



RANCHO MURIETA COMMUNITY SERVICES DISTRICT

15160 JACKSON ROAD
RANCHO MURIETA, CA 95683
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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

JULY 15, 2015

Open Session 5:00 p.m.

RMCS D Administration Building – Board Room
15160 Jackson Road
Rancho Murieta, CA 95683

BOARD MEMBERS

Gerald Pasek	President
Betty Ferraro	Vice President
Paul Gumbinger	Director
Michael Martel	Director
Mark Pecotich	Director

STAFF

Darlene J. Gillum	General Manager
Greg Remson	Security Chief
Paul Siebensohn	Director of Field Operations
Eric Thompson	Controller
Suzanne Lindenfeld	District Secretary



**RANCHO MURIETA COMMUNITY SERVICES DISTRICT
REGULAR BOARD MEETING
JULY 15, 2015**

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)	5:00
2. CONSIDER ADOPTION OF AGENDA (Motion)	5:05
3. SPECIAL ANNOUNCEMENTS AND ACTIVITIES <i>(5 min.)</i>	5:10
4. COMMENTS FROM THE PUBLIC	5:15
<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. 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 reserve your comments to no more than 3 minutes so that others may be allowed to speak.</i>	
5. CONSIDER ADOPTION OF CONSENT CALENDAR (Motion) (Roll Call Vote) <i>(5 min.)</i>	5:20
<i>All the following items in Agenda Item 5 will be approved as one item if they are not excluded from the motion adopting the consent calendar.</i>	
a. Approval of Board Meeting Minutes	
1. June 17, 2015 Regular Board Meeting	
b. Committee Meeting Minutes (Receive and File)	
1. July 1, 2015 Communication & Technology Committee Meeting	
2. July 1, 2015 Improvements Committee Meeting	
3. July 1, 2015 Security Committee Meeting	
c. Approval of Bills Paid Listing	

6. **STAFF REPORTS** (Receive and File) (5 min.) 5:25
 - a. General Manager's Report
 - b. Administration/Financial Report
 - c. Security Report
 - d. Water/Wastewater/Drainage Report
7. **CORRESPONDENCE** (5 min.) 5:30
8. **CONSIDER ENTERING INTO NEGOTIATIONS WITH SOLARCITY FOR SOLAR POWER PURCHASE, PRESENTATION BY MICHAEL CARPOL, SOLARCITY** 5:35
(Discussion/Action) (Motion) (30 min.)
9. **CONSIDER INTRODUCING ORDINANCE O2015-02, AMENDING DISTRICT CODE CHAPTER 4 CONCERNING PURCHASING AND BIDDING** (Discussion/Action) (Motion) 6:05
(Roll Call Vote) (5 min.)
10. **CONSIDER INTRODUCING ORDINANCE O2015-03, AMENDING DISTRICT CODE CHAPTER 2 CONCERNING BOARD OF DIRECTORS RULES AND PROCEDURES AND ADOPTING REVISED BOARD GUIDELINES** (Discussion/Action) (Motion) 6:10
(Roll Call Vote) (5 min.)
11. **CONSIDER ADOPTION OF RESOLUTION R2015-10, AUTHORIZING SALE OF DISTRICT SURPLUS EQUIPMENT** (Discussion/Action) (Motion) (Roll Call Vote) (5 min.) 6:15
12. **CONSIDER APPROVAL OF NORTH GATE FACILITIES USE AGREEMENT WITH RANCHO MURIETA ASSOCIATION** (Discussion/Action) (Motion) (5 min.) 6:20
13. **CONSIDER APPROVAL OF PROPOSAL FOR WATER SUPPLY ASSESSMENT FOR RANCHO MURIETA NORTH PROJECT** (Discussion/Action) (Motion) (5 min.) 6:25
14. **CONSIDER APPOINTING A DIRECTOR TO THE SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA) GOVERNING BOARD** (Discussion/Action) (Motion) (5 min.) 6:30
15. **RECEIVE WATER TREATMENT PLANT EXPANSION PROJECT UPDATE** (Discussion/Action) (5 min.) 6:35
16. **RECEIVE WATER CONSERVATION UPDATE** (Discussion/Action) (5 min.) 6:40
17. **CONSIDER AND SELECT CONFERENCE/EDUCATION OPPORTUNITIES** (Discussion/Action) (Motion) (5 min.) 6:45

18. CONSIDER MEETING DATES/TIMES FOR THE FOLLOWING: (5 min.)

6:50

Next Regular Board Meeting: August 19, 2015

Special Board Meeting: August 21, 2015 @ 6:00 p.m.

Committee Meeting Schedule:

 Communications	August 5, 2015 @ 4:00 p.m.
 Personnel	August 5, 2015 @ 4:30 p.m.
 Improvements	August 7, 2015 @ 8:30 a.m.
 Finance	August 7, 2015 @ 9:30 a.m.
 Security	August 7, 2015 @ 10:00 a.m.

19. COMMENTS/SUGGESTIONS – BOARD MEMBERS AND STAFF

6:55

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.

20. ADJOURNMENT (Motion)

7:00

"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 July 10, 2015. 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 Regular Meeting

MINUTES

June 17, 2015

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 5:02 p.m. in the District meeting room, 15160 Jackson Road, Rancho Murieta. Directors present were Gerald Pasek, Betty Ferraro, Paul Gumbinger, Michael Martel, and Mark Pecotich. Also present were Darlene J. Gillum, General Manager; Greg Remson, Security Chief; Paul Siebensohn, Director of Field Operations; Eric Thompson, Controller; Suzanne Lindenfeld, District Secretary; and Richard Shanahan, General Counsel.

2. ADOPT AGENDA

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

3. SPECIAL ANNOUNCEMENTS AND ACTIVITIES

None.

4. COMMENTS FROM THE PUBLIC

None.

5. CONSENT CALENDAR

Under Agenda Item 8b1, Director Pecotich asked if the District was still planning to pursue collecting email addresses for residents. Darlene Gillum stated yes, that is the plan.

Under Agenda Item 8b2, Director Pecotich asked about the status of Rancho Murieta Association (RMA) waiving the plan review fee for landscape. Darlene stated that RMA has to take it to their Board for review and approval.

Under Agenda Item 8b3, Director Martel commented on his concern with Patrol vehicles being left running while Patrol Officers are not in the vehicle and feels that the fuel portion of the budget should be reduced to take that option away from employees. Darlene stated that Chief Remson is looking into that matter and will report back at the Security meeting in July.

Director Pecotich commented on safety concerns in the community regarding issuing barcodes to vendors and non-residents. This matter will be addressed in the Gate Policy meeting on Friday.

Director Pecotich also commented on his concern with barcodes being able to be duplicated and used. Chief Remson will look into this matter and report back at the July Security meeting.

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

6. STAFF REPORTS

Under Agenda Item 9a, Director Pecotich commented on how well the Conversation About Water meetings went and how well they were received by the community.

Under Agenda Item 9d, Director Pecotich commented on the augmentation well. Paul Siebensohn stated that the wells are for drought conditions and also as a backup if there is some type of emergency that shuts down the water plant.

John Merchant commented on his concerns with the wells being dug due to the water needs of new development.

Director Martel commented on how he thought water rights went with the land.

7. CORRESPONDENCE

Director Gumbinger thanked Darlene for the responses to the two emails from residents.

8. DISCUSSION CONCERNING RANCHO MURIETA NORTH DEVELOPMENT PLANS AND LAND SETBACK AREAS AROUND CALERO, CHESBRO AND CLEMENTIA RESERVOIRS

Richard Shanahan, District General Counsel, gave a brief summary of the District's authority and options regarding the preservation of land around Calero, Chesbro, and Clementia Reservoirs in connection with the proposed Rancho Murieta North development. The District does have authority to do so under its water service authority (if the action protects the community's water supply) and under its authority to acquire parks and open space in Rancho Murieta.

If the Board wants to proceed with work on preserving open space, it would need to determine an available revenue source, which could include water service rates (if the action is related to water service or to protecting the watershed/water supply), property tax money, or a new assessment or special tax for recreation/parks.

Mr. Shanahan explained that Sacramento County is beginning CEQA environmental review of the development project application and that the District should engage and participate in the CEQA process to ensure that the project EIR fully evaluates and mitigates impacts on water supply and open space.

The District has no authority over land use - that is done by Sacramento County.

If the District owned the property and designated it a park, it could be restricted to residents, unless grant money was used to fund the park and the grant required that it be open to the public.

Director Gumbinger stated he is not in favor of the District purchasing the property but suggested the District hire a consultant to look at the development plans and represent the District at Sacramento County regarding the impact the development would have on the District.

Jacquelyn Shanahan gave a brief overview of the process the County follows regarding CEQA reports.

President Pasek stated that John Sullivan will be making a presentation to the District Board at the July Regular Board meeting regarding the plans for development.

Director Martel agreed with Director Gumbinger regarding the District not purchasing the property and the District hiring a consultant.

John Merchant agreed with the hiring of a consultant, commented on his concerns about the development planned for around the reservoirs and the possible need to change the Mutual Benefit Agreement (MBA) to accommodate the development plans, and noted that the District should look into trading not purchasing the property.

Ted Hart commented on the District needing to take the lead in speaking to the County regarding the best interest of the community.

Director Gumbinger stated that the MBA is written that RMA has to abide by it, regardless of whether or not they are in favor of the development.

Cheryl McElhany commented on her concern that water permits can be issued during a drought and that the District needs to show some leadership in this matter.

Ted Hart stated that the CEQA is the key to this matter and the need for the District to speak for the community.

Director Pecotich stated he agrees with getting a consultant in to look into the impact this development will have on the community's water supply and forming an ad hoc committee if the Board decides to proceed. The committee should include the District, RMA, and residents.

Randy Jenco commented on the District and RMA working together on this, that nothing has been formally proposed to the County yet, the MBA makes it impossible for RMA to be against development, and suggested keeping in contact with the County representative on this matter.

Staff will proceed with retaining a consultant for this item.

9. TIMED ITEM - PUBLIC HEARING - CONSIDER ADOPTION OF RESOLUTION 2015-08, FISCAL YEAR 2015-2016 BUDGET AND CAPITAL PROJECTS

Darlene Gillum provided a presentation, which included services provided by the District, current projects, budget assumptions, staffing, financial statistics, followed by a question and answer period.

President Pasek asked for public comments at 6:28 p.m.

No public comments.

President Pasek closed the public hearing at 6:29 p.m.

Motion/Pecotich to adopt Resolution 2015-08, Fiscal Year 2015-2016 Budget and Capital Projects. **Second/Ferraro. ROLL CALL VOTE: Ayes: Pasek, Belton, Ferraro, and Gumbinger. Noes: None. Abstain: Martel.**

10. CONSIDER ADOPTION OF ORDINANCE O2015-01, AN ORDINANCE AMENDING CHAPTER 14 OF THE DISTRICT CODE RELATING TO WATER SERVICE CHARGES; AMENDING CHAPTER 15 OF THE DISTRICT CODE RELATING TO SEWER SERVICE CHARGES; AMENDING CHAPTER 16A OF THE DISTRICT CODE RELATING TO DRAINAGE SPECIAL TAX; AMENDING CHAPTER 21 OF THE DISTRICT CODE RELATING TO SECURITY SPECIAL TAX; AND AMENDING CHAPTER 31 OF THE DISTRICT CODE RELATING TO SOLID WASTE COLLECTION AND DISPOSAL SERVICE CHARGES

Darlene Gillum gave a brief summary of Ordinance O2015-01, an Ordinance of the Rancho Murieta Community Services District, amending Chapter 14 of the District Code relating to Water Service Charges; amending Chapter 15 of the District Code relating to Sewer Service Charges; amending Chapter 16 of the District Code relating to Drainage Service Charges; amending Chapter 16A of the District Code relating to Drainage Special Tax; amending Chapter 21 of the District Code relating to Security Special Tax; and amending Chapter 31 of the District Code relating to Solid Waste Collection and Disposal Service Charges.

Motion/Gumbinger to adopt Ordinance O2015-01, an Ordinance of the Rancho Murieta Community Services District, amending Chapter 14 of the District Code relating to Water Service Charges; amending Chapter 15 of the District Code relating to Sewer Service Charges; amending Chapter 16 of the District Code relating to Drainage Service Charges; amending Chapter 16A of the District Code relating to Drainage Special Tax; amending Chapter 21 of the District Code relating to Security Special Tax; and amending Chapter 31 of the District Code relating to Solid Waste Collection and Disposal Service Charges. **Second/Ferraro. Roll Call Vote: Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

11. CONSIDER APPROVAL OF CALIFORNIA WASTE RECOVERY SYSTEMS CONTRACT AMENDMENT

Darlene Gillum gave a brief summary of the recommendation to approve the Second Amendment to the 2013 Contract between Rancho Murieta Community Services District and California Waste Recovery Systems for solid waste collection and disposal.

Motion/Pecotich to approve the Second Amendment to the 2013 Contract between Rancho Murieta Community Services District and California Waste Recovery Systems for solid waste collection and disposal. **Second/Ferraro. Roll Call Vote: Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

Darlene will work with Cal Waste regarding solid waste collection services for the commercial businesses.

12. CONSIDER APPROVAL OF RESOLUTION R2015-09 APPROVING INTERNAL BORROWING FOR THE NEW NORTH GATE PROJECT

Darlene Gillum gave a brief summary of the recommendation to adopt Resolution R2015-09 which formally documents the inter-fund transfer and loan to Security Capital Replacement Reserves for a portion of the cost of the New North Gate Project. Staff recommends that the repayment schedule be implemented to use 50% of the monthly reserves collected by the Security Special Taxes (currently \$3,806, of which 50% is \$1,903) with interest repaid at the rate earned by the Drainage Capital Improvement Reserve fund. This repayment schedule results in the borrowed funds being repaid over a 5-year period while at the same time provides for a re-building of the Security Capital Replacement Reserves.

Motion/Gumbinger to adopt Resolution 2015-09, Approving Inter-fund Transfer and Loan to Finance District's Share of New North Gate Project at the recommended 50% payment schedule. **Second/Pecotich. Roll Call Vote: Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

13. REVIEW DISTRICT CODE CHAPTER 4, PURCHASING AND BIDDING UPDATE

Darlene Gillum gave a brief summary of the District's General Counsel's updated District Code Chapter 4, Purchasing and Bidding. The proposed District Code, Chapter 4 will supersede the current Chapter 4 and also repeal District Policy 2009-03. The goal of this amendment to Chapter 4 is to streamline and simplify the District's existing procedures and make them consistent with the Public Contract Code provisions applicable to community services districts. By consensus, the Board agreed to proceed with the update to the Code, which will require future Board consideration of an ordinance.

14. CONSIDER APPROVAL OF NORTH GATE FACILITIES USE AGREEMENT WITH RANCHO MURIETA ASSOCIATION

Darlene Gillum gave a brief summary of the second draft of the North Gate Use Facilities Use Agreement. District Staff (Darlene Gillum and Chief Remson) and Rancho Murieta Association (RMA) staff (Greg Vorster and Danise Hetland) met on June 4, 2015 to continue the negotiation of the North Gate Use Agreement following the initial review by both respective Boards of Directors. Open items (pending further input from both Boards of Directors) includes: Exhibit A needs to be completed; generator responsibility (ownership, air quality reporting, maintenance, repair, etc.); and Exhibit B maintenance items – external building maintenance (spider web control, etc.) and external window washing.

Director Pecotich asked about pest control. Darlene stated that the District pays for that service. Director Pecotich suggested including who is responsible for what regarding items in the building, i.e., refrigerator, garbage disposal, etc.

Director Martel commented on his not being aware of RMA having two (2) cameras mounted on the North Gate building and wanted to know why Chief Remson approved that. Darlene Gillum stated that it is RMA's building, not the District's, therefore, the District does not have a say in RMA mounting cameras on the building. Chief Remson stated that they are stand alone cameras, not part of the District's system.

Director Ferraro asked if the District no longer provided security services, could the District sell the unneeded equipment to RMA. Richard Shanahan stated yes.

Director Pecotich suggested including water use in Exhibit C. Darlene Gillum stated that water use is already covered in the agreement.

Director Pecotich commented on the issuance of barcodes. Director Martel stated that RMA should do the entire process.

15. CONSIDER CHANGE TO DISTRICT REGULAR BOARD MEETING PROCESS AND SCHEDULE

Darlene Gillum gave a brief summary of the staff recommendation to move forward with the District changing the District Regular Board meeting process and schedule for a six month period and update District Code Chapter 2, Board of Directors, Rules and Procedures. This will address the concerns Directors have stated at various times that they feel they are not given the opportunity to give input or hear the conversations on topics that are addressed at committees they are not on.

President Pasek stated he is in favor of trying the recommendation for a six month period.

Director Gumbinger commented on his not being in favor of this change, feels that the Board meetings will take much longer than they do now, and that he wants to keep the committees.

Director Martel agreed with Director Gumbinger and stated the committees allow for a freer dialogue, no committee meetings but two Board meetings would allow for Director abuse, and that he feels the staff controls what is discussed at committee meetings. Suzanne stated that staff does not control what is discussed, the agenda decides that and if a Director wants a topic on the agenda then the Director needs to let staff know prior to the posting of the agenda so it can be added. Darlene Gillum stated that committee meetings and Board meetings have to follow the Brown Act.

Director Ferraro stated that she feels this is a good idea as it allows for all Directors to provide input and discuss all items, not just those items specific to the committees they are on.

Director Pecotich agreed with President Pasek and Director Ferraro.

John Merchant stated that he likes the committee meetings as they currently are.

With the support of Directors Pecotich, Pasek and Ferraro, Director Pasek asked that this item move forward for Board consideration of an ordinance to change the meeting schedule for a six month trial basis. Darlene stated that since this requires a change to Chapter 2 of the District Code, which is required to be done by Ordinance, the first reading of the Ordinance will be done at the July Board meeting. Adoption of the Ordinance will occur at the August Board meeting, with the trial basis beginning October 2015.

16. ELECTION OF CALIFORNIA SPECIAL DISTRICTS ASSOCIATION BOARD OF DIRECTORS DIVISION 2, SEAT C

Motion/Ferraro to vote for Jim Barnes for the California Special Districts Association Board of Directors, Division 2, Seat C. **Second/Gumbinger. Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

17. RECEIVE WATER TREATMENT PLANT EXPANSION PROJECT UPDATE

Paul Siebensohn gave a brief update on the Water Treatment Plant Expansion Project. President Pasek suggested once the plant is up and running, staff conduct a comparison of the District's water with various bottled waters and publish the results.

18. RECEIVE WATER CONSERVATION UPDATE

Director Gumbinger stated that he had suggested to the Improvements Committee and to RanchoMurieta.com that acknowledgements be given to residents who have converted to drought resistant landscaping.

19. CONSIDER AMENDING EARLIER ACTION TO APPROVE AUDIT SERVICES CONTRACT FOR AUDIT OF 2014-2015 FINANCIAL STATEMENTS

Darlene Gillum gave a brief summary of the conversation with Larry Bain regarding the Board wanting to have this audit lead by the other auditor in his firm. Larry felt that having the other auditor in his firm perform as the "in-charge" for the District's audit this year may be a disservice to the District because she is not up to speed yet on some of the more complicated activities of the District (i.e., the new CFD 2014-1 and the construction/financing activity). His intent was to have her involved in some areas of our 2014/15 audit (and future audits) in preparation for her to take over in the 2019-20 fiscal year when it is required by AB 1345 to have a change in auditor. Also, this is also Eric's first year as our primary audit-interface it may be a better learning experience for him to work with Larry, who is familiar with our audit processes, than working with an auditor who is unfamiliar with the District.

Motion/Pecotich to approve amending earlier action to approve the audit services contract for audit of 2014-15 financial statements to have the audit performed by Larry Bain as the in-charge auditor. **Second/Martel. Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

20. REVIEW AND SELECT CONFERENCE/EDUCATION OPPORTUNITIES

Darlene Gillum gave a brief summary of the water conference she went to. Topics discussed included drought, conservation, and sustainable groundwater.

21. REVIEW MEETING DATES/TIMES

No changes.

22. COMMENTS/SUGGESTIONS

Chief Remson stated that due to the location of the new North Gate, the July 4, 2015 parade route will be shortened. The fireworks will be shot off of a floating dock this year.

Director Martel stated that he feels this is a bad year for fireworks and wanted to know who makes that decision. Director Gumbinger stated that it is an RMA decision.

Director Martel wanted to know why staff is included in the Gate Policy Ad Hoc Committee meeting on Friday. Darlene Gillum stated that both the General Managers of RMA and the District and Chief Remson are the only staff attending committee meetings to provide input. Danise Hetland will be filling in for Greg Vorster this Friday.

Director Ferraro requested a report be provided to the Security Committee in July regarding the July 4, 2015 festivities.

Darlene Gillum stated that at the Conversation About Water meetings, 33 surveys were turned in. Of those, the top three (3) ways the community wants communication from the District is through email, special mailings/postcards, the Pipeline and website tied for 3rd.

Darlene stated that the District received a check today from Golden State Risk Management Authority in the amount of \$16,340 for reimbursement for participating in the LPIP program.

23. ADJOURNMENT

Motion/Ferraro to adjourn at 8:29 p.m. **Second/Gumbinger. Ayes: Pasek, Ferraro, Gumbinger, Martel, Pecotich. Noes: None.**

Respectfully submitted,

Suzanne Lindenfeld
District Secretary

MEMORANDUM

Date: July 1, 2015
To: Board of Directors
From: Communication & Technology Committee Staff
Subject: July 1, 2015 Communication & Technology Committee Meeting

1. CALL TO ORDER

Director Ferraro called the meeting to order at 4:35 p.m. Present was Directors Ferraro. Present from District staff were Darlene Gillum, General Manager; Greg Remson, Security Chief; Paul Siebensohn, Director of Field Operations; Eric Thompson, Controller; and Suzanne Lindenfeld, District Secretary. Director Pecotich was absent.

2. COMMENTS FROM THE PUBLIC

None.

