



RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Board of Directors Regular Meeting

MINUTES

January 21, 2015

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

1. CALL TO ORDER/ROLL CALL

President Gerald Pasek called the regular meeting of the Board of Directors of Rancho Murieta Community Services District to order at 4:02 p.m. in the District meeting room, 15160 Jackson Road, Rancho Murieta. Directors present were Gerald Pasek, Betty Ferraro, Paul Gumbinger, and Michael Martel. Also present were Darlene J. Gillum, General Manager; Greg Remson, Security Chief; Paul Siebensohn, Director of Field Operations; Suzanne Lindenfeld, District Secretary; and Richard Shanahan, General Counsel.

Director Mark Pecotich arrived at 4:03 p.m.

2. ADOPT AGENDA

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

3. SPECIAL ANNOUNCEMENTS AND ACTIVITIES

None.

4. BOARD ADJOURNED TO CLOSED SESSION AT 4:03 P.M. TO DISCUSS THE FOLLOWING ITEMS:

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

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

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

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

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

6. COMMENTS FROM THE PUBLIC

David Fields commented on an article on Ranchomureita.com a few months ago that included responses from Joseph Blake regarding the CFD 2014-1 and his concerns regarding the amount of money that the District has spent towards the Water Treatment Plant Expansion Project while

Rancho North/Murieta Gardens has not paid any money towards the project. Mr. Fields asked how much the District has spent to date. Darlene stated that the District has spent about \$1 million and that the bonds sold today so the District will be receiving payment next week. Mr. Fields commented on the community feeling that the District Board is "owned" by John Sullivan. Director Pecotich commented on the need to get the correct information out to the community regarding CFD #2014-1.

Phil Neff commented on his concern with the drainage ditches and when full build out occurs, there will not be any water to put in them.

Sherri, Rancho Murieta Women's Club representative, commented on her concern that if the District does not continue to send out the quarterly notices for their blood donation drives for them, they will not be able to notify the residents. The Blood Source and Rancho Murieta Women's Club are non-profit groups. The next blood drive is Monday, January 26, 2015 from noon to 6:00 p.m.

7. CONSENT CALENDAR

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

8. STAFF REPORTS

Under Agenda Item 8b, President Pasek commented on the \$6.00 increase in the rates that occurred in December 2014. This increase was supposed to have begun July 1, 2014.

Under Agenda Item 8d, President Pasek commented on the average use of water being 250 gallons per day, per connection and wastewater back is 198 gallons per day, per connection.

9. CORRESPONDENCE

None.

10. RECEIVE PRESENTATION ON THE MASTER RECLAMATION PERMIT BY PAUL SIEBENSOHN

Paul Siebensohn gave a brief PowerPoint presentation regarding the District's new Master Reclamation Permit (Permit). The Waste Discharge Requirements (WDRs) and Master Reclamation Permit were approved by the Regional Board on December 4, 2014. This permit allows the District to dispose of the recycled water without having to receive prior authorization from the Regional Board. The District will be developing policies and procedures regarding this process along with the billing rates for recycled water use. A question and answer period followed.

John Sullivan commented on his feeling that the District needs to hold a workshop regarding the 2008 agreement and address how Rancho Murrieta Country Club (RMCC) and the outlining ranches use the water along with the various options available to the District.

Phil Neff commented on how he feels RMCC should become a community course.

The Board took a break at 6:12 p.m. and reconvened at 6:15 p.m.

11. CONSIDER APPROVAL OF DISTRICT APPOINTMENTS

District Treasurer

Darlene Gillum gave a brief summary of the recommendation to appoint herself as District Treasurer and as Regional Water Authority Board representative. Government Code requires the appointment of a Finance Officer. Various documents, including contracts and agreements, require the signature of the District Finance Officer. As stated in her employment contract, the District needs to formally appoint her as the District Treasurer.

Regional Water Authority Board Member Representative

Since Joseph Blake is no longer with the District, the District needs to appoint Darlene Gillum to replace Joe as the District's Board Representative on the Regional Water Authority Board.

Director Gumbinger commented on some Board members having discussed a Director being appointed as District Treasurer. Director Martel stated he was the one who suggested it but, aside from it being in her employment contract, he has total confidence in Darlene.

Motion/Martel to appoint Darlene Gillum as District Treasurer and as the Regional Water Authority Board member representative. **Second/Gumbinger. Roll Call Vote: Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

12. CONSIDER ADOPTION OF DISTRICT POLICY 2015-01 NON -DISTRICT SPONSORED ADVERTISING

Darlene Gillum gave a brief summary of the recommendation to adopt District Policy 2015-01 regarding non-district sponsored advertising.

