



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

November 19, 2014

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	Interim General Manager
Vacant	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
November 19, 2014

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

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.

AGENDA

- | | RUNNING TIME |
|--|--------------|
| 1. CALL TO ORDER - Determination of Quorum - President Pasek (Roll Call) | 4:00 |
| 2. CLOSED SESSION
<i>Under Government Code 54957.6: Conference with designated Labor Negotiator, Edward R. Crouse, Regarding Negotiations with the International Union of Operating Engineers, Local 3, AFL-CIO.</i> | 4:10 |
| 3. OPEN SESSION
<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>

<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> | 5:00 |
| 4. REPORT ACTION FROM CLOSED SESSION | 5:05 |
| 5. COMMENTS FROM THE PUBLIC
<i>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.</i>

<i>With certain exceptions, the Board may not discuss or take action on items that are not on the agenda.</i>









<i>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 limit your comments to no more than 3 minutes so that others may be allowed to speak.</i> | 5:10 |

6. **ADOPT AGENDA (Motion) (5 min.)** 5:15
7. **SPECIAL ANNOUNCEMENTS AND ACTIVITIES (5 min.)** 5:20
8. **CONSENT CALENDAR (Motion) (Roll Call Vote) (5 min.)** 5:25
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. October 15, 2014 Regular Board Meeting
 - 2. October 20, 2014 Special Board Meeting
 - 3. October 24, 2014 Special Board Meeting
 - 4. November 3, 2014 Special Board Meeting
 - b. **Committee Meeting Minutes (Receive and File)**
 - 1. November 6, 2014 Finance Meeting
 - 2. November 7, 2014 Security Meeting
 - 3. November 7, 2014 Improvements Meeting
 - c. **Approval of Bills Paid Listing**
9. **STAFF REPORTS (Receive and File) (5 min.)** 5:30
- a. General Manager's Report
 - b. Administration/Financial Report
 - c. Security Report
 - d. Water/Wastewater/Drainage Report
10. **CORRESPONDENCE (5 min.)** 5:35
11. **CONSIDER ADOPTION OF A RESOLUTION, ACTING AS THE LEGISLATIVE BODY OF RANCHO MURIETA CSD COMMUNITY FACILITIES DISTRICT NO. 2014-1 (RANCHO NORTH/MURIETA GARDENS), MODIFYING RESOLUTION 2014-24 (WHICH AUTHORIZED ISSUANCE OF CFD #2014-1 SPECIAL TAX BONDS) CONCERNING THE BOND DENOMINATION AMOUNT AND BOND TRANSFER RESTRICTIONS (Discussion/Action) (Motion) (Roll Call Vote) (15 min.)** 5:40
12. **STATUS OF PARKS COMMITTEE AND COMMITTEE MEETINGS UNDER 1990 AND 1991 PARK DEVELOPMENT AGREEMENTS (Discussion/Action) (10 min.)** 5:55
13. **SECURITY GATE CONTROL POLICY DISCUSSION (Discussion/Action) (10 min.)** 6:05
14. **CONSIDER APPROVING RANCHO MURIETA NORTH SECURITY GATE PROJECT COOPERATION AND FUNDING AGREEMENT (Discussion/Action) (Motion) (10 min.)** 6:15
15. **CONSIDER APPROVING WATER TREATMENT PLANT EXPANSION PROJECT SPECIAL INSPECTION COSTS (Discussion/Action) (Motion) (5 min.)** 6:25

- 16. **RECEIVE WATER TREATMENT PLANT EXPANSION PROJECT UPDATE** (5 min.) 6:30
- 17. **RECEIVE WATER CONSERVATION UPDATE** (Discussion/Action) (5 min.) 6:35
- 18. **CONSIDER CONFERENCE/EDUCATION OPPORTUNITIES** (5 min.) 6:40
- 19. **REVIEW MEETING DATES/TIMES FOR THE FOLLOWING:** (5 min.) 6:45

Next Regular Board Meeting: December 17, 2014

Committee Meeting Schedule:

 Personnel	December 3, 2014 at 9:00 a.m.
 Finance	December 4, 2014 at 8:30 a.m.
 Security	December 4, 2014 at 9:00 a.m.
 Communications	December 5, 2014 at 8:30 a.m.
 Improvements	December 5, 2014 at 9:00 a.m.
 Joint Security	T.B.A.
 Parks -	T.B.A.
 Security Ad Hoc	T.B.A.

- 20. **COMMENTS/SUGGESTIONS – BOARD MEMBERS AND STAFF** 6:50
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.
- 21. **ADJOURNMENT (Motion)** 6:55

"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 November 14, 2014. Posting locations are: 1) District Office; 2) Plaza Foods; 3) Rancho Murieta Association; 4) Murieta Village Association.

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Board of Directors Meeting

MINUTES

October 15, 2014

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 Joseph Blake, General Manager; Greg Remson, Security Chief; Paul Siebensohn, Director of Field Operations; Tracey Hays, Interim Controller; Suzanne Lindenfeld, District Secretary; and Richard Shanahan, General Counsel.

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

Under Government Code 54957.6: Conference with Labor Negotiator Determined in Agenda Item 2 Regarding Negotiations with the International Union of Operating Engineers, Local 3, AFL-CIO.

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

3/4. BOARD RECONVENED TO OPEN SESSION AT 5:07 P.M. AND REPORTED THE FOLLOWING:

Under Government Code 54957.6: Conference with Labor Negotiator Determined in Agenda Item 2 Regarding Negotiations with the International Union of Operating Engineers, Local 3, AFL-CIO. Nothing to report.

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

5. COMMENTS FROM THE PUBLIC

Vince Carrillo, 15131 Reynosa Drive, read a complaint he is filing against the District's General Manager for rudeness, disrespect, and acts un-becoming a general manager.

6. ADOPT AGENDA

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

7. SPECIAL ANNOUNCEMENT AND ACTIVITIES

None.

8. CONSENT CALENDAR

Under Agenda Item 8A, Director Belton commented that in section 10, Director Ferraro asked about RMA using water from Laguna Joaquin not Director Belton. The change will be made.

Under Agenda Item 8B3, Director Belton asked where the funding for the new North Gate will come from if the District does not get grant funding. President Pasek stated that will be discussed under Agenda Item 14.

Under Agenda Item 8b3, Director Gumbinger commented on the new North Gate project and the need for the District, Rancho Murieta Association (RMA), Caltrans, and the Sacramento County Board of Supervisors' representatives meet to discuss the problems/back-up on Jackson Highway that will be caused during construction of the new gate. Director Gumbinger stated that when he spoke with Greg Vorster, RMA General Manager, he stated that it is up to the contractor to handle. President Pasek directed Joe Blake, General Manager, to set up a meeting with all the agencies to discuss.

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

9. STAFF REPORTS

No discussion.

10. CORRESPONDENCE

President Pasek stated that he had responded to Mr. and Mrs. Towns. Director Belton stated she had also responded to them.

11. DISCUSS CONCERNS REGARDING BOYS RANCH IN SLOUGHHOUSE AS POSSIBLE HALFWAY HOUSE FOR FEDERAL INMATES

Kathy Prizmich and J.T. Weaver, from GEO Re-Entry Services, gave a brief presentation regarding their proposal to lease and convert the property formerly operated as the Sacramento County Boys Ranch into a residential re-entry center for federal inmates nearing the end of the prison terms. It costs Sacramento County about \$1 million a year to maintain the empty facility. This proposal is for a 6 year lease. A short question and answer period followed.

Director Belton commented on her feeling that Rancho Cordova would be a better area as this location is so remote and there is no public transportation for the in-mates to use to get to and from the facility. Ms. Prizmich stated that there are zoning issues that restrict where these types of facilities can be located.

The Sacramento County Board of Supervisors will be holding a public meeting regarding this matter on November 12, 2014 at 2:00 p.m. A formal presentation will be provided at that time. The public is welcome to attend and ask questions. Other community outreach meetings will be held in Rancho Murieta, also. Tours of the Oakland facility are also available to anyone who would like to go.

12. CONSIDER ACCEPTING COMMUNITY FACILITIES DISTRICT NO. 2014-1 DRAFT APPRAISAL

As a result of the appraisal analysis, the market value of the subject property is \$22,090,000.

Motion/Gumbinger to receive and file the draft appraisal for Community Facilities District 2014-1. **Second/Belton. Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

Director Belton left at 5:55 p.m.

13. CONSIDER APPROVING PAYMENT OF INVOICES FOR HOLE 13 NORTH CULVERT CROSSING PROJECT

Paul Siebensohn gave a brief summary of the recommendation to approve payment of invoices for Hole 13 North Culvert Crossing Project.

Motion/Gumbinger to approve \$1,999.73 invoice from Rancho Murieta Country Club for purchase of sod, removal of existing sod and laying of sod for the 13 North Culvert Crossing Project. Funding to come from Drainage Reserves, CIP No. 13-01-2.

Approve \$9,435.00 invoice from Carrillo Enterprises for drain pipe replacement, concrete headwall repairs for the 13 North Culvert Crossing Project. Funding to come from Drainage Reserves, CIP No. 13-01-2.

Approve \$5,950 invoice from JB Bostick for asphalt patching for 13 North Culvert Crossing Project. Funding to come from Drainage Reserves, CIP No. 13-01-2. **Second/Ferraro. Ayes: Pasek, Ferraro, Gumbinger, Martel. Noes: None. Absent: Belton.**

14. CONSIDER APPROVING RANCHO MURIETA NORTH SECURITY GATE PROJECT COOPERATION AND FUNDING AGREEMENT

Director Ferraro requested this item be referred to the Finance Committee for discussion and recommendation before the Board takes any action on it. By consensus, this item will go to the Finance Committee Meeting in November for review.

15. CONSIDER APPROVING PROPOSAL FROM ALLSTATE SYSTEMS INTEGRATION, INC., FOR TWO (2) DSX PANELS

Chief Remson gave a brief summary of the recommendation to approve the proposal for two (2) new DSX panels: one for the north gate and one for the south gate. The present panels can operate a total of four (4) gate operators. Since the new North Gate will have six (6) gate operators, a panel that will operate six operators is required.

Motion/Gumbinger to approve the proposal from AllState Systems Integration, Inc. in an amount not to exceed \$14,720.32 for the purchase and installation of two (2) updated DSX panels - one at the North Gate and one at the South Gate. Funding to come from Security Replacement Reserves. **Second/Martel. Ayes: Pasek, Ferraro, Gumbinger, Martel. Noes: None. Absent: Belton.**

16. CONSIDER ADOPTION OF DISTRICT RESOLUTION 2014-27 AMENDING FIXED EMPLOYER'S CONTRIBUTION FOR UNREPRESENTED PUBLIC EMPLOYEE MEDICAL AND HOSPITAL CARE ACT BENEFITS

This is done annually.

Motion/Gumbinger to adopt Resolution 2014-27 amending the fixed employer's contribution for unrepresented Public Employees' Medical and Hospital Care Act. **Second/Martel. ROLL CALL VOTE: Ayes: Pasek, Ferraro, Gumbinger, Martel. Noes: None. Absent: Belton.**

17. CONSIDER ADOPTION OF DISTRICT RESOLUTION 2014-28 AMENDING FIXED EMPLOYER'S CONTRIBUTION FOR REPRESENTED PUBLIC EMPLOYEE MEDICAL AND HOSPITAL CARE ACT BENEFITS

This is done annually.

Motion/Gumbinger to adopt Resolution 2014-28 amending the fixed employer's contribution for represented Public Employees' Medical and Hospital Care Act. **Second/Ferraro. ROLL CALL VOTE: Ayes: Pasek, Ferraro, Gumbinger, Martel. Noes: None. Absent: Belton.**

18. RECEIVE WATER TREATMENT PLANT EXPANSION PROJECT UPDATE

Paul Siebensohn gave a brief update on the Water Treatment Plant Expansion Project. Water Treatment Plant #1 is off line and demolition has begun on it. Plant #2 is providing the water for the community. We recently received an updated schedule from GE. The new schedule has most items being delivered before 2015, with the exception of the membrane cassettes which are scheduled to arrive in March 2015.

19. RECEIVE WATER CONSERVATION UPDATE

Paul Siebensohn gave a brief update on water conservation. Water demand has dropped showing compliance. To date, 480 tags have been issued and fines are being imposed.

20. CONSIDER CONFERENCE/EDUCATION OPPORTUNITIES

No discussion.

21. REVIEW MEETING DATES/TIMES

Director Gumbinger will not be attending the November Board meeting.

22. COMMENTS/SUGGESTIONS

President Pasek commented on looking into creating a centralized water management program.

Director Ferraro commented on Rancho Murieta Country Club (RMCC) employees stating that they do not have the operations manual that the District developed. Paul Siebensohn stated that they have received several copies - both paper and electronic. Paul will send another copy to them. Director Ferraro requested she be included in any outreach the District does to RMCC regarding water rights and the use of recycled water.

Director Martel stated that with the new gate going in, it would be a good time for Security to update/correct all the residents' information, including email addresses. Vendors and what types of chemicals they use should be included.

Director Gumbinger reminded Mr. Blake that he needs to schedule an interview with River Valley Times to set the record straight on the incorrect information provided in a letter to the editor regarding future water storage.

Director Ferraro stated she has put in a request for a Parks Committee meeting to be scheduled. To date, no response has been received.

23. ADJOURNMENT

Motion/Ferraro to adjourn at 6:47 p.m. **Second/Gumbinger. Ayes: Pasek, Ferraro, Gumbinger, Martel. Noes: None. Absent: Belton.**

Respectfully submitted,

Suzanne Lindenfeld
District Secretary

DRAFT

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Board of Directors Special Meeting

MINUTES

October 20, 2014

10:00 a.m. Open-Closed Session

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 10:05 a.m. in the District meeting room, 15160 Jackson Road, Rancho Murieta. Directors present were Gerald Pasek, Roberta Belton, Betty Ferraro, and Paul Gumbinger. Also present were Greg Remson, Security Chief; Suzanne Lindenfeld, District Secretary; and Richard Shanahan, General Counsel. Director Michael Martel participated in the closed session portion of the meeting by telephone.

2. ADOPT AGENDA

Richard Shanahan, District General Counsel, stated that, in light of the circumstances concerning the recently resigned General Manager, the agenda should be changed to be: Closed Session to Consider Appointment of Interim General Manager. And an Open Session Item added to read: Consider Appointment of Interim General Manager.

Motion/Ferraro to adopt the agenda with the recommended amendment. **Second/Belton. Ayes: Pasek, Belton, Ferraro, Gumbinger. Noes: None. Absent: Martel.**

3. COMMENTS FROM THE PUBLIC

None.