3. PUBLIC OUTREACH

Notifying Community of the Completion of the Water Treatment Plant Expansion Project

Darlene Gillum recommended sending a postcard out notifying the residents once the Water Treatment Plant Expansion Project is completed. After a discussion, the Committee agreed. The postcard will go out in November/December. An article will also go into the Pipeline Newsletter.

4. DIRECTOR & STAFF COMMENTS/SUGGESTIONS

None.

5. ADJOURNMENT

The meeting was adjourned at 4:41 p.m.

MEMORANDUM

Date: July 1, 2015
To: Board of Directors
From: Improvements Committee Staff
Subject: July 1, 2015 Committee Meeting Minutes

1. CALL TO ORDER

Director Pasek called the meeting to order at 301 p.m. Present were Directors Pasek and Gumbinger. Present from District staff were Darlene Gillum, General Manager; Greg Remson, Security Chief; Paul Siebensohn, Director of Field Operations; Eric Thompson, Controller; and Suzanne Lindenfeld, District Secretary.

2. PUBLIC COMMENT

None.

3. UPDATES

Augmentation Well

We are putting together a request for proposal sheet for providing a water system hydraulic analysis to review how a well would feed into the existing water system. The grant deadline for completion is June 1, 2016.

Water Treatment Plant Expansion Project

The project is continuing. Completed work includes: finishing of the canopy metal stud framing and some fascia installations; core drilling the cement and installation of hand rails around the facility; installation and testing of the 5 ton crane beam and hoist; installation of membrane reject, backwash, and Clean in Place (CIP) pumps; continuing installation of basin drain 12" line, 12" back pulse line, 4" air supply line to membrane tanks, 6" CIP line, 6" backwash waste, chemical piping, and 2" sump line; installation of chemical totes and chemical feed systems; installation of lighting fixtures and accessories; continuing installation of branch power, control, and instrument wiring; installation of raw water screen control panel; and installation of light standard.

The schedule provided by Roebelen Construction Management conveys that production of water from the new facility should occur on October 23, 2015.

Temporary Filtration Update

Current water production flow is set at 0.72 MGD. Due to monitoring requirements set by the Division of Drinking Water, staff must perform a manually run membrane integrity test on each treatment train daily. This testing takes approximately two hours per day of staff time. Also required by GE is a manually performed maintenance clean on each train every 48 hours of operations, which takes another hour per train to perform.

Conservation

No change from previous outlooks, our Water Conservation schedule is still in effect, and staff is continuing to monitor the community for compliance. Calendar year to date, two hundred and fourteen conservation tags (214) have been issued and some fines levied. Director Pasek suggested more information be provided regarding fines issued be included.

Water treatment plant flow is currently at 1.72 million gallons per day, running close to 24 hours per day to keep up with the community's water demand.

Development

The development projects for the Murieta Inn and Retreats West continue forward. We have received a Facilities Extension Agreement for the Retreats East Project. District staff is providing oversight of installation of infrastructure as it occurs for the Murieta Inn, Murieta Gardens, and Retreats West for compliance with the District's standards, as well as SWPPP compliance at each project site.

4. REVIEW SOLARCITY PROPOSAL FOR POWER PURCHASE

Michael Carpol, Project Development Manager, with SolarCity, gave a brief overview of the proposal. The arrangement between the District and SolarCity will be a Power Purchase Agreement (PPA). Under the PPA, Solar City installs, maintains and owns the solar project and the District purchases the solar power from SolarCity. The system would be designed to generate enough electricity to offset approximately ninety percent (90%) of our electricity demand. There are no upfront costs as costs are rolled into the per kilowatt hour (kWh) fee and they guarantee 100% of the production. This is a 20-year term agreement that assumes a 2.5% per year SMUD utility increase and a 0.5% per year solar panel output degradation (assumptions used in calculating projected savings). At the end of the 20-year term, the District can purchase the system at fair market value, renew the contract for up to two (2) 5-year increments, or have the system removed at no cost to the District. A question and answer period followed. **Mr. Carpol will be giving a presentation to the entire Board at the July 15, 2015 Regular Board meeting.**

5. DECLARE ITEMS SURPLUS

As a result of the Water Treatment Plant Expansion Project, some items that were in service will no longer be needed. Since these items have no other use for the District, it is to the benefit of the District to try to sell them. Adopting the Resolution and declaring these items surplus will allow the District to sell these items. These items include:

- 1) Diesel Generator and day tank- Genset 175 kw
- 2) Diesel fuel tank - 1,000 gallons steel tank
- 3) Propane tank - 573 gallons steel propane tank
- 4) Chemical tank - 1,700 gallons, polyethylene tank with secondary containment
- 5) Electrical Transfer switch - 3 phase, 4 wire, 400 amps

This item will be on the July 15, 2015 District Board meeting agenda.

6. DIRECTORS & STAFF COMMENTS/SUGGESTIONS

Darlene Gillum stated that she received notice yesterday for a Water Supply Assessment for Murieta North project to be completed.

Paul Siebensohn stated that a midge fly treatment has been applied at Laguna Joaquin, along with the spillways having been cleared.

7. ADJOURNMENT

The meeting was adjourned at 4:32 p.m.

DRAFT

MEMORANDUM

Date: July 2, 2015
To: Board of Directors
From: Security Committee Staff
Subject: July 2, 2015 Security Committee Meeting

1. CALL TO ORDER

Director Ferraro called the meeting to order at 2:00 p.m. Present were Directors Ferraro and Martel. Present from District staff were Darlene Gillum, General Manager; Greg Remson, Security Chief; Paul Siebensohn, Director of Field Operations; Eric Thompson, Controller; and Suzanne Lindenfeld, District Secretary.

2. COMMENTS FROM THE PUBLIC

None.

3. MONTHLY UPDATES

Operations

Schedules are set for July 4, 2015. Off-duty Sacramento County Sheriff's Deputies (SSD) and private security officers are scheduled. This year, the fireworks will be shot off from a dock in Laguna Joaquin that will be about 50' to 100' from shore. This will allow additional seating in front of the Rancho Murieta Association (RMA) building. As of June 29, about 1,042 passes have been picked up so far.

Initial interviews were held for the vacant Gate Officer and Patrol Officer positions. An offer has been made for the Gate Officer position. Interviews for the Patrol Officer position will be held next week.

Incidents of Note

Chief Remson gave a brief overview of the incidents of note for June 2015.

RMA Citations/Admonishments

Chief Remson reported that the Rancho Murieta Association (RMA) rule violation citations for the month of June 2015 included 8 stop sign. Rule violation admonishments and/or complaints for the month of June 2015 included 44 open garage doors, 36 loose/off leash dogs, 17 speeding, 13 barking dogs, and 11 unlicensed drivers.

Rancho Murieta Association Compliance/Grievance/Safety Committee Meeting

The meeting was held on June 1, 2015 at the Rancho Murieta Association (RMA) office. There were hearings regarding speeding, curfew, park hours, barking dogs, and noise. The next meeting is scheduled for July 6, 2015.

4. NEW GATE UPDATE

Use Agreement

Darlene Gillum stated that Rancho Murieta Association (RMA) is declining to accept ownership of the generator, as they will not be utilizing it during times of power outages (we will ensure that the agreement specifies that the generator is for purposes of back-up power for the District's provision of service during a power outage) but are accepting responsibility for exterior window washing on a quarterly basis. The District will continue to have our Pest Control service sweep the building exterior for spider web control. A modified version of the agreement will be ready for Board review and approval at the July Board meeting.

Gate Policy

The Committee met on June 19, 2015 at the District office. Present were District Board members Paul Gumbinger and Mike Martel, RMA Board members Randy Jenco and Sam Somers, Sr., District General Manager Darlene Gillum, Security Chief Greg Remson, and RMA Assistant General Manager, Danise Hetland. Topics discussed included having a joint District/RMA policy, the use of streets by non-RMA members, proper issuance and completeness of the barcode applications, holding vendors and employees responsible for rule violations, Gate Officers following policy, tracking barcode use for former and present residents, and electronic registration.

Comments from the public included following the new guest boat access rules, not issuing barcodes to vendors or non-residents/property owners, charging for barcodes, motorcycles, and Murieta Parkway entrance signs size (too small).

The next meeting will be scheduled in late August.

5. PATROL VEHICLE USE ANALYSIS

Eric Thompson gave a brief summary of the vehicle use analysis. The report gathers the total gallons per vehicle and the total miles driven per vehicle. Items that may influence the overall efficiency report include: warmer weather could mean that Patrol Officers will be running the patrol vehicles' air conditioners, which adversely affects gas mileage. Call-specific attributes during a month (for instance, additional patrols required around lakes or new developments) could affect the usage and efficiency of the security vehicles. Variations in fuel quality (winter vs. summer gasoline blends) could also affect the overall efficiency of the patrol vehicles.

Director Martel commented on the need to have a vehicle that can sneak up on people and that all the costs related to each vehicle be taken into consideration, including insurance, maintenance, gas and mileage, when purchasing or leasing a new vehicle.

6. DISCUSS BARCODE DUPLICATION RISK

Chief Remson stated that he tried photocopying a barcode on to regular paper and on to photo paper. Neither copy worked. It is believed that the risk of duplication of barcodes is very low, considering the cost and effort that would need to go into copying one.

7. DIRECTOR & STAFF COMMENTS

Chief Remson commented on comments from the public regarding kids in the community. Patrol does make an effort to make contact with them. When they are chased off from one spot, they move to another. Security's main concern is that they be responsible and respectful.

Director Martel suggested that they be allowed to hang out at the gazebo where they can be monitored. Director Ferraro agreed and asked Danise Hetland, Rancho Murieta Association, if RMA would be interested in trying it. Danise stated that she is in agreement with Director Martel.

8. ADJOURNMENT

The meeting adjourned at 2:46 p.m.

DRAFT

MEMORANDUM

Date: July 9, 2015
 To: Board of Directors
 From: Eric Thompson, Controller
 Subject: Bills Paid Listing

Enclosed is the Bills Paid Listing Report for **June 2015**. 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
U.S. Bank Corp. Payment System	Monthly Gasoline Bill	\$5,188.59	Operating Expense
Youngdahl Consulting Group, Inc.	WTP Expansion	\$5,476.00	Construction Acct Funding, Bonds, Letter of Credit
Law Office of Valentina Reiner	Legal services	\$6,262.60	Operating Expense
HDR Engineering, Inc	WTP Expansion	\$12,176.68	Construction Acct Funding, Bonds, Letter of Credit
All State Systems Integration, Inc	DSX Card Access-S Gate & N Gate Rebuild	\$16,266.45	Operating Expense (\$2,069.50) & Reserve Funding (\$14,196.95)
Watchdogs Surveillance	North Gate Surveillance system	\$30,311.72	Reserve Funding
California Waste Recovery Systems	Solid Waste Monthly Contract	\$46,048.03	Operating Expense
A&D Automatic Gate and Access	North Gate arm & barcode	\$53,053.00	Reserve Funding
Bartkiewicz, Kronick & Shanahan	Legal Services May 2015	\$6,313.57	Operating (\$5,788.57) & Construction Acct Funding (\$525.00)
HDR Engineering, Inc	WTP 1 Expansion	\$10,364.48	Construction Acct Funding, Bonds, Letter of Credit
S. M. U. D.	Monthly Bill	\$25,080.28	Operating Expense

Rancho Murieta Community Services District

Bills Paid Listing for May 2015

Ck Number	Date	Vendor	Amount	Purpose
CM29597	6/5/2015	A Leap Ahead IT	\$4,165.41	Monthly IT Service - May 2015
CM29598	6/5/2015	A&D Automatic Gate and Access	\$53,053.00	North Gate arm & barcode
CM29599	6/5/2015	Administrative Professional Today	\$223.00	Subscription - 3Yr
CM29600	6/5/2015	All State Systems Integration, Inc	\$16,266.45	DSX Card Access-S Gate & N Gate Rebuild
CM29601	6/5/2015	American Family Life Assurance Co.	\$544.11	Payroll
CM29602	6/5/2015	Applications By Design, Inc.	\$2,125.00	Barcode balance
CM29603	6/5/2015	AT&T	\$50.00	Monthly Internet Bill-Security
CM29604	6/5/2015	Baker Williams Engineering Group Inc	\$2,940.00	Water Easement
CM29605	6/5/2015	California Public Employees' Retirement Sys	\$34,920.96	Payroll
CM29606	6/5/2015	California Special Districts Association	\$625.00	GM Leadership Summit
CM29607	6/5/2015	California Waste Recovery Systems	\$46,048.03	Solid Waste Monthly Contract
CM29608	6/5/2015	Capital One Commercial	\$853.81	Monthly Supplies
CM29609	6/5/2015	D. Martinez Construction	\$2,125.00	Admin Kitchen Repair & Rehab-50%
CM29610	6/5/2015	Employment Development Department	\$2,506.79	Payroll
CM29611	6/5/2015	Eurofins Eaton Analytical, Inc.	\$250.00	Geosmin & MIB Analysis
CM29612	6/5/2015	Express Office Products, Inc.	\$100.78	Office Supplies
CM29613	6/5/2015	Folsom Lake Fleet Services	\$461.66	Service Truck #809
CM29614	6/5/2015	Franchise Tax Board	\$75.00	Payroll
CM29615	6/5/2015	Gempler's, Inc.	\$1,341.17	Maint & Rpr: Supplies
CM29616	6/5/2015	GM Crane Services, Inc	\$450.00	Quarterly Inspection
CM29617	6/5/2015	Guardian Life Insurance	\$5,265.80	Payroll
CM29618	6/5/2015	HDR Engineering, Inc	\$12,176.68	WTP Expansion
CM29619	6/5/2015	Howe It's Done	\$261.34	Board Meeting Dinner
CM29620	6/5/2015	Hunt & Sons, Inc	\$490.12	5 gallons turbine oil
CM29621	6/5/2015	J B Bostick Company	\$2,650.00	Asphalt patches
CM29622	6/5/2015	Law Office of Valentina Reiner	\$6,262.60	Legal services
CM29623	6/5/2015	Legal Shield	\$55.63	Payroll
CM29624	6/5/2015	McMaster-Carr Supply Co.	\$655.44	Maints & Rpr: Supplies
CM29625	6/5/2015	Larry Mitcham	\$100.00	Toilet Rebate (1) -06/05/15
CM29626	6/5/2015	Steven Mobley	\$50.00	Drip System Rebate-06/05/15
CM29627	6/5/2015	Nationwide Retirement Solution	\$861.00	Payroll
CM29628	6/5/2015	Operating Engineers Local Union No. 3	\$552.00	Payroll
CM29629	6/5/2015	P. E. R. S.	\$25,379.09	Payroll
CM29630	6/5/2015	Pacific Copy & Print	\$42.32	RMCS D claim forms
CM29631	6/5/2015	Fred Pasquini	\$100.00	Hot Water Recirculating Pump
CM29632	6/5/2015	Martin Pohll	\$50.00	Rotator Head Sprinkler Rebate
CM29633	6/5/2015	Progressive Business Publications	\$299.00	Annual subscription
CM29634	6/5/2015	Rancho Murieta Ace Hardware	\$275.32	Monthly Supplies
CM29635	6/5/2015	Romo Landscaping	\$385.00	Landscaping
CM29636	6/5/2015	Sensus USA Inc.	\$1,637.08	Annual Support7/17/15-07/16/16

Rancho Murieta Community Services District

Bills Paid Listing for May 2015

Ck Number	Date	Vendor	Amount	Purpose
CM29637	6/5/2015	Sierra Office Supplies	\$819.72	Return envelopes
CM29638	6/5/2015	Solon Fire control	\$393.13	SCBA bottle Hydro testing
CM29639	6/5/2015	State of California	\$450.00	Right of way lease
CM29640	6/5/2015	Michael Steinert	\$200.00	Toilet Rebate (2) -06/05/15
CM29641	6/5/2015	Sweet Septic, Inc.	\$500.00	Septic Pumping
CM29642	6/5/2015	TASC	\$122.69	Payroll
CM29643	6/5/2015	Tesco Controls, Inc.	\$2,478.60	Calibration Services
CM29644	6/5/2015	James Towns	\$140.00	Refund account
CM29645	6/5/2015	U.S. Bank Corp. Payment System	\$5,188.59	Monthly Gasoline Bill
CM29646	6/5/2015	Vision Service Plan (CA)	\$497.92	Payroll
CM29647	6/5/2015	W.W. Grainger Inc.	\$3,514.65	Maint & Rpr: Supplies
CM29648	6/5/2015	Watchdogs Surveillance	\$30,311.72	North Gate Surveillance system
CM29649	6/5/2015	Desmond Wosser	\$100.00	Toilet Rebate (1) - 06/05/15
CM29650	6/5/2015	Youngdahl Consulting Group, Inc.	\$5,476.00	WTP Expansion
EFT	6/8/2015	EFTPS	\$9,748.84	Payroll Taxes
EFT	6/19/2015	EFTPS	\$9,463.10	Payroll Taxes
CM29651	6/19/2015	Action Cleaning Systems	\$1,183.82	Airfresheners
CM29652	6/19/2015	All Electric Motors, Inc.	\$1,107.19	Maint & Rpr: Lift Station Pump
CM29653	6/19/2015	American Family Life Assurance Co.	\$544.11	Payroll
CM29654	6/19/2015	Applications By Design, Inc.	\$125.00	Security data backup
CM29655	6/19/2015	AT&T	\$50.00	Monthly Internet Bill - Admin
CM29656	6/19/2015	Bartkiewicz, Kronick & Shanahan	\$6,313.57	Legal Services May 2015
CM29657	6/19/2015	Gerald Best	\$100.00	Toilet Rebate
CM29658	6/19/2015	Michele Blansett	\$100.00	Toilet Rebate
CM29659	6/19/2015	BlueLine Rental, LLC	\$2,727.00	Backhoe rental
CM29660	6/19/2015	California Laboratory Services	\$3,297.70	Monthly Lab Tests
CM29661	6/19/2015	Caltronics Business Systems	\$1,704.32	Copier - Admin.
CM29662	6/19/2015	Chemtrade Chemicals US LLC	\$2,928.00	Liquid Alum
CM29663	6/19/2015	County of Sacramento	\$1,450.00	Backbone fees - FY 2015/16
CM29664	6/19/2015	Daily Journal Corporation	\$53.65	Notice of Public Hearing-6/17/15
CM29665	6/19/2015	Dublin San Ramon Services District	\$2,513.00	Chemical Bids
CM29666	6/19/2015	Employment Development Department	\$2,425.55	Payroll
CM29667	6/19/2015	Eurofins Eaton Analytical, Inc.	\$250.00	Geosmin & MIB Analysis
CM29668	6/19/2015	Express Office Products, Inc.	\$948.98	Office Supplies
CM29669	6/19/2015	FedEx Office and Print Services	\$293.26	Community meeting mailing
CM29670	6/19/2015	Ford Motor Credit Company LLC	\$234.78	2012 Ford Escape Lease Pmt.
CM29671	6/19/2015	Franchise Tax Board	\$75.00	Payroll
CM29672	6/19/2015	Gallery & Barton	\$1,050.92	Legal Consulting
CM29673	6/19/2015	GM Crane Services, Inc	\$450.00	Maints & Rpr: Hoist
CM29674	6/19/2015	Greenfield Communications	\$145.29	Internet/TV

Rancho Murieta Community Services District

Bills Paid Listing for May 2015

Ck Number	Date	Vendor	Amount	Purpose
CM29675	6/19/2015	Groeniger & Company	\$2,364.61	Maint & Rpr: Supplies
CM29676	6/19/2015	Hach Company	\$914.52	Lab testing: Supplies
CM29677	6/19/2015	Gerald Harris	\$100.00	Toilet Rebate
CM29678	6/19/2015	HDR Engineering, Inc	\$10,364.48	WTP 1 Expansion
CM29679	6/19/2015	Legal Shield	\$55.63	Payroll
CM29680	6/19/2015	James Monical	\$100.00	Hot Water Recirculating Pump
CM29681	6/19/2015	Nationwide Retirement Solution	\$861.00	Payroll
CM29682	6/19/2015	OCT Water Quality Academy	\$120.00	Training
CM29683	6/19/2015	Operating Engineers Local Union No. 3	\$528.00	Payroll
CM29684	6/19/2015	P. E. R. S.	\$12,230.30	Payroll
CM29685	6/19/2015	Pitney Bowes	\$306.59	Postage ink
CM29686	6/19/2015	Public Agency Retirement Services	\$300.00	Trust Admin. Fees - APR 2015
CM29687	6/19/2015	Rancho Murieta Association	\$150.00	Landscaping
CM29688	6/19/2015	Regional Water Authority	\$394.73	Homeowners guide water smart
CM29689	6/19/2015	S. M. U. D.	\$25,080.28	Monthly Bill
CM29690	6/19/2015	Sierra Chemical Co.	\$1,519.38	(2) ton contains chlorine
CM29691	6/19/2015	Spartan Race, Inc.	\$762.88	Reissuance of undeliverable ck
CM29692	6/19/2015	Sprint	\$1,228.37	Monthly Cell Phone Bill
CM29693	6/19/2015	TASC	\$63.25	FlexSystem Plan Admin. Fee/Jun
CM29694	6/19/2015	TASC	\$122.69	Payroll
CM29695	6/19/2015	TelePacific Communications	\$529.39	Monthly Phone Bill
CM29696	6/19/2015	USA Blue Book	\$221.17	Seametrics meter repair
CM29697	6/19/2015	Aurello Villegas	\$200.00	Stale Dated Ck# 25177
CM29698	6/19/2015	W.W. Grainger Inc.	\$1,465.97	Maint & Rpr: Supplies
CM29699	6/19/2015	Watchdogs Surveillance	\$1,140.00	VOIDED
CM29700	6/19/2015	Western Exterminator Co.	\$453.50	Mthly Srv & Rodent Control
CM29701	6/19/2015	Wilbur-Ellis Company	\$1,676.16	Seclear algicide
CM29702	6/24/2015	Watchdogs Surveillance	\$1,140.00	(2) IP cameras & DVR WW gate
EFT	6/24/2015	Pitney Bowes	\$500.00	Postage Refill
EFT	6/29/2015	Pitney Bowes	\$1,500.00	Postage Refill
		TOTAL	\$391,402.59	
		<u>CFD#1 Bank of America Checking</u>		
CM2750	6/5/2015	Bank of America	\$307.77	CFD#1 Adm Costs
		TOTAL	\$307.77	

**Rancho Murieta Community Services District
Bills Paid Listing for May 2015**

Ck Number	Date	Vendor	Amount	Purpose
		<u>CFD 2014-1 Bank of America Checking</u>		
CM2005	6/19/2015	Corelogic Solutions, LLC	\$165.00	CFD 2014 Admin cost
		TOTAL	\$165.00	
		<u>EL DORADO PAYROLL</u>		
Checks: # CM11318 to CM11324 and Direct Deposits: DD08091 to DD08155			\$ 110,627.60	Payroll
EFT	6/30/2015	National Payment Corp	\$133.82	Payroll
		TOTAL	\$110,761.42	

MEMORANDUM

Date: July 10, 2015
To: Board of Directors
From: Darlene J. Gillum, General Manager
Subject: General Manager's Report

Following are highlights since our last Board Meeting:

FINANCE/IT

Eric and Debby have been working on making year-end entries in preparation for closing the 2014-2015 Fiscal Year and for the audit. Larry Bain will be on site for fieldwork the Tuesday after Labor Day.

