36%
I. Fire Equipment	\$135,000	\$122,397	\$12,603	51.07%	22.57%	26.36%	51.07%	22.57%	26.36%	51.07%	22.57%	26.36%	26.36%
Category III Improvements													
G. Water Plant Expansion - Phase III													
Site Improvements	\$1,355,000	\$314,426	\$1,040,574	3.26%	44.63%	52.12%	3.26%	44.63%	52.12%	3.26%	44.63%	52.12%	52.12%
Treatment Plant	\$2,945,000	\$2,874,769	\$70,231	3.26%	44.63%	52.12%	3.26%	44.63%	52.12%	3.26%	44.63%	52.12%	52.12%
Total	\$15,795,000	\$9,205,158	\$6,589,842	\$2,930,978 (a) 44.48%	\$1,687,759 (a) 25.61%	\$1,971,106 (a) 29.91%							

(a) Owners' total allocation of anticipated shortfall as a percentage of total anticipated shortfall.
 Note: Letter identifications for facilities correspond to Giberson & Associates Cost Spread Version 17.
 reallocation

EXHIBIT "B"

RANCHO MURIETA COMMUNITY FACILITIES DISTRICT No.1
 BENEFITTED PROPERTIES

84002.23
 CFDEXHB
 NOVEMBER 26, 1990

DESCRIPTION OF BENEFITTING PROPERTY	IMPROVEMENT DISTRICT No.1 ASSESSMENT No.1 (1)
STONEHOUSE SCHOOL	1
UNIT No. 5	2,3
CALERO	5
UNIT No. 6	389
RM NORTH	391,503,504
VILLAS	6
HOTEL SITE	369
LT. INDUSTRIAL	50
COMMERCIAL	382
LOOKOUT	52
RM COUNTRY CLUB	073-0190-080 (2)

- (1) AS RECORDED IN BOOK 66 OF MAPS OF ASSESSMENT DISTRICTS, AT PAGE 8 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.
- (2) THE RM COUNTRY CLUB IS NOT A PART OF IMPROVEMENT DISTRICT No.1, THEREFORE THE NUMBER SHOWN REFERS TO SACRAMENTO COUNTY ASSESSORS PARCEL NUMBER.

Exhibit C
Rancho Murieta Community Facilities District No. 1
External Benefit By Improvement

Benefitting Improvements By Category	Estimated Cost Of Benefitting Improvement	Estimated External Benefit	External Benefit as Percent of Total Cost
Category I Benefitting Improvements			
N. Alameda Drive Water Transmission Pipeline	\$100,000	\$29,000	29.00%
Category II Benefitting Improvements			
A. Water Transmission Pipeline	\$2,350,000	\$1,253,574	53.34%
B. Water Storage Reservoir	\$2,600,000	\$1,659,475	63.83%
F. Wastewater Treatment Plant - Phase II	\$3,025,000	\$1,893,654	62.60%
H. Cosumnes River Bridge	\$770,000	\$630,731	81.91%
I. Fire Equipment	\$135,000	\$12,603	9.34%
Category III Benefitting Improvements			
G. Water Plant Expansion - Phase III	\$1,355,000	\$1,040,574	76.80%
Site Improvements	\$2,945,000	\$70,231	2.38%
Treatment Plant			
Total	\$13,280,000	\$6,589,842	49.62%

Note: Letter identifications for facilities correspond to Giberson & Associates Cost Spread Version 17.



Secretary of State Administration Elections **Business Programs** Political Reform Archives Registries

Business Entities (BE)

Online Services

- E-File Statements of Information for Corporations
- Business Search
- Processing Times
- Disclosure Search

Main Page

Service Options

Name Availability

Forms, Samples & Fees

Statements of Information (annual/biennial reports)

Filing Tips

Information Requests (certificates, copies & status reports)

Service of Process

FAQs

Contact Information

Resources

- Business Resources
- Tax Information
- Starting A Business

Customer Alerts

- Business Identity Theft
- Misleading Business Solicitations

Business Search - Results

Data is updated to the California Business Search on Wednesday and Saturday mornings. Results reflect work processed through Tuesday, June 4, 2013. Please refer to [Processing Times](#) for the received dates of filings currently being processed. The data provided is not a complete or certified record of an entity.

- [Select an entity name below to view additional information.](#) Results are listed alphabetically in ascending order by entity name.
- For information on checking or reserving a name, refer to [Name Availability](#).
- For information on ordering certificates, copies of documents and/or status reports or to request a more extensive search, refer to [Information Requests](#).
- For help with searching an entity name, refer to [Search Tips](#).
- For descriptions of the various fields and status types, refer to [Field Descriptions and Status Definitions](#).

Results of search for " RANCHO MURIETA 205 " returned 2 entity records.

Entity Number	Date Filed	Status	Entity Name	Agent for Service of Process
199912410039	05/04/1999	CONVERTED-OUT	RANCHO MURIETA 205 LLC	CHRISTOPHER L STEVENS
200300300010	12/31/2002	ACTIVE	RANCHO MURIETA 205, L.P.	JOHN D. REYNEN

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ASSIGNMENT AND ASSUMPTION OF REIMBURSEMENT AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION OF REIMBURSEMENT AGREEMENT ("Assignment") is made and entered into this 14 day of December, 2001, by and between WINNCREST HOMES, a California corporation ("Assignor"), and REYNEN & BARDIS DEVELOPMENT, L.L.C, a California limited liability company ("Assignee").

RECITALS

This Assignment is made with reference to the following facts and intentions of the parties:

A. Concurrently with the execution hereof, Assignor is assigning all of its right, title and interest in and to the Rancho Murieta Joint Venture, a California limited partnership.

B. Assignor is party to that certain Reimbursement and Shortfall Agreement among the Rancho Murieta Community Services District ("District") and FN Projects, Inc., executed on February 15, 1991 ("Reimbursement Agreement") as to a twenty-nine and 91/100 percent (29.19%) interest.

C. Assignor has agreed to assign to Assignee all of its right, title and interest in and to, and delegates to Assignee, all of its duties and obligations under the Reimbursement Agreement.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the parties agree as follows:

ARTICLE I.

ASSIGNMENT OF PERMITS AND WARRANTIES AND GUARANTIES

1.1 Assignment of Reimbursement Agreement. Assignor hereby assigns to Assignee all of Assignor's right, title and interest in and to the Reimbursement Agreement, including, without limitation, all reimbursements due Assignor, and delegates all of Assignee's duties and obligations thereunder.

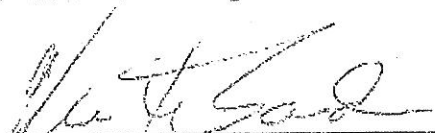
1.2 Assumption. Assignee hereby accepts the foregoing assignment of the Reimbursement Agreement and agrees to perform all of Assignee's duties and obligations thereunder accruing after the date of this Agreement.

GUARANTEE

The undersigned, as guarantors ("Guarantors"), hereby unconditionally and irrevocably guarantee the full and prompt performance to the District of all obligations of Assignee pursuant to the Reimbursement Agreement. The undersigned acknowledge and agree that, as an inducement to the District to consent to the Assignment and Assumption of Reimbursement Agreement, the Guarantors have agreed to guarantee Assignee's obligations under the Reimbursement Agreement.

Guarantors hereby expressly waive and relinquish all rights and remedies accorded by applicable law to guarantors, and agree not to assert or take advantage of any such rights or remedies. The obligations of Guarantors hereunder are independent of the obligations of Assignee. The obligations of each of the persons signing below shall be joint and several. If this Guarantee is unenforceable against any of the Guarantors, such unenforceability shall not affect the obligations of the remaining person comprising Guarantor or the enforceability of this Guarantee against such remaining Guarantors.

Dated: 12/14, 2001


CHRISTO D. BARDIS

Dated: 12/14, 2001


JOHN D. REYNEN

NEW ISSUE

NOT RATED

In the opinion of Orrick, Herrington & Sutcliffe, Bond Counsel, based on existing statutes, regulations, rulings and court decisions and assuming, among other matters, compliance with certain covenants, interest on the Bonds is excluded from gross income for Federal income tax purposes and is exempt from State of California personal income taxes. In the opinion of Bond Counsel, interest on the Bonds is not a specific preference item for purposes of Federal, individual or corporate alternative minimum taxes, although Bond Counsel observes that it is included in adjusted current earnings in calculating corporate alternative minimum taxable income. Bond Counsel expresses no opinion regarding other Federal or state income tax consequences relating to the accrual or receipt of interest on the Bonds. See "TAX EXEMPTION" herein.

\$12,925,000.00
RANCHO MURIETA COMMUNITY SERVICES DISTRICT
COMMUNITY FACILITIES DISTRICT NO. 1
SPECIAL TAX BONDS
(SACRAMENTO COUNTY, CALIFORNIA)

Dated: March 15, 1991

Due: October 1 as shown below

The Rancho Murieta Community Services District Community Facilities District No. 1 Special Tax Bonds (the "Bonds") are being issued to provide funds to pay costs of the acquisition and construction of certain public improvements (as more fully described herein, the "Facilities"), all benefiting the area within the Rancho Murieta Community Services District Community Facilities District No. 1 (the "Community Facilities District"). The Bonds are authorized pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (enacted under Resolution No. 90-31 of the Board of Directors (the "Board" or "Board of Directors") of the Rancho Murieta Community Services District (the "District") adopted September 19, 1990 as amended and restated on February 20, 1991 by Resolution No. 91-4 (the "Bond Resolution"), and are payable from the proceeds of an annual Special Tax to be levied according to the rate and method of apportionment determined by a formula approved by the Board of Directors and by the qualified landowner electors within the Community Facilities District.

The validity of the Special Tax and the issuance of Bonds has been confirmed by a judgment entered in the Superior Court of the State of California in and for the County of Sacramento. The Special Tax will be collected in the same manner and at the same time as ad valorem property taxes are collected by the Treasurer-Tax Collector of the County of Sacramento.

The Bonds are being issued as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof. Interest is payable semiannually on April 1 and October 1 of each year (commencing October 1, 1991) by check mailed to the owners registered as such as of the 15th day of the month preceding each interest payment date, except that payment to owners of \$1,000,000 or more in principal amount of the Bonds, at the owner's option, will be by wire transfer of immediately available funds according to written instructions provided by such owner to the Paying Agent. Principal of and premium, if any, on the Bonds will be payable at the corporate trust offices of Bank of America, National Trust and Savings Association, the Paying Agent, in San Francisco, California.

The Bonds are subject to redemption prior to maturity as described herein.

NEITHER THE FULL FAITH AND CREDIT NOR THE GENERAL TAXING POWER OF THE COMMUNITY FACILITIES DISTRICT, THE DISTRICT, THE COUNTY, THE STATE OF CALIFORNIA OR ANY OTHER POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS. THE BONDS ARE NOT GENERAL OBLIGATIONS OF THE DISTRICT BUT ARE LIMITED OBLIGATIONS OF THE DISTRICT AND THE COMMUNITY FACILITIES DISTRICT PAYABLE SOLELY FROM THE PROCEEDS OF THE SPECIAL TAX AUTHORIZED BY THE PROCEEDINGS.

See "SPECIAL RISK FACTORS" for a discussion of special risk factors that should be considered, in addition to the other matters set forth herein, in evaluating the investment quality of the Bonds.