4. BOARD ADJOURNED TO CLOSED SESSION AT 10:08 A.M. TO DISCUSS THE FOLLOWING ITEMS:

Under Government Code 54957: Consider Appointment of Interim General Manager.

5. BOARD RECONVENED TO OPEN SESSION AT 5:00 P.M. AND REPORTED THE FOLLOWING:

Under Government Code 54957: Consider Appointment of Interim General Manager. President Pasek reported that the Board has voted to appoint Edward R. Crouse as Interim General Manager. The Board then considered a resolution as recommended by Mr. Shanahan.

Motion/Gumbinger to Adopt Resolution 2014-29, appointing Edward R. Crouse as Interim General Manager, effective October 21, 2014. **Second/Belton. ROLL CALL VOTE: Ayes: Pasek, Belton, Ferraro, Gumbinger. Noes: None. Absent: Martel.**

President Pasek stated that Joseph Blake resigned, effective October 17, 2014. A statement to the media and public will go out today. President Pasek also stated that Director Martel, who participated in the closed session via telephone, supports the hiring of Mr. Crouse as Interim General Manager.

6. COMMENTS/SUGGESTIONS

Director Belton thanked Mr. Shanahan for all the assistance he has given the Board and staff.

Director Ferraro agreed and also thanked Ms. Lindenfeld for all her hard work and time spent. Director Belton agreed.

8. ADJOURNMENT

Motion/Ferraro to adjourn at 10:58 a.m. **Second/Gumbinger. Ayes: Pasek, Belton, Ferraro, Gumbinger. Noes: None. Absent: Martel.**

Respectfully submitted,

Suzanne Lindenfeld
District Secretary

DRAFT

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Board of Directors Special Meeting

MINUTES

October 24, 2014

2:00 p.m. Open-Closed Session

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 2:00 p.m. in the District meeting room, 15160 Jackson Road, Rancho Murieta. Directors present were Gerald Pasek, Betty Ferraro, and Paul Gumbinger. Also present were Edward R. Crouse, Interim General Manager; Greg Remson, Security Chief; Suzanne Lindenfeld, District Secretary; and Richard Shanahan, General Counsel. Director Roberta Belton was absent.

2. ADOPT AGENDA

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

3. COMMENTS FROM THE PUBLIC

None.

4. CONSIDER RATIFYING RESOLUTION 2014-29, A RESOLUTION APPROVING HIRING OF RETIREE EDWARD R. CROUSE AS INTERIM GENERAL MANAGER AND MAKING RELATED FINDINGS

Motion/Ferraro to ratify the October 20, 2014 Adoption of Resolution 2014-29 approving hiring of Retiree Edward R. Crouse as Interim-General Manager and making related findings. **Second/Gumbinger. ROLL CALL VOTE: Ayes: Pasek, Ferraro, Gumbinger, Martel. Noes: None. Absent: Belton.**

5. CONSIDER APPROVAL OF DISTRICT APPOINTMENTS

Director Martel asked legal counsel to look into appointing a Director as District Treasurer.

Motion/Gumbinger to appoint Edward R. Crouse as District Treasurer and appoint Edward R. Crouse as Regional Water Authority Board member representative. **Second/Ferraro. ROLL CALL VOTE: Ayes: Pasek, Ferraro, Gumbinger, Martel. Noes: None. Absent: Belton.**

6. BOARD ADJOURNED TO CLOSED SESSION AT 2:07 P.M. TO DISCUSS THE FOLLOWING ITEMS:

Under Government Code 54957: Public Employee Appointment/Employment of the Following Positions: General Manager and Director of Finance/Administration.

Under Government Code 54957.6: Conference with Designated Labor Negotiator Interim General Manager, Edward R. Crouse, Regarding Negotiations with the International Union of Operating Engineers, Local 3, AFL-CIO.

7. BOARD RECONVENED TO OPEN SESSION AT 4:03 P.M. AND REPORTED THE FOLLOWING:

Under Government Code 54957: Public Employee Appointment/Employment of the Following Positions: General Manager and Director of Finance/Administration. Nothing to report.

Under Government Code 54957.6: Conference with Designated Labor Negotiator Interim General Manager, Edward R. Crouse, Regarding Negotiations with the International Union of Operating Engineers, Local 3, AFL-CIO. Nothing to report.

8. COMMENTS/SUGGESTIONS

Director Martel commented on his feeling that the Board should not get involved in personnel issues.

Director Gumbinger asked if a response was going to be given regarding the statement Vince Carrillo made at the October 15, 2015 Board meeting. Richard Shanahan, District Legal Counsel, stated that none was needed.

Director Ferraro asked Mr. Shanahan to look into what the District can do to have a Parks Committee meeting scheduled and look at the contract and matrix regarding the community parks.

Director Gumbinger stated that Rancho Murieta Association will be holding a town hall meeting at 6:00 p.m. on October 30, 2014 regarding the construction of the new North Gate. Ed Crouse and Chief Remson will be attending.

8. ADJOURNMENT

Motion/Gumbinger to adjourn at 4:13 p.m. **Second/Ferraro. Ayes: Pasek, Ferraro, Gumbinger, Martel. Noes: None. Absent: Belton.**

Respectfully submitted,

Suzanne Lindenfeld
District Secretary

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Board of Directors Special Meeting

MINUTES

November 3, 2014

10:00 a.m. Open-Closed Session

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 10:00 a.m. in the District meeting room, 15160 Jackson Road, Rancho Murieta. Directors present were Gerald Pasek, Roberta Belton, Betty Ferraro, and Paul Gumbinger. Also present were Edward R. Crouse, Interim General Manager; Greg Remson, Security Chief; Paul Siebensohn, Director of Field Operations; Suzanne Lindenfeld, District Secretary; and Richard Shanahan, General Counsel.

2. ADOPT AGENDA

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

3. COMMENTS FROM THE PUBLIC

None.

4. BOARD ADJOURNED TO CLOSED SESSION AT 10:01 A.M. TO DISCUSS THE FOLLOWING ITEMS:

Under Government Code 54957: Public Employee Appointment/Employment of the General Manager.

5/6. BOARD RECONVENED TO OPEN SESSION AT 10:26 A.M. AND REPORTED THE FOLLOWING:

Under Government Code 54957: Public Employee Appointment/Employment of the General Manager. Referred to the Agenda Item 7.

7. CONSIDER APPROVAL OF GENERAL MANAGER EMPLOYMENT AGREEMENT

Motion/Gumbinger to approve the Rancho Murieta Community Services District General Manager Employment Agreement with Darlene Gillum. **Second/Belton. Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

8. COMMENTS/SUGGESTIONS

Director Martel commented on his feeling that with new development, the Security Gate Policies need to be reviewed and updated to include all the various developments' CC&R's. The item will be referred to the Security Committee for review.

Director Gumbinger commented on how the traffic plan in place for the new North Gate is much better than the original plan. Director Ferraro commented on the need for Escuela Gate to be open. Ed Crouse stated that everything has been agreed to, Rancho Murieta Association (RMA) just needs to get the actual permit paper in hand.

Director Belton requested the Communications Committee develop a policy regarding inserting other entities flyers into our billings.

Director Ferraro commented on how the District and RMA has been working together and hopes it continues. Rancho Murieta Country Club (RMCC) Greens Committee is looking forward to Paul Siebensohn giving an update to the Committee on the drought status.

8. ADJOURNMENT

Motion/Belton to adjourn at 10:47 a.m. **Second/Gumbinger. Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

Respectfully submitted,

Suzanne Lindenfeld
District Secretary

DRAFT

MEMORANDUM

Date: November 6, 2014
To: Board of Directors
From: Finance Committee Staff
Subject: November 6, 2014 Finance Committee Meeting

CALL TO ORDER

Director Pasek called the meeting to order at 8:35 a.m. Present were Directors Pasek and Belton. Present from District staff were Edward R. Crouse, Interim General Manager; Greg Remson, Security Chief; Tracey Hays, Interim Controller; and Suzanne Lindenfeld, District Secretary.

COMMENTS FROM THE PUBLIC

None.

UPDATES

Water Treatment Plant Expansion Project Financing

Water Treatment Plant (WTP) construction is progressing nicely. We processed Partial Payment Request 2 (PPR 2) for nearly \$500,000. We expect a large PPR 3 soon.

Tracey and Ed participated in a conference call October 30, 2014 with the CFD team down south and Dick Shanahan. The Placement Agent is working with several likely bond investors with the goal of placing the bonds (sell the bonds) by November 19, 2014 with proceeds available to the District by November 21, 2014 in time to make payment on PPR 3. If the bond placement is not completed as scheduled, we will have to access the Bank of the West developer Letters of Credit (LOC).

Reynen & Bardis Letter of Credit renewal letters went out November 4, 2014 - our traditional 60 day notice. Recall renewal is due by January 4th but if they have not renewed by December 4th, we call the remaining LOC in full.

Audit Status

Mr. Bain, our District auditor, was expected to be back near the end of October but we experienced unanticipated difficulties tying out our year end trial balance. Mr. Bain graciously postponed his visit to mid November.

REVIEW RANCHO MURIETA NORTH SECURITY GATE PROJECT COOPERATION AND FUNDING AGREEMENT

Chief Remson gave a brief summary of the recommendation to approve the Rancho Murieta North Security Gate Project Cooperation and Funding Agreement in an amount not to exceed \$65,000 towards the costs of the North Gate Security Project, specifically for the purchase and installation of a backup generator and electrical conduit. **This item will be added to the November 19, 2014 Board of Directors meeting agenda.**

In addition, the District is responsible for providing and installing surveillance cameras, intercoms, gate operators, barcode readers, DSX upgrades, mounting poles for cameras and intercoms, and furniture, computers and other miscellaneous items and equipment. This is the equipment that the District has been purchasing and replacing at both the North and South Gates. The total estimated cost of the equipment is \$250,000.

DIRECTORS' & STAFF COMMENTS/SUGGESTIONS

Director Belton commented on the water use in the community having decreased, Prop. 47, and a presentation being given to Sacramento County Board of Supervisors at their meeting on November 12, 2014 regarding the half-way house proposal.

ADJOURNMENT

The meeting was adjourned at 9:00 a.m.

DRAFT

MEMORANDUM

Date: November 6, 2014
To: Board of Directors
From: Security Committee Staff
Subject: November 6, 2014 Security Committee Meeting

1. CALL TO ORDER

Director Belton called the meeting to order at 9:03 a.m. Present were Directors Belton and Martel. Present from District staff were Greg Remson, Security Chief and Suzanne Lindenfeld, District Secretary.

2. COMMENTS FROM THE PUBLIC

None.

3. MONTHLY UPDATES

Operations

An off-duty Sacramento Sheriff's Deputy worked Halloween night.

Interviews were held for the vacant Security Patrol Officer and Security Gate Officer positions. Job offers have been made for each position.

The Security Patrol Officer is still out on a Worker's Comp injury. There is no tentative return date.

Director Martel commented on the District needing to contact State Fund to investigate the worker's comp. claim and the need to let staff work light-duty.

Incidents of Note

Chief Remson gave a brief overview of the incidents of note for the month of October 2014.

RMA Citations/Admonishments

Chief Remson reported on the following Rancho Murieta Association (RMA) rule violation citations for the month of October, which included 53 stop sign. RMA rule violation admonishments and/or complaints for the month of October included 40 Loose/off leash dogs, 20 barking dog, and 16 speeding.

Rancho Murieta Association Compliance/Grievance/Safety Committee Meeting

At the October 6, 2014 meeting, the Committee again discussed Non-Arch Rule X-Security/Game Refuge-Section 2-Private Refuge and Discharge of Firearm. Rancho Murieta is not a "private refuge". The committee reviewed the Sacramento County ordinance on firearms and parks, along with other HOA's. The Committee did not want any type of firearm or weapon within the community. The rule will be updated and forwarded to the Governing Documents Committee for review. There was an appearance regarding complaints about frequent parties, underage alcohol

use and excessive noise at a home on the North. There was an appearance regarding a request to have a "flocking" fundraiser to help pay for the sixth grade trip to Sly Park. This is done by placing about 40 pink flamingos in a different front yard for a few days. The recipient donates funds to have the flamingoes removed. The next meeting is scheduled for November 3, 2014.

Security Ad Hoc Committee

The committee met twice in the past month to discuss bids for the new North Gate surveillance camera system. Three (3) bids were presented by vendors. Watchdogs Surveillance was selected as the lowest bidder.

New North Gate

As of October 30, 2014 the first Lago Drive is closed for construction. The road is closed from Murieta Parkway to the entrance to the Gazebo. The closure should last 4-6 weeks, with detours around the second Lago Drive and Guadalupe Drive. There will be additional lane closures along Murieta Parkway, but there will be one inbound and one outbound lane open at all times.

Due to the wider lanes-12' to 16'-the gate operators need to have barrier arms that cover those distances. The gate vendors are researching this requirement to ensure that the gate arms still open and close at a sufficient speed. If the arms open and close slower than they presently do, vehicles may be able to "tailgate" through before the gate arm cycles.

4. DIRECTOR & STAFF COMMENTS

Director Martel stated that he believes Rancho Murieta Association (RMA) has amended the MBA without the public being aware and that the undeveloped properties will not have to annex in. Director Martel also stated that RMA should have gone out to bid for the cable system instead of private sourcing it.

5. ADJOURNMENT

The meeting adjourned at 9:38 a.m.

MEMORANDUM

Date: November 7, 2014
To: Board of Directors
From: Improvements Committee Staff
Subject: November 7, 2014 Committee Meeting Minutes

CALL TO ORDER

Director Pasek called the meeting to order at 9:00 a.m. Present were Directors Pasek and Gumbinger. Present from District staff were Edward R. Crouse, Interim 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

An email was sent out to seven (7) large commercial drillers to check on their availability to bid on our project. So far, two (2) have provided a read receipt with one noting that their current availability is still 3-4 months out and may worsen should the drought continue. As a result we will hold off until the end of the month then check again on drillers' availability.

Master Reclamation Permit

We submitted our comments on the Tentative Waste Discharge Requirements (WDRs) and met with the Regional Board to discuss and negotiate our view for the proposed WDRs. The proposed WDRs and Master Reclamation Permit will rescind and update the existing WDR Order 5-01-124 for the Wastewater facility and rescind Order R5-2009-0124 for the Van Vleck Ranch. We are currently on track for adoption at their December meeting.