SECURITY

Chief Remson has hired a new Gate Officer, Brandon Heberling. The search continues for a full-time Patrol Officer.

The Security Gate Policy Ad-hoc committee's next meeting will be scheduled for late August due to member's schedule conflicts.

WATER

Water Treatment Plant Production flow for this past month is approximately down 31.7% vs. June of 2013. Potable water consumption for residential use in June was 43,288,256 gallons, down approximately 33.6% vs. use in 2013. An estimate of residential gallons per capita per day for June was 210 gallons.

WASTEWATER

Rancho Murieta Country Club (RMCC) requested recycled water in June and we delivered 12,113,000 gallons at their requested flow rate.

DRAINAGE

In June, Laguna Joaquin received two (2) Midge fly treatments and the shoreline treated for aquatic primrose. Staff is continuing to cut vegetation in the drainage system when not focused on other priorities. Currently, staff is cutting vegetation in the North from upper Guadalupe to Laguna Joaquin.

SOLID WASTE

We are working on a modification for the contract between the District and California Waste Recovery Services to correct an omission of language covering CAL-Waste's service of providing

replacement recycle carts when the carts are contaminated by residents. We expect to have this ready for the August Board meeting.

ENGINEERING

Paul is developing a draft scope of services for the Well Project for an analysis on the impact to the distribution system of pushing the well water into the system and up to the storage tank(s) at the required pressure level.

DEVELOPMENT

We have received a notice from Sacramento County for a Water Supply Assessment related to the Rancho Murieta North proposed development. Maddaus Water Management has prepared a proposal for District consideration to complete the work. The developer will pay the cost of the Water Supply Assessment.

MEMORANDUM

Date: July 10, 2015
 To: Board of Directors
 From: Eric Thompson, Controller
 Subject: Administration / Financial Reports

Enclosed is a combined financial summary report for **June 2015**. Following are highlights from various internal financial reports. Please feel free to call me before the Board meeting regarding any questions you may have relating to these reports.

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

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

	12 month rolling % increase	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Residences	0.2%	2513	2514	2514	2515	2516	2516	2515	2516	2517	2516	2517	2517
	Weighted average	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Cubic Feet	1348	2383	2403	2037	1573	1215	656	678	756	873	1155	1095	1384
Gallons per day	336	594	599	508	392	303	163	169	189	218	288	273	345
Planning Usage GPD	583												

Lock-Offs - For the month of June, there were 18 lock-offs.

Aging Report – Delinquent accounts total \$52,518 which is 9.57% of the total accounts receivable balance of \$549,007. Past due receivables have increased approximately 5.8% or \$2,878 since May.

Summary of Reserve Accounts as of June 30, 2015 – The District’s reserve accounts have decreased \$4,158,055 year to date, since July 1, 2014. The decrease is primarily due to the reserve expenditures related to the Water Treatment Plant Expansion (WTP) Project and the New North Gate Project. The District will be submitting an additional Letter of Credit (LOC) draw request to CFD#1 in July for \$1,183,591 for their portion of WTP expenses. The total amount of reserves held by the District as of June 30, 2015 is \$4,519,288. Security and Drainage (Capital Improvement) Reserves have been updated to reflect the internal borrowing for the New North Gate Project. Interest income and expense have been booked on sewer reserves and WTP construction fund (respectively) for fiscal year 2014/15 with regard to the WTP internal borrowing. WTP repayment totals to date are \$81,857 for Sewer Replacement Reserves and \$27,286 for Water Augmentation Reserves. Please see the Reserve Fund Balances table below for information by specific reserve account.

Reserve Fund Balances (beginning balances adjusted for WTP Construction Fund)

<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 June 30, 2015</i>
Water Capital Replacement (200-2505)	754,022	212,926	(295,721)	671,227
Sewer Capital Replacement (250-2505)	1,210,881	307,621	(42,599)	1,475,903
Drainage Capital Replacement (260-2505)	58,010	150	(2,348)	55,812
Security Capital Replacement (500-2505)	101,509	158,644	(239,407)	20,746
Admin Capital Replacement (xxx-2505-99)	38,381	0	(1)	38,380
Sewer Capital Improvement Connection (250-2500)	4,018	12	(2)	4,028
Capital Improvement (xxx-2510)	393,624	6,731	(108,901)	291,454
Water Supply Augmentation (200-2511)	1,756,479	63,355	(65,171)	1,754,663
WTP Construction Fund Reserve (200-2513)	4,358,245	7,412,020	(11,563,190)	207,075
Rate Stabilization (200/250/500-2515)	2,176	5	(2,181)	0
Total Reserves	8,677,345	8,161,464	(12,319,521)	4,519,288

Inter-fund Borrowing Balances

<i>Inter-fund Borrowing</i>	<i>Fiscal Yr Beg Balance July 1, 2014</i>	<i>YTD Interest</i>	<i>YTD Repayment</i>	<i>Period End Balance June 30, 2015</i>
Sewer Loan to WTP Construction Fund	1,500,000	3,944	(81,857)	1,418,143
WSA Loan to WTP Construction Fund	500,000	1,315	(27,286)	472,714
Total Inter-fund Borrowing	2,000,000	5,259	(109,143)	1,890,857

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 April 30, 2015		
1-Month	3-Months	1-Year
-0.36%	3.07%	6.44%

Financial Summary Report (year-to-date through June 30, 2015)

Revenues:

Water Charges, year-to-date, are **below** budget \$193,436 or (9.9%)

Sewer Charges, year-to-date, are **below** budget \$307 or 0.0%

Drainage Charges, year-to-date, are **below** budget \$1 or 0.0%

Security Charges, year-to-date, are **above** budget \$732 or 0.1%

Solid Waste Charges, year-to-date, are **above** budget \$1,606 or 0.3%

Total Revenues, which includes other income, property taxes, and interest income year-to-date, are **below** budget **\$182,470 or (3.1%)** (Water Conservation Efforts - YTD residential water usage is down 20.2% compared to budgeted usage).

Expenses: Year-to-date total operating expenses are below budget **\$623,922 or (10.6%)**. Year-to-date operational reserve expenditures total **\$20,249**. 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 **\$203,363 or (11.8%)**, prior to reserve expenditures. Most of the operating expense accounts are currently under budget with the largest variances occurring in chemicals, purchased power (SMUD), meters and lab tests, and maintenance and repair. Wages and employer costs were both over budget, but were offset by labor that was directly related to the WTP Expansion project. Year-to-date, \$12,384 of expenses have been incurred from reserves expenditures.

Sewer Expenses, year-to-date, are **below** budget by **\$259,434 or (23.7%)**, prior to reserve expenditures. Reductions in labor charges (payroll + employer costs) make up the bulk of this variance (roughly \$136K), which is the result of the reallocation of labor during the WTP construction. Additional savings were seen in maintenance and repairs, purchased power (SMUD) as well as chemicals. Year-to-date, \$5,513 of expenses have been incurred from reserves expenditures.

Drainage Expenses, year-to-date, are **below** budget by **\$3,878 or (2.8%)**. Overages in payroll-related costs were offset by savings in drainage improvements and repairs, purchased power (SMUD) and chemicals. Year-to-date \$2,352 of expenses have been incurred from reserves expenditures.

Security Expenses, year-to-date, are **below** budget by **\$7,834 or (0.7%)**. Cost savings seen in salaries and wages and employee-related costs were offset by higher-than-budgeted contract labor, vehicle maintenance and legal expenses.

Solid Waste Expenses, year-to-date, are **below** budget by **\$8,964 or (1.5%)**. This savings is due to the District allowing residents to call Cal Waste as needed to for universal waste (U-Waste) and some household hazardous waste (HHW) instead of the District organizing special U-Waste and HHW pickups.

General Expenses, year-to-date, are **below** budget by **\$140,449 or (11.3%)**. The variance to the budget is due primarily to the vacancy of the Director of Administration position, affecting both wages and employer costs. This positive variance is offset by legal and clerical (contract) services.

Net Income: Year-to-date unadjusted net income, before depreciation, is \$421,203. Net income/(Loss) adjusted for estimated depreciation expense is (\$663,291).

The YTD expected net operating income before depreciation, per the 2014-2015 budget was \$188.

Rancho Murieta Community Services District
Summary Budget Performance Report
YTD THROUGH JUNE 2015

	% of Total	Annual Budget	% of Total	YTD Budget	YTD Actuals	% of Total	YTD VARIANCE	
							Amount	%
REVENUES								
Water Charges	33.3%	\$1,963,040	33.3%	\$1,963,040	\$1,769,604	31.0%	(\$193,436)	(9.9%)
Sewer Charges	21.8%	1,286,784	21.8%	1,286,784	1,286,477	22.5%	(307)	0.0%
Drainage Charges	3.1%	183,456	3.1%	183,456	183,455	3.2%	(1)	0.0%
Security Charges	20.1%	1,183,210	20.1%	1,183,210	1,183,942	20.7%	732	0.1%
Solid Waste Charges	10.7%	631,830	10.7%	631,830	633,436	11.1%	1,606	0.3%
Other Income	2.0%	119,810	2.0%	119,810	126,187	2.2%	6,377	5.3%
Interest Earnings	0.0%	1,190	0.0%	1,190	3,749	0.1%	2,559	215.0%
Property Taxes	8.8%	519,960	8.8%	519,960	519,960	9.1%		0.0%
Total Revenues	100.0%	5,889,280	100.0%	5,889,280	5,706,810	100.0%	(182,470)	(3.1%)
OPERATING EXPENSES								
Water/Sewer/Drainage								
Wages	13.8%	810,420	13.8%	810,420	832,822	15.8%	22,402	2.8%
Employer Costs	7.0%	412,790	7.0%	412,790	388,088	7.4%	(24,702)	(6.0%)
Capital Project Labor Alloc	0.0%		0.0%		(117,302)	-2.2%	(117,302)	0.0%
Power	6.9%	406,913	6.9%	406,913	335,601	6.4%	(71,312)	(17.5%)
Chemicals	4.1%	240,200	4.1%	240,200	121,514	2.3%	(118,686)	(49.4%)
Maint & Repair	5.9%	345,470	5.9%	345,470	271,007	5.1%	(74,463)	(21.6%)
Meters/Boxes	0.9%	54,000	0.9%	54,000	26,286	0.5%	(27,714)	(51.3%)
Lab Tests	1.3%	74,250	1.3%	74,250	65,968	1.3%	(8,282)	(11.2%)
Permits	1.1%	65,600	1.1%	65,600	68,112	1.3%	2,512	3.8%
Training/Safety	0.3%	19,752	0.3%	19,752	15,602	0.3%	(4,150)	(21.0%)
Equipment Rental	0.9%	50,500	0.9%	50,500	121,722	2.3%	71,222	141.0%
Other	8.1%	474,144	8.1%	474,144	357,945	6.8%	(116,199)	(24.5%)
Subtotal Water/Sewer/Drainage	50.2%	2,954,039	50.2%	2,954,039	2,487,365	47.2%	(466,674)	(15.8%)
Security								
Wages	10.8%	637,600	10.8%	637,600	619,246	11.8%	(18,354)	(2.9%)
Employer Costs	6.1%	357,500	6.1%	357,500	334,284	6.3%	(23,216)	(6.5%)
Off Duty Sheriff Patrol	0.1%	6,000	0.1%	6,000	6,262	0.1%	262	4.4%
Other	1.6%	93,910	1.6%	93,910	127,383	2.4%	33,473	35.6%
Subtotal Security	18.6%	1,095,010	18.6%	1,095,010	1,087,175	20.6%	(7,835)	(0.7%)
Solid Waste								
CWRS Contract	9.3%	549,840	9.3%	549,840	552,778	10.5%	2,938	0.5%
Sacramento County Admin Fee	0.6%	34,920	0.6%	34,920	35,018	0.7%	98	0.3%
HHW Event	0.2%	12,000	0.2%	12,000		0.0%	(12,000)	(100.0%)
Subtotal Solid Waste	10.1%	596,760	10.1%	596,760	587,796	11.2%	(8,964)	(1.5%)
General / Admin								
Wages	9.4%	552,900	9.4%	552,900	427,888	8.1%	(125,012)	(22.6%)
Employer Costs	5.2%	305,000	5.2%	305,000	226,020	4.3%	(78,980)	(25.9%)
Capital Project Labor Alloc	0.0%		0.0%		(71,509)	-1.4%	(71,509)	0.0%
Insurance	1.3%	77,290	1.3%	77,290	81,612	1.6%	4,322	5.6%
Legal	0.5%	30,000	0.5%	30,000	76,094	1.4%	46,094	153.6%
Office Supplies	0.4%	22,800	0.4%	22,800	19,424	0.4%	(3,376)	(14.8%)
Director Meetings	0.3%	18,000	0.3%	18,000	15,000	0.3%	(3,000)	(16.7%)
Telephones	0.1%	4,800	0.1%	4,800	6,202	0.1%	1,402	29.2%
Information Systems	1.3%	79,400	1.3%	79,400	79,390	1.5%	(10)	0.0%
Community Communications	0.1%	5,900	0.1%	5,900	3,328	0.1%	(2,572)	(43.6%)
Postage	0.4%	22,202	0.4%	22,202	21,241	0.4%	(961)	(4.3%)
Janitorial/Landscape Maint	0.3%	17,820	0.3%	17,820	24,066	0.5%	6,246	35.1%
Other	1.8%	107,171	1.8%	107,171	194,078	3.7%	86,907	81.1%
Subtotal General / Admin	21.1%	1,243,283	21.1%	1,243,283	1,102,834	20.9%	(140,449)	(11.3%)
Total Operating Expenses	100.0%	5,889,092	100.0%	5,889,092	5,265,170	100.0%	(623,922)	(10.6%)
Operating Income (Loss)	100.0%	188	100.0%	188	441,640	100.0%	441,452	234,814.9%
Non-Operating Expenses								
Water Reserve Expenditure	0.0%		0.0%		12,384	61.2%	12,384	0.0%
Sewer Reserve Expenditure	0.0%		0.0%		5,513	27.2%	5,513	0.0%
Drainage Reserve Expenditure	0.0%		0.0%		2,352	11.6%	2,352	0.0%
Total Non-Operating Expenses	0.0%		0.0%		20,249	100.0%	20,249	0.0%
Net Income (Loss)	100.0%	188	100.0%	188	421,391	100.0%	421,203	224,044.1%

Rancho Murieta Community Services District
Budget Performance Report by FUND
YTD THROUGH JUNE 2015

	% of Total	Annual Budget	% of Total	YTD Budget	YTD Actuals	% of Total	YTD VARIANCE Amount %	
WATER								
REVENUES								
Water Charges	98.5%	\$1,963,040	98.5%	\$1,963,040	\$1,769,604	97.1%	(\$193,436)	(9.9%)
Interest Earnings	0.0%	80	0.0%	80	2,429	0.1%	2,349	2,936.3%
Other Income	1.5%	29,460	1.5%	29,460	49,996	2.7%	20,536	69.7%
Total Water Revenues	100.0%	1,992,580	100.0%	1,992,580	1,822,029	100.0%	(170,551)	(8.6%)
EXPENSES (excluding depreciation)								
Wages	25.5%	437,630	25.5%	437,630	533,484	35.2%	95,854	21.9%
Employer Costs	13.0%	223,220	13.0%	223,220	245,949	16.2%	22,729	10.2%
Capital Project Labor Alloc	0.0%		0.0%		(117,302)	-7.7%	(117,302)	0.0%
Power	14.7%	252,702	14.7%	252,702	220,123	14.5%	(32,579)	(12.9%)
Chemicals	7.3%	124,500	7.3%	124,500	67,341	4.4%	(57,159)	(45.9%)
T&O - Chemicals/Treatment	3.0%	51,000	3.0%	51,000	20,946	1.4%	(30,054)	(58.9%)
Maint & Repair	9.4%	161,070	9.4%	161,070	128,343	8.5%	(32,727)	(20.3%)
Meters/Boxes	3.1%	54,000	3.1%	54,000	26,286	1.7%	(27,714)	(51.3%)
Lab Tests	2.1%	36,000	2.1%	36,000	10,158	0.7%	(25,842)	(71.8%)
Permits	1.9%	32,000	1.9%	32,000	26,016	1.7%	(5,984)	(18.7%)
Training/Safety	0.4%	7,500	0.4%	7,500	4,459	0.3%	(3,041)	(40.5%)
Equipment Rental	1.7%	30,000	1.7%	30,000	94,242	6.2%	64,242	214.1%
Other Direct Costs	17.9%	307,364	17.9%	307,364	253,578	16.8%	(53,786)	(17.5%)
Operational Expenses	100.0%	1,716,986	100.0%	1,716,986	1,513,623	100.0%	(203,363)	(11.8%)
Water Income (Loss)	16.1%	275,594	16.1%	275,594	308,406	20.4%	32,812	11.9%
38.9% Net Admin Alloc	16.0%	275,492	16.0%	275,492	221,222	14.6%	(54,270)	(19.7%)
Reserve Expenditures	0.0%		0.0%		12,384	0.8%	12,384	0.0%
Total Net Income (Loss)	0.0%	102	0.0%	102	74,800	4.9%	74,698	73,233.3%
SEWER								
REVENUES								
Sewer Charges	98.4%	1,286,784	98.4%	1,286,784	1,286,477	98.8%	(307)	0.0%
Interest Earnings	0.0%	140	0.0%	140	142	0.0%	2	1.4%
Other Income	1.5%	20,190	1.5%	20,190	15,040	1.2%	(5,150)	(25.5%)
Total Sewer Revenues	100.0%	1,307,114	100.0%	1,307,114	1,301,659	100.0%	(5,455)	(0.4%)
EXPENSES (excluding depreciation)								
Wages	28.8%	316,060	28.8%	316,060	229,029	27.4%	(87,031)	(27.5%)
Employer Costs	14.7%	160,720	14.7%	160,720	111,942	13.4%	(48,778)	(30.3%)
Power	12.9%	141,021	12.9%	141,021	109,110	13.0%	(31,911)	(22.6%)
Chemicals	6.4%	70,300	6.4%	70,300	41,053	4.9%	(29,247)	(41.6%)
Maint & Repair	15.7%	172,500	15.7%	172,500	135,000	16.1%	(37,500)	(21.7%)
Lab Tests	3.5%	38,250	3.5%	38,250	55,810	6.7%	17,560	45.9%
Permits	2.6%	28,600	2.6%	28,600	36,270	4.3%	7,670	26.8%
Training/Safety	1.1%	12,200	1.1%	12,200	11,143	1.3%	(1,057)	(8.7%)
Equipment Rental	1.5%	16,000	1.5%	16,000	18,406	2.2%	2,406	15.0%
Other Direct Costs	12.9%	141,040	12.9%	141,040	89,494	10.7%	(51,546)	(36.5%)
Operational Expenses	100.0%	1,096,691	100.0%	1,096,691	837,257	100.0%	(259,434)	(23.7%)
Sewer Income (Loss)	19.2%	210,423	19.2%	210,423	464,402	55.5%	253,979	120.7%
29.7% Net Admin Alloc	19.2%	210,336	19.2%	210,336	169,133	20.2%	(41,203)	(19.6%)
Reserve Expenditures	0.0%		0.0%		5,513	0.7%	5,513	0.0%
Total Net Income (Loss)	0.0%	87	0.0%	87	289,756	34.6%	289,669	332,952.9%
DRAINAGE								
REVENUES								
Drainage Charges	100.0%	183,456	100.0%	183,456	183,455	100.0%	(1)	0.0%
Interest Earnings	0.0%	50	0.0%	50	(2)	0.0%	(52)	(104.0%)
Total Drainage Revenues	100.0%	183,506	100.0%	183,506	183,453	100.0%	(53)	0.0%
EXPENSES (excluding depreciation)								
Wages	40.4%	56,730	40.4%	56,730	70,309	51.5%	13,579	23.9%
Employer Costs	20.6%	28,850	20.6%	28,850	30,197	22.1%	1,347	4.7%
Power	9.4%	13,190	9.4%	13,190	6,368	4.7%	(6,822)	(51.7%)
Chemicals	3.8%	5,400	3.8%	5,400	4,344	3.2%	(1,056)	(19.6%)
Maint & Repair	8.5%	11,900	8.5%	11,900	7,664	5.6%	(4,236)	(35.6%)
Permits	3.6%	5,000	3.6%	5,000	5,826	4.3%	826	16.5%
Equipment Rental	3.2%	4,500	3.2%	4,500	9,074	6.6%	4,574	101.6%
Other Direct Costs	10.5%	14,792	10.5%	14,792	2,702	2.0%	(12,090)	(81.7%)
Operational Expenses	100.0%	140,362	100.0%	140,362	136,484	100.0%	(3,878)	(2.8%)
Drainage Income (Loss)	30.7%	43,144	30.7%	43,144	46,969	34.4%	3,825	8.9%
6.1% Net Admin Alloc	30.8%	43,200	30.8%	43,200	34,481	25.3%	(8,719)	(20.2%)
Reserve Expenditures	0.0%		0.0%		2,352	1.7%	2,352	0.0%
Total Net Income (Loss)	0.0%	(56)	0.0%	(56)	10,136	7.4%	10,192	(18,200.0%)
SECURITY								
REVENUES								
Security Charges	95.5%	1,183,210	95.5%	1,183,210	1,183,942	96.1%	732	0.1%