MATURITY SCHEDULE

<u>Due October 1</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Due October 1</u>	<u>Amount</u>	<u>Interest Rate</u>
1993	\$220,000.00	6.50%	1999	\$330,000.00	7.70%
1994	235,000.00	6.75%	2000	360,000.00	7.80%
1995	250,000.00	7.00%	2001	385,000.00	7.90%
1996	270,000.00	7.20%	2002	415,000.00	8.00%
1997	285,000.00	7.40%	2003	450,000.00	8.10%
1998	310,000.00	7.60%	2004	485,000.00	8.20%
			2005	525,000.00	8.25%

Term Bonds due October 1, 2010: \$3,365,000.00 8.375%

Term Bonds due October 1, 2015: \$5,040,000.00 8.50%

ALL PRICES 100% (plus accrued interest, if any)

The Bonds are offered when, as and if issued and delivered to the Underwriter subject to the approval of Orrick, Herrington & Sutcliffe, San Francisco, California, Bond Counsel. Certain legal matters will be passed upon for the Underwriter by Sturgis, Ness, Brunzell & Sperry, a professional corporation, Emeryville, California. It is expected that the Bonds in definitive form shall be available for delivery in New York City, New York, on or about March 7, 1991.

MIDSTERN & COING
INVESTMENT SECURITIES

February 20, 1991

other similar factors. In addition, land development operations are subject to comprehensive, federal, state and local regulations. Approval is required from various governmental agencies in connection with the layout and the design of developments, the nature and the extent of improvements, construction activity, land use, zoning and building requirements and numerous other matters. Failure to obtain any such approval would adversely affect land development operations.

Similarly, the enactment of measures, by the initiative process or otherwise, which would prevent development, reduce the density thereof, or slow the rate at which it would be permitted to occur could similarly adversely affect land values, and, therefore, the willingness or ability of property owners to pay special taxes. The presentation of such measures to the voters through the initiative process is an increasingly common phenomenon, especially in areas in the central valley of California which are experiencing a rapid rate of growth.

For information concerning the property within the Community Facilities District, see "THE COMMUNITY FACILITIES DISTRICT -- Current Status of Development" and "THE COMMUNITY FACILITIES DISTRICT -- Property Ownership."

THE DISTRICT

General Description of Community

Rancho Murieta is a controlled access, master-planned community of approximately 3,500 acres which was approved by Sacramento County planned development ordinance in 1969. The current population of Rancho Murieta is about 3,200 residents, and the total population at build-out is projected to be about 12,800. The community's approved master plan allows for the construction of 5,189 dwelling units. However, more recent community planning activities suggest a somewhat lower ultimate number of dwelling units. The Appraiser states that this is in response to the desires of the marketplace for large homesites and the limited service capabilities of the community infrastructure, particularly relating to the supply of domestic water.

In addition to the existing residential development there are two 18 hole championship golf courses including a clubhouse and a 76 unit lodge. There is a local airport for small aircraft and a new 63,890 square foot shopping center which includes office spaces.

Rancho Murieta is about 24 miles southeast of downtown Sacramento and approximately 100 miles northeast of San Francisco. It can be reached from Sacramento via State Highway 16. Alternatively, the area can be accessed from U.S. Highway 50 and Sunrise Boulevard. U.S. Highway 50 is a major freeway corridor which extends easterly

from Sacramento toward the California Nevada state line. Sunrise Boulevard is a major traffic arterial with high local and regional identity.

Utility services available in Rancho Murieta include electricity, telephone, cable television, public water, sewerage, and storm drainage. There is no natural gas service to the community at this time. Full-time fire protection, security and ambulance services are also available within the community, and additional supporting services in these regards are nearby.

Historically, residential development in Rancho Murieta has occurred on a lot-by-lot basis, without the involvement of production homebuilders. This factor, among others, has contributed to the community's relatively slow growth rate to date. The sale of the property within the Community Facilities District to the current owners represents a change in that pattern, as they are production home builders. See "THE COMMUNITY FACILITIES DISTRICT -- Property Ownership."

Another factor which has negatively impacted the historic rate of growth of Rancho Murieta is its access relative to the central Sacramento area. State Highway 16 has proved to be a less than desirable commute route for the working residents of the community. Improvement of State Highway 16 to provide wider lanes, paved shoulders, and a less undulating and curving roadbed is presently under design by the California Department of Transportation (Caltrans). The voters of Sacramento County approved Measure A at the election of June of 1988, which approved a one-half percent sales tax for transportation improvements. One of the items specified in Measure A was the improvement of Highway 16. Design of the improvements to Highway 16 is currently underway. Caltrans currently anticipates that construction of these highway improvements would not begin before 1994-1995.

Rancho Murieta is in the Elk Grove Unified School District. In order to obtain building permits within the School District, the School Facilities fee levied by the School District pursuant to State law must be paid by the builder or property owner. That fee is currently \$1.59 per square foot of residential construction, but increases annually according to an inflation index (the fee began in 1986 at \$1.50 per square foot). In addition, Sacramento County has itself levied a school facilities developer fee within the Elk Grove Unified School District of \$1,500.00 per house. In order to secure building permits within the Community Facilities District, both fees must be paid.

Water supply has been a concern of the District for many years, and various studies have been prepared over the years reporting on the problem. In 1989, after the current drought had become very clear, the District ordered another study to determine the magnitude of the problem and the recommendation of steps to be taken to minimize

the potential for customer hardship and economic loss during future droughts. The report was prepared by Giberson and Associates, of Sacramento, California. It is dated February 9, 1990 and is entitled "RANCHO MURIETA WATER SUPPLY: Planning for Future Droughts." The Executive Summary of the Report is reproduced in Appendix F, hereto.

The Report's conclusions are that the existing water supply can serve the ultimate build-out of the District (5,968 Equivalent Dwelling Units or "EDU's") during a 25-year drought (as in 1923-1924) without any conservation measures necessary. The District will need an additional 1,900 acre feet of annual supply to endure a 100-year drought at build-out (5,968 EDU's) with a 25% conservation level, and an additional 2,500 acre feet of annual supply to survive a 200-year drought (as in 1976-1977) with a 50% conservation level.

The Report recommends that the District secure the additional 2,500 acre feet as development occurs within the District. Augmentation of the District's water supply system to serve the ultimate needs of the development could be accomplished by increased storage capacity and/or development of a conjunctive use groundwater system. The project being partially financed through the Community Facilities District does not augment the local water supply.

The District's existing water supply can presently serve 3,950 EDU's (consisting of approximately 3,500 residential Dwelling Units and approximately 450 EDU of non-residential land uses) under a 200-year drought with a 50% conservation level. The District has presently committed to provide, including both existing homes and final lots, approximately 2,000 EDU's with water service. Development within the Community Facilities District will require 1,214 EDU's, and development within Unit #6, immediately to the north of the Community Facilities District, will require an additional 110 EDU's. Total water service EDU's, therefore, even after the build-out of the Community Facilities District and Unit #6, will approximate 3,324 EDU's, well within the District's current capacity.

The District held a public hearing on July 18, 1990 to consider the adoption of a proposed Water Policy. As a result of the testimony presented during the public hearing, the District Board adopted the proposed Water Policy that set forth the 1976-77 Water Year as the Water Supply Reliability Standard for the District. Subsequent to the adoption of the Water Policy, Rancho Murieta Properties, Inc. ("RMPI") filed suit against the District seeking to invalidate the environmental determination adopted by the District with respect to California Environmental Quality Act review of the Water Policy. On the date of this Official Statement RMPI signed a Memorandum of Understanding with the District in which it agreed to dismiss the law suit.

The District adopted a Water Supply Augmentation Fee Ordinance on December 19, 1990, that establishes a water supply facilities fee of \$2,500 per EDU, which will be used to augment the District's water supply as development takes place. It is expected that this fee will generate sufficient revenue to build additional water supply facilities to meet the future water supply needs of the District.

The Water Supply Policy and the related Water Supply Augmentation Fee address the District's projected need for additional storage capacity at build-out of the development. Even with the development of all the lands within the Community Facilities District the total number of units served would not exceed the District's existing capacity to serve. In addition, all of the landowners within the Community Facilities District have executed agreements with the District to pay \$2,500 per EDU to cover their pro-rata share of the expenses of a water supply augmentation project. Such contractual obligations exist independently of the legal status of the District's Water Policy and Water Supply Augmentation Fee.

Government

Community services districts are formed pursuant to the California Community Services Law through proceedings conducted by counties. Community services districts supply limited local governmental services within unincorporated areas otherwise under the jurisdiction of the county boards of supervisors. The members of the governing boards of community services districts are elected directly and locally by the registered voters residing with the community services districts.

The District began operations in 1983 replacing El Dorado Irrigation District in providing water, sewerage, storm drainage facilities, and security services to the Rancho Murieta development, with which the District boundaries are coterminous.

The District now provides water, sewer and drainage services, security services and coordinates with the American River Fire District for fire protection. In addition to fire protection the Fire Protection District provides paramedics and operates two ambulances out of the District station.

Background

The original developer of Rancho Murieta was the Pension Trust Fund (the "Fund") of the Operating Engineers Labor Union representing operating engineers in Northern California, Nevada, Utah, Hawaii and Guam. They sought to develop the property both as an investment, and to accommodate the Operating Engineers' Training

Center which is still located in Rancho Murieta. The Fund developed Murieta Village, a mobile home subdivision south of State Highway 16 near the training center, as well as the early development north of the Highway.

About 1973 the Fund formed Rancho Murieta Properties, Inc, a California corporation ("RMPI") and transferred ownership of Rancho Murieta to RMPI. The Fund continued to own RMPI and RMPI retained the services of Ray D. Henderson & Assoc., a California corporation, to be project manager and exclusive real estate sales broker. Under the management of Ray Henderson, the first golf courses, the country club clubhouse, the airport, most of the reservoirs and much of the present day public infrastructure were constructed. The Fund financed these projects, and the land was free of debt.

Also in about 1973, the Fund put the entire project up for sale, and it remained on the market for several years, as development continued to take place.

In about 1980, Jack Anderson, an agri-businessman with operations in the Davis area and in Nevada and Arizona began to have serious negotiations with the Fund. In 1981 a definitive purchase agreement was reached. In late 1981, the Fund decided not to sell the property, and Mr. Anderson sued for specific performance of the contract. After numerous legal actions, the parties successfully negotiated an out of court settlement and the purchase was accomplished in November of 1985. He purchased all the stock and assets of RMPI paying some cash and other land as a down payment, and giving a \$28 million note and deed of trust to the Fund.

In acquiring RMPI, Mr. Anderson had acquired some public infrastructure in Rancho Murieta which had been constructed by the Fund, but not yet transferred to the District. The District conducted assessment district proceedings under the Municipal Improvement Act of 1913 to form Improvement District No. 1. \$19,000,000 in assessment district bonds were issued under the Improvement Bond Act of 1915 on October 29, 1986. Generally the developed residential properties were not included in Improvement District No. 1. The undeveloped properties in the District, specifically including the land within the Community Facilities District, (as well as some developed property owned by RMPI) were included in the assessment district. Approximately \$9,200,000 were used to purchase the infrastructure from RMPI which had been constructed by the Fund. Approximately \$5.2 million were used for new projects. In addition, the District was granted numerous public easements, water rights, and public property, and entered into an Acquisition and Services Agreement with RMPI and CBC Builders, Inc. (a subsidiary of RMPI) obligating the parties to undertake future infrastructure projects necessary to serve the development at ultimate build-out.