Water Treatment Plant Expansion Project

As the project proceeds, trade contractors jockey for time and space within relatively confined areas to complete their portions of the project. Requests for information and submittals are volleyed back and forth between trade contractors, Roebbelen, the District and HDR. Unmarked lines have been unearthed and identified. Conflicts with the engineering drawings are being worked out, as tensions rise to meet the impending deadline of being online before next summer's water demand time.

So far, it appears the project is on track, possibly slipping a week. We are awaiting confirmation from Roebbelen with an updated Master Project Schedule. As of today, the main trade contractor, KG Walters, has more staff onsite to expedite the forming of the concrete walls within the former filter room and sedimentation basin of plant #1.

Conservation

Water treatment plant production for October was down to 16.2% vs. the past five (5) year average and 22.8% vs. October of last year. We received 0.8" of rain this last week which helped bring the Cosumnes River flow up to 24 cfs today. Long term forecasting from the National Weather Service Climate Prediction Center continues to show that the drought will persist in our region.

Murieta Gardens

Hotel

John Sullivan reports he is still waiting for his building permit. It is caught up in a Catch 22 with right of way dedication to Caltrans. John is looking for creative solutions to get the permit back on track in time for the groundbreaking celebration on November 12, 2014 at 11:00 a.m.

Infrastructure

The plans are approved and ready for construction. No information on a start date, though it does not appear that the underground infrastructure is on a critical path.

4. APPROVE WATER TREATMENT PLANT EXPANSION PROJECT SPECIAL INSPECTION COSTS

Paul Siebensohn gave a brief summary of the recommendation to approve the proposal from Bay Area Coating Consultant Services Inc. for special inspection services. **This item will be added to the November 19, 2014 Board of Directors meeting agenda.**

5. DIRECTORS' & STAFF COMMENTS/SUGGESTIONS

Director Gumbinger stated he will not be at the November 19, 2014 Board meeting.

Paul Siebensohn commented on the new North Gate water pipe issue which may include having to move the pipe and extend the utility easement.

Chief Remson stated he will be meeting with the electrical contractor next Monday and discussing the concern with the gate arms having to be longer due to the road being wider, this will cause the gate arms to operate slower.

Paul Siebensohn commented on SMUD having completed their mitigation work at Bass Lake.

6. ADJOURNMENT

The meeting was adjourned at 9:54 a.m.

MEMORANDUM

Date: November 13, 2014
 To: Board of Directors
 From: Tracey Hays, Interim Controller
 Subject: Bills Paid Listing

Enclosed is the Bills Paid Listing Report for **October 2014**. 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
AppleOne Employment Services	Admin Temp Services	\$10,346.25	Operating Expense
California Waste Recovery Systems	Solid Waste Monthly Contract	\$46,095.08	Operating Expense
Carrillo Enterprises	Concrete/Driveway Repairs	\$9,168.36	Operating Expense
GSRMA	Workers Comp/Liability Insurance	\$41,155.00	Operating Expenses
HDR Engineering, Inc.	WTP/MLN	\$18,196.21	Reserve Funding
Kirby's Pump & Mechanical Inc.	Lincoln Aerator Supplies	\$7,002.00	Operating Expense
NTU Technologies, Inc.	Liquid Aluminum	\$5,950.00	Operating Expense
US Bank Corp	Monthly Gasoline Bill	\$5,384.75	Operating Expense
KG Walters Construction Company, Inc.	WTPE #1	\$216,077.50	Reserve Funding
Roebbelen Construction Management Services	WTP #1 Expansion	\$109,436.00	Reserve Funding
JB Bostick	Water Leak Repairs	\$6,775.00	Operating Expenses
Roebbelen Construction Management Services	WTPE #1	\$498,487.09	Reserve Funding
SMUD	Monthly Electric	\$305,68.99	Operating Expenses
Useware, Inc.	Annual Support	\$13,000.00	Operating Expenses

Rancho Murieta Community Services District
Bills Paid Listing for October 2014

Ck Number	Date	Vendor	Amount	Purpose
CM28704	10/3/2014	California Public Employees' Retirement Sys	\$30,856.91	Mopnthly Medical
CM28705	10/3/2014	Guardian Life Insurance	\$4,678.59	Monthly Dental/Life
CM28706	10/3/2014	Vision Service Plan (CA)	\$482.36	Monthly Vision
EFT	10/13/2014	EFTPS	\$ 9,412.86	Payroll
CM28707	10/13/2014	C.S.T.A.	\$50.00	Annual Security Training
CM28708	10/13/2014	C.S.T.A.	\$50.00	Annual Security Training
CM28709	10/13/2014	C.S.T.A.	\$50.00	Annual Security Training
CM28710	10/13/2014	Universal Security Academy	\$50.00	Annual Security Training
CM28711	10/13/2014	Universal Security Academy	\$50.00	Annual Security Training
CM28712	10/13/2014	Universal Security Academy	\$50.00	Annual Security Training
CM28713	10/13/2014	A Leap Ahead IT	\$3,585.07	Monthly IT Service
CM28714	10/13/2014	Accounting & Association Software Group	\$82.50	GP Support
CM28715	10/13/2014	American Family Life Assurance Co.	\$455.84	Payroll
CM28716	10/13/2014	Apple One Employment Services	\$10,346.25	Admin Temp - Hays
CM28717	10/13/2014	Applications By Design, Inc.	\$250.00	Security Data Backup
CM28718	10/13/2014	Aquatic Harvesting Inc.	\$3,000.00	Aquatic Vegetation Harvesting
CM28719	10/13/2014	Aramark Uniform & Career Apparel, LLC	\$201.64	Uniform Service - Water
CM28720	10/13/2014	Arnolds For Awards	\$170.67	Plaque - Belton
CM28721	10/13/2014	ASR - Sacramento Uniform	\$321.84	Uniforms - Tompkins
CM28722	10/13/2014	Ray Bray	\$200.00	Toilet Rebate (2)
CM28723	10/13/2014	California Laboratory Services	\$352.80	August 2014 Adjustment
CM28724	10/13/2014	California Waste Recovery Systems	\$46,095.08	Solid Waste Monthly Contract
CM28725	10/13/2014	Carrillo Enterprises	\$9,168.36	Concrete/Driveway Repairs
CM28726	10/13/2014	CDW Government Inc.	\$110.60	4GB Jefflash USB drive (15)
CM28727	10/13/2014	Capital One Commercial	\$1,189.54	Monthly Supplies
CM28728	10/13/2014	Daily Journal Corporation	\$282.87	Public Notice: Ord #2014-03
CM28729	10/13/2014	Ditch Witch Equipment Company, Inc.	\$1,742.05	Replace Water Pressure Pump
CM28730	10/13/2014	Employment Development Department	\$4,048.31	Payroll
CM28731	10/13/2014	Express Office Products, Inc.	\$680.61	Office Supplies
CM28732	10/13/2014	Folsom Lake Fleet Services	\$827.82	Service #520
CM28733	10/13/2014	Franchise Tax Board	\$75.00	Payroll
CM28734	10/13/2014	Gallery & Barton	\$67.08	Legal Consulting
CM28735	10/13/2014	Eliseo Garnica	\$100.00	Toilet Rebate
CM28736	10/13/2014	GSRMA	\$41,155.00	Workers Comp/Liability Insurance
CM28737	10/13/2014	Charles Gormley	\$200.00	Toilet Rebate (2)
CM28738	10/13/2014	Groeniger & Company	\$434.16	Supplies
CM28739	10/13/2014	Hastie's Capitol Sand and Gravel Co.	\$1,764.75	Crushed Rock/Fill Sand
CM28740	10/13/2014	HDR Engineering, Inc	\$18,196.21	WTP/MLN
CM28741	10/13/2014	Kirby's Pump & Mechanical Inc.	\$7,783.12	Lincoln Aerator Supplies
CM28742	10/13/2014	KMcreative	\$825.00	Search Engine Optimization

**Rancho Murieta Community Services District
Bills Paid Listing for October 2014**

Ck Number	Date	Vendor	Amount	Purpose
CM28743	10/13/2014	Legal Shield	\$91.95	Payroll
CM28744	10/13/2014	Nationwide Retirement Solution	\$476.00	Payroll
CM28745	10/13/2014	NTU Technologies, Inc.	\$5,950.00	Liquid Aluminum
CM28746	10/13/2014	Operating Engineers Local Union No. 3	\$565.50	Payroll
CM28747	10/13/2014	James Patrick	\$200.00	Toilet Reb
CM28748	10/13/2014	Pesticide Applicators Professional Assoc.,	\$45.00	PAPA Membership
CM28749	10/13/2014	Plaza Foods Supermarket	\$14.90	Supplies
CM28750	10/13/2014	Rancho Murieta Ace Hardware	\$203.88	Monthly Supplies
CM28751	10/13/2014	Romo Landscaping	\$385.00	Landscaping
CM28752	10/13/2014	Roto Rooter Service & Plumbing	\$4,400.00	Harbon Jetting - vaccon
CM28753	10/13/2014	Safety Center, Inc.	\$340.00	Competent Person Excavation
CM28754	10/13/2014	Sierra Chemical Co.	\$1,638.58	Ton container chlorine
CM28755	10/13/2014	Sierra Office Supplies	\$347.76	Dispatch Cards
CM28756	10/13/2014	Sprint	\$682.60	Monthly Cell Phone Bill
CM28757	10/13/2014	Robert Sweeney	\$200.00	Toilet Rebate (2)
CM28758	10/13/2014	TASC	\$81.15	Payroll
CM28759	10/13/2014	TelePacific Communications	\$499.42	Monthly Phone Bill
CM28760	10/13/2014	U.S. Bank Corp. Payment System	\$5,384.75	Monthly Gasoline Bill
CM28761	10/13/2014	Univar USA Inc.	\$3,320.00	Chemicals
CM28762	10/13/2014	UPS	\$14.63	Postage
CM28763	10/13/2014	USA Blue Book	\$378.98	Supplies/Tools
CM28764	10/13/2014	Vision Autoglass	\$488.80	Replace Rear Window 09 Ford Escape
CM28765	10/13/2014	W.W. Grainger Inc.	\$735.26	Supplies
CM28766	10/13/2014	Wilbur-Ellis Company	\$94.50	Hasten
CM28767	10/15/2014	K.G. Walters Construction Company, Inc.	\$216,077.50	WTPE #1
CM28768	10/15/2014	Roebbelen Construction Management Services	\$109,436.00	WTPE #1
EFT	10/24/2014	US Postmaster	\$1,500.00	Postage
CM28769	10/24/2014	Action Cleaning Systems	\$1,172.00	Monthly Cleaning Service
CM28770	10/24/2014	American Family Life Assurance Co.	\$500.96	Payroll
CM28771	10/24/2014	Apple One Employment Services	\$2,588.50	Admin Temp - Hays
CM28772	10/24/2014	Aramark Uniform & Career Apparel, LLC	\$201.64	Uniform Service - Water
CM28773	10/24/2014	ASR - Sacramento Uniform	\$291.50	Uniform - Bennett
CM28774	10/24/2014	AT&T	\$84.00	Monthly Internet Bill
CM28775	10/24/2014	AT&T	\$852.77	Monthly Phone Bill
CM28776	10/24/2014	Paul Benjamin	\$100.00	Toilet Rebate
CM28777	10/24/2014	BlueLine Rental, LLC	\$2,944.62	Backhoe Rental
CM28778	10/24/2014	Robert Bowers	\$100.00	Toilet Rebate
CM28779	10/24/2014	California Laboratory Services	\$4,767.70	Monthly Lab Tests
CM28780	10/24/2014	Caltronics Business Systems	\$1,433.68	Copier Maintenance
CM28781	10/24/2014	Henry Carunchio	\$300.00	Toilet Rebate (3)
CM28782	10/24/2014	CVCWA	\$500.00	Dues 7/2014-7/2015

Rancho Murieta Community Services District
Bills Paid Listing for October 2014

Ck Number	Date	Vendor	Amount	Purpose
CM28783	10/24/2014	Nancy Compton	\$100.00	Toilet Rebate (1)
CM28784	10/24/2014	Clifford Dunton	\$100.00	Toilet Rebate
CM28785	10/24/2014	Employment Development Department	\$2,644.84	Payroll
CM28786	10/24/2014	Eurofins Eaton Analytical, Inc.	\$250.00	MIB/Geosmine Testing
CM28787	10/24/2014	Express Office Products, Inc.	\$117.84	Office Supplies
CM28788	10/24/2014	Folsom Lake Fleet Services	\$529.09	Service 814/218/517
CM28789	10/24/2014	Ford Motor Credit Company LLC	\$234.78	2012 Ford Escape Lease
CM28790	10/24/2014	Franchise Tax Board	\$75.00	Payroll
CM28791	10/24/2014	Greenfield Communications	\$273.96	Internet/TV
CM28792	10/24/2014	Groeniger & Company	\$1,915.89	Maint/Rpr Supplies
CM28793	10/24/2014	Harding Flying Service	\$950.00	Hydrant Refund
CM28794	10/24/2014	Mark Hayes	\$937.27	Hydrant Refund
CM28795	10/24/2014	HDS White Cap Const Supply	\$416.01	Maint/Rpr Supplies
CM28796	10/24/2014	Timothy Hefler	\$200.00	Toilet Rebate (2)
CM28797	10/24/2014	John Hein	\$300.00	Toilet Rebate (3)
CM28798	10/24/2014	Raymond Helmick	\$100.00	Toilet Rebate
CM28799	10/24/2014	Home Depot Credit Services	\$109.91	Maint/Rpr Supplies
CM28800	10/24/2014	Horrell Renovation/Double C Ranch	\$950.00	Hydrant Refund
CM28801	10/24/2014	Howe It's Done	\$292.98	Board Meeting Dinner
CM28802	10/24/2014	J B Bostick Company	\$6,775.00	Water Leak Repairs
CM28803	10/24/2014	Carol Kozak	\$50.00	Drip System Rebate
CM28804	10/24/2014	Legal Shield	\$91.95	Payroll
CM28805	10/24/2014	Alton Melcher	\$28.75	Weather Base Sprinkler Rebate
CM28806	10/24/2014	Nationwide Retirement Solution	\$476.00	Payroll
CM28807	10/24/2014	Operating Engineers Local Union No. 3	\$1,515.50	Payroll
CM28808	10/24/2014	P. E. R. S.	\$24,513.23	Payroll
CM28809	10/24/2014	Pirtek Power Inn	\$110.85	Emergency Hose Repair
CM28810	10/24/2014	Pitney Bowes	\$698.32	Postage Machine Lease
CM28811	10/24/2014	Public Agency Retirement Services	\$300.00	Trust Admin Fees
CM28812	10/24/2014	Ramos Environmental Services	\$55.00	Removal of Waste Oil
CM28813	10/24/2014	Rancho Murieta Assocation	\$433.78	Landscaping/SMUD
CM28814	10/24/2014	Roebbelen Construction Management Services	\$498,487.09	WTPE #1
CM28815	10/24/2014	S. M. U. D.	\$30,568.99	Monthly Electric
CM28816	10/24/2014	Schaeffer Manufacturing Company	\$718.05	Molly Lube Gear Oil
CM28817	10/24/2014	William Smith	\$22.90	Weather Base Sprinkler Rebate
CM28818	10/24/2014	Socius	\$3,529.80	GP Annual Support
CM28819	10/24/2014	Dick Stenstrom	\$950.00	Hydrant Refund
CM28820	10/24/2014	Allen Stoller	\$200.00	Toilet Rebate
CM28821	10/24/2014	TASC	\$61.50	Payroll
CM28822	10/24/2014	TASC	\$81.15	Payroll