Rancho Murieta Community Services District
Budget Performance Report by FUND
YTD THROUGH JUNE 2015

	% of Annual		% of YTD		YTD Actuals	% of Total	YTD VARIANCE	
	Total	Budget	Total	Budget			Amount	%
Interest Earnings	0.0%	\$400	0.0%	\$400	\$574	0.0%	\$174	43.5%
Other Income	4.5%	55,160	4.5%	55,160	47,161	3.8%	(7,999)	(14.5%)
Total Security Revenues	100.0%	1,238,770	100.0%	1,238,770	1,231,677	100.0%	(7,093)	(0.6%)
EXPENSES (excluding depreciation)								
Wages	58.2%	637,600	58.2%	637,600	619,246	57.0%	(18,354)	(2.9%)
Employer Costs	32.6%	357,500	32.6%	357,500	334,284	30.7%	(23,216)	(6.5%)
Equipment Repairs	0.4%	4,400	0.4%	4,400	1,571	0.1%	(2,829)	(64.3%)
Vehicle Maintenance	0.6%	6,700	0.6%	6,700	12,895	1.2%	6,195	92.5%
Vehicle Fuel	1.9%	20,550	1.9%	20,550	18,222	1.7%	(2,328)	(11.3%)
Off Duty Sheriff Patrol	0.5%	6,000	0.5%	6,000	6,262	0.6%	262	4.4%
Other	5.7%	62,260	5.7%	62,260	94,696	8.7%	32,436	52.1%
Operational Expenses	100.0%	1,095,010	100.0%	1,095,010	1,087,176	100.0%	(7,834)	(0.7%)
Security Income (Loss)	13.1%	143,760	13.1%	143,760	144,501	13.3%	741	0.5%
20.3% Net Admin Alloc	13.1%	143,765	13.1%	143,765	115,559	10.6%	(28,206)	(19.6%)
Total Net Income (Loss)	0.0%	(5)	0.0%	(5)	28,942	2.7%	28,947	(578,940.0%)
SOLID WASTE REVENUES								
Solid Waste Charges	99.9%	631,830	99.9%	631,830	633,436	99.9%	1,606	0.3%
Interest Earnings	0.1%	400	0.1%	400	378	0.1%	(22)	(5.5%)
Total Solid Waste Revenues	100.0%	632,230	100.0%	632,230	633,814	100.0%	1,584	0.3%
EXPENSES (excluding depreciation)								
CWRS Contract	92.1%	549,840	92.1%	549,840	552,778	94.0%	2,938	0.5%
Sacramento County Admin Fee	5.9%	34,920	5.9%	34,920	35,018	6.0%	98	0.3%
HHW Event	2.0%	12,000	2.0%	12,000		0.0%	(12,000)	(100.0%)
Operational Expenses	100.0%	596,760	100.0%	596,760	587,796	100.0%	(8,964)	(1.5%)
Solid Waste Income (Loss)	5.9%	35,470	5.9%	35,470	46,018	7.8%	10,548	29.7%
5.0% Net Admin Alloc	5.9%	35,410	5.9%	35,410	28,263	4.8%	(7,147)	(20.2%)
Total Net Income (Loss)	0.0%	60	0.0%	60	17,755	3.0%	17,695	29,491.7%
OVERALL NET INCOME(LOSS)	100.0%	188	100.0%	188	421,389	100.0%	421,201	224,043.1%

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

INVESTMENT REPORT

CASH BALANCES AS OF JUNE 30, 2015

INSTITUTION	YIELD	BALANCE
CSD FUNDS		
EL DORADO SAVINGS BANK		
SAVINGS	0.03%	\$ 564,456.79
CHECKING	0.02%	\$ 17,876.01
PAYROLL	0.02%	\$ 14,172.79
AMERICAN WEST BANK		
EFT	0.05%	\$ 106,793.27
LOCAL AGENCY INVESTMENT FUND (LAIF)		
UNRESTRICTED		\$ 1,971,545.69
RESTRICTED RESERVES	0.29%	\$ 3,682,300.50
CALIFORNIA ASSET MGMT (CAMP)		
OPERATION ACCOUNT	0.08%	\$ 598,480.24
UNION BANK		
PARS GASB45 TR (balance as of 6/30/15)		\$ 927,654.33
TOTAL		\$ 7,883,279.62
BOND FUNDS		
COMMUNITY FACILITIES DISTRICT NO. 1 (CFD)		
BANK OF AMERICA		
CHECKING	0.00%	\$ 21,906.72
CALIFORNIA ASSET MGMT (CAMP)		
SPECIAL TAX	0.08%	\$ 8,308.47
US BANK		
SPECIAL TAX REFUND	0.00%	\$ -
BOND RESERVE FUND/ SPECIAL TAX FUND	0.00%	\$ -
COMMUNITY FACILITIES DISTRICT NO. 2014-1 (CFD)		
BANK OF AMERICA		
CHECKING	0.00%	\$ 902,518.97
		\$ 932,734.16
TOTAL ALL FUNDS		\$ 8,816,013.78

The investments comply with the CSD adopted investment policy.

PREPARED BY: Eric Thompson, Controller

MEMORANDUM

Date: July 9, 2015
To: Security Committee
From: Greg Remson, Security Chief
Subject: Security Report for the Month of June 2015

OPERATIONS

Off-duty Sacramento County Sheriff's Deputies (SSD) and private security officers worked July 4, 2015. This year the fireworks were shot off from a dock in Laguna Joaquin about 50' to 100' from shore. This allowed additional seating in front of the Rancho Murieta Association (RMA) building.

Initial interviews were held for the vacant Gate Officer and Patrol Officer positions. An offer was made and accepted for the Gate Officer position. Second interviews are being held for the Patrol Officer position.

INCIDENTS OF NOTE

June 2, Tuesday, reported at 8:35 a.m. on Guadalupe Drive. Theft of a bicycle left on curb for donation pick up.

June 3, Wednesday, reported at 12:20 p.m. under the Yellow Bridge. Graffiti. It is unknown how long the graffiti has been there due to the partially hidden location.

June 3, Wednesday, reported at 8:59 p.m. at Stonehouse Park. Theft. Report that a skateboard was taken from the park.

June 9, Tuesday, reported at 7:24 a.m. Vandalism. Graffiti was spray painted on a stop sign on Lago Circle, a rock on Camino Del Lago, and a barrier fence on Murieta South Parkway.

June 10, Wednesday, reported at 8:10 p.m. on Poncho Conde Circle. Family disturbance. SSD responded and arrested one subject.

June 12, Friday, reported at 11:32 p.m. on Reynosa Drive. Report of a subject lying in the street. An intoxicated resident was sent into their house.

June 15, Monday, reported at 7:25 a.m. on the golf course. Vandalism and theft. Report of damage to greens and sand traps and flag sticks were taken.

June 18, Thursday, reported at 3:37 p.m. at Burger King. Report of possibly intoxicated juveniles. A group of juveniles were contacted. One showed signs of alcohol use. His parent was unavailable, and the 15 year old was released to a responsible adult.

June 23, Tuesday, reported at 9:28 a.m. on De La Cruz. Vandalism. Report that the address plate and landscaping lights in front of the house were tampered with.

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

June 27, Saturday, reported at 3:00 a.m. at the North Gate. Public intoxication. A clearly intoxicated 18 year old resident walked up to the North Gate, asking for a ride home. His parents were called and took custody of their intoxicated son.

June 28, Sunday, reported at 7:11 a.m. at the Rancho Murieta Country Club maintenance yard. Burglary. A padlock was cut to a storage room, and four (4) leaf blowers were taken. SSD and CSI responded for a report and possible evidence processing.

June 30, Tuesday, reported at 6:02 p.m. on Rio Blanco. Theft of fishing gear from a boat that was parked in the driveway overnight.

RANCHO MURIETA ASSOCIATION COMPLIANCE/GRIEVANCE/SAFETY COMMITTEE MEETING

The meeting was held on June 1, 2015 at the Rancho Murieta Association (RMA) office. There were hearings regarding speeding, curfew, park hours, barking dogs, and noise. The next meeting is scheduled for July 6, 2015.

MEMORANDUM

Date: July 8, 2015
To: Board of Directors
From: Paul Siebensohn, Director of Field Operations
Subject: Water/Wastewater/Drainage Report

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

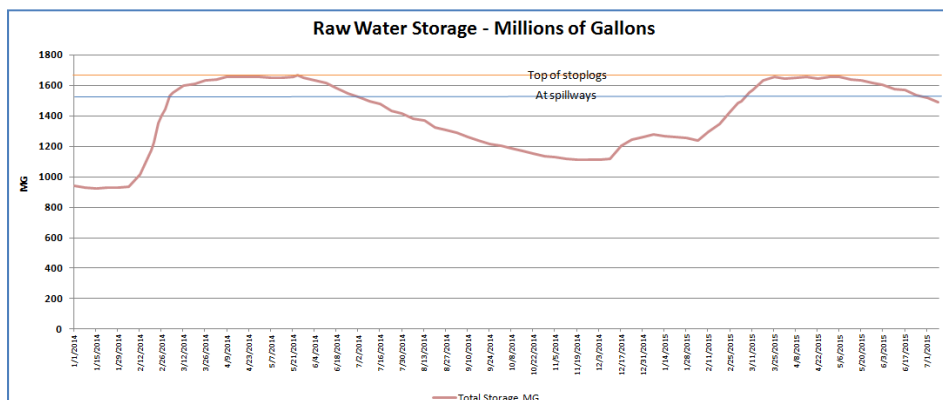
WATER

Water Plant #1 is under rehabilitation, and an ultrafiltration membrane system is operating in its place, when needed, at up to 1.12 million gallons per day (MGD), occasionally being taken offline to allow chemical cleaning of the membranes. Water Treatment Plant #2 is currently set at 1.8 MGD as the temporary membrane system is being cleaned. Both facilities are currently operating at an average production of near 1.8 MGD to meet current water system demands. On Mondays and Saturdays staff is coming in early to increase the flow of temporary unit approximately 300,000 gallons per day to keep up with the community's irrigation demands on those days.

Water Treatment Plant Production flow for this past month is approximately down 31.7% vs. June of 2013. Potable water consumption for residential use in June was 43,288,256 gallons, down approximately 33.6% vs. use in 2013. An estimate of residential gallons per capita per day for June was 210 gallons.

Water Source of Supply

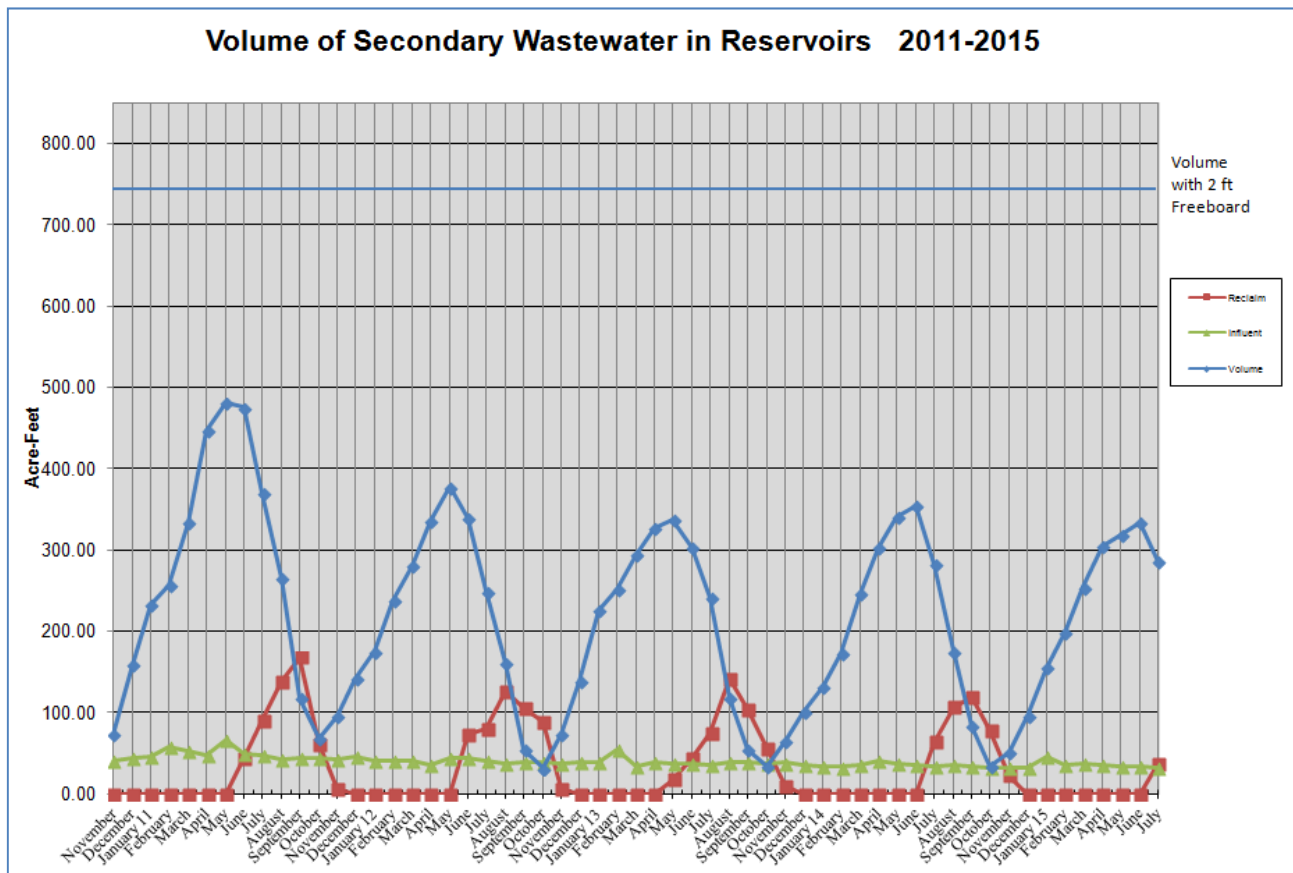
On June 8, 2015, the combined raw water storage for Calero, Chesbro, and Clementia Reservoirs measured approximately 1,487.3 MG (4,564.7 AF) of which 1,323.4 MG (4,061.6 AF) is usable due to dead storage. For Calero and Chesbro Reservoirs alone, the storage measured 1,168.7 MG (3,587 AF), or 1,119 MG (3,134 AF) usable. For reference, a recent average year's production has been 580.1 MG (1,781 AF). The reservoirs are at 97.9 percent capacity as measured to the spillways. Below is a graphical representation of the storage reservoir levels this year.



WASTEWATER TREATMENT, COLLECTION AND RECLAMATION

Influent wastewater flow averaged 0.355 million gallons a day, for a total around 10.64 MG, (32.6 AF) for the month of June. This is approximately 139 gpd per sewer connection. Secondary wastewater storage measured 93.13 MG (285.8 AF) on June 8, 2015 of which 88.3 MG (270.9 acre-feet) is usable volume. The Rancho Murieta Country Club (RMCC) requested recycled water in June and we delivered 12,113,000 gallons at their requested flow rate.

The graph below shows where our secondary storage is comparable to previous years, measured on the first Wednesday of each month.



DRAINAGE / CIA DITCH

Utility staff cleaned out the spillway below Laguna Joaquin and the drainage channels feeding it prior to the July 4, 2015. Laguna Joaquin was treated two times for Midge flies and the shoreline treated for aquatic primrose in June. Staff is continuing to cut vegetation in the drainage system when not focused on other priorities. Currently, staff is cutting vegetation in the North from upper Guadalupe to Laguna Joaquin.

WATER METERING AND UTILITY STAFF WORK

In June, Utility staff replaced six (6) ¾" water meters, repaired three (3) water service line leaks, completed eighteen (18) underground service alerts (USAs), eleven (11) lock-offs, twelve (12)

water restores, fifteen (15) final reads, three (3) toilet rebate inspection, one (1) hot water recirculator rebate inspection, and one (1) pressure reducer rebate inspections, for a total of forty-three (43) Utility Star service orders.

AUGMENTATION WELL

Staff is putting together a Request for Proposal for providing a water system hydraulic analysis to review how a well would feed into the existing water system. The grant deadline for completion is June 1, 2016.

DEVELOPMENT

The development projects for the Murieta Inn and Retreats West continue to move forward. We have received a facilities extension agreement and initial set of plans to review for the Retreats East project. District Utility staff is providing oversight of installations as they occur for the Murieta Inn, Murieta Gardens, and Retreats West for compliance with the District's standards, as well as SWPPP compliance at each project site.

MEMORANDUM

Date: July 8, 2015
To: Board of Directors
From: Improvements Committee Staff
Subject: Consider Entering into Negotiations with SolarCity for the Purchase of Solar Power, Presentation by Michael Carpol, SolarCity

RECOMMENDED ACTION

Approve District staff and General Counsel to enter into negotiations with SolarCity for the purchase of solar power.

BACKGROUND

District staff met with Solar City on several occasions to discuss purchasing electricity generated from solar power to offset electricity used from SMUD. Solar City has evaluated the Waste Water Recovery Plant and the Water Treatment Plant for potential use of solar power. Their evaluation projects that over a 20 year period the District could potentially save \$1.8m to \$1.9m in electricity costs. Michael Carpol, Project Development Manager, with SolarCity presented their proposal to the Improvements Committee on July 1, 2015 and will present to the full Board at the July 15, 2015 Board meeting.

The arrangement between the District and SolarCity will be a Power Purchase Agreement (PPA). Under the PPA, Solar City installs, maintains and owns the solar project and the District purchases the solar power from SolarCity. The system would be designed to generate enough electricity to offset approximately ninety percent (90%) of our electricity demand. There are no upfront costs as costs are rolled into the per kilowatt hour (kWh) fee and they guarantee 100% of the production. This is a 20-year term agreement that assumes a 2.5% per year SMUD utility increase and a 0.5% per year solar panel output degradation (assumptions used in calculating projected savings). At the end of the 20-year term, the District can purchase the system at fair market value, renew the contract for up to two (2) 5-year increments, or have the system removed at no cost to the District.

The proposal is attached for your review. The difference in the two PPA rates summaries (one showing a 20 year savings of \$1,133,690 and one showing a 20 year savings of \$1,027,515) for the Waste Water Treatment Plant is due to whether or not the main electrical panel at the Wastewater Reclamation Plant needs to be upgraded and, if it does, if the cost of the upgrade is rolled into the contract or the District pays for the upgrade out of pocket.



Rancho Murrieta Community Service District
Waste Water Treatment Plant - No Main Panel Upgrade
15160 Jackson Rd, Sloughhouse, CA 95683
System Size: 577.2 kW DC

SOLAR PPA SAVINGS OVER TIME

Budgetary Proposal, pricing to be confirmed with engineering audit.

Price valid until 08/07/15

Year	Utility Costs without Solar	kWh Purchased*	PPA Cost per kWh	PPA Payments with Solar*	Sales Tax on PPA Payments	Utility Bill with Solar PPA	Total Electricity Costs	Net Savings*
1	\$118,588	927,560	0.079	\$73,277	--	\$22,651	\$95,928	\$22,660
2	\$121,553	922,923	\$0.079	\$72,911	--	\$23,318	\$96,229	\$25,323
3	\$124,592	918,308	\$0.079	\$72,546	--	\$24,004	\$96,551	\$28,041
4	\$127,706	913,716	\$0.079	\$72,184	--	\$24,710	\$96,893	\$30,813
5	\$130,899	909,148	\$0.079	\$71,823	--	\$25,434	\$97,257	\$33,642
6	\$134,171	904,602	\$0.079	\$71,464	--	\$26,180	\$97,643	\$36,528
7	\$137,526	900,079	\$0.079	\$71,106	--	\$26,946	\$98,052	\$39,474
8	\$140,964	895,579	\$0.079	\$70,751	--	\$27,733	\$98,484	\$42,480
9	\$144,488	891,101	\$0.079	\$70,397	--	\$28,542	\$98,939	\$45,549
10	\$148,100	886,645	\$0.079	\$70,045	--	\$29,374	\$99,419	\$48,681
11	\$151,803	882,212	\$0.079	\$69,695	--	\$30,229	\$99,924	\$51,879
12	\$155,598	877,801	\$0.079	\$69,346	--	\$31,108	\$100,454	\$55,144
13	\$159,488	873,412	\$0.079	\$69,000	--	\$32,011	\$101,010	\$58,477
14	\$163,475	869,045	\$0.079	\$68,655	--	\$32,939	\$101,594	\$61,881
15	\$167,562	864,700	\$0.079	\$68,311	--	\$33,893	\$102,204	\$65,357
16	\$171,751	860,376	\$0.079	\$67,970	--	\$34,874	\$102,843	\$68,907
17	\$176,045	856,074	\$0.079	\$67,630	--	\$35,881	\$103,511	\$72,534
18	\$180,446	851,794	\$0.079	\$67,292	--	\$36,917	\$104,208	\$76,237
19	\$184,957	847,535	\$0.079	\$66,955	--	\$37,981	\$104,936	\$80,021
20	\$189,581	843,297	\$0.079	\$66,620	--	\$39,074	\$105,695	\$83,886
Total								\$1,027,515

* Values are estimated

Note: Sales tax on PPA payments is displayed separately. PPA rate is shown without assumed sales tax.

v7.3.9 XML
 © 2012 SolarCity



Rancho Murieta CSD

Solar Projects

June 18, 2015

Michael Carpol, Project Development Manager

SolarCity Overview

- **The national leader in clean energy services**
 - 180,000+ customers
 - 1,800+ commercial solar projects
 - 1,000+ MW deployed
 - Serving 17 states nationwide— AZ, CA, CO, CT, DE, HI, MA, MD, NJ, NM, NV, NY, OR, PA, TX, WA— plus Washington DC and Puerto Rico
- **10,000+ Employees**
- **Raised funds sufficient to finance more than \$5 billion in solar projects**
- **Publicly traded company since December 2012 (SCTY)**



Funds Raised (\$mm)

Select Investors

Goldman Sachs

Google

HONDA
The Power of Dreams

citi

usbancorp


Rabobank

CREDIT SUISSE

 PG&E Corporation

Why Work with SolarCity?