The first installments on the assessments under Improvement District No. 1 were to become delinquent after December 10, 1987. Although RMPI has cured or partially cured delinquencies on its properties from time to time, RMPI has never, to this date, made a timely payment of all of its assessment installment obligations under Improvement District No. 1. Under the bond authorization for Improvement District No. 1, the District has, on two occasions, instituted a number of judicial foreclosure actions against RMPI. In each case, RMPI has cured, or sufficiently cured, its delinquencies sufficient to cause the cases to be dismissed by the District.

In late 1988, FN Projects, Incorporated purchased its property within the Community Facilities District. The taxes and assessments on that property were brought current at that time and have remained so ever since.

In March of 1990, N.T. Hill, Incorporated and Winncrest Homes, Incorporated purchased their holdings in the Community Facilities District and the taxes and assessments on those properties were brought current at that time and have remained so.

In August of 1990, RMPI brought all of the tax payments on its property current and there were no special assessment delinquencies of any significance within Improvement District No. 1 at that time. Since that time, however, RMPI and its subsidiary, CBC Builders, Inc. have not made payments on their note to the Fund nor have they made the tax payments (including their assessment installments) that became delinquent following December 10, 1990. The District is undertaking steps to reinstitute foreclosure actions against RMPI in respect of its Improvement District No. 1 delinquencies. The Fund has scheduled a sale under its deed of trust for March 8, 1991. The District has been informed by RMPI that it is considering bankruptcy in response to the impending sale.

Two other owners of developable property in the North, including Unit No. 6 (described below) are not in default. The delinquency experience of the lots owned by individuals has been minimal.

Participation by RMPI in the Community Facilities District was proposed to be conditioned, by the District, on the posting of a 5-year standby letter of credit to guarantee payments of the Special Tax on behalf of RMPI. Other proposed conditions included RMPI's participation in a parks development agreement and a water supply augmentation agreement. RMPI opposed these conditions. (In the Memorandum of Understanding signed on the date of this Official Statement, and referred to earlier, RMPI has agreed to participate in the parks development agreement and the water supply augmentation agreement.) RMPI property was excluded from the Community Facilities District at the time of the public hearing, and RMPI has no interest in any property in the Community Facilities District.

Current Status of Development

The bulk of Rancho Murieta's existing housing stock is located within four units containing a total of 1,534 developable lots which are located north of Highway 16 and northwest of Murieta Parkway, the community's primary thoroughfare. To date, construction has been completed or is underway on about 70% of these lots.

Unit #6, immediately to the north of the Community Facilities District has an approved tentative map. Unit #6 will contain 110 single-family lots. Unit #6 is owned by SHF Acquisitions, Inc., a wholly-owned subsidiary of M&R Investments, Inc., which is itself a wholly-owned subsidiary of the Dunes Hotel Corporation, a publicly-traded corporation. It is believed that Jack Anderson is a significant stockholder in the Dunes Hotel Corporation. Unit #6 is not in the Community Facilities District, having elected not to participate. It was excluded from the Community Facilities District at the time of the public hearing. Unit #6 will benefit, however, from some of the Facilities being financed by the Community Facilities District, and it is expected that, in order to hook-up to the sewer and water systems, the District intends to require Unit #6 to contribute to the costs of the Facilities. It is expected that the owners of Unit #6 will resist the contribution. No part of the repayment of the Bonds is dependent upon or secured by any such contribution from Unit #6.

The parcels owned by RMPI in Rancho Murieta are still vacant land and it is not known if any immediate or near term development or subdivision activity is contemplated by RMPI. It is anticipated that, at build-out, the RMPI property will include approximately 1,634 residential units, several parks, two schools, and some commercial and light industrial development.

Property still owned by the Fund is expected to include a hotel complex.

The status of the properties within the Community Facilities District is described under "THE COMMUNITY FACILITIES DISTRICT - Current Status of Development," below.

THE COMMUNITY FACILITIES DISTRICT

The Community Facilities District consists of approximately 316 gross acres of land located in the southeastern portion of the Rancho Murieta Community. The territory of Community Facilities District No. 1 is located south of the Cosumnes River and existing development in the greater Rancho Murieta Community. It includes land owned by FN Projects, Incorporated, N.T. Hill, Incorporated,

and Winncrest Homes, Incorporated. It does not include any property owned by RMPI.

The Appraiser describes the land as follows:

"Generally, the topography of the properties appraised varies from gently rolling to sloping, and the elevated areas afford attractive views of the community, the golf course, and the surrounding countryside. The properties support a vegetative cover of native grasslands and oak woodlands. Riparian vegetation and topographical characteristics typify the areas adjoining the Cosumnes River, which constitutes the general northerly border of the project area."

Originally, substantial additional property within Rancho Murieta was intended to be included in the Community Facilities District. It is for that reason that the proposed Bond authorization was set at \$65,000,00.00. However, at the public hearing, the District Board reduced the size of the Community Facilities District to its present configuration by excluding properties owned by RMPI and others, reduced the authorized Facilities and reduced the proposed Bond authorization to \$20,000,000.00. This is the amount that was approved in the election. In adopting the Bond Resolution (prior to its amendment and restatement), the District Board authorized \$20,000,000.00 in Bonds. Following the receipt of the appraisal, the District Board, in amending and restating the Bond Resolution, further reduced the amount of authorized Bonds to \$12,925,000.00. If there were sufficient tax revenue to support them (for example if additional properties were to annex to the Community Facilities District), the District, through the Community Facilities District, could issue additional bonds up to the \$20,000,000.00 limit so long as the new bonds, as required by the Bond Resolution, were completely subordinate, in their claims to the Special Tax revenues and the proceeds of property foreclosures, to the Bonds. Such Special Tax revenues are not now present, nor does the District presently contemplate issuing any additional bonds by and through the Community Facilities District.

All of the property within the Community Facilities District is proposed to be zoned residential except for one 1/2-acre parcel for neighborhood commercial use in Special Tax Rate Area No. 5 (the value of which was not included in the Appraisal). At build-out, the Community Facilities District is expected to include 1,214 single family homes. Table 3 shows the acreage and number of proposed units for each special tax area.

Table 3

<u>Owner</u>	<u>Special Tax Area Number</u>	<u>Land Use</u>	<u>Gross Acres</u>	<u>Proposed Units</u>
FN Projects	1A	Single Family Residential	84.40	367
FN Projects	1B	Single Family Residential	65.60	253
NT Hill	2	Single Family Residential	20.45	61
NT Hill	3	Single Family Residential	47.66	213
Winncrest	4	Single Family Residential	40.40	170
Winncrest	5	Single Family Residential	<u>57.35</u>	<u>150</u>
Total			315.86	1,214

Current Status of Development

Special Tax Area 1A now has recorded final subdivision maps for 350 of its ultimate 367 lots. The streets are paved to approximately 200 of the lots. Underground utilities have been installed to approximately another 100 of the lots, and grading is proceeding on the roads to serve the remainder. The District has granted 78 water meters for homes, and those 78 homes are under construction and range from just beginning to being within approximately 3 weeks of completion. While the Appraisal assumed the completion of all of the public Facilities, the Appraisal did not evaluate nor include any of the private improvements.

Special Tax Areas 1B, 2, 3, 4 and 5 have applied for tentative subdivision maps. The environmental review process is now underway at the County. It is anticipated that the tentative maps may be obtained in mid-1991.

The Ted Robinson designed golf course which runs through much of the Community Facilities District and is directly adjacent to many of the future and present home sites within the Community Facilities District began operating in 1979. It has been used for the Senior Tour "Gold Rush" Pro-Am in conjunction with the Senior Tour Tournament conducted on Rancho Murieta's North Course, and is also used for local tournaments.

At this time, the developers have begun work on the Facilities. Approximately 25% of the Facilities are completed. The water transmission pipelines and water storage reservoir are approximately 50% designed. The storm drainage pump station and the sewer pump station are 100% complete, and start up testing has begun. The sewer force main is complete. The design has been

completed for phase two of the wastewater treatment plant. Design has not yet begun for phase three of the water treatment plant nor for the Cosumnes River Bridge. The tanker truck has been purchased for the fire department, but the pumper truck has not been purchased. The Alameda Drive water line is complete. Approximately \$4.2 million of the total \$15.8 million project costs have been expended. Costs for the planning, design and construction of the Facilities which have been and are being advanced by FN Projects and by the District will be reimbursed to the payers from the proceeds of the Bonds pursuant to a Reimbursement and Shortfall Agreement between FN Projects, Winncrest and the District.

This Reimbursement and Shortfall Agreement has three basic parts. The first provides for the reimbursement to FN Projects of the approximately \$4.2 million which FN Projects has expended on the formation of the Community Facilities District and on the Facilities themselves. The Second part requires FN Projects and Winncrest to post irrevocable security for the portion of project costs not covered by Bond proceeds -- what is referred to as the "anticipated shortfall". This amounts to more than \$6 million. In this connection, N.T. Hill was originally to have been a party to the Reimbursement and Shortfall Agreement and was to have been assigned to provide a share of that security in the amount of approximately \$1.7 million. N.T. Hill was unable to provide its share of the security within the relatively short time required. Therefore, FN Projects and NT Hill agreed that FN Projects will provide that portion of the security. N.T. Hill has agreed with FN Projects to provide substitute security within one year for that posted in its stead by FN Projects. The Reimbursement and Shortfall Agreement contemplates the assignment of that portion of the rights and obligations of the Reimbursement and Shortfall Agreement to N.T. Hill and the substitution of security in a form acceptable to the District Board. The third part of the Agreement covers unanticipated shortfalls in project costs, and provides that the Developers are responsible for them.

It is anticipated that all of the components of the Facilities to be financed with the proceeds of the Bonds will be completed within two years of Bond issuance, and that the facilities being funded directly by the developers will be completed within three years. A number of factors, such as cost overruns, inclement weather, and labor strikes, could result in delays or postponements of the acquisition and construction of certain Facilities. If the construction and acquisition of a portion of the Facilities currently anticipated to be financed with the proceeds of the Bonds is delayed or postponed, the proceeds of the Bonds could be used to finance other components included among the Facilities, at the sole discretion of the District.

Financing Plan

On July 18, 1990, the District approved the Resolution of Intention to form the Community Facilities District and instructed the firm of Economic and Planning Systems, Inc. to prepare the Rancho Murieta Community Facilities District No. 1 Financing Plan (the "Financing Plan") and such Financing Plan was subsequently prepared. The Financing Plan was approved by the District on August 28, 1990 as part of the adoption of the Resolution of Formation for the Community Facilities District.

The Financing Plan provides for the financing of, among other things, water and sewer improvements, fire equipment, bridge improvements, and other facilities as detailed in Appendix D (the "Facilities").

The Financing Plan was predicated on the assumption that the Bond proceeds would be used to finance only a portion of the Facilities. The estimated cost of the facilities is \$15,795,000. Bond proceeds are estimated to fund \$9,476,653.75 of these facilities costs which directly benefit properties in the Community Facilities District. The balance of \$6,589,842 will be funded directly by the developers of the area within the Community Facilities District (also known as Rancho Murieta South). The Facilities will provide some benefit to areas to the north of the Community Facilities District. When the owners of Rancho Murieta North develop their parcels, they will be required to reimburse the District for their share of that benefit. The District has entered into a Reimbursement Agreement with the Rancho Murieta South Developers. The financing plan discusses the facilities necessary for development of Rancho Murieta North and notes that these facilities and the reimbursement to Rancho Murieta South could be funded through a subsequent community facilities district in Rancho Murieta North.