President Pasek commented on advertising for community service events. Richard Shanahan, District General Counsel, commented that the District cannot legally regulate the content of any advertising and suggested the Board consider limiting advertising only to local non-profit corporations. By consensus, the Board agreed to continue this item to the February 18, 2015 regular Board meeting so staff and General Counsel can modify the policy.

13. CONSIDER ADOPTION OF DISTRICT POLICY 2015-02 DISTRICT EYE PROTECTION POLICY

Darlene Gillum gave a brief summary of the recommendation to adopt District Policy 2015-02 regarding reimbursing District employees required to purchase prescription eyewear \$125.00 once every two (2) years. Employees who do not need prescription protective eyewear shall be supplied non-prescription safety glasses by the District when required for safety reasons.

Motion/Ferraro to adopt District Policy 2015-02, Vision Care Reimbursement Policy. **Second/Martel. Roll Call Vote: Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

14. CONSIDER AMENDING DISTRICT POLICY 2013-04, USE OF PERSONAL ELECTRONIC COMMUNICATION DEVICES DURING DISTRICT MEETINGS

Darlene Gillum gave a brief summary of the recommendation to adopt District Policy 2015-03, Use of Personal Electronic Devices During District Meetings. This policy supersedes District Policy 2013-04.

Motion/Pecotich to adopt District Policy 2015-03, Use of Personal Electronic Devices During District Meetings. This policy supersedes District Policy 2013-04. **Second/Ferraro. Roll Call Vote: Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

15. CONSIDER ADOPTION OF DISTRICT RESOLUTION 2015-01, ACCEPTING EASEMENT RIGHTS

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

Motion/Gumbinger to adopt District Resolution 2015-01, Accepting Easement Rights. **Second/Ferraro. Roll Call Vote: Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

16. RATIFICATION OF QUITCLAIM DEED RELINQUISHING INTERESTS UNDER 1994 AGREEMENT RESPECTING GROUNDWATER

Darlene Gillum gave a brief summary of the recommendation to ratify quitclaim deed relinquishing interests under 1994 agreement respecting groundwater. Former General Manager Joe Blake approved, signed and authorized the recording of a quitclaim deed to the current owner. This deed should have been approved by the Board of Directors.

Motion/Gumbinger to ratify the approval and recording of the Quitclaim Deed dated August 29, 2014 relinquishing the District's interests under the January 24, 1994 Agreement Between Rancho Murieta Community Services District and The Andersons Respecting Groundwater Development. **Second/Ferraro. Roll Call Vote: Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

17. CONSIDER ADOPTION OF DISTRICT RESOLUTION 2015-02, ADOPTING POLICIES AND GUIDELINES REGARDING POST-ISSUANCE COMPLIANCE WITH FEDERAL DISCLOSURE AND TAX REQUIREMENTS AND APPLICABLE TO TAX-EXEMPT BONDS

Darlene Gillum gave a brief summary of the recommendation to adopt Resolution 2015-02. This resolution, relating to CFD #2014-1, establishes policies and guidelines of the District regarding compliance with certain federal disclosure and tax requirements applicable to the Issuer's bonds, certificates of participation, and other obligations the interest on which is excluded from gross income for federal income tax purposes. These Policies and Guidelines relate to requirements that must be met after the issuance of Tax-Exempt Bonds in order to maintain the tax exclusion and to comply with requirements regarding disclosure to the secondary bond market.

Motion/Gumbinger to adopt District Resolution 2015-02, a Resolution of the Board of Directors of the Rancho Murieta Community Services District adopting policies and guidelines regarding post-issuance compliance with Federal disclosure and tax requirements applicable to tax-exempt bonds. **Second/Martel. Roll Call Vote: Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

18. CONSIDER APPROVAL OF HARDIEBACKER SIDING FOR THE WATER TREATMENT PLANT EXPANSION PROJECT ALTERNATIVE #1

Paul Siebensohn gave a brief summary of the recommendation to approve the cost for HardieBacker siding for Water Treatment Plant Expansion Alternate #1. HardieBacker has an estimated 50 year life with a 50 year limited warranty, fire resistance, and weather resistance,

with a long maintenance-free life. Cedar siding has a lower cost but has an estimated life of only 20 years with painting every 5 years.

Motion/Pecotich to approve cost for HardieBacker siding for Water Treatment Plant Expansion Alternate #1, in an amount not to exceed \$91,466. Funding to come from Water Capital Replacement Reserves. **Second/Ferraro. Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

19. DISCUSS NEW NORTH GATE

a. Consider Approval of Additional Costs for Gate Arm/Operator Installation

Chief Remson gave a brief summary of the recommendation to approve the additional costs related to the installation of the new North Gate equipment-gate operators, barcode readers and intercoms.