- **Long Term Stability as a Corporate Entity**
 - Publicly traded (NASDAQ: SCTY) with over \$2.81 Billion in Assets
 - Recurring revenue stream from ownership in large project portfolio
- **Highest Volume Solar Installer in North America**
 - Completed over 180,000 projects totaling over 1,000 MW nationwide
- **Leader in Project Financing for large portfolios of projects**
 - Raised cumulative tax equity funds to deploy over \$5 Billion in solar energy systems
 - ~\$1B in Pre-Raised capital deployable for the RMCSO projects
- **Efficient Cost Structure**
 - Local In-House Labor, Volume Procurement
- **Local Presence in Sacramento to Ensure Project Success**
 - Local Project Management and O&M technicians for ongoing service
- **3rd Party Commissioning and Inspection**
 - Quality control and consistency between projects and regions
- **Dedicated Monitoring Team**
 - 24 / 7 / 365 revenue grade monitoring capabilities

SolarCity Timeline

2006	2007	2008	2009	2010	2011	2012	2013
<p>July 2006 SolarCity established on 4th of July by Lyndon & Peter Rive</p> <p>October 2006 Launched 1st Community Program in Portola Valley to foster solar adoption</p>	 <p>December 2007 SolarCity becomes the leading residential solar provider in CA in its first full year of operation</p>	 <p>April 2008 SolarCity announces financing from Morgan Stanley and launches SolarLease®</p>  <p>May 2008 SolarCity helps eBay with one of the largest commercial solar installations in San</p> <p>June 2008 SolarCity expands to AZ</p>	 <p>April 2007 SolarCity and PG&E announced Solar Schools Program; 100 schools to receive solar array & learning station</p> <p>July 2009 SolarCity introduces Solar PPA™; affordable solar financing offering for small, medium and large businesses</p>  <p>September 2009 SolarCity creates fund to finance \$100M in solar projects</p>	 <p>April 2010 SolarCity partners with The Home Depot</p>  <p>September 2010 Walmart announces 30 SolarCity solar projects in CA</p> <p>October 2010 SolarCity recognized as a Green Power Supplier of the year by the Department of Energy</p> 	 <p>February 2011 Citi and SolarCity announce new fund to finance \$40M in solar projects</p>  <p>June 2011 Google and SolarCity create fund to finance \$280M in solar projects</p> <p>July 2011 SolarCity expands and opens operations center in HI</p> <p>November 2011 SolarCity and Bank of America Merrill Lynch announce plan to build more than \$1B in solar projects for military communities across the country</p>	 <p>March 2012 SolarCity and Rabobank announce \$42.5M fund for commercial solar projects</p>  <p>September 2012 SolarCity expands services with new operations centers in AZ, CA, CO, CT, MD, NY, NJ bringing the total to over 30 operations centers in the US</p> <p>December 2012 SolarCity (SCTY) becomes a publicly traded company on NASDAQ</p>	 <p>February 2012 Fast Company ranked SolarCity as No. 10 on their annual list of the World's 50 Most Innovative Companies</p> <p>April 2013 Shea Homes and SolarCity Celebrate Earth Day with the sale of the 1,000th SheaZero No Electric Bill Home</p>  <p>February 2013 SolarCity partners with Honda to bring solar power to Honda customers and dealerships</p>

SolarCity Awards and Recognition

- There is no higher compliment than to be honored by independent associations for the work we love doing every day

FAST COMPANY

TOP 10 MOST INNOVATIVE COMPANIES

SCIENTIFIC AMERICAN

WORLD CHANGING IDEAS: 20 WAYS TO BUILD A CLEANER, HEALTHIER, SMARTER WORLD



STEVIE AWARD FOR CUSTOMER SERVICE



GOING GREEN TOP 100 PRIVATE COMPANIES



U.S. DEPARTMENT OF ENERGY GREEN POWER SUPPLIER OF THE YEAR



ENERGY & ENVIRONMENT AWARD, CORPORATE ENERGY GENERATION CATEGORY



INDUSTRY INNOVATOR



SUSTAINIA100 SOLUTION AT RIO+20 UNITED NATIONS CONFERENCE ON SUSTAINABLE DEVELOPMENT

More information can be found at SolarCity's Award Page - <http://www.solarcity.com/media-center/awards.aspx>

How a Power Purchase Agreement Works

- SolarCity installs & maintains a solar system on your site
 - You simply “host” the system and only pay for the electricity you produce
- No upfront cost and immediate payback
 - SolarCity leverages Federal ITC lowering your PPA price.
- Reduced electricity costs + energy hedge
 - New lower utility bill + PPA payment < old utility bill
 - Protect against utility rate escalation and uncertainty
- Guaranteed Performance
 - SolarCity guarantees 100% of the production or we pay you
- At the end of the 20 year term you can:
 - Purchase system at Fair Market Value (FMV)
 - Renew contract in up to two 5-year increments
 - Get system removed at no cost to you.

WWTP Project Summary

■ 577.2 kW DC

- Produces 927,560 kWh Year 1
- Offset ~91% of Energy
- Offset ~81% of Bill

■ PPA Summary

- \$0.073 / kWh
- 0% escalation
- \$28,225 savings year 1
- 24% cost reduction
- \$1,133,690 savings over 20 years

■ PPA Summary + 50k allowance for main panel upgrade

- \$0.079 / kWh
- 0% escalation
- \$22,660 savings year 1
- 19% cost reduction
- \$1,027,515 savings over 20 years

■ Assumptions

- 2.5% Utility Escalation Rate
- 0.00% PPA Escalation Rate
- 0.5% Module Degradation
- Prevailing wage rates
- Excludes: Structural Upgrades or Electrical Upgrades

WWTP Solar Project Layout



WTP Project Summary

■ 318.0 kW DC

- Produces 519,294 kWh Year 1
- Offset ~90% of Energy
- Offset ~70% of Bill

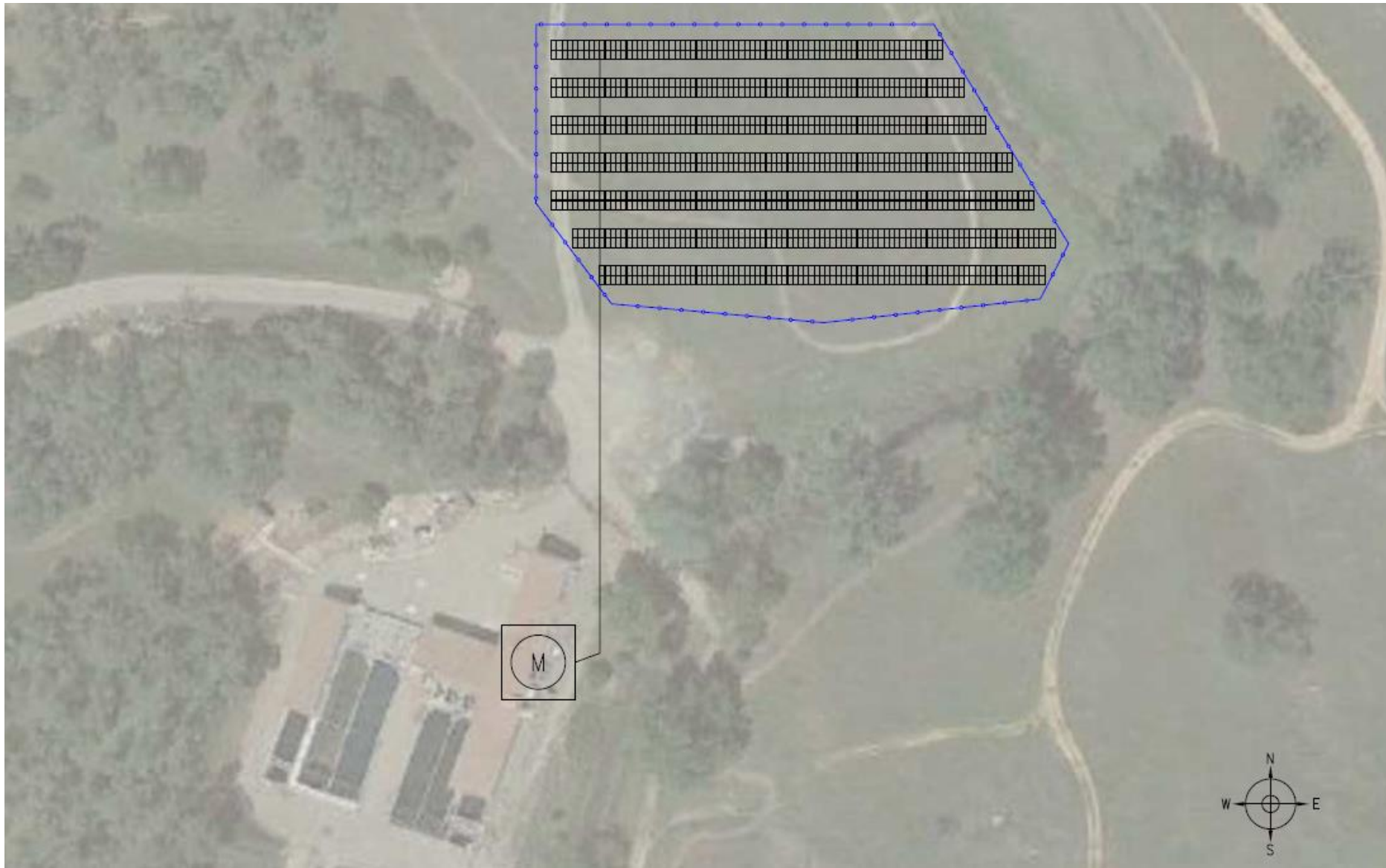
■ PPA Summary

- \$0.077 / kWh
- 0% escalation
- \$13,827 savings year 1
- 18% cost reduction
- \$587,174 savings over 20 years

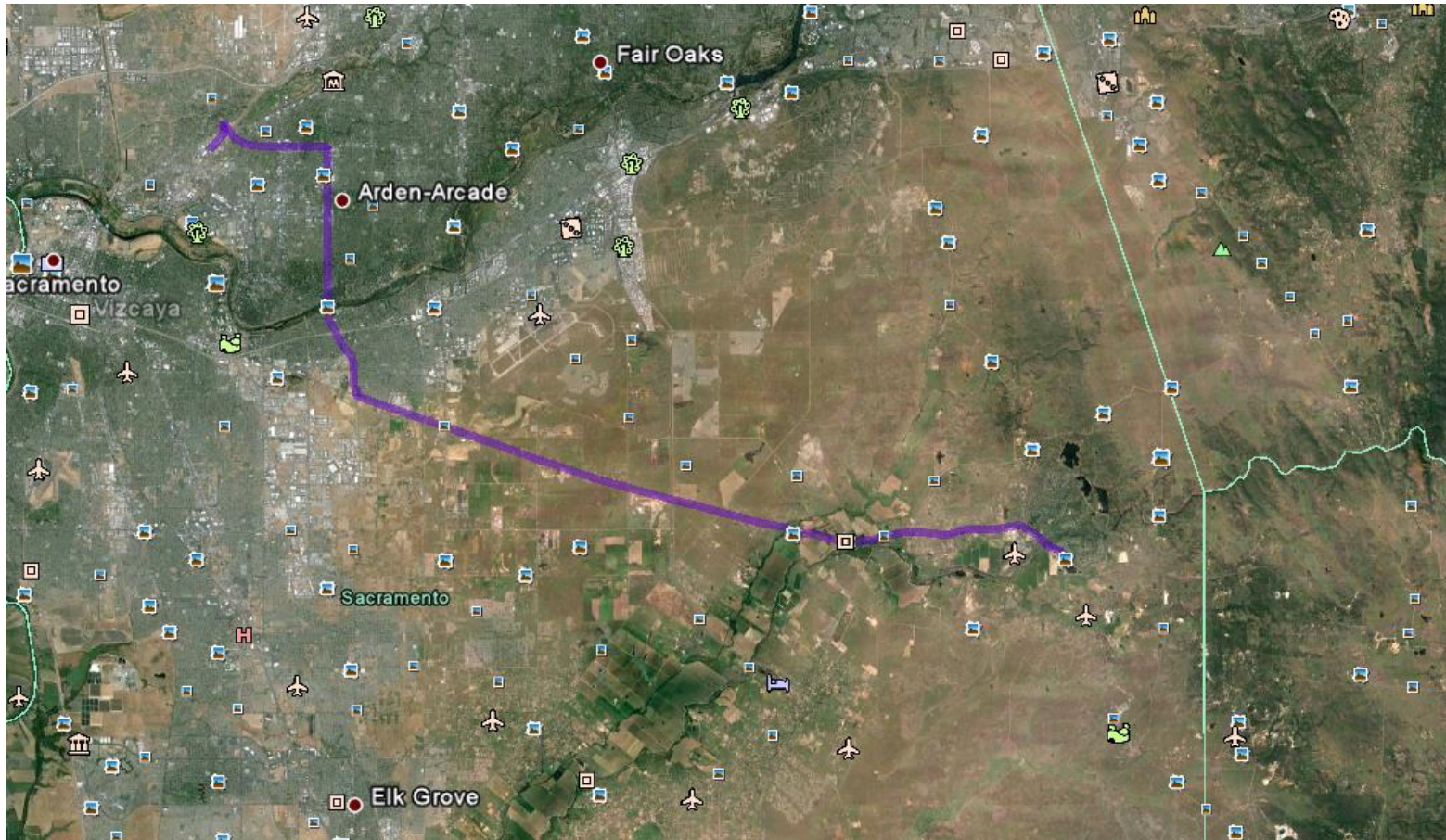
■ Assumptions

- 2.5% Utility Escalation Rate
- 0.00% PPA Escalation Rate
- 0.5% Module Degradation
- Prevailing wage rates
- Excludes: Structural Upgrades or Electrical Upgrades

WTP Solar Project Layout



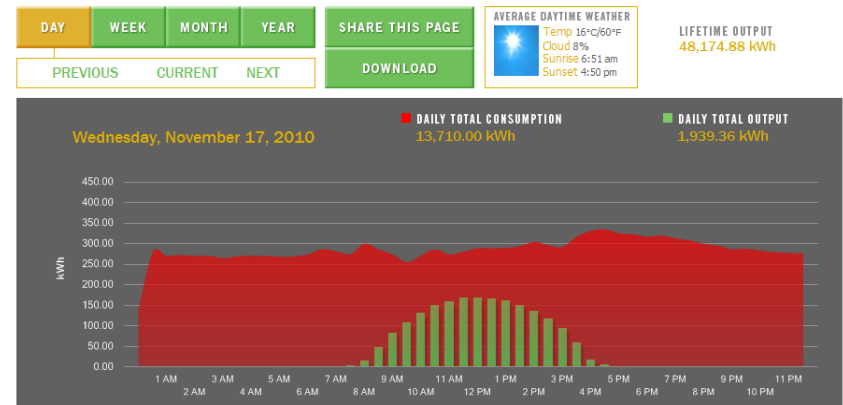
Local Experience & Operations Center



Sacramento Operations Center about 25 miles from HQ

Commitment and Follow Through

- Quality Control
 - 3rd Party Commissioning
- Award Winning Customer Service
 - Dedicated Monitoring Team
 - Assigned Account Manager
- Operations and Maintenance
 - Local Operations Centers
 - Lower cost
- 100% Performance Guarantee



Recent Public Sector Projects in California

- City of McFarland
- Las Virgenes WD
- Placer County WA
- Los Angeles USD
- Visalia USD
- Firebaugh USD



City of McFarland



City of Sacramento California
3.4 MW | 6 Sites | Ground Mount, Rooftop



City of San Jose San Jose, CA

1.1 MW Complete, 2 MW Underway | 29 Sites | Rooftop, Shade Structures



Town of Danville Danville, CA
480kW | 4 Sites | Shade Structures



City of Lancaster California
1.7 MW at 5 sites | Shade Structures, Rooftops



East Bay Municipal Utility District North California
900 kW | Ground Mounts and Roof Structure



Thank You

Michael Carpol | Project Development Manager
650-350-0106 | mcarpol@solarcity.com | SOLARCITY.COM



Rancho Murrieta Community Service District
Waste Water Treatment Plant - No Main Panel Upgrade
15160 Jackson Rd, Sloughhouse, CA 95683
System Size: 577.2 kW DC

SOLAR PPA SAVINGS OVER TIME

Budgetary Proposal, pricing to be confirmed with engineering audit.

Price valid until 08/07/15

Year	Utility Costs without Solar	kWh Purchased*	PPA Cost per kWh	PPA Payments with Solar*	Sales Tax on PPA Payments	Utility Bill with Solar PPA	Total Electricity Costs	Net Savings*
1	\$118,588	927,560	0.073	\$67,712	--	\$22,651	\$90,363	\$28,225
2	\$121,553	922,923	\$0.073	\$67,373	--	\$23,318	\$90,692	\$30,861
3	\$124,592	918,308	\$0.073	\$67,036	--	\$24,004	\$91,041	\$33,551
4	\$127,706	913,716	\$0.073	\$66,701	--	\$24,710	\$91,411	\$36,295
5	\$130,899	909,148	\$0.073	\$66,368	--	\$25,434	\$91,802	\$39,097
6	\$134,171	904,602	\$0.073	\$66,036	--	\$26,180	\$92,216	\$41,956
7	\$137,526	900,079	\$0.073	\$65,706	--	\$26,946	\$92,651	\$44,874
8	\$140,964	895,579	\$0.073	\$65,377	--	\$27,733	\$93,110	\$47,854
9	\$144,488	891,101	\$0.073	\$65,050	--	\$28,542	\$93,593	\$50,895
10	\$148,100	886,645	\$0.073	\$64,725	--	\$29,374	\$94,099	\$54,001
11	\$151,803	882,212	\$0.073	\$64,401	--	\$30,229	\$94,631	\$57,172
12	\$155,598	877,801	\$0.073	\$64,079	--	\$31,108	\$95,187	\$60,410
13	\$159,488	873,412	\$0.073	\$63,759	--	\$32,011	\$95,770	\$63,718
14	\$163,475	869,045	\$0.073	\$63,440	--	\$32,939	\$96,379	\$67,095
15	\$167,562	864,700	\$0.073	\$63,123	--	\$33,893	\$97,016	\$70,546
16	\$171,751	860,376	\$0.073	\$62,807	--	\$34,874	\$97,681	\$74,070
17	\$176,045	856,074	\$0.073	\$62,493	--	\$35,881	\$98,375	\$77,670
18	\$180,446	851,794	\$0.073	\$62,181	--	\$36,917	\$99,098	\$81,348
19	\$184,957	847,535	\$0.073	\$61,870	--	\$37,981	\$99,851	\$85,106
20	\$189,581	843,297	\$0.073	\$61,561	--	\$39,074	\$100,635	\$88,946
Total								\$1,133,690

* Values are estimated

Note: Sales tax on PPA payments is displayed separately. PPA rate is shown without assumed sales tax.

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Rancho Murrieta Community Service District
Water Treatment Plant
15160 Jackson Rd, Sloughouse, CA 95683
System Size: 318.0 kW DC

SOLAR PPA SAVINGS OVER TIME

Budgetary Proposal, pricing to be confirmed with engineering audit.

Price valid until 08/08/15

Year	Utility Costs without Solar	kWh Purchased*	PPA Cost per kWh	PPA Payments with Solar*	Sales Tax on PPA Payments	Utility Bill with Solar PPA	Total Electricity Costs	Net Savings*
1	\$76,687	519,294	0.077	\$39,986	--	\$22,874	\$62,860	\$13,827
2	\$79,754	516,698	\$0.077	\$39,786	--	\$23,889	\$63,675	\$16,080
3	\$82,945	514,114	\$0.077	\$39,587	--	\$24,948	\$64,535	\$18,409
4	\$86,262	511,543	\$0.077	\$39,389	--	\$26,054	\$65,443	\$20,820
5	\$89,713	508,986	\$0.077	\$39,192	--	\$27,207	\$66,399	\$23,314
6	\$93,301	506,441	\$0.077	\$38,996	--	\$28,410	\$67,406	\$25,895
7	\$97,034	503,909	\$0.077	\$38,801	--	\$29,665	\$68,466	\$28,567
8	\$100,915	501,389	\$0.077	\$38,607	--	\$30,975	\$69,582	\$31,333
9	\$104,951	498,882	\$0.077	\$38,414	--	\$32,341	\$70,755	\$34,196
10	\$109,150	496,388	\$0.077	\$38,222	--	\$33,767	\$71,989	\$37,161
11	\$113,515	493,906	\$0.077	\$38,031	--	\$35,254	\$73,284	\$40,231
12	\$118,056	491,436	\$0.077	\$37,841	--	\$36,805	\$74,646	\$43,411
13	\$122,778	488,979	\$0.077	\$37,651	--	\$38,423	\$76,075	\$46,704
14	\$127,689	486,534	\$0.077	\$37,463	--	\$40,111	\$77,574	\$50,115
15	\$132,797	484,102	\$0.077	\$37,276	--	\$41,872	\$79,148	\$53,649
16	\$138,109	481,681	\$0.077	\$37,089	--	\$43,709	\$80,798	\$57,311
17	\$143,633	479,273	\$0.077	\$36,904	--	\$45,624	\$82,528	\$61,105
18	\$149,379	476,876	\$0.077	\$36,719	--	\$47,622	\$84,342	\$65,037
19	\$155,354	474,492	\$0.077	\$36,536	--	\$49,707	\$86,243	\$69,111
20	\$161,568	472,119	\$0.077	\$36,353	--	\$51,880	\$88,234	\$73,334
Total								\$809,612

* Values are estimated

Note: Sales tax on PPA payments is displayed separately. PPA rate is shown without assumed sales tax.

v7.3.9 XML
 © 2012 SolarCity

SYSTEM SIZE: 318.06 KW DC
SITE ADDRESS: RANCHO MURETA, CA

DATE: 6/11/15

MODULE: TRINA 310W

INVERTER: FRONIUS

DESCRIPTION:
 PV ARRAY

RACKING SYSTEM

STRINGS OF 19 MODULES

PRELIMINARY DRAWING – NOT FOR CONSTRUCTION

ARRAY INFORMATION

MOUNTING METHOD	MODULE COUNT	TILT	AZIMUTH	KW DC
GROUND MOUNT	1,026	25°	180°	318.06

GENERAL NOTES

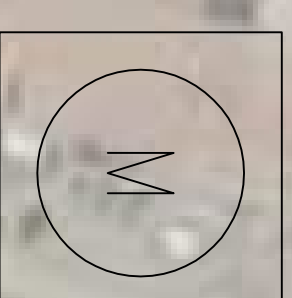
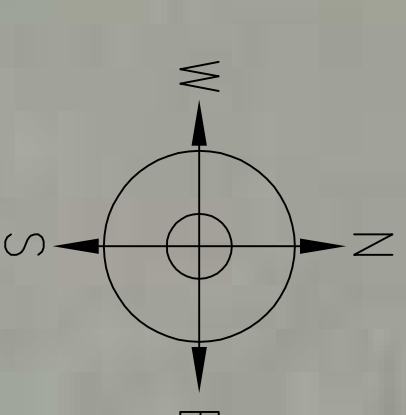
- THIS SYSTEM IS GRID-INTERED VIA A UL-LISTED POWER-CONDITIONING INVERTER.
- THIS SYSTEM HAS NO BATTERIES, NO UPS, & NO STORAGE.
- ALL INVERTERS AND ARRAYS ARE NEGATIVELY GROUNDED.
- GROUNDING MOUNTING FRAMES ARE TO BE GROUNDED.
- ALL WORK TO BE DONE TO 2010 NEC.
- ALL ELECTRICAL WORK SHALL COMPLY WITH THE 2008 NATIONAL ELECTRIC CODE.