Valuation of Community Facilities District

An Executive Summary of the Appraisal prepared by the Clark-Wolcott Company, Inc. of Sacramento, California (the "Appraiser") dated October 15, 1990, the text of which is set forth in Appendix B hereto, summarizes that firm's opinion with respect to the probable market value of the subject property located in the Community Facilities District based upon a number of general and special assumptions and limiting conditions. Investors are referred to Appendix B for a complete listing of the Special Assumptions and Limiting Conditions, and to the Appraisal itself for a complete discussion of the valuation method and data used. Subject to the assumptions and conditions set forth in the Appraisal, the Appraiser estimates a total market value, for the properties within the Community Facilities District, of \$54,154,000.00.

Although the above number represents the Appraiser's estimate of the subject property value in the Community Facilities District based upon certain assumptions, prospective purchasers of the Bonds ought not to assume that the undeveloped land in the Community Facilities District could be sold for the appraised amount at a foreclosure sale for delinquent Special Taxes. The actual value of the land in the Community Facilities District is subject to future events which might render invalid the Appraiser's basic assumption that the land within the Community Facilities District will be developed in accordance with the Developers' current business plans.

Such appraised value of \$54,154,000.00 represents the estimated valuation of the subject property in the Community Facilities District as of October 1, 1990, assuming completion of the Facilities. There is substantial residential development proposed for certain Development Parcels, some of which is already under construction, and other of which is expected to be under construction or completed within two years. The Appraisal does not include the value of any private improvements to the property within the Community Facilities District. There is no assurance, however, that the value of any particular subdivided parcel will correspondingly increase if the value of property within the Community Facilities District increases. See "SPECIAL RISK FACTORS - Land Development."

In the Appraisal, the Appraiser makes repeated reference both to the recent rapid increase in land prices -- at one point calling it "super-heated" -- and to the more recent "softening" and "deceleration" in the real estate market. The Appraiser makes reference to the recent "waiting lists and lotteries ... for housing," and the more recent "increasing of many developers' inventories." The Appraiser concludes, "Generally, however, prices [of raw land] have not receded, and strong demand remains for well-located and desirable properties."

Valuation Information by Special Tax Rate Area

The Appraiser has estimated value based on each Special Tax Rate Area. It has placed all of the property into either of two categories: (1) Individual sales of finished residential lots; or (2) Bulk sales of paper (unfinished) residential lots. Tax Rate Area 1A was placed in the first category to the extent of its recorded final maps as of the valuation date (October 1, 1990). The remainder of Tax Rate Area 1A, and all of Tax Rate Areas 1B, 2, 3, 4, and 5 were placed in the second category. In both categories the Appraiser used the "Sales Comparison Approach" as the primary method of measuring value.

The Appraiser then applied a "bulk sale discount margin" of 17% (that is it reduced the aggregate values within Tax Rate Area 1A by

17%) to accommodate its opinion that in a bulk sale of the individual lots, their aggregate price would be subject to a discount margin of that amount.

Special Tax Area 1A now has recorded final subdivision maps for 350 of its ultimate 367 lots. The streets are paved to approximately 200 of the lots. Underground utilities have been installed to approximately another 100 of the lots, and grading is proceeding on the roads to serve the remainder. The District has granted 78 water meters for homes, and those 78 homes are under construction and range from just beginning to being within approximately 3 weeks of completion. While the Appraisal assumed the completion of all of the public facilities, the Appraisal did not evaluate nor include any of the private improvements.

The Appraiser's conclusions are set forth below in Table 4, juxtaposed with certain relevant Special Tax load information, to generate the proportion of Bond debt which may be said to be carried by each Tax Rate Area.

Table 4

Tax Rate Area	Appraised Value(1)	% of Appraised Value *	Maximum Tax	% of Maximum Tax *	Bond Debt(2)
1A	\$21,968,000.00	40.6%	\$381,549.00	26.5%	\$3,425,125.00
1B	9,020,000.00	16.7%	263,030.00	18.3%	2,365,275.00
2	2,867,000.00	5.3%	81,752.00	5.7%	736,725.00
3	8,307,000.00	15.3%	285,461.00	19.8%	2,559,150.00
4	6,380,000.00	11.8%	227,833.00	15.8%	2,042,150.00
5	5,612,000.00	10.4%	201,029.00	14.0%	1,809,500.00

* Column totals do not equal 100% due to rounding.

- (1) Summation of appraised values of Taxable Land within the Community Facilities District as of October 1, 1990 based on the Appraisal Report dated October 15, 1990 prepared by Clark-Wolcott Company, Inc. For a description of the Appraisal Report, see "THE COMMUNITY FACILITIES DISTRICT -- Valuation of Community Facilities District."
- (2) Based on applying the percentage of maximum tax to the total amount of the Bonds.

It is clear from the Appraisal that the significantly higher value for Tax Rate Area 1A is due primarily to its status as subdivided land. The other Tax Rate Areas are therefore carrying a higher percentage of the debt load than they currently make up in value.

Table 4a

Tax Rate Area	Appraised Value(1)	Elk Grove U.S.D. CFD #1 (2)	Rancho Murieta CSD Imp. Dist. #1 (3)	Bond Debt(4)	Value to Debt Ratio
1A	\$21,968,000.00	\$42,293.36	\$1,702,060.62	\$ 3,425,125.00	4.25 to 1
1B	9,020,000.00	29,136.47	1,158,859.54	2,365,275.00	2.54 to 1
2	2,867,000.00	7,021.66	385,490.17	736,725.00	2.54 to 1
3	8,307,000.00	23,517.56	776,621.65	2,559,150.00	2.47 to 1
4	6,380,000.00	19,618.71	678,838.77	2,042,150.00	2.33 to 1
5	5,612,000.00	17,379.24	739,676.75	1,809,500.00	2.19 to 1
TOTAL	\$54,154,000.00	\$139,967.00	\$5,441,547.50	\$12,925,000.00	2.93 to 1

(1) From Table 4.

(2) The total figure on the Elk Grove Unified School District Community Facilities District #1 is from the Direct and Overlapping Debt Report below. It was apportioned to each of the Tax Rate Areas in proportion to unit count, which is the basis of the special tax.

(3) Remaining principal balances of assessment liens of the Rancho Murieta Community Services District Improvement District #1. (From Giberson & Associates, engineer to the District.)

(4) From Table 4.

Direct and Overlapping Debt

**Rancho Murieta Community Services District
Community Facilities District No.1
County of Sacramento**

1990-1991 Assessed Valuation: \$3,217,684

<u>DIRECT AND OVERLAPPING BONDED DEBT:</u>	<u>% Applicable</u>	<u>Debt 12/13/90</u>
Sacramento County	0.008%	\$ 302
Sacramento County Building Authorities	0.008%	8,054
Sacramento County Board of Education	0.008%	258
Sacramento-Yolo Port District	0.008%	196
Sacramento Municipal Utility District	0.009%	111
Elk Grove Unified School District (Various Issues)	0.605-0.607%	26,062
Elk Grove Unified School District Community Facilities District #1	0.605%	139,967
Rancho Murieta Community Services District Improvement District #1	31.157%	5,441,570
Rancho Murieta Community Services District Community Facilities District #1 (1)	100.000%	12,925,000
TOTAL GROSS DIRECT AND OVERLAPPING BONDED DEBT		\$18,541,520
Less: Sacramento Municipal Utility District (100% self-supporting)		111
Sacramento-Yolo Port District ('66-'72 Issues 100% self-supporting)		144
TOTAL NET DIRECT AND OVERLAPPING BONDED DEBT		\$18,541,265

(1) The Bonds

Ratios to Assessed Valuation:

Direct Debt	401.69%	<u>STATE SCHOOL BUILDING AID REPAYABLE AS OF 6/30/90:</u>	\$0
Total Gross Debt	576.24%		
Total Net Debt	576.23%		

Source: California Municipal Statistics, Inc.

APPENDIX B

EXECUTIVE SUMMARY OF THE APPRAISAL.

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Clark - Wolcott

October 15, 1990

Rancho Murieta Community Services District
P. O. Box 1050
Rancho Murieta, California 95683

Attention: Ms. Marion C. Cravens, Manager

SUBJECT: Appraisal Report
Mello-Roos Community Facilities District
Rancho Murieta South

89/96

Dear Ms. Cravens:

Pursuant to your request and authorization, we have prepared an appraisal of the fee simple interest in the above referenced property. During the preparation of the appraisal, the property was inspected and an investigation was made of the relevant market indicators and conditions.

Based on the analysis of the data obtained from the inspection and investigation, we have estimated the market value of the fee simple interest as of *October 1, 1990*. A summary of the appraisal, our conclusions, and estimates of value are described in the attached **Executive Summary**.

The report that follows sets forth in further detail the descriptive and factual data, assumptions and limiting conditions, and the analysis, findings, and conclusions that lead to and support the value estimates.

Respectfully submitted,

CLARK-WOLCOTT COMPANY, INC.

Clark-Wolcott Company, Inc.
Real Estate Analysts and Consultants

3230 Ramos Circle, Sacramento, California 95827
TEL: 916-366-3911
FAX: 916-366-3835

EXECUTIVE SUMMARY

The appraisal involves the valuation of six properties which collectively form a Mello-Roos-Community Facilities District which is located at Rancho Murieta, California. The purpose for the formation of this community facilities district is to provide additional public facilities needed for the development of the properties within the district through the sale of bonds.

The appraisal has been prepared for the use of the client, Rancho Murieta Community Services District, as an aid in the underwriting process relating to the proposed sale of the bonds. The date of valuation is *October 1, 1990*.

The properties appraised are located in the unincorporated community of Rancho Murieta, about 24 miles southeast of the central business district of the city of Sacramento. Rancho Murieta is a controlled access, master-planned community of approximately 3,500 acres which was approved by Sacramento County planned development ordinance in 1969. Historically viewed primarily as a retirement community, the bulk of Rancho Murieta is dedicated to single-family residential and open space uses. However, supporting commercial development has occurred in response to the more immediate needs of the local population. In addition to residential and related uses, the community accommodates two 18-hole championship golf courses and country club, tennis courts, a lodge, a 100-acre equestrian center, an F.A.A. approved airport, five man-made lakes, a country store and shopping center, a business park, an operating engineers' training center, a post office, and a mini-storage facility. The current population of Rancho Murieta is about 3,200 residents, and the total population at build-out is projected to be about 12,800.

Since approval of the initial planned development ordinance in 1969, numerous additional ordinances have been approved which have continued to temper the nature of the community's development as a whole. The properties appraised are designated

for single-family residential use in the master plan and generally enjoy the amenities of a golf course and/or riparian orientation.

Rancho Murieta possesses many physical and aesthetic amenities which make it a desirable location for residential and other forms of urban development. This factor, coupled with the strong demand for housing in the Sacramento area generally, have resulted in a great deal of recent investment being directed toward Rancho Murieta by production homebuilders. Prior to these more recent events, residential development in Rancho Murieta occurred on a lot-by-lot basis, without the involvement of production homebuilders.

The appraisal properties collectively form the project area which is generally bounded on the north by the Cosumnes River, on the south and west by Highway 16, and on the east by an expanse of undeveloped land. The easterly boundary of the project area also comprises a portion of the easterly boundary of the larger Rancho Murieta community. The geographic area of the project is commonly referred to as *Rancho Murieta South*.