Rancho Murieta Community Services District
Bills Paid Listing for October 2014

Ck Number	Date	Vendor	Amount	Purpose
CM28823	10/24/2014	The Westmark Group, Inc.	\$3,622.50	2014 Reporting
CM28824	10/24/2014	USA Blue Book	\$4,751.04	Maint & Rpr Tools
CM28825	10/24/2014	Ueware, Inc.	\$13,000.00	Annual Support
CM28826	10/24/2014	Olaf Van Ardenne	\$200.00	Toilet Rebate (2)
CM28827	10/24/2014	W.W. Grainger Inc.	\$97.84	Supplies
CM28828	10/24/2014	Steven Wagner	\$190.10	Water Pressure Valve Rebate (4)
CM28829	10/24/2014	Western Exterminator Co.	\$453.50	Monthly Srv & Rodent Control
CM28830	10/24/2014	Wilbur-Ellis Company	\$1,005.70	SeClear Chemicals
EFT	10/27/2014	EFTPS	\$10,190.72	Payroll
EFT	10/27/2014	EFTPS	\$81.57	Payroll
		Total	\$1,182,590.82	

Rancho Murieta Community Services District
Bills Paid Listing for October 2014

Ck Number	Date	Vendor	Amount	Purpose
		CFD#1 Bank of America Checking		
CM2734	10/13/2014	Corelogic Solutions, LLC	\$165.00	Technical Support
CM2735	10/24/2014	Corelogic Solutions, LLC	\$25.00	Technical Support
		TOTAL	\$190.00	
		EL DORADO PAYROLL		
Payroll (El Dorado)				
Checks: # CM11232 to CM11239 and Direct Deposits: DD07547 to DD07614			\$ 115,129.85	Payroll
EFT	10/31/2014	National Payment Corp	\$215.07	Payroll
		TOTAL	\$115,344.92	

MEMORANDUM

Date: November 14, 2014
To: Board of Directors
From: Edward R. Crouse, Interim General Manager
Subject: General Manager's Report

The following are highlights since our last Board Meeting.

Employee Relations

Debby worked with staff on health care changes to enrollment for the PERS January 1, 2015 roll out of new providers and changes to premiums.

Joe started Teamsters OE-3 contract negotiations in October. I continued our dialogue on November 5, 2014 and have another meeting schedule for the morning of November 19, 2014.

Finance/IT

Larry Bain, our auditor, was in this week to finish the audit. He hopes to complete the draft audit in time for the January Finance Committee meeting. On a side note, we checked on the deadline for the CFD No. 1 audit as required from the original bond covenants. Since we paid off the bondholders in 2013, our reporting to them via the CFD audit is no longer necessary. The CFD audit will be completed at the same time as the District's audit.

Security

Chief Remson has completed interviews for a new Gate Officer and a new Patrol Officer. Employment offers have been accepted pending passing employment physicals. Greg hopes to have the new staff on board by the holidays to start training.

Greg is moving forward with acquisition of new cameras, gate arms, and bar code readers. He plans to bring final contract numbers to the December Security Committee and Board meetings to ensure timely deliveries and installations. Along those lines, Greg is also working with Rancho Murieta Association (RMA) to ensure the locations of the equipment is according to plans as field staking was completed this week. Likewise, Greg is working with RMA on the new generator and conduits.

Water

Plant #2 is operating at near capacity heading in to the fall. We are hopeful demand continues to drop over the winter. Early next year we will initiate outreach for spring conservation to ensure Plant #2 can meet spring irrigation demands through May 1, 2015 when we expect the new plant to be online.

Since the river flows are up, we are delivering CIA ditch water to the Anderson ranch for late season irrigation. However, while flows are up to allow CIA ditch deliveries at between 2-8 CFS averages they are a long way from our minimum 70 cfs for diversions.

Wastewater

Operations report has details on Master Water Discharge Permit. Paul reports flows to the Wastewater Reclamation Plant (WWRP) are at historic lows of .343mgd or roughly 135 gpd per connection. Kudos to Paul and staff for again lowering the carry over storage to near dead storage.

Drainage

Winter/Rainy Season preparations continue. Vegetation control, storm drain clean out and visual inspection of all detention ponds, swales and runoff areas is in progress.

Paul and James Colas are working with RMA on the North Gate erosion protection plan.

Solid Waste

Nothing new to report on the collections side. Thanksgiving Day collection will begin at 6:00 a.m.

Engineering

Augmentation Well

Paul checked drillers' availability in late October and as a result, the well project is still on hold until drillers are available.

Master Reclamation Permit Application

Staff reviewed and commented on the tentative new Waste Discharge Requirements (WDRs). Comments for the proposed WDRs were due by 5:00 p.m. October 27, 2014. Only one other comment letter was received, generally in support of the tentative WDRs.

The draft WDR is up on the Regional Board website. We are on the December 4-5 agenda, with the actual date and time TBA. We are still planning the WDR being on the uncontested approval agenda item.

Murieta Gardens

Infrastructure - Grading of the detention basin started a little over a week ago, with work continuing as weather permits.

Hotel – Although the official ground breaking was last Wednesday, construction is a short while off as the building permit is soon to be issued.

Retreats

Infrastructure plans were approved pending final County and Fire approvals. Tom deRegt hopes to begin construction on March 15, 2015 on the models and the first release of eight (8) patio homes.

Conservation

Paul reports October usage is down over 16% for the five-year average and nearly 23% year to year.

MEMORANDUM

Date: November 13, 2014
 To: Board of Directors
 From: Tracey Hays, Interim Controller
 Subject: Administration/Financial Reports

Enclosed is a combined financial summary report for **October 2014**. 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:

		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
	12 month rolling % increase												
Residences	0.0	2,513	2514	2514	2515								
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
	Weighted average												
Cubic Feet	2.383	2383	2403	2037	1573								
Gallons per day	594	594	599	508	392								
Planning Usage GPD	583												

Lock-Offs - For the month of October, there were 20 lock-offs.

Aging Report – Delinquent accounts total \$53,338 which is 10.6% of the total accounts receivable balance of \$502,454. Past due receivables, as a percent of total receivables, have increased approximately \$1,843 since September.

Summary of Reserve Accounts as of October 31, 2014 – The District’s reserve accounts have increased \$212,973, year to date, since July 1, 2014. The increase is due to the reserve amounts collected in the Water and Sewer base rates and interest earned. The District has expended \$1,204,447 of reserves since the beginning of the fiscal year, which started July 1, 2014. The total amount of reserves held by the District as of October 31, 2014 is \$7,700,634. 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, 2014</i>	<i>YTD Collected & Interest Earned</i>	<i>YTD Spent</i>	<i>Period End Balance October 31, 2014</i>
Water Capital Replacement (200-2505)	2,837,611	70,408	(1,166,204)	1,741,815
Sewer Capital Replacement (250-2505)	2,443,274	82,704	(12,877)	2,513,101
Drainage Capital Replacement (260-2505)	58,010	0	(2,205)	55,805
Security Capital Replacement (500-2505)	101,509	0	(508)	101,001
Admin Capital Replacement (xxx-2505-99)	38,382	0	0	38,382
Sewer Capital Improvement Connection (250-2500)	4,018	0	(0)	4,018
Capital Improvement (xxx-2510)	393,628	2,122	(0)	395,750
Water Supply Augmentation (200-2511)	2,256,479	8,685	(22,653)	2,242,511
Water Debt Service Reserves (200-2512)	289,414	31,743	(0)	321,157
Sewer Debt Service Reserves (250-2512)	267,471	17,311	(0)	284,782
Rate Stabilization (200/250/500-2515)	2,312	0	(0)	2,312
Total Reserves	8,692,108	212,973	(1,204,447)	7,700,634

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 September 30, 2014		
1-Month	3-Months	1-Year
-1.81%	-0.97%	8.93%

Financial Summary Report (year to date through October 31, 2014)

Revenues:

Water Charges, year-to-date, are **below** budget \$76,403 or (9.5%)

Sewer Charges, year-to-date, are **below** budget \$446 or (0.1%)

Drainage Charges, year-to-date, are **above** budget \$8 or 0.0%

Security Charges, year-to-date, are **above** budget \$211 or 0.1%

Solid Waste Charges, year-to-date, are **above** budget \$798 or 0.4%

Total Revenues, which includes other income, property taxes and interest income year-to-date, are **below** budget \$78,494 or (3.7%) (due mostly to water conservation efforts).

Expenses: Year-to-date total operating expenses are **below** budget \$182,761 or (9.5) %. Year-to-date operational reserve expenditures total \$5,627. 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 **below budget \$48,286 or (8.2%), prior to reserve expenditures**. Taste & Odor Chemicals are running below budget by \$35,062 plus maintenance and repair under-runs amounting to \$27,824 are the largest contributors to the budget variance with the offset overage of \$20,763 from wages and employer costs. These expenditures may occur in further months. Year-to-date \$2,610 of expenses have been incurred from reserves expenditures.

Sewer Expenses, year-to-date, are **below budget by \$34,346 or (10.2%), prior to reserve expenditures**. Wages and subsequently employer costs are under budget by \$34,175. Year-to-date \$665 of expenses have been incurred from reserves expenditures.

Drainage Expenses, year-to-date, are **above budget by \$17,005 or 39.6%**. This variance to the budget is due mostly to increased wages and employer costs by \$18,394. Year-to-date \$2,352 of expenses have been incurred from reserves expenditures.

Security Expenses, year-to-date, are **below budget by \$9,878 or (3.0%)**. This reduction is due mostly to staffing gaps in the patrol and gate personnel.

Solid Waste Expenses, year-to-date, are **above budget by \$45,005 or 23.1%**. This increase in the expenses over budget is reflected in the timing of payments to Cal Waste monthly contract.

General Expenses, year-to-date, are **below budget by \$62,248 or (14.4%)**. The variance to the budget is due primarily to the vacancy of the Director of Administration position, affecting both wages and employer costs. This variance is offset by legal and clerical services.

Net Income: Year-to-date unadjusted net income, before depreciation, is \$298,803. Net income/(Loss) adjusted for estimated depreciation expense is not currently available until the 2014 yearend audit is complete.

The YTD expected net operating income before depreciation, per the 2014-2015 budget is \$134,858.

Rancho Murieta Community Services District
Summary Budget Performance Report
YTD THROUGH OCTOBER 2014

	% of Total	Annual Budget	% of Total	YTD Budget	YTD Actuals	% of Total	YTD VARIANCE	
							Amount	%
REVENUES								
Water Charges	33.1%	\$1,963,040	37.8%	\$803,795	\$727,392	35.5%	(\$76,403)	(9.5%)
Sewer Charges	21.7%	1,286,784	20.2%	428,796	428,350	20.9%	(446)	(0.1%)
Drainage Charges	3.1%	183,456	2.9%	61,152	61,160	3.0%	8	0.0%
Security Charges	20.8%	1,231,021	19.3%	410,340	410,551	20.0%	211	0.1%
Solid Waste Charges	10.7%	631,830	9.9%	210,608	211,406	10.3%	798	0.4%
Other Income	1.9%	114,710	1.8%	37,632	35,477	1.7%	(2,155)	(5.7%)
Interest Earnings	0.0%	1,190	0.0%	565	58	0.0%	(507)	(89.7%)
Property Taxes	8.8%	519,960	8.2%	173,320	173,320	8.5%		0.0%
Total Revenues	100.0%	5,931,991	100.0%	2,126,208	2,047,714	100.0%	(78,494)	(3.7%)
OPERATING EXPENSES								
Water/Sewer/Drainage								
Wages	13.8%	810,420	12.6%	243,500	255,225	14.6%	11,725	4.8%
Employer Costs	7.0%	412,790	6.7%	129,502	122,759	7.0%	(6,743)	(5.2%)
Power	6.9%	406,913	6.7%	129,013	108,470	6.2%	(20,543)	(15.9%)
Chemicals	4.1%	240,200	5.5%	106,895	68,294	3.9%	(38,601)	(36.1%)
Maint & Repair	5.9%	345,470	5.6%	108,030	84,233	4.8%	(23,797)	(22.0%)
Meters/Boxes	0.9%	54,000	0.9%	16,500	12,162	0.7%	(4,338)	(26.3%)
Lab Tests	1.3%	74,250	1.1%	22,100	31,394	1.8%	9,294	42.1%
Permits	1.1%	65,600	1.0%	18,400	21,888	1.3%	3,488	19.0%
Training/Safety	0.3%	19,752	0.5%	8,750	2,549	0.1%	(6,201)	(70.9%)
Equipment Rental	0.9%	50,500	1.0%	18,350	28,932	1.7%	10,582	57.7%
Other	8.1%	474,144	8.6%	166,170	165,675	9.5%	(495)	(0.3%)
Subtotal Water/Sewer/Drainage	50.2%	2,954,039	50.2%	967,210	901,581	51.7%	(65,629)	(6.8%)
Security								
Wages	10.8%	637,600	9.9%	190,300	181,993	10.4%	(8,307)	(4.4%)
Employer Costs	6.1%	357,500	5.8%	111,900	107,727	6.2%	(4,173)	(3.7%)
Off Duty Sheriff Patrol	0.1%	6,000	0.1%	2,000	1,969	0.1%	(31)	(1.6%)
Other	1.6%	93,483	1.5%	28,649	31,281	1.8%	2,632	9.2%
Subtotal Security	18.6%	1,094,583	17.3%	332,849	322,970	18.5%	(9,879)	(3.0%)
Solid Waste								
CWRS Contract	9.3%	549,840	9.5%	183,280	138,264	7.9%	(45,016)	(24.6%)
Sacramento County Admin Fee	0.6%	34,920	0.6%	11,640	11,651	0.7%	11	0.1%
HHW Event	0.2%	12,000	0.0%			0.0%		0.0%
Subtotal Solid Waste	10.1%	596,760	10.1%	194,920	149,915	8.6%	(45,005)	(23.1%)
General / Admin								
Wages	9.4%	552,900	9.4%	181,000	122,008	7.0%	(58,992)	(32.6%)
Employer Costs	5.2%	305,000	5.2%	99,900	67,775	3.9%	(32,125)	(32.2%)
Insurance	1.3%	77,290	1.3%	25,762	27,230	1.6%	1,468	5.7%
Legal	0.5%	30,000	0.5%	10,000	20,208	1.2%	10,208	102.1%
Office Supplies	0.4%	22,800	0.4%	7,600	4,673	0.3%	(2,927)	(38.5%)
Director Meetings	0.3%	18,000	0.3%	6,000	5,000	0.3%	(1,000)	(16.7%)
Telephones	0.1%	4,800	0.1%	1,600	1,530	0.1%	(70)	(4.4%)
Information Systems	1.3%	79,400	1.9%	36,662	37,794	2.2%	1,132	3.1%
Community Communications	0.1%	5,900	0.1%	1,800	1,270	0.1%	(530)	(29.4%)
Postage	0.4%	22,202	0.4%	7,401	6,440	0.4%	(961)	(13.0%)
Janitorial/Landscape Maint	0.3%	17,820	0.3%	5,940	6,966	0.4%	1,026	17.3%
Other	1.8%	107,171	2.5%	47,401	67,924	3.9%	20,523	43.3%
Subtotal General / Admin	21.1%	1,243,283	22.4%	431,066	368,818	21.2%	(62,248)	(14.4%)
Total Operating Expenses	100.0%	5,888,665	100.0%	1,926,045	1,743,284	100.0%	(182,761)	(9.5%)
Operating Income (Loss)	100.0%	43,326	100.0%	200,163	304,430	100.0%	104,267	52.1%
Non-Operating Expenses								
Water Reserve Expenditure	0.0%		0.0%		2,610	46.4%	2,610	0.0%
Sewer Reserve Expenditure	0.0%		0.0%		665	11.8%	665	0.0%
Drainage Reserve Expenditure	0.0%		0.0%		2,352	41.8%	2,352	0.0%
Total Non-Operating Expenses	0.0%		0.0%		5,627	100.0%	5,627	0.0%
Net Income (Loss)	100.0%	43,326	100.0%	200,163	298,803	100.0%	98,640	49.3%