LEGEND

- (E) UTILITY METER
- INVERTER W/ INTEGRATED DC DISCO & WARNING LIGHTS
- DC DISCONNECT
- AC DISCONNECT
- JUNCTION BOX
- DC COMBINER BOX
- DISTRIBUTION PANEL
- LOAD CENTER
- DEDICATED PV SYSTEM METER
- CONDUIT RUN ON EXTERIOR
- CONDUIT RUN ON INTERIOR
- GATE
- INTERIOR EQUIPMENT

SHEET NOTES

- INVERTER.
- DEDICATED PV SYSTEM METER.
- AC DISCONNECT.
- UTILITY METER.
- DC DISCONNECT.



SYSTEM SIZE: 577.22 KW DC
SITE ADDRESS: 15160 JACKSON RD., SLOUGHHOUSE, CA

DATE: 6/11/15

MODULE: TRINA 310W

INVERTER: FRONIUS

DESCRIPTION:
 PV ARRAY

RACKING SYSTEM

STRINGS OF 19 MODULES

PRELIMINARY DRAWING – NOT FOR CONSTRUCTION

ARRAY INFORMATION

MOUNTING METHOD	MODULE COUNT	TILT	AZIMUTH	KW DC
GROUND MOUNT	1,862	25°	180°	577.22

GENERAL NOTES

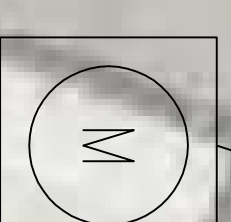
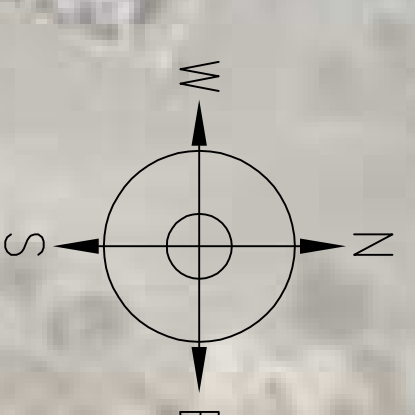
1. THIS SYSTEM IS GRID-INTERIED VIA A UL-LISTED POWER-CONDITIONING INVERTER.
2. THIS SYSTEM HAS NO BATTERIES, NO UPS, & NO STORAGE.
3. ALL INVERTERS AND ARRAYS ARE NEGATIVELY GROUNDED.
4. ALL MOUNTING FRAMES ARE TO BE GROUNDED.
5. ALL WORK TO BE DONE TO 2010 NEC.
6. ALL ELECTRICAL WORK SHALL COMPLY WITH THE 2008 NATIONAL ELECTRIC CODE.

LEGEND

- (U) UTILITY METER
- INVERTER W/ INTEGRATED DC DISCO & WARNING LIGHTS
- DC DISCONNECT
- AC DISCONNECT
- JUNCTION BOX
- DC COMBINER BOX
- DISTRIBUTION PANEL
- LOAD CENTER
- DEDICATED PV SYSTEM METER
- CONDUIT RUN ON EXTERIOR
- CONDUIT RUN ON INTERIOR
- GATE
- INTERIOR EQUIPMENT

SHEET NOTES

1. INVERTER.
2. DEDICATED PV SYSTEM METER.
3. AC DISCONNECT.
4. UTILITY METER.
5. DC DISCONNECT.



MEMORANDUM

Date: July 9, 2015
To: Board of Directors
From: Darlene J. Gillum, General Manager
Subject: Consider Adoption of Ordinance O2015-02, Amending District Code Chapter 4, Purchasing and Bidding

RECOMMENDED ACTION

Introduce Ordinance O2015-02, an Ordinance of the Rancho Murieta Community Services District, amending Chapter 4 of the District Code relating to Purchasing and Bidding, waive the full reading of the Ordinance and continue to the August 19, 2015 Board meeting for adoption.

BACKGROUND

Attached are the District's general counsel's recommended changes to the District Code, Chapter 4, Purchasing and Bidding. The proposed District Code, Chapter 4 will supersede the current Chapter 4 and also repeal District Policy 2009-03. The goal of this amendment to Chapter 4 is to streamline and simplify the District's existing procedures and make them consistent with the Public Contract Code provisions applicable to community services districts.

1. The major revisions are: Increasing the dollar threshold for competitive bidding from \$10,000 to \$25,000, which is consistent with current government code;
2. Changing the General Manager's approval level to \$25,000 for non-reserve related expenditures. Any contracts approved by the General Manager will be notated and reported on the monthly General Manager's Board of Director's update;
3. Allowing the General Manager to approve change modifications on Board approved expenditures within the Board approved contingency amount.

ORDINANCE O2015-02

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT AMENDING DISTRICT CODE CHAPTER 4, PURCHASING AND BIDDING PROCEDURES

The Board of Directors of the Rancho Murieta Community Services District hereby ordains as follows:

Section 1. Purpose and Authority. The purpose of this ordinance is to revise and clarify the District's policies, procedures and bidding regulations governing purchases of supplies, materials, equipment and personal services and public works contracting by the District as currently set forth in chapter 4 (Purchasing and Bidding) of the District Code and District Policy No. 2009-03 (Procedures for Bidding, Construction and Acceptance of District Public Works). This ordinance is adopted pursuant to Government Code sections 61060, 61063, Public Contract Code section 22050, and other applicable law.

Section 2. Amendment. Chapter 4 of the District Code is hereby amended to read as follows:

Section 1.00 General Provisions

1.01 Purpose: The purpose of this Code is to establish efficient procedures for the purchase of supplies, materials, equipment, and services, and for letting construction contracts consistent with state law.

1.02 Administration of Code: The General Manager shall administer the regulations contained in this Chapter and shall take steps as are reasonable and proper to ensure compliance with this Chapter.

1.03 Additional Procedures: The General Manager may establish and maintain administrative regulations and standards that implement the provisions of this Chapter, including, but not limited to:

- a. Procedures for inspecting deliveries of supplies, materials and equipment and for evaluating the provision of general or professional services;
- b. Procedures for submitting requisitions for supplies, materials, equipment, and services by District employees; and
- c. Procedures for the control and safeguarding of District supplies, materials, and equipment and the maintenance of an inventory system for such supplies, materials, and equipment.

The General Manager shall submit the proposed administrative regulations to the Board for approval, and, if approved, shall thereafter carry out and enforce such regulations and standards.

1.04 Bulk Orders: When practicable, the General Manager shall seek to reduce the number of purchasing transactions for commonly used or purchased materials, supplies, and equipment by combining them into bulk orders.

- 1.05 Purchases by the Department of General Services. As appropriate, the Office of Procurement, California Department of General Services, may purchase miscellaneous equipment and supplies for the District as authorized by state law. The General Manager may sign and deliver all necessary requests and other documents in connection with such purchases.

Section 2.00 Definitions

As used in this Chapter, the following words and phrases shall have the following meaning:

- 2.01 Bidder's List: List of prospective suppliers, vendors and qualified contractors capable of providing the commodity or service being bid upon, maintained by the General Manager.
- 2.02 Board: Board of Directors of the Rancho Murieta Community Services District.
- 2.03 Commodity: Supplies, materials, equipment, and other tangible personal property appropriate for the reasonable operation of the District.
- 2.04 Competitive Bidding: The formal or informal submission, or receipt, of verbal or written estimates or cost proposals in terms of dollars, man days of work required, percentage of construction cost, or any other measure of compensation whereby the District may compare prices and other relevant criteria. The competitive bidding process typically involves the submission of offers by bidders pursuant to a public notice inviting bidders to provide the District with a specified commodity or service, or to purchase District personal property which has been found by the Board not to be required for public use, and which offers are submitted under seal or by voice at a public auction.
- 2.05 Construction Contract: Public works contract for the construction or completion of any building, structure or improvement, or a contract for the furnishing of materials and supplies for such work that is subject to the regulations contained in Public Contract Code sections 20680 to 20683.
- 2.06 District: Rancho Murieta Community Services District.
- 2.07 Force Account: Any work performed by District employees, or day's labor under District supervision or superintendence.
- 2.08 General Services: Services that do not require any unique skill, special background, or training and involve routine, recurring, and usual work for the continued operation and maintenance of the District. General services include the provision of telephone, gas, water, electric, light and power services and rentals of equipment and machinery.
- 2.09 Open Market: Purchase of a Commodity or services that does not require the solicitation of competitive sealed bids for awarding to the lowest responsible bidder.
- 2.10 Professional Services: Services performed by an attorney, physician, architect, engineer, land surveyor, construction manager, appraiser, expert, accounting firm,

computer or information technology consultant, or other consultant or organization possessing a high degree of technical and professional skills and that require specific skills, experience and training, and professional judgment.

Section 3.00 General Manager Authority

3.01 Powers and Duties of General Manager: The General Manager shall, under the direction of the Board and in compliance with the provisions of this Chapter and applicable state law:

- a. Purchase or contract for all Commodities, construction work, or General and Professional Services required by the District in amounts or estimated amounts of up to \$25,000 or less and sign such contracts.
- b. Submit to the Board, for review and approval, all Construction Contracts and contracts for the purchase of Commodities or retention of General or Professional Services in amounts or estimated amounts exceeding \$25,000. After approval by the Board, the General Manager may sign such contracts on the District's behalf.
- c. Dispose of property pursuant to Section 8.
- d. In consultation with District counsel, develop standard forms and specifications for invitations to bid and related bid documents, purchase orders, Construction Contracts, and contracts for General or Professional Services, and prescribe the use of other forms and procedures as may be required to carry out the provisions of this Chapter.
- e. Supervise the inspection of all Commodities and services purchased under this Chapter to assure conformance with District specifications.
- f. Maintain up-to-date Bidder's List, vendor's catalogs, files, and such other records as needed to perform these duties.
- g. Ensure that purchasing specifications are written to encourage full competition.
- h. Perform such other tasks as may be necessary or appropriate to administer the provisions of this Chapter.

3.02 Delegation of Responsibility: The General Manager may delegate the duties and responsibilities assigned by this Chapter to his or her designee, as the General Manager deems proper.

Section 4.00 Emergency Purchases and Contracting

4.01 Determination of Emergency: The authority to declare the existence of an emergency, including but not limited to emergencies described in Government Code sections 8558 and 54956.5 and Public Contract Code section 1102, generally resides with the Board. When urgent circumstances preclude taking the time for such determination by the

Board, the General Manager may declare the existence of an emergency subject to ratification of the Board at its next Board meeting.

- 4.02 Authority of General Manager: In cases of emergency as determined by the Board or General Manager as set forth in Section 4.01 above, when repair or replacements are necessary to permit the continued operation of the District, or to avoid danger to life or property, the General Manager may replace or repair any District building, structure, equipment or facility, purchase or contract for the necessary Commodities and General or Professional Services, and take any other related and immediate action necessary or appropriate to respond to the emergency without complying with the Competitive Bidding requirements in Section 6 of this Chapter.
- 4.03 Delegation of Authority by General Manager: If the General Manager is unavailable to take the actions described in Section 4.02 above, the department or division supervisor or acting supervisor in need of emergency Commodities or General or Professional Services may make the necessary purchases, securing competitive quotations whenever possible. The supervisor may issue a verbal order to a vendor as necessary to resolve the immediate hazard. The supervisor must notify the General Manager of his or her actions as soon as reasonably possible.
- 4.04 Board Notification and Approval: The General Manager shall promptly report to the Board the emergency actions taken and the circumstances surrounding such emergency.

If the General Manager approves a Construction Contract without giving public notice for bids where it would normally be required, he or she shall inform the Board of Directors no later than seven days after the action, or at the Board's next regularly scheduled meeting, if that meeting will occur no later than 14 days after the action, and every regularly scheduled Board meeting thereafter until such emergency action is terminated. Following notice to the Board by the General Manager, the Board must decide whether to approve, by a four-fifths vote, the continuation of such emergency work. If the Board does not allow the emergency action to continue, the General Manager shall terminate the action at the earliest possible date that conditions warrant so that the remainder of the emergency action may be completed by giving notice inviting bids for the emergency work.

- 4.05 Delegation of Emergency Construction Contract Authority: Pursuant to Public Resources Code section 22050(b)(1), the Board delegates to the General Manager the authority to order emergency Construction Contract action under Public Contract Code section 22050(a).

Section 5.00 Commodities, General Services and Construction Contracts of \$25,000 or Less

- 5.01 Commodities and General Services: For a purchase of Commodities or contract for General Services in an amount or estimated amount of \$25,000 or less, the General Manager may make the purchase or approve the contract on the Open Market by seeking the most favorable terms and price either through negotiation, comparative

pricing or informal Competitive Bidding, whichever method the General Manager deems most appropriate in the circumstances.

- 5.02 Construction Contracts: The General Manager may approve a Construction Contract without Competitive Bidding when the cost of such work does not exceed \$25,000. The General Manager shall seek the most favorable terms and price through negotiation, comparative pricing or informal Competitive Bidding as the General Manager deems most appropriate in the circumstances.

Alternatively, the District may perform the construction, reconstruction, erection, alteration, renovation, improvement, or repair of any building, structure, or facility owned, leased, or operated by the District by Force Account.

- 5.03 Availability of Funds: The General Manager may authorize a purchase or contract under Section 5.01 or 5.02 above only if there are unexpended funds available in the District budget for the purchase or to pay the costs of such contract. If there are no unexpended funds within the approved District budget, then the purchase or contract must be authorized by the Board.

- 5.04 Change Orders and Contract Amendments: The General Manager may negotiate, approve and sign change orders and contract amendments, provided the sum of all amendments does not exceed the approved contingency amount for that specific contract. Any change order or contract amendment that exceeds the approved contingency amount shall require Board approval.

Section 6.00 Commodities, General Services and Construction Contracts in Excess of \$25,000

- 6.01 Competitive Bidding Required: A purchase of Commodities, a contract for General Services, or a Construction Contract in an amount or estimated amount exceeding \$25,000 shall be made pursuant to the Competitive Bidding requirements set forth in this Section 6, unless one of the following exceptions applies:

- a. Commodities or General Services can be obtained from only one vendor, manufacturer, distributor, or service provider as described in Section 6.06 below;
- b. Purchases made through the California Department of General Services;
- c. Emergency purchases or work as described in Section 4 of this Chapter;
- d. For Commodities or General Services, the General Manager determines that Competitive Bidding would not be advantageous or in the best interests of the District and recommends a single vendor/provider purchase or contract to the Board for approval; or
- e. For Commodities or General Services, the Board determines or directs otherwise.

6.02 Bidding Procedures: The bidding procedures are as follows:

- a. Notice Inviting Bids: The General Manager, or his or her designee, shall prepare a notice inviting bids for the purchase or contract that includes a general description of the supplies, materials, equipment to be purchased (including, if appropriate, bid specifications) or the General Service or construction work to be performed, the deadline for receipt of sealed bids, and the time and place for the bid opening.
- b. Publication of Notice: For Commodities and General Services, the notice inviting bids shall be posted in three public places in the District, distributed to prospective suppliers, vendors, and contractors on the Bidder's List, and otherwise distributed as the General Manager deems appropriate. For Construction Contracts, the notice inviting bids shall be published as required by Public Contract Code section 20682 or 20682.5.
- c. Bid Security: When the General Manager deems appropriate, a bidder's security may be required for the purchase of Commodities and General Services in a form and amount as determined by the General Manager. If a bidder's security is required, the bidder security requirement shall be set forth in the notice inviting bids. Bids that are delivered without the required bid security shall not be considered by the District.

All bids for Construction Contracts must be sealed and be accompanied by a bidder's security as required by Public Contract Code section 20683.

- d. Bid Opening: At the time and place for the bid opening, the bids shall be opened in public. The General Manager shall tabulate all bids received and keep them open for public inspection for a period of not less than 30 calendar days after the bid opening. At the next Board meeting following the opening of bids, the General Manager shall present the bids to the Board.
- e. Lowest Responsible Bidder: The District will only consider bidders who submit a complete and fully responsive bid. The General Manager shall make a recommendation to the Board on an award to the lowest responsible responsive bidder. In its discretion, the Board may award the contract to the lowest responsible responsive bidder, reject all bids and re-advertise for bids, or reject all bids and not proceed with the purchase or contract. Additionally, for Commodities and General Services, the Board may reject all bids and direct that an Open Market purchase be made, provided the price paid on the Open Market shall not exceed the bid of the lowest responsible responsive bidder. The Board may waive any irregularity or informality in any bid.

In determining the lowest responsible responsive bidder, price alone shall not be the determinative factor, but shall be considered along with other factors including, but not limited to, the ability of the bidder to deliver or perform the work, availability of the Commodities or services required, prior work experience, location of the vendor or service provider, and any other factors relating to the

particular needs of the District for the Commodities to be purchased or the General Services or construction work required.

Upon an award to the lowest responsible responsive bidder, the security of an unsuccessful bidder, if any, shall be returned within a reasonable amount of time, but in no event shall the District hold the security beyond 60 days from the time the award is made.

6.03 Forfeiture of Bid Security: Upon award to the lowest responsible responsive bidder, if the successful bidder fails to proceed with the sale to the District or enter into a contract with the District within 10 days from the date of the award, the bidder shall forfeit the bid security.

6.04 Bid Protests: Any bid protest from an unsuccessful bidder must be submitted in writing to the District by the seventh day following the date of award. A "bid protest" means any protest, objection, complaint, or challenge to, concerning or against (i) a rejection of a bidder for any reason; (ii) a contract award to the apparent low bidder; (iii) another bidder's bid; or (iv) the legality or enforceability of the bid documents or contract documents or process. The bidder filing the protest must have actually submitted a bid for the purchase or contract. The protest shall be in the form of a letter or memorandum to the General Manager and shall include the following: (i) a complete statement of the basis or bases for the protest, including supporting documents; (ii) a reference to the specific portion(s) of the contract or bid documents that form(s) the basis of the protest; and (iii) the name, address, and telephone number of the person representing the protesting bidder.

The bidder filing the protest shall concurrently transmit a copy of the protest document and any attached documentation to all other bidders with a direct financial interest who may be adversely affected by the outcome of the protest, including all other bidders who appear to have a reasonable prospect of receiving an award depending upon the outcome of the protest.

The Board shall issue a prompt decision on the protest. If the Board determines that a protest is frivolous, the bidder submitting the protest may be determined to be irresponsible and be deemed ineligible for future contract awards as described in Section 6.05 below.

The procedure and time limits set forth in this Section are mandatory and are the bidder's sole and exclusive remedy in the event of a bid protest. Failure to timely comply with these procedures will constitute a waiver of any right to further pursue the bid protest, including filing a petition for writ of mandate, Government Claims Act claim, or other lawsuit or legal proceeding.

6.05 Rejection of Irresponsible Bidder: The General Manager may declare a bidder to be irresponsible for the following reasons:

- a. Failure to furnish satisfactory proof of responsibility when requested by the District;

- b. Unsatisfactory delay in the performance of a contract or purchase order;
- c. Unsatisfactory performance of a contract or purchase order;
- d. Submittal of a frivolous bid protest as described in Section 6.04 above; or
- e. Violations or attempted violations of this Chapter.

Once a bidder has been determined to be irresponsible, the General Manager may remove the bidder from the Bidder's List and deem the bidder to be ineligible for future contract awards for a reasonable period of time as determined by the General Manager. The barred bidder shall be furnished with a written notice explaining the reasons for the irresponsibility determination, and may appeal such decision to the Board within 10 days of receiving the notice.

6.06 Single Vendor or Provider Purchases: When the District requires Commodities or General Services that can be obtained or purchased from only one vendor, manufacturer, distributor authorized to sell within the District, or service provider, the General Manager may conduct negotiations with such vendor, manufacturer, distributor, or service provider to secure the most favorable terms and price without complying with the requirements of Sections 6.01 and 6.02 above. All single vendor/provider purchases shall be supported by written documentation indicating the facts and nature supporting the determination that the single vendor/provider purchase is appropriate in the circumstances. All single vendor/provider purchases in an amount or estimated amount exceeding \$25,000 require Board approval.