The appraisal properties range in area from 20.45 to 84.40 net acres and are designated for single-family residential use. Density varies among the appraisal properties from 2.90 to 5.49 dwelling units per net acre. Although the bulk of the appraisal properties is comprised of undeveloped land, one of the properties has partially completed infrastructure, and the construction of homes has begun. Single-family residential use reflects the highest and best use of the appraised properties.

Generally, the topography of the properties appraised varies from gently rolling to sloping, and the elevated areas afford attractive views of the community, the golf course, and the surrounding countryside. The properties support a vegetative cover of native grasses and oak woodlands. Riparian vegetation and topographical characteristics typify the areas adjoining the Cosumnes River, which constitutes the general northerly border of the project area.

Utility services available in Rancho Murieta include electricity, telephone, cable television, public water, sewerage, and storm drainage. There is no natural gas service to the community at this time. Full-time fire protection and ambulance services are also available within the community, and additional supporting services in these regards are located nearby.

The Rancho Murieta Community Services District became operational in 1983 and has the responsibility for providing water, sewerage, storm drainage facilities, and security services to the community. Municipal improvement bonds were subsequently sold for the purposes of acquiring and expanding certain existing water and sewerage facilities necessary for the further development of the community. Continued expansion of these and other public facilities is proposed through the additional sale of bonds appurtenant to the Mello-Roos Community Facilities District which is the subject of the appraisal.

The appraisal is based upon the assumption that all public improvements which are proposed to be installed pursuant to the formation of the District are in place and available for immediate use on the date of valuation. Although five of the appraisal properties are comprised of unimproved land, a finished lot condition has been assumed for the bulk of Special Tax Rate Area No. 1A. However, the value of building improvements located on this property has not been included. The assumed condition of the appraisal properties, in concert with their highest and best use, form the basis for selecting the Sales Comparison Approach as the primary method of measuring value.

Clark - Wolcott

Incorporated

The individual market values and the aggregate retail value of the appraisal properties, as of October 1, 1990, are estimated as follows:

SPECIAL TAX RATE AREA NO. 1A	\$21,968,000
SPECIAL TAX RATE AREA NO. 1B	\$ 9,020,000
SPECIAL TAX RATE AREA NO. 2	\$ 2,867,000
SPECIAL TAX RATE AREA NO. 3	\$ 8,307,000
SPECIAL TAX RATE AREA NO. 4	\$ 6,380,000
SPECIAL TAX RATE AREA NO. 5	\$ 5,612,000
AGGREGATE RETAIL VALUE	\$54,154,000

CLARK-WOLCOTT COMPANY, INC.

By: Richard C. Wolcott
Richard C. Wolcott, MAI

Date: 10/15/90

By: Jeffrey L. Ridolfi
Jeffrey L. Ridolfi, MAI

Date: 10/15/90

SPECIAL ASSUMPTIONS AND LIMITING CONDITIONS

- This appraisal assumes that all public improvements to be constructed with bond sale proceeds are in place and are available for immediate use on the date of valuation.
- This appraisal addresses only the land value of the subject properties and certain site improvements located within Special Tax Rate Area No. 1A. The value of building improvements located on the appraisal properties has not been included.
- The appraisal is based on the assumption that tentative subdivision maps for the proposed development of Special Tax Rate Areas 1A (portion), 1B, 2, 3, 4, and 5 have been approved. Interviews with representatives of the Rancho Murieta Community Services District and the Sacramento County Planning Department indicated that map preparation and/or approvals are in process. The proposed use of the properties is consistent with the master plan for Rancho Murieta. There are no apparent negative factors, and approval of the maps is expected by or during the Summer of 1991.
- The estimates of the aggregate retail value and bulk sale value for Special Tax Rate Area No. 1A are based on the assumption that certain subdivision improvements have been completed and certain finished lots are available for sale on the effective date of the appraisal. Subdivision improvements are to be completed to Sacramento County standards and in accordance with the plans and specifications available as of the date of the appraisal.
- This appraisal reflects a summation of the individual values of properties located within a proposed community facilities district. It does not indicate the value of the district or major portions thereof if sold to a single purchaser at a bulk (discounted) sale price.

ASSUMPTIONS AND LIMITING CONDITIONS

This Appraisal Report and Valuation contained herein are expressly subject to the following assumptions and/or conditions:

1. Title to the Fee Estate Interest in the property is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. Clark-Wolcott Company, Inc., has not examined title and makes no representations relative to the condition thereof.
2. Clark-Wolcott Company, Inc., has made no survey of property boundaries, and boundaries as they appear on the ground or as represented by the client or client representative, are assumed to be correct.

Maps, sketches, photographs and other exhibits depicting the appraisal property are intended for illustrating purposes to supplement the narrative description of the properties and are not intended nor should they be construed to represent an exact survey or location of property boundaries.
3. All factual data furnished by the property owner, owner's representative, or persons designated by the owner to supply said data are accurate and correct unless otherwise specifically noted in the appraisal report. Unless otherwise specifically noted in the appraisal report, Clark-Wolcott Company, Inc., has no reason to believe that any of the data furnished contains any material error. Information and data referred to in this paragraph includes, without being limited to, lot and block numbers, Assessor's parcel numbers, land dimensions, acreage or area of the land, net farmable areas, usable areas, rent schedules, income data, historic operating expenses, budgets, and related data. Any material error in any of the above data has a substantial impact on the value reported. Thus, Clark-Wolcott Company, Inc., reserves the right to amend the value reported if made aware of any such error. Accordingly, the client-addressee should carefully review all assumptions, data, relevant calculations, and conclusions within ten days after the date of delivery of this report and should immediately notify Clark-Wolcott Company, Inc., of any questions or errors.
4. All information and data furnished by others in connection with the preparation of this report are accurate and correct, and Clark-Wolcott Company, Inc., has no reason to believe to the contrary unless such is specifically noted in the body of the report. Information included in this context refers to comparable rental and sales data, verification of factual data, and general market data.
5. No responsibility is assumed for building permits, zone changes, engineering or any other services or duty connected with legally utilizing the subject property. Unless otherwise noted in the body of the report, it is assumed that no changes in the present zoning ordinances or regulations governing use, density or shape are being considered.
6. The appraisal has been prepared on the premise that there are no encumbrances or other matters not of record prohibiting utilization of the property under the appraiser's statement of highest and best use.
7. Unless otherwise noted in the body of the report, it is assumed that there are no mineral or sub-surface rights of value involved in this appraisal and that there are no air or development rights of value that may be transferred.

8. This report may not be duplicated in whole or in part without the specific written consent of Clark-Wolcott Company, Inc., nor may this report or copies hereof be transmitted to third parties without said consent, which consent Clark-Wolcott Company, Inc., reserves the right to deny. Exempt from this restriction are duplication for the internal use of the client-addressee and/or transmission to attorneys, accountants, or advisors of the client-addressee. Also exempt from this restriction is transmission of the report to any court, governmental authority, or regulatory agency having jurisdiction over the owner of the property, provided that this report and/or its contents shall not be published, in whole or in part, in any public document without the express written consent of Clark-Wolcott Company, Inc. Finally, this report shall not be advertised to the public or otherwise used to induce a third party to purchase the property. Any third party, not covered by the exemptions herein, who may possess this report, is advised that they should rely on their own independently secured advice for any decision in connection with this property. Clark-Wolcott Company, Inc., shall have no accountability or responsibility to any such third party.
9. Unless specifically set forth in the body of the report, nothing contained herein shall be construed to represent any direct or indirect recommendation of Clark-Wolcott Company, Inc., to buy, sell, or hold the property at the value appraised. Such decisions involve substantial investment strategy questions and must be specifically addressed in consultation form.
10. The real estate market is in a state of constant flux, as is the value of the U.S. dollar. Clark-Wolcott Company, Inc., can offer no assurances that the reported value will remain stable or improve in terms of current dollars. The passage of time or changing economic conditions could result in a change in value, as could a change in the relative value of the U.S. dollar. If the client believes such has occurred, an updated valuation may be in order.
11. The appraiser shall not be required to give testimony or appear in court by reason of this appraisal with reference to the property described herein unless prior arrangements have been made.
12. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did Clark-Wolcott Company, Inc., become aware of such during the appraiser's inspection. Clark-Wolcott Company, Inc., has no knowledge of the existence of such materials on or in the property unless otherwise stated. Clark-Wolcott Company, Inc., however, is not qualified to test for the presence of such substances or conditions. If the presence of such substances, such as asbestos, ureaformaldehyde, foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them.

If questions in these areas are critical to the decision process of the reader, the advice of competent engineering or environmental consultants should be obtained and relied upon. If engineering or environmental consultants retained should report negative factors, of a material nature, relative to the condition of the property, such negative information could have a substantial negative impact on the value reported in this appraisal. Accordingly, if negative findings are reported by engineering or environmental consultants, Clark-Wolcott Company, Inc., reserves the right to amend the value reported herein.

CERTIFICATION

The undersigned do hereby certify that, except as otherwise noted in this appraisal report:

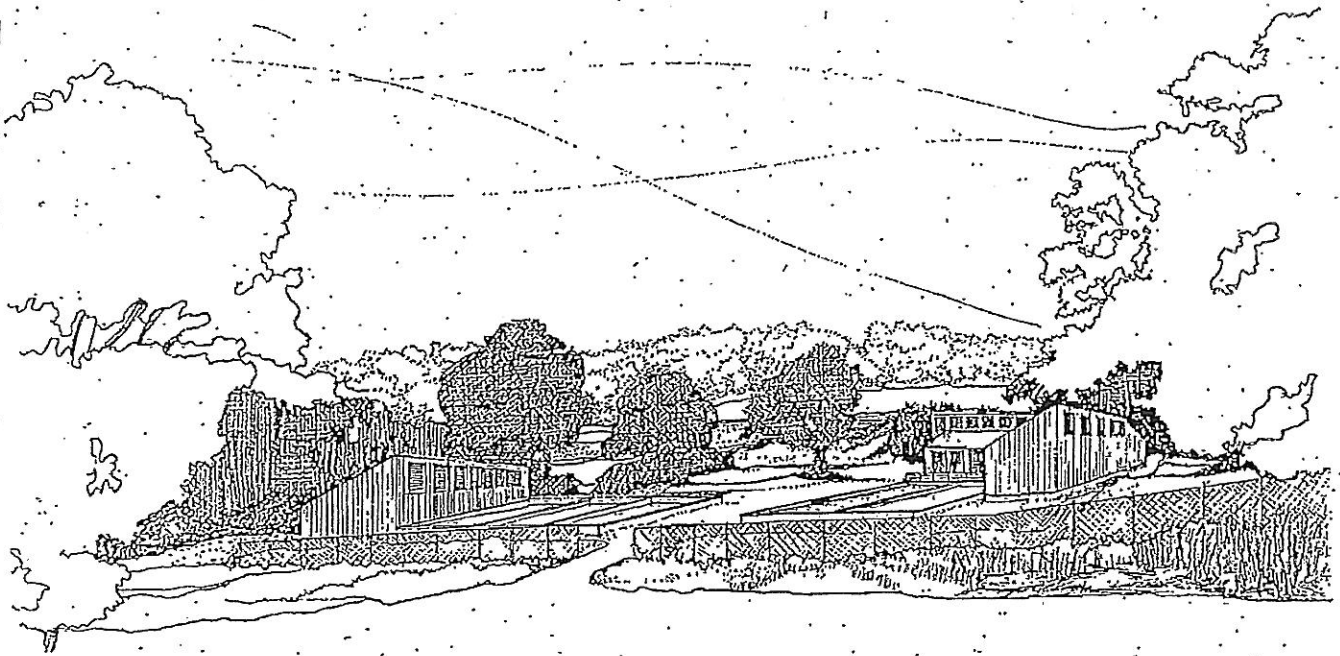
1. We have personally inspected the property which is the subject of this appraisal and which can be identified as the Mello-Roos Community Facilities District located at Rancho Murieta, California.
2. We have no present or contemplated future in the real estate that is the subject of this appraisal report.
3. We have no personal interest or bias with respect to the subject matter of this appraisal report or the parties involved.
4. The professional fee for the appraisal service rendered is dependent solely upon completion of the service evidenced by delivery of this report and is in no way contingent upon the conclusions or value estimate reported.
5. To the best of our knowledge and belief the statements of fact contained in this appraisal report, upon which the analysis, opinions and conclusions expressed herein are based, are true and correct.
6. This appraisal report sets forth all of the limiting conditions (imposed by the terms of the assignment or by the undersigned) affecting the analysis, opinions and conclusions contained in this report.
7. This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Standards of Professional Practice of the American Institute of Real Estate Appraisers of the National Association of Realtors including review by its duly authorized representatives.
8. The American Institute of Real Estate Appraisers conducts a program of continuing education for its designated members. As of the date of this report, the undersigned, Richard C. Wolcott, MAI, and Jeffrey L. Ridolfi, MAI, have completed the requirements of the continuing education program of the American Institute of Real Estate Appraisers.
9. No one other than the undersigned prepared the analysis, conclusions and opinions concerning real estate that are set forth in this appraisal report.