Rancho Murieta Community Services District
Budget Performance Report by FUND
YTD THROUGH OCTOBER 2014

	% of Total	Annual Budget	% of Total	YTD Budget	YTD Actuals	% of Total	YTD VARIANCE	
							Amount	%
WATER								
REVENUES								
Water Charges	98.5%	\$1,963,040	98.8%	\$803,795	\$727,392	98.7%	(\$76,403)	(9.5%)
Interest Earnings	0.0%	80	0.0%	40		0.0%	(40)	(100.0%)
Other Income	1.5%	29,460	1.2%	9,820	9,886	1.3%	66	0.7%
Total Water Revenues	100.0%	1,992,580	100.0%	813,655	737,278	100.0%	(76,377)	(9.4%)
EXPENSES (excluding depreciation)								
Wages	25.5%	437,630	22.4%	131,490	150,446	27.9%	18,956	14.4%
Employer Costs	13.0%	223,220	11.9%	69,932	71,739	13.3%	1,807	2.6%
Power	14.7%	252,702	12.9%	75,662	65,999	12.3%	(9,663)	(12.8%)
Chemicals	7.3%	124,500	8.5%	50,035	32,462	6.0%	(17,573)	(35.1%)
T&O - Chemicals/Treatment	3.0%	51,000	5.4%	31,900	14,411	2.7%	(17,489)	(54.8%)
Maint & Repair	9.4%	161,070	9.4%	55,030	37,472	7.0%	(17,558)	(31.9%)
Meters/Boxes	3.1%	54,000	2.8%	16,500	12,162	2.3%	(4,338)	(26.3%)
Lab Tests	2.1%	36,000	1.7%	10,000	4,072	0.8%	(5,928)	(59.3%)
Permits	1.9%	32,000	1.7%	10,000	9,087	1.7%	(913)	(9.1%)
Training/Safety	0.4%	7,500	0.4%	2,550	804	0.1%	(1,746)	(68.5%)
Equipment Rental	1.7%	30,000	1.7%	10,000	12,344	2.3%	2,344	23.4%
Other Direct Costs	17.9%	307,364	21.1%	123,517	127,332	23.7%	3,815	3.1%
Operational Expenses	100.0%	1,716,986	100.0%	586,616	538,330	100.0%	(48,286)	(8.2%)
Water Income (Loss)	16.1%	275,594	38.7%	227,039	198,948	37.0%	(28,091)	(12.4%)
38.9% Net Admin Alloc	16.0%	275,492	16.8%	98,536	74,681	13.9%	(23,855)	(24.2%)
Reserve Expenditures	0.0%		0.0%		2,610	0.5%	2,610	0.0%
Total Net Income (Loss)	0.0%	102	21.9%	128,503	121,657	22.6%	(6,846)	(5.3%)
SEWER								
REVENUES								
Sewer Charges	98.4%	1,286,784	98.4%	428,796	428,350	98.8%	(446)	(0.1%)
Interest Earnings	0.0%	140	0.0%	60		0.0%	(60)	(100.0%)
Other Income	1.5%	20,190	1.5%	6,728	5,404	1.2%	(1,324)	(19.7%)
Total Sewer Revenues	100.0%	1,307,114	100.0%	435,584	433,754	100.0%	(1,830)	(0.4%)
EXPENSES (excluding depreciation)								
Wages	28.8%	316,060	28.1%	94,965	73,205	24.1%	(21,760)	(22.9%)
Employer Costs	14.7%	160,720	15.0%	50,505	38,090	12.6%	(12,415)	(24.6%)
Power	12.9%	141,021	14.7%	49,560	41,015	13.5%	(8,545)	(17.2%)
Chemicals	6.4%	70,300	8.5%	28,660	31,830	10.5%	3,170	11.1%
Maint & Repair	15.7%	172,500	14.5%	49,000	44,521	14.7%	(4,479)	(9.1%)
Lab Tests	3.5%	38,250	3.6%	12,100	27,322	9.0%	15,222	125.8%
Permits	2.6%	28,600	2.5%	8,400	12,801	4.2%	4,401	52.4%
Training/Safety	1.1%	12,200	1.8%	6,200	1,745	0.6%	(4,455)	(71.9%)
Equipment Rental	1.5%	16,000	1.9%	6,350	7,514	2.5%	1,164	18.3%
Other Direct Costs	12.9%	141,040	9.5%	31,923	25,274	8.3%	(6,649)	(20.8%)
Operational Expenses	100.0%	1,096,691	100.0%	337,663	303,317	100.0%	(34,346)	(10.2%)
Sewer Income (Loss)	19.2%	210,423	29.0%	97,921	130,437	43.0%	32,516	33.2%
29.7% Net Admin Alloc	19.2%	210,336	22.3%	75,231	57,020	18.8%	(18,211)	(24.2%)
Reserve Expenditures	0.0%		0.0%		665	0.2%	665	0.0%
Total Net Income (Loss)	0.0%	87	6.7%	22,690	72,752	24.0%	50,062	220.6%
DRAINAGE								
REVENUES								
Drainage Charges	100.0%	183,456	100.0%	61,152	61,160	100.0%	8	0.0%
Interest Earnings	0.0%	50	0.0%	25		0.0%	(25)	(100.0%)
Total Drainage Revenues	100.0%	183,506	100.0%	61,177	61,160	100.0%	(17)	0.0%
EXPENSES (excluding depreciation)								
Wages	40.4%	56,730	39.7%	17,045	31,574	52.7%	14,529	85.2%
Employer Costs	20.6%	28,850	21.1%	9,065	12,930	21.6%	3,865	42.6%
Power	9.4%	13,190	8.8%	3,791	1,456	2.4%	(2,335)	(61.6%)
Chemicals	3.8%	5,400	4.2%	1,800	1,763	2.9%	(37)	(2.1%)
Maint & Repair	8.5%	11,900	9.3%	4,000	2,240	3.7%	(1,760)	(44.0%)
Permits	3.6%	5,000	0.0%			0.0%		0.0%
Equipment Rental	3.2%	4,500	4.7%	2,000	9,074	15.1%	7,074	353.7%
Other Direct Costs	10.5%	14,792	12.2%	5,230	899	1.5%	(4,331)	(82.8%)
Operational Expenses	100.0%	140,362	100.0%	42,931	59,936	100.0%	17,005	39.6%
Drainage Income (Loss)	30.7%	43,144	42.5%	18,246	1,224	2.0%	(17,022)	(93.3%)
6.1% Net Admin Alloc	30.8%	43,200	36.0%	15,452	11,710	19.5%	(3,742)	(24.2%)
Reserve Expenditures	0.0%		0.0%		2,352	3.9%	2,352	0.0%
Total Net Income (Loss)	0.0%	(56)	6.5%	2,794	(12,838)	-21.4%	(15,632)	(559.5%)
SECURITY								
REVENUES								
Security Charges	96.1%	1,231,021	96.0%	410,340	410,551	96.3%	211	0.1%
Interest Earnings	0.0%	400	0.0%	200		0.0%	(200)	(100.0%)

Rancho Murieta Community Services District
Budget Performance Report by FUND
YTD THROUGH OCTOBER 2014

	% of Annual		% of YTD		YTD Actuals	% of Total	YTD VARIANCE	
	Total	Budget	Total	Budget			Amount	%
Other Income	3.9%	\$50,060	3.9%	\$16,684	\$15,872	3.7%	(\$812)	(4.9%)
Total Security Revenues	100.0%	1,281,481	100.0%	427,224	426,423	100.0%	(801)	(0.2%)
EXPENSES (excluding depreciation)								
Wages	58.3%	637,600	57.2%	190,300	181,993	56.3%	(8,307)	(4.4%)
Employer Costs	32.7%	357,500	33.6%	111,900	107,727	33.4%	(4,173)	(3.7%)
Equipment Repairs	0.4%	4,400	0.4%	1,468	1,367	0.4%	(101)	(6.9%)
Vehicle Maintenance	0.6%	6,700	0.7%	2,225	4,298	1.3%	2,073	93.2%
Vehicle Fuel	1.9%	20,550	2.3%	7,820	7,732	2.4%	(88)	(1.1%)
Off Duty Sheriff Patrol	0.5%	6,000	0.6%	2,000	1,969	0.6%	(31)	(1.6%)
Other	5.6%	61,833	5.1%	17,136	17,885	5.5%	749	4.4%
Operational Expenses	100.0%	1,094,583	100.0%	332,849	322,971	100.0%	(9,878)	(3.0%)
Security Income (Loss)	17.1%	186,898	28.4%	94,375	103,452	32.0%	9,077	9.6%
20.3% Net Admin Alloc	13.1%	143,765	15.4%	51,421	38,970	12.1%	(12,451)	(24.2%)
Total Net Income (Loss)	3.9%	43,133	12.9%	42,954	64,482	20.0%	21,528	50.1%
SOLID WASTE REVENUES								
Solid Waste Charges	99.9%	631,830	99.9%	210,608	211,406	100.0%	798	0.4%
Interest Earnings	0.1%	400	0.1%	200		0.0%	(200)	(100.0%)
Total Solid Waste Revenues	100.0%	632,230	100.0%	210,808	211,406	100.0%	598	0.3%
EXPENSES (excluding depreciation)								
CWRS Contract	92.1%	549,840	94.0%	183,280	138,264	92.2%	(45,016)	(24.6%)
Sacramento County Admin Fee	5.9%	34,920	6.0%	11,640	11,651	7.8%	11	0.1%
HHW Event	2.0%	12,000	0.0%			0.0%		0.0%
Operational Expenses	100.0%	596,760	100.0%	194,920	149,915	100.0%	(45,005)	(23.1%)
Solid Waste Income (Loss)	5.9%	35,470	8.2%	15,888	61,491	41.0%	45,603	287.0%
5.0% Net Admin Alloc	5.9%	35,410	6.5%	12,665	9,599	6.4%	(3,066)	(24.2%)
Total Net Income (Loss)	0.0%	60	1.7%	3,223	51,892	34.6%	48,669	1,510.1%
OVERALL NET INCOME(LOSS)	100.0%	43,326	100.0%	200,164	297,945	100.0%	97,781	48.9%

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

INVESTMENT REPORT

CASH BALANCE AS OF OCTOBER 31, 2014

INSTITUTION	YIELD	BALANCE
CSD FUNDS		
EL DORADO SAVINGS BANK		
SAVINGS	0.03%	\$ 372,924.49
CHECKING	0.02%	\$ 46,578.48
PAYROLL	0.02%	\$ 61,673.05
AMERICAN WEST BANK		
EFT	0.05%	\$ 14,303.14
LOCAL AGENCY INVESTMENT FUND (LAIF)		
UNRESTRICTED		\$ -
RESTRICTED RESERVES	0.23%	\$ 5,096,804.30
CALIFORNIA ASSET MGMT (CAMP)		
OPERATION ACCOUNT	0.06%	\$ 3,605,566.65
UNION BANK		
PARS GASB45 TRUST (balance as of 9/30/14)		\$ 705,392.38
TOTAL		\$ 9,903,242.49

BOND FUNDS

COMMUNITY FACILITIES DISTRICT NO. 1 (CFD)

BANK OF AMERICA		
CHECKING	N/A	\$ 34,445.18
CALIFORNIA ASSET MGMT (CAMP)		
SPECIAL TAX	0.05%	\$ 8,303.77
US BANK		
SPECIAL TAX REFUND	0.00%	\$ -
BOND RESERVE FUND/ SPECIAL TAX FUND	0.00%	\$ -
TOTAL		\$ 42,748.95
TOTAL ALL FUNDS		\$ 9,945,991.44

The investments comply with the CSD adopted investment policy.

PREPARED BY: Tracey Hays
Interim Controller

MEMORANDUM

Date: November 13, 2014
To: Board of Directors
From: Greg Remson, Security Chief
Subject: Security Report for the Month of October 2014

OPERATIONS

An off-duty Sacramento Sheriff's Deputy worked Halloween night. Even though the weather wasn't perfect, there were lots of kids out and about. As always on holidays, the Gate Officers were very busy processing guests.