6.07 Special Commodities: When the District requires special supplies, materials, or equipment that must be compatible with existing District equipment, or that must perform complex or unique functions, or that are otherwise patented or proprietary, the General Manager, in consultation with the department or division supervisor, may limit bidding to a specific product type or brand name product.

Bidders who submit alternative products or brand names are responsible for demonstrating, to the District's satisfaction, that the proposed alternative product is equal in quality and performance to those specified in the bid documents.

6.08 Splitting of Transactions Unlawful: The District shall not split requirements for Commodities, General Services, and Construction Contracts into amounts or estimated amounts of less than \$25,000 to avoid the provisions of this Section 6.

Section 7.00 Contracts for Professional Services

7.01 Factors to Consider: A Professional Services contract shall be awarded only to firms and persons who have demonstrated an adequate level of experience, competence, training, credentials, character, integrity, reputation, financial responsibility, resources, equipment, staffing, and other professional qualifications necessary to competently perform the services required by the District in the time period and price stated. The

cost of service shall not be the determinative factor, as it may be in the District's best interest to award the Professional Services contract to a higher-priced consultant based on the scope of services, availability, unique skills, staffing levels, timing, prior experience, familiarity with District operations, and other information as determined by the District. The information required for determining the qualifications for providing the District with such services shall be developed by the department or division supervisor requiring the professional services, in consultation with the General Manager.

When selecting an architectural, landscape architectural, engineering, and environmental, land surveying, or construction project management firm, the selection will be based on the demonstrated competence and professional qualifications necessary for the satisfactory performance of the required services in accordance with Government Code section 4526.

- 7.02 Contracts for \$25,000 or Less: For Professional Service contracts in an amount or estimated amount of \$25,000 or less, the General Manager may negotiate, approve and sign the Professional Services contract through negotiation, comparative pricing or informal Competitive Bidding, whichever method the General Manager deems most appropriate in the circumstances.

The General Manager may approve the contract only if there are unexpended funds available in the District budget to pay the costs of the Professional Services contract. If there are no unexpended funds within the approved District budget, then the contract must be authorized by the Board.

- 7.03 Contracts Exceeding \$25,000: A contract for Professional Services in an amount or estimated amount exceeding \$25,000 shall be made pursuant to the solicitation procedures as follows:

- a. Request for Proposal/Qualifications: The General Manager, or his or her designee, shall prepare a request for proposal/qualifications ("RFP/Q") that describes the Professional Services needed, the required minimum qualifications, any required pre-proposal conferences, the requirement that the proposal be sealed, the deadline for submitting the proposal/qualifications, and the place and time for making the submission.
- b. Selection of Consultant: The General Manager, in consultation with the department or division supervisor requiring the Professional Services, shall review all proposals received in compliance with the RFP/Q requirements and may conduct follow-up interviews with the most qualified consultants. The proposals need not be opened in public. At the next Board meeting following the opening of proposals, the General Manager shall present the proposals to the Board.
- c. Award of Contract: The General Manager shall make a recommendation to the Board on an award to the most qualified proposal based on the factors described in Section 7.01 above. In lieu of the RFP/Q process, if the General Manager determines that the process would not be advantageous or in the best interests of

the District, the General Manager may recommend a sole source Professional Services contract to the Board. In its discretion, the Board may award the contract to the person or firm recommended by the General Manager or, if applicable, another proposer, reject all proposals and re-solicit proposals, reject all proposals and not proceed with the contract, or reject all proposals and direct that the General Manager solicit and negotiate a contract with a specific person or firm.

- 7.04 Contract Amendments: The General Manager may negotiate and execute Professional Services contract amendments, provided the sum of all amendments does not exceed the approved contingency amount for that specific contract. Any contract amendment that, in addition to the approved contingency amount shall require Board approval.

Section 8.00 Disposal of District Property

- 8.01 Disposal of Surplus Real Property: The General Manager shall dispose of real property that the Board has determined to be no longer necessary for the District's use in compliance with the requirements set forth in Government Code sections 54220 through 54233 and as otherwise directed by the Board.

- 8.02 Disposal of Surplus Personal Property: This section applies to surplus personal property, which is personal property owned by the District that the Board has declared surplus as inadequate or no longer necessary for the needs of the District. The General Manager may sell surplus personal property, or trade-in surplus personal property, as the Manager deems in the best interests of the District. The General Manager may discard or dispose of unsalable surplus personal property in any appropriate manner. The General Manager may also discard or destroy surplus personal property in any appropriate manner that may have some resale value but where, because of safety or liability concerns, destruction or disposal is preferable to sale.

Section 3. Supersede. This ordinance supersedes existing District Code chapter 4, the ordinances that adopted and amended chapter 4, District Policy No. 2009-03, and all prior inconsistent District ordinances, resolutions, policies, rules, and regulations concerning the subject matter of this ordinance.

Section 4. Effective Date. This Ordinance shall take effect 30 days after its adoption.

Section 5. Severability. If any section or provision of this Ordinance or the application of it to any person, transaction or circumstance is held invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions of this Ordinance that can be given effect without the invalid or unenforceable provision, and to this end the provisions of this Ordinance are declared to be severable.

Section 6. Publication. The District Secretary is directed to prepare and publish a summary of this ordinance once, with the names of the members voting for and against the ordinance, in a newspaper published in the District within 15 days after the adoption of this ordinance.

INTRODUCED by the Board of Directors on the ____ day of _____ 2015.

PASSED AND ADOPTED by the Board of Directors of the Rancho Murieta Community Services District at a regular meeting on the ___ day of _____ 2015 by the following 4/5ths roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Gerald Pasek
President, Board of Directors

Attest:

Suzanne Lindenfeld
District Secretary

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

DISTRICT CODE
CHAPTER 4

PURCHASING AND BIDDING



Amended _____, 2015 by
Ordinance O2015-03

Section 1.00 General Provisions

- 1.01 Purpose: The purpose of this Chapter is to establish efficient procedures for the purchase of supplies, materials, equipment, and services, and for letting construction contracts consistent with state law.
- 1.02 Administration of Chapter: The General Manager shall administer the regulations contained in this Chapter and shall take steps as are reasonable and proper to ensure compliance with this Chapter.
- 1.03 Additional Procedures: The General Manager may establish and maintain administrative regulations and standards that implement the provisions of this Chapter, including, but not limited to:
- a. Procedures for inspecting deliveries of supplies, materials and equipment and for evaluating the provision of general or professional services;
 - b. Procedures for submitting requisitions for supplies, materials, equipment, and services by District employees; and
 - c. Procedures for the control and safeguarding of District supplies, materials, and equipment and the maintenance of an inventory system for such supplies, materials, and equipment.
- The General Manager shall submit the proposed administrative regulations to the Board for approval, and, if approved, shall thereafter carry out and enforce such regulations and standards.
- 1.04 Bulk Orders: When practicable, the General Manager shall seek to reduce the number of purchasing transactions for commonly used or purchased materials, supplies, and equipment by combining them into bulk orders.
- 1.05 Purchases by the Department of General Services. As appropriate, the Office of Procurement, California Department of General Services, may purchase miscellaneous equipment and supplies for the District as authorized by state law. The General Manager may sign and deliver all necessary requests and other documents in connection with such purchases.

Section 2.00 Definitions

As used in this Chapter, the following words and phrases shall have the following meaning:

- 2.01 Bidder's List: List of prospective suppliers, vendors and qualified contractors capable of providing the commodity or service being bid upon, maintained by the General Manager.

- 2.02 Board: Board of Directors of the Rancho Murieta Community Services District.
- 2.03 Commodity: Supplies, materials, equipment, and other tangible personal property appropriate for the reasonable operation of the District.
- 2.04 Competitive Bidding: The formal or informal submission, or receipt, of verbal or written estimates or cost proposals in terms of dollars, man days of work required, percentage of construction cost, or any other measure of compensation whereby the District may compare prices and other relevant criteria. The competitive bidding process typically involves the submission of offers by bidders pursuant to a public notice inviting bidders to provide the District with a specified commodity or service, or to purchase District personal property which has been found by the Board not to be required for public use, and which offers are submitted under seal or by voice at a public auction.
- 2.05 Construction Contract: Public works contract for the construction or completion of any building, structure or improvement, or a contract for the furnishing of materials and supplies for such work that is subject to the regulations contained in Public Contract Code sections 20680 to 20683.
- 2.06 District: Rancho Murieta Community Services District.
- 2.07 Force Account: Any work performed by District employees, or day's labor under District supervision or superintendence.
- 2.08 General Services: Services that do not require any unique skill, special background, or training and involve routine, recurring, and usual work for the continued operation and maintenance of the District. General services include the provision of telephone, gas, water, electric, light and power services and rentals of equipment and machinery.
- 2.09 Open Market: Purchase of a Commodity or services that does not require the solicitation of competitive sealed bids for awarding to the lowest responsible bidder.
- 2.10 Professional Services: Services performed by an attorney, physician, architect, engineer, land surveyor, construction manager, appraiser, expert, accounting firm, computer or information technology consultant, or other consultant or organization possessing a high degree of technical and professional skills and that require specific skills, experience and training, and professional judgment.

Section 3.00 General Manager Authority

3.01 Powers and Duties of General Manager: The General Manager shall, under the direction of the Board and in compliance with the provisions of this Chapter and applicable state law:

- a. Purchase or contract for all Commodities, construction work, or General and Professional Services required by the District in amounts or estimated amounts of up to \$25,000 or less and sign such contracts.
- b. Submit to the Board, for review and approval, all Construction Contracts and contracts for the purchase of Commodities or retention of General or Professional Services in amounts or estimated amounts exceeding \$25,000. After approval by the Board, the General Manager may sign such contracts on the District's behalf.
- c. Dispose of property pursuant to Section 8.
- d. In consultation with District counsel, develop standard forms and specifications for invitations to bid and related bid documents, purchase orders, Construction Contracts, and contracts for General or Professional Services, and prescribe the use of other forms and procedures as may be required to carry out the provisions of this Chapter.
- e. Supervise the inspection of all Commodities and services purchased under this Chapter to assure conformance with District specifications.
- f. Maintain up-to-date Bidder's List, vendor's catalogs, files, and such other records as needed to perform these duties.
- g. Ensure that purchasing specifications are written to encourage full competition.
- h. Perform such other tasks as may be necessary or appropriate to administer the provisions of this Chapter.

3.02 Delegation of Responsibility: The General Manager may delegate the duties and responsibilities assigned by this Chapter to his or her designee, as the General Manager deems proper.

Section 4.00 Emergency Purchases and Contracting

4.01 Determination of Emergency: The authority to declare the existence of an emergency, including but not limited to emergencies described in Government Code sections 8558 and 54956.5 and Public Contract Code

section 1102, generally resides with the Board. When urgent circumstances preclude taking the time for such determination by the Board, the General Manager may declare the existence of an emergency subject to ratification of the Board at its next Board meeting.

4.02 Authority of General Manager: In cases of emergency as determined by the Board or General Manager as set forth in Section 4.01 above, when repair or replacements are necessary to permit the continued operation of the District, or to avoid danger to life or property, the General Manager may replace or repair any District building, structure, equipment or facility, purchase or contract for the necessary Commodities and General or Professional Services, and take any other related and immediate action necessary or appropriate to respond to the emergency without complying with the Competitive Bidding requirements in Section 6 of this Chapter.

4.03 Delegation of Authority by General Manager: If the General Manager is unavailable to take the actions described in Section 4.02 above, the department manager or supervisor or acting supervisor in need of emergency Commodities or General or Professional Services may make the necessary purchases, securing competitive quotations whenever possible. The supervisor may issue a verbal order to a vendor as necessary to resolve the immediate hazard. The supervisor must notify the General Manager of his or her actions as soon as reasonably possible.

4.04 Board Notification and Approval: The General Manager shall promptly report to the Board the emergency actions taken and the circumstances surrounding such emergency.

If the General Manager approves a Construction Contract without giving public notice for bids where it would normally be required, he or she shall inform the Board of Directors no later than seven days after the action, or at the Board's next regularly scheduled meeting, if that meeting will occur no later than 14 days after the action, and every regularly scheduled Board meeting thereafter until such emergency action is terminated. Following notice to the Board by the General Manager, the Board must decide whether to approve, by a four-fifths vote, the continuation of such emergency work. If the Board does not allow the emergency action to continue, the General Manager shall terminate the action at the earliest possible date that conditions warrant so that the remainder of the emergency action may be completed by giving notice inviting bids for the emergency work.

4.05 Delegation of Emergency Construction Contract Authority: Pursuant to Public Resources Code section 22050(b)(1), the Board delegates to the General Manager the authority to order emergency Construction Contract action under Public Contract Code section 22050(a).

Section 5.00 Commodities, General Services and Construction Contracts of \$25,000 or Less

5.01 Commodities and General Services: For a purchase of Commodities or contract for General Services in an amount or estimated amount of \$25,000 or less, the General Manager may make the purchase or approve the contract on the Open Market by seeking the most favorable terms and price either through negotiation, comparative pricing or informal Competitive Bidding, whichever method the General Manager deems most appropriate in the circumstances.

5.02 Construction Contracts: The General Manager may approve a Construction Contract without Competitive Bidding when the cost of such work does not exceed \$25,000. The General Manager shall seek the most favorable terms and price through negotiation, comparative pricing or informal Competitive Bidding as the General Manager deems most appropriate in the circumstances.

Alternatively, the District may perform the construction, reconstruction, erection, alteration, renovation, improvement, or repair of any building, structure, or facility owned, leased, or operated by the District by Force Account.

5.03 Availability of Funds: The General Manager may authorize a purchase or contract under Section 5.01 or 5.02 above only if there are unexpended funds available in the District budget for the purchase or to pay the costs of such contract. If there are no unexpended funds within the approved District budget, then the purchase or contract must be authorized by the Board.

5.04 Change Orders and Contract Amendments: The General Manager may negotiate, approve and sign change orders and contract amendments, provided that the sum of all change orders or amendments, does not exceed the approved contingency amount for the specific project. Any change orders or contract amendments that exceed the approved contingency amount shall require Board approval.

Section 6.00 Commodities, General Services and Construction Contracts in Excess of \$25,000

6.01 Competitive Bidding Required: A purchase of Commodities, a contract for General Services, or a Construction Contract in an amount or estimated amount exceeding \$25,000 shall be made pursuant to the Competitive Bidding requirements set forth in this Section 6, unless one of the following exceptions applies:

- a. Commodities or General Services can be obtained from only one vendor, manufacturer, distributor, or service provider as described in Section 6.06 below;
- b. Purchases made through the California Department of General Services;
- c. Emergency purchases or work as described in Section 4 of this Chapter;
- d. For Commodities or General Services, the General Manager determines that Competitive Bidding would not be advantageous or in the best interests of the District and recommends a single vendor/provider purchase or contract to the Board for approval; or
- e. For Commodities or General Services, the Board determines or directs otherwise.

6.02 Bidding Procedures: The bidding procedures are as follows:

- a. Notice Inviting Bids: The General Manager, or his or her designee, shall prepare a notice inviting bids for the purchase or contract that includes a general description of the supplies, materials, equipment to be purchased (including, if appropriate, bid specifications) or the General Service or construction work to be performed, the deadline for receipt of sealed bids, and the time and place for the bid opening.
- b. Publication of Notice: For Commodities and General Services, the notice inviting bids shall be posted in three public places in the District, distributed to prospective suppliers, vendors, and contractors on the Bidder's List, and otherwise distributed as the General Manager deems appropriate. For Construction Contracts, the notice inviting bids shall be published as required by Public Contract Code section 20682 or 20682.5.
- c. Bid Security: When the General Manager deems appropriate, a bidder's security may be required for the purchase of Commodities and General Services in a form and amount as determined by the General Manager. If a bidder's security is required, the bidder security requirement shall be set forth in the notice inviting bids. Bids that are delivered without the required bid security shall not be considered by the District.

All bids for Construction Contracts must be sealed and be accompanied by a bidder's security as required by Public Contract Code section 20683.

- d. Bid Opening: At the time and place for the bid opening, the bids shall be opened in public. The General Manager shall tabulate all bids received and keep them open for public inspection for a period of not less than 30 calendar days after the bid opening. At the next Board meeting following the opening of bids, the General Manager shall present the bids to the Board.
- e. Lowest Responsible Bidder: The District will only consider bidders who submit a complete and fully responsive bid. The General Manager shall make a recommendation to the Board on an award to the lowest responsible responsive bidder. In its discretion, the Board may award the contract to the lowest responsible responsive bidder, reject all bids and re-advertise for bids, or reject all bids and not proceed with the purchase or contract. Additionally, for Commodities and General Services, the Board may reject all bids and direct that an Open Market purchase be made, provided the price paid on the Open Market shall not exceed the bid of the lowest responsible responsive bidder. The Board may waive any irregularity or informality in any bid.

In determining the lowest responsible responsive bidder, price alone shall not be the determinative factor, but shall be considered along with other factors including, but not limited to, the ability of the bidder to deliver or perform the work, availability of the Commodities or services required, prior work experience, location of the vendor or service provider, and any other factors relating to the particular needs of the District for the Commodities to be purchased or the General Services or construction work required.

Upon an award to the lowest responsible responsive bidder, the security of an unsuccessful bidder, if any, shall be returned within a reasonable amount of time, but in no event shall the District hold the security beyond 60 days from the time the award is made.

- 6.03 Forfeiture of Bid Security: Upon award to the lowest responsible responsive bidder, if the successful bidder fails to proceed with the sale to the District or enter into a contract with the District within 10 days from the date of the award, the bidder shall forfeit the bid security.
- 6.04 Bid Protests: Any bid protest from an unsuccessful bidder must be submitted in writing to the District by the seventh day following the date of award. A “bid protest” means any protest, objection, complaint, or challenge to, concerning or against (i) a rejection of a bidder for any reason; (ii) a contract award to the apparent low bidder; (iii) another bidder’s bid; or (iv) the legality or enforceability of the bid documents or contract documents or process. The bidder filing the protest must have actually submitted a bid for the purchase or contract. The protest shall be in the form of a letter or memorandum to the General Manager and shall include the following: (i) a

complete statement of the basis or bases for the protest, including supporting documents; (ii) a reference to the specific portion(s) of the contract or bid documents that form(s) the basis of the protest; and (iii) the name, address, and telephone number of the person representing the protesting bidder.

The bidder filing the protest shall concurrently transmit a copy of the protest document and any attached documentation to all other bidders with a direct financial interest who may be adversely affected by the outcome of the protest, including all other bidders who appear to have a reasonable prospect of receiving an award depending upon the outcome of the protest.

The Board shall issue a prompt decision on the protest. If the Board determines that a protest is frivolous, the bidder submitting the protest may be determined to be irresponsible and be deemed ineligible for future contract awards as described in Section 6.05 below.

The procedure and time limits set forth in this Section are mandatory and are the bidder's sole and exclusive remedy in the event of a bid protest. Failure to timely comply with these procedures will constitute a waiver of any right to further pursue the bid protest, including filing a petition for writ of mandate, Government Claims Act claim, or other lawsuit or legal proceeding.

6.05 Rejection of Irresponsible Bidder: The General Manager may declare a bidder to be irresponsible for the following reasons:

- a. Failure to furnish satisfactory proof of responsibility when requested by the District;
- b. Unsatisfactory delay in the performance of a contract or purchase order;
- c. Unsatisfactory performance of a contract or purchase order;
- d. Submittal of a frivolous bid protest as described in Section 6.04 above; or
- e. Violations or attempted violations of this Chapter.

Once a bidder has been determined to be irresponsible, the General Manager may remove the bidder from the Bidder's List and deem the bidder to be ineligible for future contract awards for a reasonable period of time as determined by the General Manager. The barred bidder shall be furnished with a written notice explaining the reasons for the irresponsibility determination, and may appeal such decision to the Board within 10 days of receiving the notice.

6.06 Single Vendor or Provider Purchases: When the District requires Commodities or General Services that can be obtained or purchased from only one vendor, manufacturer, distributor authorized to sell within the District, or service provider, the General Manager may conduct negotiations with such vendor, manufacturer, distributor, or service provider to secure the most favorable terms and price without complying with the requirements of Sections 6.01 and 6.02 above. All single vendor/provider purchases shall be supported by written documentation indicating the facts and nature supporting the determination that the single vendor/provider purchase is appropriate in the circumstances. All single vendor/provider purchases in an amount or estimated amount exceeding \$25,000 require Board approval.

6.07 Special Commodities: When the District requires special supplies, materials, or equipment that must be compatible with existing District equipment, or that must perform complex or unique functions, or that are otherwise patented or proprietary, the General Manager, in consultation with the department manager or supervisor, may limit bidding to a specific product type or brand name product.

Bidders who submit alternative products or brand names are responsible for demonstrating, to the District's satisfaction, that the proposed alternative product is equal in quality and performance to those specified in the bid documents.

6.08 Splitting of Transactions Unlawful: The District shall not split requirements for Commodities, General Services, and Construction Contracts into amounts or estimated amounts of less than \$25,000 to avoid the provisions of this Section 6.

Section 7.00 Contracts for Professional Services

7.01 Factors to Consider: A Professional Services contract shall be awarded only to firms and persons who have demonstrated an adequate level of experience, competence, training, credentials, character, integrity, reputation, financial responsibility, resources, equipment, staffing, and other professional qualifications necessary to competently perform the services required by the District in the time period and price stated. The cost of service shall not be the determinative factor, as it may be in the District's best interest to award the Professional Services contract to a higher-priced consultant based on the scope of services, availability, unique skills, staffing levels, timing, prior experience, familiarity with District operations, and other information as determined by the District. The information required for determining the qualifications for providing the District with such services shall be developed by the department manager or supervisor requiring the professional services, in consultation with the General Manager.

When selecting an architectural, landscape architectural, engineering, environmental, land surveying, or construction project management firm, the selection will be based on the demonstrated competence and professional qualifications necessary for the satisfactory performance of the required services in accordance with Government Code section 4526.