On January 20, 2015 we received a revised invoice from Diede Construction regarding this work that included the prime contractor fee and insurance costs, which were inadvertently omitted from the previous invoice, which brings the total for the work to \$3,853.00.

The installation of concrete foundations that will contain the electrical conduit listed above and where the gate operators, barcode readers, and intercoms are attached to the curb areas is \$7,893.00. However, Greg Vorster has agreed to complete this work for \$3,700, with a savings to the District of \$4,193.00.

The majority of this work has been completed. Additionally, the electrical conduit sweeps and foundation in the unfinished Lago Drive area and the Murieta Parkway left turn lane are included in the above listed costs. There may be additional costs for survey and stake work. Those costs are unknown at this time.

Director Gumbinger commented on his concern as to why the District was notified so late of the additional costs. John Sullivan stated that in the final plans, these items were not identified.

Director Martel stated that he spoke with Rancho Murieta Association (RMA) regarding this issue and does not agree with it, Director Martel feels RMA owes the District money.

Director Pecotich suggested that Darlene Gillum and Chief Remson meet with Greg Vorster, Rod Hart and the contractor to go over everything and get an idea of any additional costs that will be billed to the District.

Motion/Martel to approve the additional costs related to the installation of the new North Gate equipment-gate operators, barcode readers and intercoms, in an amount not to exceed \$8,003.00. Funding to come from borrowing from Capital Improvement Fees, with a payback timeline of 5-10 years from future Security Impact Fee payments and/or net income from the Security Operating Budget. **Second/Pecotich** with understanding that President Pasek and Darlene Gillum meet with Greg Vorster, Rod Hart and the contractor to go over everything and get an idea of any additional costs that will be billed to the District. **Ayes: Pasek, Gumbinger, Martel, Pecotich. Noes: Ferraro.**

b. Reconsider \$5,000 Payment to Rancho Murieta Association for Water Line Replacement at the North Security Gate (Approved at the December 17, 2014 Board Meeting)

Motion/Gumbinger to reconsider the \$5,000 payment to Rancho Murieta Association for water line replacement at the North Security Gate that was approved at the December 17, 2014 Board meeting. **Second/Martel. Ayes: Gumbinger, Martel, Pecotich.**

Director Martel stated that even though RMA owes the District money for the Escuela Park water, he is not going to change his vote on this matter. Directors Pecotich and Gumbinger also stated they would not change their vote. The approval stands.

Chief Remson stated that the schedule keeps changing; they now plan to lay the asphalt next week instead of this week. They will also be doing some night work.

20. RECEIVE WATER TREATMENT PLANT EXPANSION PROJECT UPDATE

Paul Siebensohn gave a brief update on the Water Treatment Plant Expansion Project. Site trade contractors continued to work through the rain and holidays, with time off Christmas Day and New Years Day.

Darlene Gillum stated that she and Paul Siebensohn met with Roebbelen Tuesday afternoon to review the status of the project. At this time, the completion date will tentatively be pushed out to June.

21. RECEIVE WATER CONSERVATION UPDATE

Paul Siebensohn gave a brief update on water conservation in the community. Water treatment plant production for December was down 19.9% vs. the past five (5) year average and 28.7% vs. December of last year. Rancho Murieta received 7.09" of rain in December.

22. CONSIDER CONFERENCE/EDUCATION OPPORTUNITIES

No comments.

23. REVIEW MEETING DATES/TIMES

No comments.

24. COMMENTS/SUGGESTIONS

Director Martel thanked staff for all their work at keeping things together during all the transitions and issues over the last several months. He also commented on his feeling that RMA is hiding while doing their speeding control.

John Sullivan commented on his concerns regarding damage being done to the back area, artifacts being stolen and damage in the Indian burial grounds. If it continues, access to the back areas will be completely shut off. Mr. Sullivan asked that Patrol enforce trespassing citations and notify him anytime someone is found back there.

Director Gumbinger thanked staff for all their efforts over the past several months.

President Pasek stated he has similar comments.

Director Ferraro stated that she gave a paper to Richard Shanahan and would like a report back from him as soon as possible.

Director Pecotich commented on wanting to begin Parks Committee meetings again.

Darlene Gillum stated that the bonds went out for final pricing today, the rate being 2.5% to 4 ¾ %. The District should be receiving about \$4,350,000 next Wednesday.

Suzanne suggested having the budget workshop on Wednesday, March 4, 2015 at 4:00 p.m. By consensus, the Board agreed.

25. ADJOURNMENT

Motion/Gumbinger to adjourn at 8:00 p.m. **Second/Ferraro. Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

Respectfully submitted,



Suzanne Lindenfeld
District Secretary