Interviews were held for the vacant Security Patrol Officer and Security Gate Officer positions. Job offers have been made for each position. Both applicants are in the pre-employment phase and I am hoping they are ready to begin training in a couple of weeks.

The Security Patrol Officer is still out on a Worker's Comp injury. There is no tentative return date.

INCIDENTS OF NOTE

October 1, Wednesday, reported at 12:00 p.m. on Abierto Drive. Attempted theft. The resident caught a worker going through a medicine cabinet. Worker was escorted out of Rancho Murieta; business owner was notified, resident given reporting options.

October 2, Thursday, reported at 2:31 p.m. at the Equestrian Center. Theft of credit cards from a vehicle. Referred to Sacramento Sheriff's Department (SSD) for a report.

October 4, Saturday, reported at 9:00 a.m. at the Equestrian Center. Theft of a scooter. Referred to SSD for a report.

October 5, Sunday, reported at 10:22 p.m. on Reynosa Drive. Contact was made with a despondent male yelling about dying and wanting to be killed. He had cuts on his arms. Transported for mental health evaluation by Sacramento Metro Fire Department (SMFD).

October 10, Friday, reported at 12:27 a.m. at Clementia Lake. Theft of property from a golf cart.

October 10, Friday, reported at 10:40 a.m. on Rio Circle. Threatening telephone call. Referred to SSD for a report.

October 12, Sunday, reported at 8:08 a.m. on Camino De Luna. License plate was removed from vehicle.

October 17, Friday, reported at 8:17 p.m. on Puerto Drive. Reporting person said a cat was hit and killed by a speeding vehicle.

October 17, Friday, reported at 9:32 p.m. at the North Gate. Non-resident arrested by California Highway Patrol (CHP) for driving under the influence.

October 21, Tuesday, reported at 7:01 p.m. at Murieta Plaza. A catalytic convertor was stolen from a vehicle that was parked in the parking lot.

October 21, Tuesday, reported at 9:19 p.m. at the Country Store. DUI arrest. Report of an obviously intoxicated subject buying alcohol. Subject was contacted and CHP responded. Due to the high level of intoxication the subject was transported to the hospital by SMFD.

October 31, Friday, reported at 12:38 p.m. on Lago Drive. Public intoxication. Report of an obviously intoxicated male in the back yard of a neighbor's house. The subject is known to officers. SSD responded and took the subject to jail for two DUI warrants.

During the month of October, District Security Patrol Officers also responded to complaints of loud parties, disturbances and trespassing.

RANCHO MURIETA ASSOCIATION COMPLIANCE/GRIEVANCE/SAFETY COMMITTEE MEETING

The meeting was held on October 6, 2014 at the Rancho Murieta Association (RMA) office. The Committee again discussed Non-Arch Rule X-Security/Game Refuge-Section 2-Private Refuge and Discharge of Firearm. Rancho Murieta is not a "private refuge".

The Committee reviewed the Sacramento County ordinance on firearms and parks, along with other HOA's. The Committee did not want any type of firearm or weapon within the community. The rule will be updated and forwarded to the Governing Documents Committee for review.

There was an appearance regarding complaints about frequent parties, underage alcohol use, and excessive noise at a home on the North. There was an appearance regarding a request to have a "flocking" fundraiser to help pay for the sixth grade trip to Sly Park. This is done by placing about 40 pink flamingos in a different front yard for a few days. The recipient donates funds to have the flamingoes removed. The next meeting is scheduled for November 3, 2014.

SECURITY AD HOC COMMITTEE

The Committee met twice in the past month to discuss bids for the new North Gate surveillance camera system. Three (3) bids were presented by vendors. Watchdogs Surveillance was selected as the lowest bidder.

NEW NORTH GATE

Beginning on October 30, 2014 the first Lago Drive will be closed to begin construction. The road will be closed from Murieta Parkway to the entrance to the Gazebo. The closure should last 4-6 weeks, with detours around the second Lago Drive and Guadalupe Drive. There will be additional lane closures along Murieta Parkway, but there will be one inbound and one outbound lane open

at all times. RMA is using www.ranchomurieta.com to update the community on the progress of construction.

Due to the wider lanes-12' to 20'-the gate operators need to have barrier arms that cover those distances. The gate vendors researched this requirement to ensure that the gate arms still open and close at a sufficient speed. If the arms open and close slower than they presently do, vehicles may be able to "tailgate" through before the gate arm cycles.

Various gate operator vendors were checked, and due to the fast open and close time and our previous use it was decided that we will continue using the operator make that we presently use. It will cover the majority of each lane and the additional open area will be covered with collapsible bollards.

MEMORANDUM

Date: November 13, 2014
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 Plant #1 is offline and under rehabilitation. Water Treatment Plant #2 is set at 2.0 MGD, currently operating an average of 18 hours per day for an average production flow of 1.5 MGD. During allowable irrigation days, demand is at 1.98 million gallons.

Total potable water production for October was approximately 42.1 million gallons (MG) or 129.2 acre-feet (AF). This is approximately 525 gallons per day per customer.

Water treatment plant production for October was down 16.2% vs. the past five (5) year average and 22.8% vs. October of last year.

WATER SOURCE OF SUPPLY

On October 12, 2014, the combined raw water storage for Calero, Chesbro, and Clementia Reservoirs measured approximately 1,116.35 MG (3,426.2 AF) of which 952.42 MG (2,923 AF) is usable due to dead storage. September 2, 2014 was at 1,286.7 MG (3,949 AF). For Calero and Chesbro alone, the storage measured 852.2 MG (2,615.5 AF), or 802.84 MG (2,162.5 AF) usable. For reference, an average year's production has been 581 MG (1802 AF). One algae treatment took place on October 10, 2014 for taste and odor control.

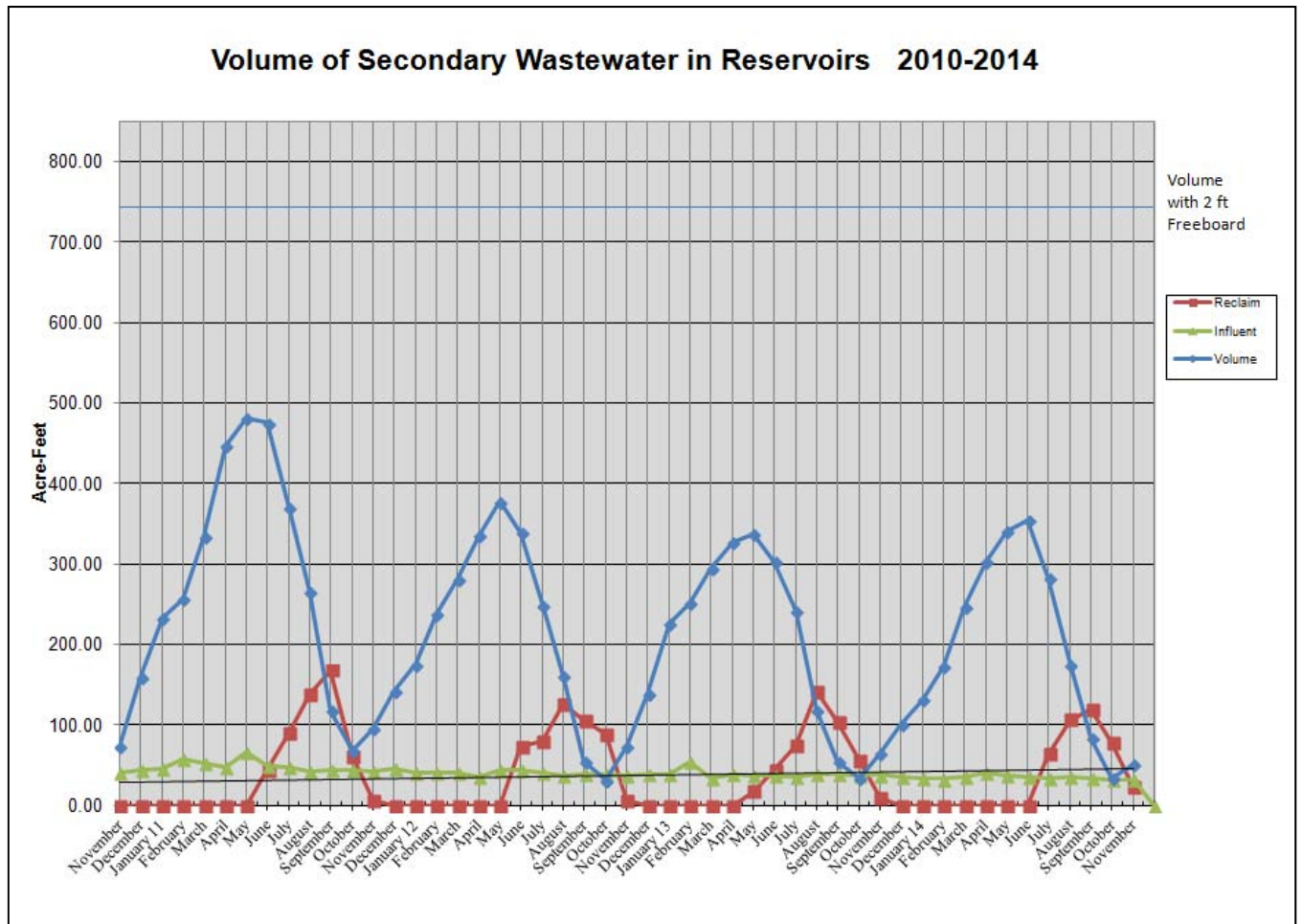
We received 1.02" of rain in October and evaporation was 3.55".

Preventative maintenance at the Granlees raw water pumping station with cement repairs and pump servicing complete, to be ready for the upcoming diversion season.

WASTEWATER TREATMENT, COLLECTION AND RECLAMATION

Influent wastewater flow averaged 0.343 million gallons a day, for a total of 10.6 MG, (32.64 AF) for the month of October. This is approximately 135 gpd per sewer connection, well below the District average of 186 gpd per connection. Secondary wastewater storage measured 18.364 MG (56.36 AF) on October 12, 2014, of which 41.44 AF is usable volume. A total of 7.283 MG (22.35 AF) of tertiary recycled water was deliver the Rancho Murieta Country Club in October. The lowest secondary storage

volume was at 9.72 MG (29.82 AF) on October 8, 2014. The graph below shows where our secondary storage is comparable to previous years, measured on the first Wednesday of each month.



Sewer line maintenance this past month included grease removal from several lift stations, including the Main Lift North station and continued cleaning and inspection of the sewer collection lines.

DRAINAGE / CIA DITCH

No water was supplied to Laguna Joaquin from the Clementia Reservoir in October. Staff completed inspecting the entire drainage system’s culverts to ensure that there were no blockages or potential for debris to block culvert pipes as we move into the rainy season, to ensure drainage flow. They have also continued cutting vegetation in drainage ditches and stormwater detention basins as time and projects allow, completing District drainage zones 2-A, B, C, E, H and I and Basin 12.

WATER METERING AND UTILITY STAFF WORK

Utility Staff replaced seven (7) water meters and three (3) MXUs. They responded to ten (10) water leak complaints, eight (8) of which were the District’s and repaired by the District. Five (5) of the leaks

were service line leaks, all in the pressure system in the North community. Also completed were eighteen (18) Underground Service Alerts and forty-four (44) Utility Star service orders.

In November, Utility Staff will be focusing on sewer system cleaning.

MEMORANDUM

Date: November 18, 2014
To: Board of Directors
From: Edward R. Crouse, Interim General Manager
Subject: Consider Adoption of a Resolution, Acting as the Legislative Body of Rancho Murieta CSD Community Facilities District No. 2014-1 (Rancho North/Murieta Gardens), Modifying Resolution 2014-24 (Which Authorized Issuance of CFD #2014-1 Special Tax Bonds) Concerning the Bond Denomination Amount and Bond Transfer Restrictions

RECOMMENDED ACTION

Adopt Resolution 2014-30, Acting as the Legislative Body of Rancho Murieta CSD Community Facilities District No. 2014-1 (Rancho North/Murieta Gardens), Modifying Resolution 2014-24 (Which Authorized Issuance of CFD #2014-1 Special Tax Bonds) Concerning the Bond Denomination Amount and Bond Transfer Restrictions.

BACKGROUND

At the District's September 5, 2014 Special Board meeting, the Board adopted Resolution 2014-24 authorizing (1) the issuance of CFD #2014-1 Special Tax Bonds, (2) approval, execution and delivery of a fiscal agent agreement, and (3) approval of a preliminary limited offering memorandum. The Preliminary Limited Offering Memorandum contemplated authorized denominations of \$100,000 or any integral multiple of \$5,000 in excess thereof and certain transfer restrictions on the bonds.

The prospective institutional investor wishes to have the flexibility to re-sell the bonds at a lower denomination value. This resolution authorizes the reduction of the denominations of the bonds from \$100,000 to \$5,000 and the elimination of the transfer restrictions on the Bonds, which restricts bond transfer to sophisticated and institutional investors. These changes will increase the marketability of the Bonds, but also could result in many individual investors holding the District bonds. The resolution also waives the absorption study and land use entitlement components of the District Comprehensive Mello-Roos Goals and Policies because they will not be met with the CFD 2014-1 lands due to the early stage of development.

Bond counsel Daniel Kim, Fulbright & Jaworski, LLP, prepared the resolution and recommends adoption. Richard Shanahan, District General Counsel, approves the resolution as to form.