By: Jeffrey L. Ridolfi Date: 10/15/90
By: Richard C. Wolcott Date: 10/15/90

"B1"

**DESIGN REPORT
FOR**

**WATER TREATMENT PLANT
PHASE III**



SUBMITTED TO

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

JUNE 1991

B₂

TREATMENT PLANT SIZING

B3

WATER TREATMENT PLANT PHASE III
 DESIGN CAPACITY CALCULATIONS (Sheet 1 of 2)

Date: 31-Jul-01
 Job #: 8400242
 Filename: WTP3CAP2.

SECOND DMC

	NUMBER OF UNITS	PER UNIT AVERAGE DAILY DEMAND [Gal/day]	TOTAL AVERAGE DAILY DEMAND [Gal/day]	SUB- TOTAL [MGD]
EXISTING DEMAND				
Estate lots (North)	494	750	370500	
Unit #6	110	750	82500	
Circle lots	457	550	251350	
Cottage lots	197	500	98500	
Townhouse lots	389	350	136150	
Mobile home lots	189	200	37800	
	<u>1844</u>			
COMMERCIAL AND INDUSTRIAL	219	750	<u>164250</u>	1.14

FUTURE DEMAND

RESIDENTIAL (R.M. South)

Estate lots (> 12,000 sq. ft.)	203	750	152250
Estate lots (< 12,000 sq. ft.)	951	650	618150
Halfplex lots (1)	60	400	24000
	<u>1214</u>		

PARKS

R.M. South			16200
R.M. South - Remote			5350

RESERVE WATER SERVICE ENTITLEMENTS

From WTP Phase II (2)	256	750	<u>192000</u>	1.01
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TOTAL AVERAGE DAILY DEMAND AFTER PHASE III BUILD-OUT

2.15 MGD

B4

WATER TREATMENT PLANT PHASE III
DESIGN CAPACITY CALCULATIONS (Sheet 2 of 2)

Total average daily demand	2.15 MGD
Add system losses @ 10%	2.36 MGD
Apply daily peaking factor of 2.1	4.96 MGD
PEAK DAILY DEMAND AFTER PHASE III BUILD-OUT	4.96 MGD
Present water treatment capacity	3.50 MGD
REQUIRED CAPACITY FOR PHASE III WATER TREATMENT PLANT	1.46 MGD

References

General -- Rancho Murieta Water Supply -- Planning for Future Droughts (Feb. 1990),
Giberson & Associates.

- (1) -- Second amendment of the Acquisition & Service Agreement dated Aug. 28, 1990, page 3.
- (2) -- Original A.S.A. dated Sept. 19, 1986.

Cosumnes River Land LLC
7200 Lone Pine Drive Suite 200
Rancho Murieta, CA 95683

August 1, 2013

Ed Crouse, General Manager
Rancho Murieta Community Services District
P.O. Box 1050
Rancho Murieta, CA 95683

RE: FSA Questions

Dear Ed:

Some of these questions have been addressed and some have not. I want to recap the ones addressed so that confirmation can be made to clear up any potential misunderstanding as the District moves forward with financing the WTP upgrade and expansion.

CFD #1 Capacity Responsibility

Question 1-The CFD#1 responsibility for treatment plant capacity was stated at the 30% design meeting with HDR as 1.5 mgd. Please confirm that this is the capacity that RMSouth is responsible for constructing.

Letter of Credit Funding of WTP #3

Question 2-Everyone recognizes the crucial importance of having the WFB letter of credit as security for the faithful performance (funding) of WTP #3. In light of Dick Brandt's letter can the District assure us that the Shortfall obligations of the South Developers is protected, and is not going to be lessened by the District entering into the FSA?

Permanent Sprayfield Cost Allocation for Landowners

Question 3-Since the FSA contemplates the funding of a permanent sprayfield installation (\$1,700,000), will an allocation of the projected costs be included in a schedule of projected costs that clearly delineates the allocation to each property?

Van Vleck Sprayfield Easement Language

Question 4-At the June 28th workshop on the FSA, Gardens indicated (and stated that Retreats had concurred) that as long as the Sprayfield reimbursement language and appropriate schedule were attached, and a mechanism and timing of payment would be consistent, it seemed all parties would be in agreement that the Van Vleck Sprayfield easement could be conveyed to the District. Have those changes in the language been incorporated into the document, and if so, what is the mechanism?

Previously Constructed Infrastructure (PCI) “interest carry” and Sprayfield “interest carry”

Question 5-At the June 28th FSA workshop, the PCI figure of \$5900 was discussed. Gardens and Retreats had (at that time) agreed to a figure of \$4,136 per EDU, provided that the interest “carry” outlined in the Operating Agreement of Rancho Murieta 670 LLC was used for under-funded landowners. The alternative was that (Rancho Murieta 205 LLC’s assignee) the successor to reimbursement would reduce or forego any interest carry on the PCI.

Q5A-Did RM205’s successor agree to forego interest?

Q5B-If so, what was the adjustment to the PCI, and if it is different from the proposed compromise how was it calculated? (Total reimbursement \$/divided by number of EDU’s)

Q5C-If the assignee of 205 did not adjust the PCI reimbursement figure, how does the District agree to any number that does not consider the specific benefit for specific properties? (What is the District’s methodology for their confirmation of the calculation?)

District’s share of the Reimbursement and “carry”

Question 6-What share of the reimbursement that is owed is to be retained by the CFD?

Question 7-What uses can the CFD Board of Directors make of the CFD’s share of any reimbursement that are received by it in the future?

EPS

Question 8-In light of Dick Brandt’s letter regarding a third party disbursement agent, has the District re-examined use of EPS as ‘gatekeeper’ of the funds?

Bankruptcy-Assignment and Assumption Agreements

Question 9-Since it appears as though Rancho Murieta 205 LLC is no longer an entity, under the Reimbursement and Shortfall Agreement, another Assignment and Assumption Agreement will need to be executed by the District.

Q9B-It appears as though no one had done any due diligence as to the Assignment and Assumption required to reimburse any entity, is that true? Has the District discussed what security will be required as substitution for the guarantees of John Reynen and Chris Bardis?

R&S Agreement

Question 10-Since the FSA is only a tool for the Landowners to get conditional ‘will-serves’ and does not require any of the properties to move forward, does this mean that the District is moving forward for plant construction on the basis of the Shortfall funding?

Parties in Interest

Question 11-Is Lakeview considered to be a party to the Shortfall Agreement?

Shortfall Allocation Report

Question 12-Does the District confirm that the Shortfall Allocation schedule (Attached and Dated 11/2005) is the District's CFD #1 shortfall calculation?

[Shortfall Allocation report totals:]

Total costs to date: \$11,857,143

Total Funding from Bond Proceeds: \$9,205,158

Funding from SHF share of costs: \$181,313

Shortfall amount: \$2,470,672

Original Estimated Costs: \$15,795,000

Actual Construction Costs: \$11,857,143

There have been many questions raised during the 'vetting' of the FSA. It would be logical that preservation of the WFB letter of credit funding is job 1. Getting consensus on the PCI, is within reach. It seems as though there is some reluctance to disclose and insert the balance of the "known" costs, in a revised Exhibit H.

Thanks for looking into these questions.

Cosumnes River Land, LLC

John M. Sullivan, Manager

Email Attachment to: Les Hock --- 06-13-13 4:45 pm

Dear Les,

We received your email with the new revised reimbursement for previously constructed infrastructure in the amount of \$5900 per lot. You state that this is based on a final actual cost of \$5.15 million. Assuming we agree to use the \$5.15 million number (which seems to exclude depreciation and the fact that the District's Shortfall Allocation report shows only \$2,470,672), and divide it by the remaining 1245 benefitting lots, the reimbursement rate is \$4,136 per lot, which would be payable prior to the issuance of a building permit for each dwelling unit. In order to bring this issue to a close, we would be willing to accept a reimbursement rate of \$4,136 per lot in the FSA and will participate in the FSA at that rate along with some changes to the FSA as outline below:

1. FSA section on design is now moot because of RMCS D progress on design and funding; we understand the District will be seeking reimbursement for the Design at least partially from the Guarantors, thence the WFB letter of credit per CSD Directors instructions
2. The FSA must enable and facilitate construction of the WTP #3
3. The design size for CFD1 will be 1.46 mgd
4. Rancho Murieta 670 LLC owns the spray field easement, and the transfer to CSD is controlled by Gardens, Retreats, and Residences East. An appendix spelling out the obligation of each property that has not paid their 'fair share' as shown on the SJ Gallina work papers from 12/31/2012 will be an attachment to the FSA as well as language in the FSA that requires payments before CSD will issue sewer will serves.
5. Since all of the RM670 Members, except Riverview are members and hold the easement collectively, we intend to place a "carry" requirement on the transfer of the easement to the district. Unless Riverview pays the carry, Riverview will not have access to the sprayfield easement capacity. A solution to this would be a mutual "no carry" agreement. In exchange for RM 670 not charging Riverview carry, RM 670 members in good standing would pay no carry to the RB interests who would ultimately be due reimbursements once the WTP #3 is constructed.
6. Payment of the Sprayfield easement due from Riverview (\$643,285 without carry) shall be paid prior any issuance of will serves for sewer to the property.
7. All \$4.2 million of the letter of credit can be used for the Water Treatment Plant Construction.

It seems we can argue our points back and forth forever. However, in the end, the issue is money, and we believe we can easily compromise on these terms in that regard. We just received the updated versions of the FSA. We have not had a chance to review those documents in detail. We may have additional comments after our review.