RESOLUTION NO. 2014 - 30

RESOLUTION OF THE BOARD OF DIRECTORS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT, ACTING AS THE LEGISLATIVE BODY OF RANCHO MURIETA CSD COMMUNITY FACILITIES DISTRICT NO. 2014-1 (RANCHO NORTH/MURIETA GARDENS), MODIFYING RESOLUTION NO. 2014-24 (WHICH AUTHORIZED ISSUANCE OF CFD NO. 2014-1 SPECIAL TAX BONDS) CONCERNING THE BOND DENOMINATION AMOUNT AND BOND TRANSFER RESTRICTIONS

WHEREAS, the Board of Directors (the "Board") of the Rancho Murieta Community Services District (the "District") has conducted proceedings under and pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), to form Rancho Murieta CSD Community Facilities District No. 2014-1 (Rancho North/Murieta Gardens) ("CFD 2014-1"), to authorize the levy of special taxes upon the real property within CFD 2014-1, and to issue bonds secured by said special taxes, the proceeds of which are to be used to finance the purchase, construction, expansion or rehabilitation of certain public infrastructure facilities and other governmental facilities with an estimated useful life of five years or longer, which CFD 2014-1 is authorized by law to construct, own or operate and that are necessary to meet increased demands placed upon the District as a result of development or rehabilitation occurring within the proposed CFD 2014-1, including but not limited to the improvements to the District's Water Treatment Plant #1, and related costs including design, construction, inspections, professional fees, connection fees and acquisition costs (the "Facilities"); and

WHEREAS, the Board, acting as the legislative body of the CFD, previously adopted Resolution No. 2014-24, which (i) authorized the issuance of bonds under the Act to provide funding for the Facilities and related costs, which are designated "Rancho Murieta CSD Community Facilities District No. 2014-1 (Rancho North/Murieta Gardens) Special Tax Bonds, 2014 Series" (the "Bonds"), (ii) authorized the issuance of the Bonds pursuant to a limited offering or a private placement, and depending on the method of sale as approved by the President, the Vice President or the General Manager (each, a "Responsible Officer"), and (iii) approved a Preliminary Limited Offering Memorandum relating to the Bonds, substantially in the form annexed to such resolution, with such revisions, amendments and completions as shall be approved by any Responsible Officer with the advice of Bond Counsel or General Counsel; and

WHEREAS, the Preliminary Limited Offering Memorandum contemplated authorized denominations of the Bonds of \$100,000 or any integral multiple of \$5,000 in excess thereof and certain transfer restrictions on the Bonds; and

WHEREAS, staff has informed the Board that the authorization to publicly offer the Bonds, the reduction of the authorized denominations of the Bonds from \$100,000 to \$5,000 and the elimination of the transfer restrictions on the Bonds will increase the marketability of the Bonds, and furthermore, staff has informed the Board of the fact that the Bonds may be more widely held by non-accredited investors and potential risks associated therewith; and

WHEREAS, the Board desires to authorize the public offering of the Bonds (at the same time preserve the ability to issue the Bonds by way of a limited offering or a private placement as previously authorized), the reduction of the authorized denominations of the Boards and elimination of the transfer restrictions on the Bonds.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Board hereby authorizes the issuance of the Bonds pursuant to a public offering, the reduction of the authorized denomination of the Bonds from \$100,000 to \$5,000 and the elimination of the transfer restrictions on the Bonds.

Section 2. The Board hereby acknowledges that certain of the credit quality requirements set forth in the District's Comprehensive Mello-Roos Goals and Policies will not be met (i.e. absorption studies and land use entitlements) due to the stage of development with CFD 2014-1. However, as authorized under the District's Mello-Roos Goals and Policies, the Board hereby waives such credit quality requirements due to the strength of the existing and proposed development with CFD 2014-1.

Section 3. Each Responsible Officer is hereby authorized and directed, for and in the name and on behalf of CFD 2014-1, to do any and all things and take any and all other actions, which they, or any of them, deem necessary or advisable in order to consummate the lawful issuance and sale of the Bonds and the consummation of the transactions as described herein.

Section 4. This Resolution shall take effect upon its adoption.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2014, by the following Roll Call Vote:

Ayes:
Noes:
Abstain:
Absent:

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

ATTEST:

**Suzanne Lindenfeld
District Secretary**

MEMORANDUM

Date: November 14, 2014
To: Board of Directors
From: Edward R. Crouse, Interim General Manager
Subject: Status of Parks Committee and Committee Meetings Under the 1990 and 1991 Park Development Agreements

RECOMMENDED ACTION

None. Discussion only.

BACKGROUND

In 1990 and 1991, the District entered into three (3) very similar agreements titled Park Development Agreement with three (3) different groups of landowner/developers. They are dated September 19, 1990, February 20, 1991 and June 28, 1991. The Park Development Agreements created a Parks Committee consisting of representatives from the District, Rancho Murieta Association, and landowner/developers. The primary purpose of the committee is to review parks facility construction plans and to ensure that the plans are consistent with the agreements and county planned development ordinance. The committee also sometimes reviews the RMA park development fund established by the 1990 and 1991 agreements and modifies and updates the park facility matrix.

The purpose of this agenda item is to discuss the status of the Parks Committee and committee meetings.

MEMORANDUM

Date: November 14, 2014
To: Board of Directors
From: Edward R. Crouse, Interim General Manager
Subject: Security Gate Control Policy

RECOMMENDED ACTION

None. Discussion only.

BACKGROUND

District security personnel staff operate the two (2) security gates into the restricted-access areas of Rancho Murieta. The District owns the South Gate and the Rancho Murieta Association owns the North Gate. There is a brief gate policy provision at section 3.02 of the District Security Code (see below). The purpose of this agenda item is to discuss the District policies and rules that govern its management and operation of the security gates.

3.02 Gate and Patrol Services

The District shall provide gate and patrol services, at such level or to such extent as the Board may authorize as part of the annual budget process, or from time to time as the Board deems appropriate. The gate and patrol services shall generally include:

- a. Operating and staffing security gates located at the entrances to the Rancho Murieta community on a year round basis;
- b. Providing twenty-four-(24) hour a day mobile patrol of all area within the boundaries of the District;
- c. Operating a communication system to maintain contact with local law enforcement, fire and other emergency services as well as the appropriate entities within the District; and
- d. Registering guests or invitees of District Customers and other visitors within the District, in cooperation with Rancho Murieta Association or other homeowners' associations within the District as appropriate.

MEMORANDUM

Date: November 11, 2014
To: Board of Directors
From: Finance Committee Staff
Subject: Consider Approving Ranch Murieta North Security Gate Project Cooperation and Funding Agreement

RECOMMENDED ACTION

Approve Rancho Murieta North Security Gate Project Cooperation and Funding Agreement, in an amount not to exceed \$65,000 towards the costs of the North Gate Security Project, specifically for the purchase and installation of a backup generator and electrical conduit.

BACKGROUND

Rancho Murieta Association (RMA) owns the north security/guard station at Rancho Murieta (the “**North Gate**”) and related real property. RMA is redesigning and reconstructing the North Gate and making related improvements (the “**Project**”). RMA recently solicited bids for the construction of the Project and approved a construction contract with Diede Construction, Inc. in the amount of \$1,374,000.

Rancho Murieta Community Services District (District) Security Department staffs the North Gate with Security Gate Officers and is responsible for the North Gate backup generator and electrical conduit. The Project scope of work includes the replacement of the backup generator and electrical conduit. The price for this work under the Diede-Association contract is \$65,000.

In addition, the District is responsible for providing and installing surveillance cameras, intercoms, gate operators, barcode readers, DSX upgrades, mounting poles for cameras and intercoms, and furniture, computers and other miscellaneous items and equipment. This is the equipment that the District has been purchasing and replacing at both the North and South Gates. The total estimated cost of the equipment is \$250,000. See attached project summary.

Funding will come from the Security Replacement Reserves, and Security Impact Fees from the Murieta Gardens Project, the Residences and Retreats, and the 670 Group.

Presently, there is approximately \$100,000 in the Security Replacement Reserves. The Murieta Gardens hotel project is the closest to beginning construction and the Security Impact Fees would total about \$16,500. Additional construction of other subdivisions could be a few years away. Additional funding needs to come from borrowing about \$150,000 from Water Augmentation Fees, with a payback timeline of 5-10 years from future Security Impact Fee payments and/or net income from the Security Operating Budget.

The Finance Committee recommends approval.

November 4, 2014
New North Gate Project Summary
CSD Estimated Costs

North Gate Camera System	\$ 50,000
Gate Operator (6)/Barcode Readers (5)	\$100,000
DSX Upgrade	\$ 14,000
Mounting poles	\$ 5,000
Wiring	\$ 5,000
Intercoms/microphones/cameras/gate operators/bc readers	
Furniture/desk/chairs/computers/refrigerator/misc	\$ 5,000
Generator	\$ 37,000
Conduit	\$ 28,000

Combined Total est. \$250,000

RANCHO MURIETA NORTH SECURITY GATE IMPROVEMENT PROJECT COOPERATION AND FUNDING AGREEMENT

This Agreement is made this _____, 2014, by and between Rancho Murieta Association, a California nonprofit corporation (“Association”), and Rancho Murieta Community Services District, a local government agency (“District”), who agree as follows:

1. Recitals. This Agreement is made with reference to the following background recitals:

1.1. Association owns the north security/guard station at Rancho Murieta (the “**North Gate**”) and related real property. Association is redesigning and reconstructing the North Gate and making related improvements (the “**Project**”). Association recently solicited bids for the construction of the Project and approved a construction contract with Diede Construction, Inc. in the amount of \$1,374,000.

1.2. District staffs the North Gate with District security guard employees and it is responsible for the North Gate backup generator and conduit. The Project scope of work includes the replacement of the backup generator and conduit (the “**District Portion**”). The price for this work under the Diede-Association contract is \$65,000.

1.3. Association agrees to proceed with the construction of the Project, and District agrees to fund the District Portion of the Project work, on and subject to the terms of this Agreement.

2. Construction Work by Association. Association, at its sole cost and expense (except for the District cost share funding provided below), agrees to construct and install the Project through its contract with Diede Construction, furnish all necessary materials, and, where necessary, pay the cost of acquiring land or rights-of-way necessary for the construction and installation of the work. The Project work will include the District Portion. Construction will be in accordance with the approved plans, specifications and drawings and County building permit requirements. During the course of construction, Association periodically will update District regarding the status, progress and costs of the Project construction work. Upon request by District, the parties will meet to review the status, progress and costs of the work.

3. Record Keeping. Association will keep and maintain accurate accounting and bookkeeping records relating to the Project construction work, invoices from and payments to Diede Construction, and the calculation of invoices to District under section 4. District and its employees, accountants, attorneys and agents, may review, inspect, copy and audit these records, including all source documents.

4. Cost Sharing by District. District agrees to pay \$65,000 toward the costs of the Project work. On a quarterly basis during the course of Project construction, Association will invoice District for the District Portion of the Project costs that Association reasonably estimates will be needed to be paid during the next quarter. District will pay the invoice within 15 days of its receipt. However, if District objects to any invoice, the parties will meet to review the objection and attempt to resolve any District concerns, in which case payment will be due within five days after the meeting (which may be paid under protest) or as otherwise agreed at the meeting. District’s payment obligation will not exceed

\$65,000, except as provided in section 5. Association will use the funding from District solely to pay the District Portion of Project costs.

5. Changes; Cost Overruns. Association will not make any changes to the District Portion of the Project (other than minor construction field directives that will have no effect on the Project cost) without District's consent in writing, which consent will not be unreasonably withheld. If for any reason the District Portion of the Association-Diede contract exceeds \$65,000, the parties will meet and confer about how to pay the cost overrun. District will have no liability for costs exceeding \$65,000 unless later approved by District in writing. If the costs of the District Portion of the Association-Diede contract exceed \$65,000 for a reason beyond the reasonable control of Association, then District will not unreasonably withhold its approval of paying District's fair share of the cost overrun.

6. Time for Performance; Termination. Association will commence construction work within six months from the date of this Agreement, and will complete construction of the work within two years from the date of commencement. Upon a showing of good cause by Association, District may extend these deadlines in writing. If construction of the work has not been completed within these deadlines, and any extensions, then District may terminate this Agreement at any time thereafter by giving written notice of termination to Association. Association may terminate this Agreement at any time prior to commencement of construction by giving written notice to District.

7. Indemnification. Association bears all risk of loss, injury, damage or destruction concerning the Project construction work. Association will indemnify, protect, defend, and hold harmless District and its officers, employees, and agents, from any and all claims, demands or charges and from any loss or liability, including all costs, expenses, attorney's fees, litigation costs, penalties, and other fees arising out of or in any way connected with performance or failure to perform under this Agreement by Association or its officers, employees, contractors, subcontractors or agents, except such loss or damage that was caused by the sole negligence or willful misconduct of District.

8. General Provisions.

8.1. Entire Agreement. The parties intend this writing to be the sole, final, complete, exclusive and integrated expression and statement of the terms of their contract concerning the subject matter addressed in the Agreement. This Agreement supersedes all prior oral or written negotiations, representations, contracts or other documents that may be related to the subject matter of this Agreement, except those other documents that may be expressly referenced in this Agreement.

8.2. Construction and Interpretation. The parties agree and acknowledge that this Agreement has been arrived at through negotiation, and that each party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party will not apply in construing or interpreting this Agreement.

8.3. Waiver. The waiver at any time by any party of its rights with respect to a default or other matter arising in connection with this Agreement will not be deemed a waiver with respect to any subsequent default or matter.

8.4. Severability. If any part of this Agreement is held to be void, invalid, illegal or unenforceable, then the remaining parts will continue in full force and effect and be fully binding, so long as the rights and obligations of the parties are not materially and adversely affected.

8.5. Amendment. This Agreement may be modified or amended only by a subsequent written agreement approved and executed by both parties. Amendment by District requires approval by its Board of Directors at a noticed public meeting.

8.6. Governing Law and Venue. Except as otherwise required by law, this Agreement will be interpreted, governed by, and construed under the laws of the State of California. The County of Sacramento will be venue for any state court litigation and the Eastern District of California will be venue for any federal court litigation concerning the enforcement or construction of this Agreement.

8.7. Notices. Any notice, demand, invoice or other communication required or permitted to be given under this Agreement must be in writing and delivered either (a) in person, (b) by prepaid, first class U.S. mail, (c) by facsimile transmission with delivery to the other party confirmed by a successful-delivery confirmation receipt if the document also is sent within two days by prepaid, first class U.S. mail, or (d) by a nationally-recognized commercial overnight courier service that guarantees next day delivery and provides a receipt. Such notices, etc. will be addressed as follows:

District: General Manager Rancho Murieta Community Services District 15160 Jackson Road P.O. Box 1050 Rancho Murieta, CA 95683	Association: General Manager Rancho Murieta Association 7191 Murieta Parkway Rancho Murieta, CA 95683
--	---

Notice given as above will be deemed given (a) when delivered in person, (b) three days after deposited in prepaid, first class U.S. mail, (c) upon receipt of the facsimile machine successful-delivery confirmation, or (d) on the date of delivery as shown on the overnight courier service receipt. Any party may change its contact information by notifying the other party of the change in the manner provided above.

RANCHO MURIETA COMMUNITY
SERVICES DISTRICT

RANCHO MURIETA ASSOCIATION

By: _____
Edward R. Crouse
General Manager

By: _____
Greg Vorster
General Manager

MEMORANDUM

Date: November 11, 2014
To: Board of Directors
From: Improvements Committee Staff
Subject: Consider Approving Water Treatment Plant Expansion Project Special Inspection Costs

RECOMMENDED ACTION

Approve the proposal from Bay Area Coating Consultant Services Inc. for special inspection services, in an amount not to exceed \$15,000. Funding to come from the approved Water Treatment Plant Contingency.

BACKGROUND

To ensure proper preparation, mixing, application, and curing for the specialized coatings that will be applied within the future Water Treatment Plant membrane basins, Bay Area Coating Consultants Inc. (BACC) would be hired to provide their professional inspection services. They would enforce that the engineering specification as set in Contract Documents and Specifications, Section 09905, would be followed.

As it is laid out in the Definition of Services within the project contract, the District shall furnish inspections as required by the construction documents. As given in the initial schedule described by the trade contractor for painting, it is assumed the costs for their services should not exceed \$13,000. Attached is the hourly rate schedule provided by BACC for their services. Special inspections are included in this project to ensure that all specification requirements and painting industry standards are adhered to and to ensure a long life of the coating system.

The Improvements Committee recommends approval.



Experience & Integrity Since 1987

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

Subject: Inspection Cost Estimate

Dear Siebensohn:

Enclosed is our cost estimate for coating and lining inspection services. BACC will provide daily written reports via e-mail. BACC will provide all required testing as per NACE, ASTM, and AWWA standards.

Bay Area Coating Consultant Services, Inc
November 3, 2014
Coating and Lining Inspection Estimate

Fees and Payment Schedule

BACC will provide a NACE coating inspector on a on call basis. When on site BACC will monitor the Contractors daily operations when including surface preparation, lining application and all required testing as per NACE, ASTM, and SSPC guidelines and standards. BACC will provide daily written reports with photographs. BACC will provide all required insurance for this project. All BACC employees are confined space certified.

Work is performed on a time and materials basis and the fee assumes that inspection is performed during regular hours of the work week (M-F). The estimate also depends on the quality of the Contractor.

National Association of Corrosion Engineers Certified Coating Inspector (Prevailing Wage-Construction Inspector Group II)	
Base Rate	\$98.00
Time X 1.5	\$160.00 (Over eight hours-Saturdays)
Double Time:	\$178.00 (Sundays and Holidays-After twelve hour shift)
4.0 Hour minimum	
Truck Charge:	N/A

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.
NACE #106
Ph (888)-384-6839
Fax (209) 669-3633
edarrimon@bayareacoating.com
www.bayareacoating.com

MEMORANDUM

Date: November 13, 2014
To: Board of Directors
From: Paul Siebensohn, Director of Field Operations
Subject: Receive Water Treatment Plant Expansion Project Update

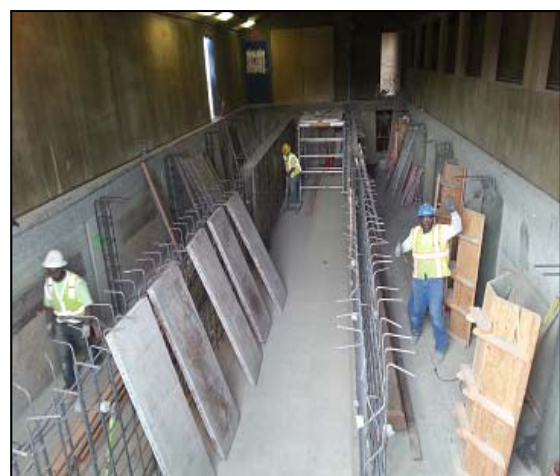
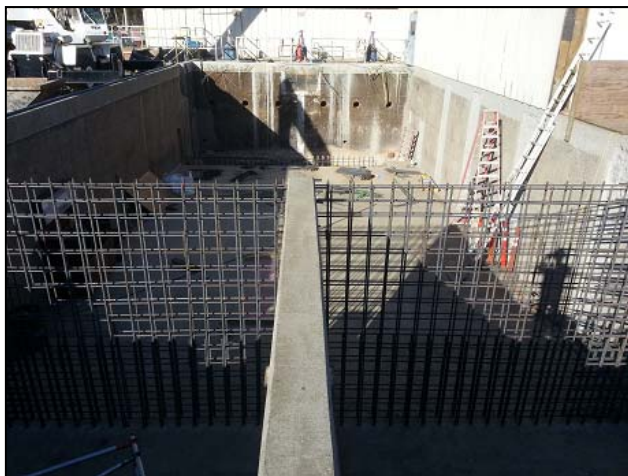
RECOMMENDED ACTION

No action - receive update.

UPDATE

As the project proceeds, trade contractors jockey for time and space within relatively confined areas to complete their portions of the project. Requests for information and submittals are volleyed back and forth between trade contractors, Roebbelen, the District and HDR. Unmarked lines have been unearthed and identified. Conflicts with the engineering drawings are being worked out, as tensions rise to meet the impending deadline of being online before next summer's water demand time.

So far, it appears the project is on track, possibly slipping a week. We are awaiting confirmation from Roebbelen with an updated Master Project Schedule. As of today, the main trade contractor, KG Walters, has more staff onsite to expedite the forming of the concrete walls within the former filter room and sedimentation basin of plant #1. Below are recent photos from the project.





Period ending: October 31, 2014

HARD CONSTRUCTION COSTS (via Roebbelen)

Project Construction Summary							Source of Funding		
Contractor	Work Type	Contract Amount	% complete	Total Amount Complete	Amount This Month	Contract Amount Remaining	CSD \$4.3 million	R&B LOC \$4.185 million	CFD 2014 \$4.3 million
Roebbelen Construction Management Services	General Conditions	305,607	-						
	Risk Insurance	42,742	-						
	Liability Insurance	37,399	-						
	CMAR Fee	395,497	-						
River City Painting	Painting	291,000	-						
GE Technology	Membrane Supplier	2,173,800	5%	116,842			116,842		
JD Pasquetti	Sitework	555,659	64%	356,062			356,062		
Roebbelen Construction	Fencing	53,640	-						
KG Walters Construction	Mechanical & Plumbing	4,893,000	21%	1,007,229			1,007,229		
Bockmon & Woody Electric	Electrical	2,370,226	16%	385,300			385,300		
Marquee	Fire Protection	42,500	15%	6,375			6,375		
Total Initial Construction Contracts (with 534,318 Contingency = 11,695,388]		11,161,070	17%	1,871,808	0	0	1,871,808	0	0
Approved Change Order 1	JDP - Drying bed extension shotcrete	5,648							
Approved Change Order 2	KGW/JDP - FM change of material	2,888							
Approved Change Order 3	JDP - 2" Conduit for Fiber	26,264							
Approved Change Order 4	JDP - CLSM trench at lower yard	3,300							
Approved Change Order 5	JDP - drying bed clean out	1,882							
Approved Change Order 6	KGW - Door 302 added lockset	345							
Approved Change Order 7	Zenon - GE dimension Clar.Support Grate	2,815							
Total Approved Change Orders		43,142							
Total Construction Amount		11,204,212							

Change Order Summary		
Max Contract Change Order Amount		534,318
Approved Change Orders		(43,142)
Proposed Change Orders	Amount CO remaining	491,176
	Total	(91,038)
	Amount CO Remaining (if Proposed COs are approved)	400,138

SOFT CONSTRUCTION COSTS (CSD Direct Expenses to be shared equally)

Service Cost Summary					Source of Funding		
Item	Company/Agency	Max Contract	Amount Billed to date	Contract Remaining	CSD \$4.3 million	R&B LOC \$4.185 million	CFD 2014 \$4.3 million
Preconstruction CM Assistance	Roebelen CMS	49,049	49,049	0	49,049		
Design Engineering	HDR Engineering	239,982	239,982	0		239,982	
CEQA NOI/MND	HDR Engineering	47,789	47,789	0		47,789	
Design Geotech	Youngdahl and Associates	2,600	2,600	0	2,600		
Construction Engineering Assistance	HDR Engineering	167,565	24,584	142,981	24,584		
Special Construction Inspection		50,000	485	49,515	485		
Misc Fees			709		709		
SMUD Service	SMUD	5,000	5,000	0	5,000		
Generator Permit	Sac County Air Quality Mgmt	5,000		5,000			
State Clearinghouse for CEQA	State of CA	3,000		3,000			
Fish & Wildlife Agency Permits	State of CA	2,000	921	1,079	921		
Ca Dept Health Review	State of CA	5,000		5,000			
Road Mitigation	RMA	8,000		8,000			
CSD Admin, Legal and Engr.	CSD	50,000	38,633	11,368	38,633		
	Total	634,985	409,752	225,233	121,981	287,771	0

Grand Total (Construction and soft costs)

11,839,197

MEMORANDUM

Date: November 11, 2014
 To: Board of Directors
 From: Paul Siebensohn, Director of Field Operations
 Subject: Receive Water Conservation Update

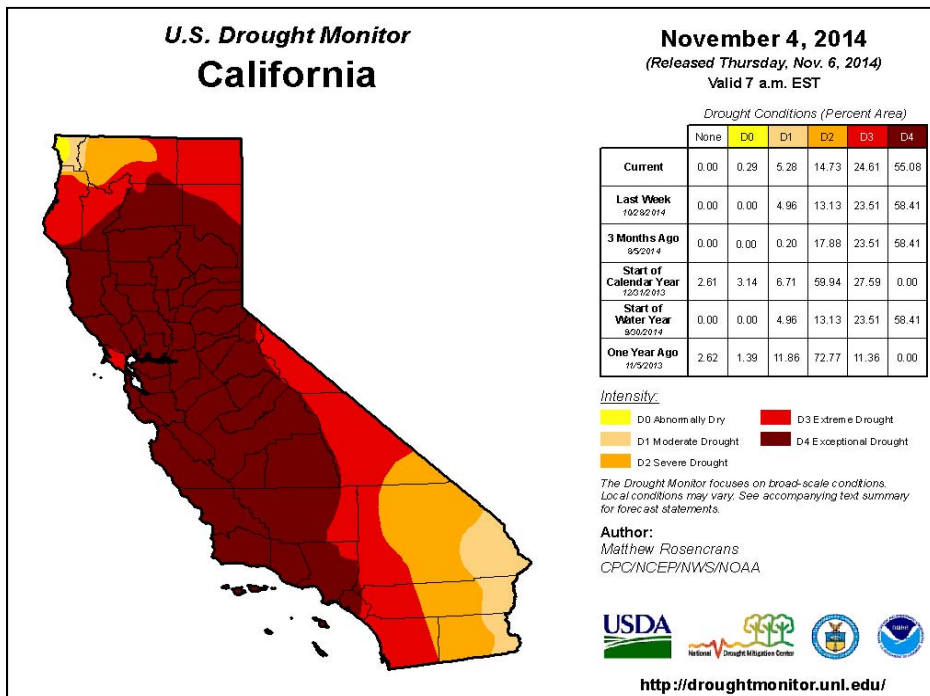
RECOMMENDED ACTION

No action - receive update.

UPDATE

Water treatment plant production for October was down to 16.2% vs. the past five (5) year average and 22.8% vs. October of last year. We received 0.8" of rain this last week which helped bring the Cosumnes River flow up to 24 cfs today. Long term forecasting from the National Weather Service Climate Prediction Center continues to show that the drought will persist in our region.

Below are the updated Drought Monitor screen shots for California below, continuing to show we will be in an exceptional drought, their worst drought category. The US Seasonal Drought Outlook shows that for the near future, the drought will persist or intensify in our area through December 31, 2014. This is bad news for California.

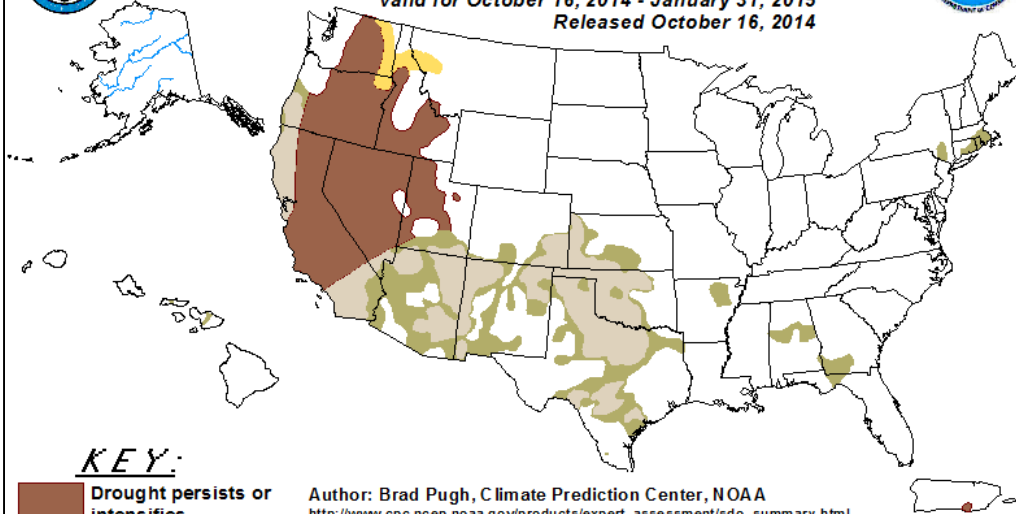








U.S. Seasonal Drought Outlook

Drought Tendency During the Valid Period

Valid for October 16, 2014 - January 31, 2015
Released October 16, 2014



KEY:

-  Drought persists or intensifies
-  Drought remains but improves
-  Drought removal likely
-  Drought development likely

Author: Brad Pugh, Climate Prediction Center, NOAA

http://www.cpc.ncep.noaa.gov/products/expert_assessment/sdo_summary.html

Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Short-term events -- such as individual storms -- cannot be accurately forecast more than a few days in advance. Use caution for applications -- such as crops -- that can be affected by such events. "Ongoing" drought areas are approximated from the Drought Monitor (D1 to D4 intensity).

For weekly drought updates, see the latest U.S. Drought Monitor.

NOTE: The tan area areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period although drought will remain.

The Green areas imply drought removal by the end of the period (D0 or none)

CONFERENCE/EDUCATION SCHEDULE

Date: November 12, 2014
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)

Board Secretary Conference	February 12-13, 2015	TBA
Special Districts Legislative Days	May 19-20, 2015	Sacramento
General Manager Leadership Summit	July 12-14, 2015	TBA

GOLDEN STATE RISK MANAGEMENT ASSOCIATION (GSRMA)

No Information Currently Available on Upcoming Conferences.

ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA)

Fall Conference and Exhibition	December 2 - 5, 2014	San Diego
--------------------------------	----------------------	-----------

AMERICAN WATER WORKS ASSOCIATION (AWWA)

No Information Currently Available on Upcoming Conferences.