Sincerely,

John M Sullivan

Gardens I and II

RM CSD - Substitute for Exhibit H Finance and Service Agreement							
					31.33%		
			RM CSD	RM South	Approved	Gardens I & II &	
			WTP #1	CSD #1	Map	RM North	Total
Item #	Facility Descriptions		Replacement	1.5Mil Gal	Non-CFD Prop	Properties	
1	Core Facilities		1,843,667	1,843,667	577,676	1,843,667	6,108,677
	Sales Tax (8%)		61,732	61,732	19,342	61,732	204,538
	Subtotal		1,905,399	1,905,399	597,019	1,905,399	6,313,216
	General Conditions (13%)		247,702	247,702	77,612	247,702	820,718
	Subtotal		2,153,101	2,153,101	674,631	2,153,101	7,133,934
	Contingency (25%)		538,275	538,275	168,658	538,275	1,783,483
	Total Core Facility & Filtration Membrane		2,691,376	2,691,376	843,289	2,691,376	8,917,417
2	Irrigation Easement Acquisition: Fair Share Allocation	3,097,218		1,104,829	1,303,606	688,785	3,097,220
	Irrigation Easement Acquisition: Paid to date	3,078,508		242,830	1,771,702	1,063,976	3,078,508
	Prior transfer from 670 legal deposit	100,000		35,672	42,089	22,239	100,000
	Estimated Surplus / (Shortfall) at FSA			(826,327)	510,185	397,430	81,288
							-
3	Land Owner Irrigation Facilities	1,700,000		606,418	715,522	378,060	1,700,000
	Total Van Vleck Easement & Perm Facility Surplus (Shortall)			(1,432,745)	(205,337)	19,370	(1,618,712)
	Total Obligation		2,691,376	4,124,121	1,048,626	2,672,006	10,536,129

SUBSTITUTE
EXHIBIT "H"

**Rancho Murieta CSD
Financing and Services Agreement**

**Exhibit H: All 670 Properties included
Estimated Fair Share of Eligible Facility Costs**

(1) Draft Fair Share Allocation: CSD (Fund Manager) to verify lot size and usage.
(2) Draft Improvement Cost pending actual costs varied by Fund Manager

	(1) EDU (lots)	gpd >12,000 sf lots 750	gpd <12,000 sf lots 650	gpd 1/2 Plex lots 400	Estimated Capacity gpd	Water Pro rata Share (based on gpd)	Sewer Pro rata Share (based on EDU)
New Development:							
Riverview (PCCP)	140	40	100	0	95,000	21.93%	20.90%
Residences of Murieta Hills East (PCCP)	99	49	50	0	69,250	15.99%	14.78%
Residences of Murieta Hills West (BBC)	99	49	50	0	69,250	15.99%	14.78%
Lakeview (Village)	99	49	50	0	69,250	15.99%	14.78%
Murieta Retreats (CK Homes)	84	0	0	84	33,600	7.76%	12.54%
Murieta Gardens (Regency) - MDR	99	0	99	0	64,350	14.85%	14.78%
Murieta Gardens (Regency) - Comc'l	50	0	50	0	32,500	7.50%	7.46%
Sub-total:	670				433,200	100.00%	100.00%

Property Owners Design Capacity: 1,000,692 (433,200x1.1 syst.loss x2.1 peaking factor).

RMCS D							
Existing Plant Capacity (1.5 MGD)	900				1,500,000		
Proposed Public Connections	50				86,625	(750 gpd/EDUx1.1 syst.loss x2.1 peaking factor).	
Total WTP Shared Capacity:	1620				2,587,317		
RM205, LLC Borrowed Capacity + Escuela	65 (footnote)				112,613	(750 gpd/EDUx1.1 syst.loss x2.1 peaking factor).	
Ultimate WTP Design Capacity:	1685				2,699,930	gpd	

Item	Facility Description	Estimated Cost (2)	Riverview	Residences East	Residences West	Lakeview	Retreats	Gardens MDR	Gardens Comc'l	Total
1	Estimated Water Treatment Plant Design & Constr	\$6,500,000								
	District WTP Initial Funding	(\$1,500,000)								
	Estimated Prop Owner Shared Cost:	\$5,000,000	\$1,096,491	\$799,284	\$799,284	\$799,284	\$387,812	\$742,729	\$375,115	\$5,000,000
	Future District WTP Reimbursement per Project	(\$1,500,000)	(\$328,947)	(\$239,785)	(\$239,785)	(\$239,785)	(\$116,343)	(\$222,819)	(\$112,535)	(\$1,500,000)
	Estimated Net Prop Owner Funding per Project:		\$767,544	\$559,499	\$559,499	\$559,499	\$271,468	\$519,910	\$262,581	\$3,500,000
2	Irrigation Easement Acquisition; Fair share allocation	\$3,097,218	\$647,180	\$457,649	\$457,649	\$457,649	\$388,308	\$457,649	\$231,136	\$3,097,218
	Irrigation Easement Acquisition; paid to date(1)	\$2,997,218	\$0	\$697,606	\$476,271	\$242,830	\$529,805	\$698,120	\$352,586	\$2,997,218
	Prior transfer from 670 legal deposit	\$100,000	\$20,896	\$14,776	\$14,776	\$14,776	\$12,537	\$14,776	\$7,463	\$100,000
	Estimated surplus / (shortfall) at FSA		(\$626,284)	\$254,733	\$33,398	(\$200,043)	\$154,034	\$255,248	\$128,913	\$0
3	Landowner Irrigation Facilities	\$1,750,000	\$365,672	\$258,582	\$258,582	\$258,582	\$219,403	\$258,582	\$130,597	\$1,750,000
4	District Irrigation Facilities	\$2,100,000	\$438,806	\$310,299	\$310,299	\$310,299	\$263,284	\$310,299	\$156,716	\$2,100,000
	Future District Irrigation Reimbursement per Project		(\$438,806)	(\$310,299)	(\$310,299)	(\$310,299)	(\$263,284)	(\$310,299)	(\$156,716)	(\$2,100,000)
	(If Advance funded by Property Owner(s))									
	Estimated Prop Owner Obligation (gross):	\$11,947,218	\$2,548,149	\$1,825,814	\$1,825,814	\$1,825,814	\$1,258,806	\$1,769,258	\$893,565	\$11,947,218
	Estimated Prop Owner Obligation (Net):	\$8,347,218	\$1,780,395	\$1,275,730	\$1,275,730	\$1,275,730	\$879,179	\$1,236,141	\$624,313	\$8,347,218
	Estimated District Obligation:	\$5,100,000								

EDU of WT Plant Capacity will be added to the design to cover South borrowed capacity & Escuela School obligation
This added capacity is a cost obligation of RM 205 LLC, and is not included in the New Development Shared cost;

Shortfall Allocation

Rancho Murieta Community Services District
Community Facilities District #1

Month Ending : November 2005

Date: 10-Jul-13

FACILITY	ESTIMATED COST	CFD %	Dev %	Total %	Facility Status		Bond Funding	SHF Share	Total Funding	Shortfall Amount	Allocation of Expected Shortfall (1)													
					% complete	Cost to Date					FN-1 %	FN-2 %	Winn %	Regency %	Warmington %	Woodside %	Cassano %							
100. WATER TRANSMISSION PIPELINE	\$2,350,000	46.66	53.34	100.00	99%	\$1,972,022	\$1,096,426	\$83,368	\$1,179,794	(\$792,228)														
200. WATER STORAGE RESERVOIR	\$2,600,000	36.17	63.83	100.00	100%	\$2,304,229	\$940,525	\$75,526	\$1,016,051	(\$1,288,178)														
300. DRAINAGE PUMP STATION	\$1,805,000	100.00	0.00	100.00	100%	\$1,784,907	\$1,805,000	\$0	\$1,805,000	\$20,093														
400. SEWER PUMP STATION	\$560,000	100.00	0.00	100.00	100%	\$547,097	\$560,000	\$0	\$560,000	\$12,903														
500. SEWER FORCE MAIN	\$150,000	100.00	0.00	100.00	100%	\$105,140	\$150,000	\$0	\$150,000	\$44,860														
600. WASTEWATER TREATMENT PLANT PLANT (PH II)	\$3,025,000	37.40	62.60	100.00	100%	\$2,887,688	\$1,131,346	\$0	\$1,131,346	(\$1,756,342)														
700. WATER TREATMENT PLANT (PH III)																								
701. SITE IMPROVEMENTS	\$1,355,000	23.20	76.80	100.00	17%	\$216,520	\$314,426	\$0	\$314,426	\$97,906														
702. TREATMENT PLANT	\$2,945,000	97.62	2.38	100.00	21%	\$1,085,620	\$2,874,769	\$0	\$2,874,769	\$1,789,149														
800. COSUMNES RIVER BRIDGE	\$770,000	18.09	81.91	100.00	100%	\$717,700	\$139,269	\$11,762	\$151,031	(\$566,670)														
900. FIRE EQUIPMENT	\$135,000	90.66	9.34	100.00	100%	\$129,730	\$122,397	\$10,657	\$133,054	\$3,324														
1000. WATER TRANSMISSION PIPELINE (ALAMEDA DR.)	\$100,000	71.00	29.00	100.00	100%	\$106,489	\$71,000	\$0	\$71,000	(\$35,489)														
									subtotal	(2,470,672)														
TOTAL	\$15,795,000					\$11,857,143	\$9,205,158	\$181,313	\$9,386,471	(2,470,672)														
						Allocations Prior to 6/30/2005				(2,449,513)	\$1,089,475	44.48%	\$627,358	25.61%	\$732,681	29.91%								
						Allocations, 7/1/2005 to Present				(21,159)	\$1,882	8.90%	\$1,084	5.12%	\$1,266	5.98%	\$4,232	20.00%	\$4,232	20.00%	\$4,232	20.00%	\$4,232	20.00%
						Demand Amount																		
						Total Shortfall Allocation to Date				181,313.26	1,091,357.18		628,441.40		733,946.38		4,231.79		4,231.79		4,231.79		4,231.79	
						Less Previous Shortfall Demands				(181,313.26)	(1,091,357.18)		(628,441.40)		(733,946.38)		(4,231.79)		(4,231.79)		(4,231.79)		(4,231.79)	
						Shortfall Demand This Period				0.00	0.00		0.00		0.00		0.00		0.00		0.00		0.00	

Footnote:
1. Negative amounts indicate that no demand on letter of credits is appropriate
2. SHF Acquisitions, Inc. share :

	Amount
100. WATER TRANSMISSION PIPELINE	\$99,347
200. WATER STORAGE RESERVOIR	\$85,221
800. COSUMNES RIVER BRIDGE	\$12,619
900. FIRE EQUIPMENT	\$11,090
Total	\$208,277

SHORTFALL ALLOCATION

MEMORANDUM

Date: August 13, 2013
To: Board of Directors
From: Personnel Committee Staff
Subject: Adopt District Policy 2013-04, Use of Personal Electronic Communication Devices During District Meetings

RECOMMENDED ACTION

Adopt District Policy 2013-04, Use of Personal Electronic Communication Devices During District Meetings.

BACKGROUND

At the June 19, 2013 District Board meeting, Director Belton requested staff develop a policy regarding use of personal electronic communication devices during District meetings. Attached is the Draft Policy for your review. District's legal counsel has reviewed the Policy.

The Personnel Committee recommends adoption.

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Category:	Personnel	Policy # 2013-04
Title:	Use of Personal Electronic Communication Devices During District Meetings	

PURPOSE

The purpose of this policy is to outline the use of personal electronic communication devices by Board members, staff, the public, and the media during District meetings.

POLICY

Board Members and Staff

District Board members and staff will refrain from using personal electronic communication devices during District meetings. Electronic communication devices means, but is not limited to, cell phones, camera phones, pagers, beepers, smart phones, iPods, iPads, or other similar electronic communication/recording devices. Board members and staff will not use these devices during meetings to communicate with members of the public regarding official District business, agenda items, or other Board matters that are properly discussed publicly during Board meetings.

Board members who are “on call” for their job or who may receive a call for emergency purposes should notify the Board President before the meeting and arrange to take the call so as to disrupt the meeting in the most minimal manner possible.

This policy is not meant to prohibit Board members and staff from using computers or similar devices during a meeting, provided such use is limited to purposes of the meeting only.

Personal electronic communication devices of any kind will not be permitted to be used during executive (closed) sessions.

Public and Media

All persons present at District meetings will place their cellular devices in silent and/or vibrate mode (no ringing of any kind). During meetings, these devices will be used only for emergency purposes and, if used, the party called/calling will exit the meeting room for conversation. Other electronic and internet enabled devices are to be used in the “silent” mode. Under no circumstances will recording devices or problems associated with them be permitted to interrupt or delay District meetings.

Approved by Rancho Murieta Community Services District’s Board of Directors	
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MEMORANDUM

Date: August 13, 2013
To: Board of Directors
From: Personnel Committee Staff
Subject: Approve Assistant General Manager Job Description

RECOMMENDED ACTION

Approve the Assistant General Manager Job Description and salary range.

BACKGROUND

Attached is a draft of the proposed job description for a new Assistant General Manager (AGM) position. The duties of the new AGM are to generally support me as well as assume more internal oversight of the various departments and supervision of the department heads. Similarly, the AGM will assume more duties involving community groups and organizations as well as outside water and wastewater organizations. The goal for the AGM is to gain insight and knowledge of the District and its operations, both internally and externally, so that in time the AGM can move into the General Manager position, if approved by the Board.

The salary for the AGM position is midway between the Director of Administration and General Manager positions, which is \$9,809 - \$12,948 a month.

The Personnel Committee recommends adoption.

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

ASSISTANT GENERAL MANAGER

DEPARTMENT: ADMINISTRATION

FLSA OVERTIME STATUS: EXEMPT

BARGAINING UNIT: N/A

APPROVED BY BOARD OF DIRECTORS -

SUMMARY: Under general guidance of the General Manager, the Assistant General Manager assists the General Manager in the administrative, legal, financial, operations, public relations, human resources and general affairs of the District.

Plan, organize, direct and review the activities and operations of District departments including the administration of various District programs; to assist the General Manager with the development and maintenance of relationships with various organizations at the Federal, State and local level; to coordinate assigned activities with outside agencies and community organizations; to provide highly responsible and complex administrative support to the General Manager; and to serve in the absence of the General Manager, as assigned.

SUPERVISION: Receives administrative direction from the General Manager and exercises direct supervision over management, supervisory and professional personnel.

ESSENTIAL DUTIES AND RESPONSIBILITIES: The following duties are typical for this classification. Depending upon the assignment, the employee may not perform all of the listed duties and/or may be required to perform additional or different duties from those set forth below to address business needs and changing business practices.

- Assists the General Manager, as directed, with all aspects of the District's policies, procedures, programs and operations; assumes the duties and responsibilities of the General Manager in his/her absence.
- Provides oversight for the day-to-day operations of the District and staff interaction.
- Provides general oversight to the preparation and implementation of the long-term Capital Improvement Plan (CIP).
- Responds to emergency situations, public inquiries regarding the District and difficult customer complaints.
- Maintains continuous awareness of administrative practices and recommends changes that increase the efficiency and economy of the District operations.
- Confer with residents, rate payers, businesses, and other individuals, groups

and outside agencies having an interest or potential interest in the affairs of the District.

- Represent the District to outside groups and organizations; participate in outside community and professional groups and committees; provide technical assistance as necessary.

QUALIFICATION REQUIREMENTS: To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Knowledge of: principles, practices and techniques of public administration; principles and practices of organization, administration and personnel management; principles and practices of public administration and finance, including administrative analysis, budget development and fiscal controls, capital improvement fiscal planning, and policy and program development; effective community relations practices; laws, rules, ordinances, regulations, codes and legislative processes applicable to District programs and operations; organization and operations of special districts. Have the ability to represent the District at functions with the public and other governmental agencies. Exercise leadership authority and supervision tactfully and effectively. Provide advice and consultation to the Board of Directors and General Manager on the development of ordinances, regulations, programs and policies. Establish and maintain cooperative working relationships with Board of Directors, General Manager, staff, outside agencies, and the public. Possess excellent written and verbal skills including the ability to make clear, concise and convincing presentations.

SUPERVISORY RESPONSIBILITIES: Plan, direct and control the administration and operations of assigned functions. On a continuous basis, analyze budget and technical reports; interpret and evaluate staff reports and related documents; know and interpret laws, regulations, codes and procedures; observe performance and evaluate staff; problem solve division and/or department related issues; explain and interpret policy. Supervise, train, and evaluate assigned personnel. Gain cooperation through discussion and persuasion. Analyze problems, identify alternative solutions, project consequences of proposed actions and implement recommendations in support of goals. Interpret and apply District, State, and Federal policies, procedures, rules and regulations.

EDUCATION AND/OR EXPERIENCE: Any combination of education, experience and training that has led to the acquisition of the knowledge, skills, and abilities as indicated above is qualifying. A typical way to obtain the required knowledge and abilities would be:

Education: A Bachelor's Degree from an accredited college or university with major course work in public or business administration, engineering, or a closely related field.

Experience: Five to seven years of progressively responsible experience in a municipal or

special district organization involving the responsibility for planning, organizing, implementing, and supervising varied work programs; including three years of administrative and management responsibility.

LICENSE AND/OR CERTIFICATES: Possession of, or the ability to obtain, the category of a current California Driver's license required by the State Department of Motor Vehicles to perform the essential duties of the position. Continued maintenance of a valid driver's license, insurability, and compliance with established District vehicle operation standards are a condition of continuing employment.

PHYSICAL DEMANDS: The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is regularly required to sit and talk or hear. The employee is occasionally required to stand; walk; and stoop, kneel, or crouch.

Specific vision abilities required by this job include close vision, distance vision, peripheral vision, depth perception, and the ability to adjust focus.

WORK ENVIRONMENT: The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

The noise level in the work environment is usually quiet.



SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

1112 I Street, Suite 100 • Sacramento, CA 95814 • (916) 874-6458 • Fax (916) 874-2939

www.saclafco.org

DATE: August 1, 2013

TO: Independent Special Districts

FROM: Peter Brundage, Executive Officer
Sacramento Local Agency Formation Commission

RE: **Sacramento LAFCo Nominations for Special District Representation**
Election for: Special District Commissioner Office No. 7, and
Alternate Special District Commissioner for Offices No. 6 & 7

Pursuant to the provisions of Cortese-Knox-Hertzberg (CKH), Section 56332 of the Government Code, the Executive Officer has determined that a meeting of the Special District Selection Committee is not feasible for the purpose of selecting a Special District Commissioner [Office No. 7] and Alternate Special District Commissioner [Office No. 6 & 7] to serve on the Sacramento Local Agency Formation Commission. Based on past experience, due to the size of the Special District Selection Committee, it has been difficult to establish a quorum. Therefore, the business of the Special District Selection Committee will be conducted in writing, as provided in the cited section code.

The Sacramento Local Agency Formation Commission meets on the first Wednesday of the month at 5:30 P.M., Board Chambers, County Administration Center, 700 H Street, Sacramento, California. The Commission meeting is on recess January and July.

SPECIAL DISTRICT COMMISSIONER (Office No. 7)

This office is currently held by Gay Jones and will expire on the 31st day of December, 2013. The term of this office is four years.

ALTERNATE SPECIAL DISTRICT COMMISSIONER (for Office No. 6 & 7)

This office is currently held by Jerry Fox and will expire on the 31st day of December, 2013. The term of this office is four years.

Please be advised that nominations for the Offices listed above will be accepted starting August 1, 2013 until **September 16, 2013 at 4:00 P.M.** (47 days). You are invited to submit nominations **IN WRITING** to this office. Nominations not received by 4:00 P.M. on September 16, 2013, will be disregarded and returned to your district.

To be valid, a nomination must be made by a majority vote of the governing board of an Independent Special District in an official meeting of that board and certified by the Secretary or Clerk of the Board. A nominee must be an elected or appointed Independent Special District Officer residing within the County of Sacramento but shall not be members of the legislative body of a city or county [(CKH Section 56332 (d)).

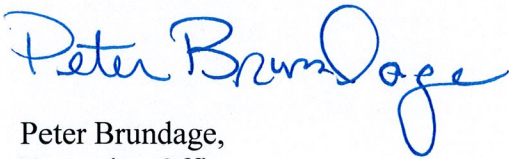


At the end of the nominating period, the Executive Officer will prepare and send by certified mail, to each Independent Special District, one ballot listing candidates and voting instructions. The ballot will include the names of all nominees submitted for Office No. 7 and Alternate for Office No. 6 & 7. The districts must return the ballots to the Executive Officer by the date specified in the voting instructions, which date will be at least 30 days from the date on which the Executive Officer mailed the ballots to the districts. Any ballot received by the Executive Officer after the specified date shall not be valid. The candidate who receives the most votes will be determined the winner outright. In the event of a tie, there will be a run-off election held in the same format as the initial election. The Executive Officer will announce the results of the election within seven days of the specified date.

If you have questions regarding the election procedure, please contact LAFCo Commission Clerk, Diane Thorpe, at (916) 874-6458.

Very truly yours,

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION



Peter Brundage,
Executive Officer

cc: LAFCo Commissioners



CONFERENCE/EDUCATION SCHEDULE

Date: August 14, 2013
To: Board of Directors
From: Suzanne Lindenfeld, District Secretary
Subject: Review Upcoming Conference/Education Opportunities

This report is prepared in order to notify Directors of upcoming educational opportunities. Directors interested in attending specific events or conferences should contact me to confirm attendance for reservation purposes. The Board will discuss any requests from Board members desiring to attend upcoming conferences and approve those requests as deemed appropriate.

Board members must provide brief reports on meetings that they have attended at the District's expense. (AB 1234).

The upcoming conferences/educational opportunities include the following:

CALIFORNIA SPECIAL DISTRICT ASSOCIATION (CSDA)

CSDA Annual Conference	September 16 – 19, 2013	Monterey
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GOLDEN STATE RISK MANAGEMENT ASSOCIATION (GSRMA)

GSRMA Annual Training Day	October 24, 2013	Rolling Hills Resort Corning, CA
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SPECIAL DISTRICT AND LOCAL GOVERNMENT INSTITUTE (SDI)

No Information Currently Available on Upcoming Conferences.

ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA)

No Information Currently Available on Upcoming Conferences.

WATEREUSE ASSOCIATION

No Information Currently Available on Upcoming Conferences.

AMERICAN WATER WORKS ASSOCIATION (AWWA)

No Information Currently Available on Upcoming Conferences.

ISC WEST

No Information Currently Available on Upcoming Conferences.

CALIFORNIA RURAL WATER ASSOCIATION

No Information Currently Available on Upcoming Conferences.