- 7.02 Contracts for \$25,000 or Less: For Professional Service contracts in an amount or estimated amount of \$25,000 or less, the General Manager may negotiate, approve and sign the Professional Services contract through negotiation, comparative pricing or informal Competitive Bidding, whichever method the General Manager deems most appropriate in the circumstances.

The General Manager may approve the contract only if there are unexpended funds available in the District budget to pay the costs of the Professional Services contract. If there are no unexpended funds within the approved District budget, then the contract must be authorized by the Board.

- 7.03 Contracts Exceeding \$25,000: A contract for Professional Services in an amount or estimated amount exceeding \$25,000 shall be made pursuant to the solicitation procedures as follows:

- a. Request for Proposal/Qualifications: The General Manager, or his or her designee, shall prepare a request for proposal/qualifications ("RFP/Q") that describes the Professional Services needed, the required minimum qualifications, any required pre-proposal conferences, the requirement that the proposal be sealed, the deadline for submitting the proposal/qualifications, and the place and time for making the submission.
- b. Selection of Consultant: The General Manager, in consultation with the department manager or supervisor requiring the Professional Services, shall review all proposals received in compliance with the RFP/Q requirements and may conduct follow-up interviews with the most qualified consultants. The proposals need not be opened in public. At the next Board meeting following the opening of proposals, the General Manager shall present the proposals to the Board.
- c. Award of Contract: The General Manager shall make a recommendation to the Board on an award to the most qualified proposal based on the factors described in Section 7.01 above. In lieu of the RFP/Q process, if the General Manager determines that the process would not be advantageous or in the best interests of the District, the General Manager may recommend a sole source Professional Services contract to the Board. In its discretion, the Board may award the contract to the person or firm recommended by the General Manager or, if applicable, another proposer, reject all

proposals and re-solicit proposals, reject all proposals and not proceed with the contract, or reject all proposals and direct that the General Manager solicit and negotiate a contract with a specific person or firm.

- 7.04 Contract Amendments: The General Manager may negotiate and execute Professional Services contract amendments, provided that the sum of all amendments does not exceed the approved contingency amount. Any contract amendment that exceeds the approved contingency amount shall require Board approval.

Section 8.00 Disposal of District Property

- 8.01 Disposal of Surplus Real Property: The General Manager shall dispose of real property that the Board has determined to be no longer necessary for the District's use in compliance with the requirements set forth in Government Code sections 54220 through 54233 and as otherwise directed by the Board.
- 8.02 Disposal of Surplus Personal Property: This section applies to surplus personal property, which is personal property owned by the District that the Board has declared surplus as inadequate or no longer necessary for the needs of the District. The General Manager may sell surplus personal property, or trade-in surplus personal property, as the Manager deems in the best interests of the District. The General Manager may discard or dispose of unsalable surplus personal property in any appropriate manner. The General Manager may also discard or destroy surplus personal property in any appropriate manner that may have some resale value but where, because of safety or liability concerns, destruction or disposal is preferable to sale.

MEMORANDUM

Date: July 8, 2015
To: Board of Directors
From: Darlene J. Gillum, General Manager
Subject: Consider Introduction of Ordinance O2015-03, Amending District Code Chapter 2, Board of Directors Rules and Procedures, and Revising Board Guidelines and Policies

RECOMMENDED ACTION

Introduce Ordinance O2015-03, an Ordinance of the Rancho Murieta Community Services District, amending Chapter 2 of the District Code relating Board of Directors Rules and Procedures, and revising Board Guidelines and Policies, waive the full reading of the Ordinance and continue to the August 19, 2015 Board meeting for adoption.

BACKGROUND

Currently, the District has five (5) separate committees that meet monthly. The Committees are: Communication & Technology, Finance, Improvements, Personnel, and Security. These meetings average about an hour each. The purpose of the Committees is to review pending District business items and other matters and, when appropriate, make a recommendation to the Board.

At the monthly Board meeting, each item is again discussed, as the Directors have stated on many occasions that they want to be able to discuss items that previously were reviewed by Committees they are not on. In order to streamline operations and make more efficient use of the Directors' and staff time, staff recommends the District change to having two (2) Board meetings each month instead of having one (1) Board meeting and five (5) monthly Committee meetings.

Open session of the first Board meeting, held the first Wednesday of the month, will begin at 6:00 p.m. Open session of the second Board meeting, held on the third Wednesday of the month, will also start at 6:00 p.m.

Closed session can be held either before or after the open session. With the Board being able to adopt/approve items at either meeting, this would cut down on the need for Special Board meetings. The Board can still appoint ad hoc committees as needed.

At the June 17, 2015 District Board meeting, by consensus, the Board agreed to give this a six (6) month trial. These changes require an amendment to District Code, Chapter 2, Board of Directors, Rules and Procedures. Changes to the District Code require an Ordinance. The first reading of the Ordinance would take place at the July regular Board meeting with adoption at the August Regular Board meeting. Ordinances go into effect 30 days after adoption. Therefore, October 2015 will be the first month this will be in effect.

ORDINANCE - O2015-03

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT AMENDING DISTRICT CODE CHAPTER 2, BOARD OF DIRECTORS RULES AND PROCEDURES, AND REVISING BOARD GUIDELINES AND POLICIES

The Board of Directors of the Rancho Murieta Community Services District hereby ordains as follows:

Section 1. Purpose and Authority. The purposes of this ordinance are to revise, clarify and update the District's policies and procedures applicable to its Board of Directors as currently set forth in chapter 2 (Board of Directors Rules and Procedures) of the District Code, the Board of Directors Guidelines, and District Policy Nos. 2005-6 (Ethics Policy for Board of Directors), 2008-01 (Guideline for Adopting Ordinances), 2008-02 (Guideline for Adopting Resolutions), and 2012-1 (District Response to Public Comments). This ordinance is adopted pursuant to Government Code section 61060 and other applicable law.

Section 2. Amendment. Chapter 2 of the District Code is hereby amended to read as follows:

Section 1.00 Authority of the Board of Directors

The Board of Directors is the governing body of the District and determines all questions of District policy. The Board shall act only at regular meetings, regular adjourned meetings, special meetings or emergency meetings.

All District powers shall be exercised and performed by the Board as a body. Individual Board members, except as provided in this chapter or in the Board Guidelines, shall have no independent authority to act on behalf of the District or the Board, or to direct District staff.

Section 2.00 Board Officers

The officers of the Board shall consist of a President and Vice President. At its regular meeting in December following a general election, the Board shall elect one of its members as President and one of its members as Vice President. The term of office for President and Vice President shall be for two (2) years; provided, however, that the President and the Vice President serve at the pleasure of the Board and may be changed at any time with or without cause. In the event of a vacancy, the office may be filled immediately by election of the Board. The President and Vice President may serve for a total of two (2) consecutive terms or four years.

2.01 Duties of the President: The President shall have the following duties:

- (a) To preside over Board meetings and preserve order and decorum.
- (b) To determine questions of order and enforce rules of the Board, subject to appeal to the entire Board.
- (c) To call special meetings.
- (d) To execute all ordinances and resolutions for the District, except as otherwise authorized by the Board.

- (e) To appoint Board committees.
- (f) To act as spokesperson for the Board with respect to its actions and policies. This provision, however, shall not preclude any other Board member from making appropriate comments within the scope of his or her position.

2.02 Duties of the Vice President: In the absence of the President or vacancy in the office of the President, the Vice President shall perform the duties of the President.

Section 3.00 Appointments by the Board

3.01 District Secretary: The Board shall appoint a Secretary who shall serve at the pleasure of the Board. The Secretary shall have the following duties:

- (a) To prepare and maintain the Board agendas, notices and minutes.
- (b) To attest to the signature of the President on ordinances, resolutions and contracts.
- (c) To certify District documents as true and correct copies.
- (d) To give notice of meetings and hearings as required by law or the Board Guidelines.
- (e) To maintain the records of the District.
- (f) To serve as the FPPC Form 700 filing officer.
- (g) To perform such other duties as directed by the President or the Board.

3.02 Other Officers and Employees: The Board also may appoint, employ, fix the compensation of, and prescribe the duties and authority of other officers, employees, and consultants as necessary or convenient for conducting District business.

Section 4.00 Method of Transacting Business

The Board shall conduct District business in accordance with the Board Guidelines as adopted and amended from time to time by the Board.

Section 5.00 Records of the Board of Directors

Public records of the Board shall be open to inspection as provided in the California Public Records Act and District Policy No. 2010-01 (Public Records Information Requests), as such policy may be amended from time to time.

Board agendas, notices, minutes and recordings of all special and regular Board meetings shall be retained by the District in accordance with District Policy No. 2011-11 (Document Retention), as such policy may be amended from time to time.

Section 6.00 Board Guidelines

The Board by resolution may adopt and from time to time amend guidelines concerning Board meetings, rules of proceedings, committees, director and officer roles, conflicts and ethics, and other Board-related matters.

Section 3. Adoption of Updated Board Guidelines. The Board hereby adopts the updated Board Guidelines, attached hereto and incorporated herein as Appendix A. These new guidelines supersede the guidelines previously adopted by the Board. The Board Guidelines may be amended from time to time by resolution of the Board of Directors.

Section 4. Superseder. This Ordinance supersedes and repeals existing District Code chapter 2, the ordinances that adopted and amended chapter 2, District Policy Nos. 2005-6, 2008-01, 2008-02 and 2012-1, and all prior inconsistent District ordinances, resolutions, policies, rules, and regulations concerning the subject matter of this Ordinance.

Section 5. Effective Date. This Ordinance shall take effect 30 days after its adoption.

Section 6. Severability. If any section or provision of this Ordinance or the application of it to any person, transaction or circumstance is held invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions of this Ordinance that can be given effect without the invalid or unenforceable provision, and to this end the provisions of this Ordinance are declared to be severable.

Section 7. Publication. The District Secretary is directed to prepare and publish a summary of this ordinance once, with the names of the members voting for and against the ordinance, in a newspaper published in the District within 15 days after the adoption of this ordinance.

INTRODUCED by the Board of Directors on the ____ day of _____ 2015.

PASSED AND ADOPTED by the Board of Directors of the Rancho Murieta Community Services District at a regular meeting on the ___ day of _____ 2015 by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Gerald Pasek
President, Board of Directors

Attest:

Suzanne Lindenfeld
District Secretary

APPENDIX A
Board Guidelines

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

DISTRICT CODE
CHAPTER 2

BOARD OF DIRECTORS
RULES AND PROCEDURES



Amended ~~September 15, 2010~~ by
Ordinance ~~2010-04~~

DISTRICT CODE

CHAPTER 2 RULES AND PROCEDURES OF THE BOARD OF DIRECTORS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Section 1.00 Authority of the Board of Directors

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All District powers shall be exercised and performed by the Board as a body. Individual Board members, except as provided in this chapter or in the Board Guidelines, shall have no independent authority to act on behalf of the District or the Board, or to direct District staff.

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 - (c) To call special meetings.
 - (d) To execute all ordinances and resolutions for the District, except as otherwise authorized by the Board.
 - (e) To appoint Board committees.
 - (f) To act as spokesperson for the Board with respect to its actions and policies. This provision, however, shall not preclude any other Board member from making appropriate comments within the scope of his or her position.

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- (c) To certify District documents as true and correct copies.
- (d) To give notice of meetings and hearings as required by law or the Board Guidelines.
- (e) To maintain the records of the District.
- (f) To serve as the FPPC Form 700 filing officer.
- (g) To perform such other duties as directed by the President or the Board.

3.02 Other Officers and Employees: The Board also may appoint, employ, fix the compensation of, and prescribe the duties and authority of other officers, employees, and consultants as necessary or convenient for conducting District business.

Section 4.00 Method of Transacting Business

The Board shall conduct District business in accordance with the Board Guidelines as adopted and amended from time to time by the Board.

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Public records of the Board shall be open to inspection as provided in the California Public Records Act and District Policy No. 2010-01 (Public Records Information Requests), as such policy may be amended from time to time.

Board agendas, notices, minutes and recordings of all special and regular Board meetings shall be retained by the District in accordance with District Policy No. 2011-11 (Document Retention), as such policy may be amended from time to time.

Section 6.00 Board Guidelines

The Board by resolution may adopt and from time to time amend guidelines concerning Board meetings, rules of proceedings, committees, director and officer roles, conflicts and ethics, and other Board-related matters.



BOARD GUIDELINES

GUIDELINES FOR CONDUCTING RANCHO MURIETA COMMUNITY SERVICES DISTRICT BUSINESS

2015 Edition



Purpose:

PROVIDE THE DIRECTORS WITH INFORMATION THAT WILL ASSIST THEM IN CARRYING OUT THEIR DUTIES AND RESPONSIBILITIES AS ELECTED PUBLIC OFFICIALS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT AND ASSIST THE PUBLIC IN UNDERSTANDING HOW THE DISTRICT'S BOARD OF DIRECTORS CONDUCTS ITS BUSINESS.

DISCLAIMER: These guidelines are intended to assist in conducting the business of the District. However, these guidelines are not to be construed to impose upon the District any obligation not otherwise required by law, and nothing herein is intended to impose a mandatory legal duty upon the District, its Board members, staff, employees, agents or representatives. Failure to comply with these guidelines shall not, in itself, invalidate any action of the District or the District Board, nor shall it confer upon any person a cause of action against the District, its Board members, staff, employees, agents, representatives, or any other person or entity.

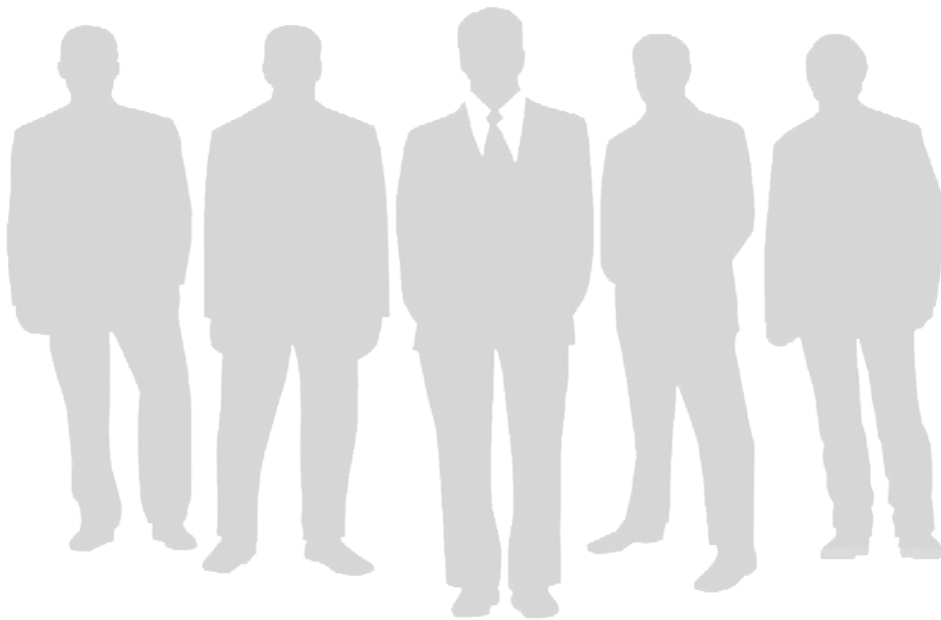


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CHAPTER 1

INTRODUCTION

These Guidelines for Conducting Board Business (“Guidelines”) describe the methods, means, customs and practices that the Board of Directors (“Board”) employs in exercising its authority, complying with various legal requirements, working with the public and Rancho Murieta Community Services District (“District”) staff, and otherwise conducting the District’s business.

The Board is the governing body of the District and determines all questions of District policy. It is ultimately responsible and accountable to the people of the District and exercises its powers pursuant to the Community Services District Law, *California Government Code*, section 61000 et seq., and other applicable laws.

No individual member of the Board has any individual authority to bind the District, since only the Board as a whole can exercise its authority.

The roles, responsibilities, duties, and authority of the Board and individual Directors are explained more fully in the various sections of these Guidelines.

DRAFT

CHAPTER 2

PREPARATION FOR BOARD MEETINGS

All Board meetings are open to the public and are subject to the provisions of the Brown Act.

With limited exceptions, all Board meetings must be publicly noticed in advance of the meeting in order to inform the public about the business of the District and to provide an opportunity for public participation.

District staff prepares a detailed agenda packet summarizing the business to be transacted at a Board meeting. Agenda packets are delivered to Directors and are available to the public at that time. Materials for the closed session portion of the agenda are not made public.

The Board agenda packet may include various pieces of information for any given item, as described below.

RECOMMENDED ACTION AND BACKGROUND

The Recommended Action and Background are a one- or few-page summary of an item. Each item to be considered by the Board (including matters on the Consent Calendar as well as those listed as Board Business) will have Recommended Action and Background. It includes the following information.

Title of Item

The title is a brief description that reveals the nature of the item. The title is the same on the Recommended Action and Background as on the agenda, and wording must comply with Brown Act requirements to provide a brief general description of the item. The title determines what action the Board is allowed to take or the nature of the information that the Board may receive. For example, if an item is identified on the agenda face sheet as being for Discussion or for Information, the Board may not vote on that item at that meeting. This requirement ensures that the public is properly informed of what action the Board may take so they can decide whether or not to participate.

Presenter Information

This identifies which staff member or Director will present the item and the nature of the presentation (verbal, slides, etc.).

Form of Action

The form of action (motion, resolution or ordinance) required by the Board is noted.

Committee Review and Recommendation

If an item was reviewed by Committee, the name of the committee, the date it last discussed the item and its recommendation are noted as applicable.

General Counsel Review

When staff has received General Counsel's review or opinion concerning an item, the Recommended Action and Background notes that fact, unless the opinion was provided confidentially.

Costs and Funding Source

The cost (known or estimated) associated with a recommended action is noted, along with its funding source. The Recommended Action and Background only notes the cost of the item being presented to the Board for

discussion. For example, if approval of a \$250,000 consulting agreement associated with a \$10 million project is being considered, the cost noted is \$250,000. When the Board certifies an Environmental Impact Report (EIR) on a \$5 million project, the cost shown on the Recommendation and Background is \$0 as there is no additional cost to the District associated with the certification.

Recommendation

The General Manager's recommendation for action is presented at the top of the Recommended Action and Background. The recommendation is phrased in such a way so that if a Director concurs, he/she may read or make specific reference to the recommendation when making a motion.

Background

The balance of the Recommended Action and Background provides a short general summary of the action being considered by the Board. Additional details are provided in staff reports or other documents.

Staff Reports

One or more staff reports may be include for an item if the Board needs more information than can be provided in the one-page Recommended Action and Background.

Action Document

The recommended action document (resolution or ordinance) typically follows the Recommended Action and Background.

Reports

Reports, or their executive summaries, may be attached if they are needed for the Board to consider and deliberate.

CHAPTER 3

RESERVED

PREPARATION FOR COMMITTEE MEETINGS

Traditionally, the Board has established various Committees based on specific subject matter to facilitate the Board's consideration of District business. Committee structure and membership are proposed by the Board President and confirmed by the Board. This is done every year in December. There is no legal requirement for the Board to form committees.

Committee meetings serve as venues for developing and deliberating issues before they reach the entire Board for consideration. A Committee, by itself, can take no action; only the Board can take action. Committees may provide on-going guidance to staff so long as that guidance is consistent with the broad policy direction set by the Board.

As is done for Board meetings, District staff prepares a detailed agenda packet summarizing the business to be transacted at each Committee meeting. The agenda packets are delivered to Committee members and are also made available to the public at that time.

SCHEDULING AND ATTENDANCE

Standing Committee meetings are generally scheduled monthly, quarterly or annually depending on the needs of the District. Monthly Committee meetings occur on a fixed schedule (e.g., the first Tuesday and Thursday of each month). Committee meetings generally occur during the daytime work hours (from 8:00 a.m. to 5:00 p.m.)

It is recognized that some Directors are employed or conduct their own business during those hours and may have expected or unexpected conflicts in schedule between Committee meetings and their own employment or business needs. It is also recognized that rescheduling Committee meetings due to conflicts in Directors' schedules can make it difficult for the public to attend, can create scheduling difficulties for interested parties and consultants who are often present for discussion of an item and can increase the workload for District staff.

In order to minimize these impacts while allowing flexibility in schedules for Directors, the following principles should be kept in mind:

- The public has a right to easy, timely and predictable access to the deliberations of the Board of Directors and its committees.
- The District shall schedule and hold Committee meetings only when needed to conduct District business.
- To the greatest extent practicable, Committee meetings should be scheduled on a regular, predictable basis. Directors and staff should make a deliberate effort to attend Committee meetings as scheduled.
- Often a Director or key staff member knows of an upcoming schedule conflict well in advance. Examples are planned business trips or vacations, ACWA or CSDA conferences or other activities in which the District has a business interest.

- ~~Both Directors and staff have a responsibility to bring such conflicts in schedule to the attention of the others affected so that a Committee meeting can be rescheduled well in advance.~~
- ~~Directors may, within the requirements of the Brown Act, attend Committee meetings via teleconference when they are unable to attend in person. Directors should make teleconferencing arrangements with staff well in advance and always before agendas are posted so that the requirements of the Brown Act are satisfied.~~
- ~~If a Director is unable to attend a Committee meeting as scheduled, it is his/her responsibility to consider the following options:~~
 - ~~If applicable, ask an alternate to attend the meeting.~~
 - ~~Arrange for attendance at the meeting via teleconference.~~
 - ~~Do not attend, recognizing that the meeting may only involve one committee member, and the recommendation, if any, may only reflect one committee member's views.~~
 - ~~Request rescheduling, realizing that this may impact the public, support personnel and consultants, and District staff. The other Committee member must agree to the new schedule.~~

Posting

~~For regular Committee meetings, the agendas are generally prepared and posted on the Friday immediately preceding the week during which the Committee meets. This is required for regular meetings held on Monday afternoons and conservatively meets the posting requirement for meetings on any other day of the week. For Monday morning meetings, the agenda is posted on the previous Thursday to meet the 72 hour posting requirement.~~

~~For Special Committee meetings, there is a 24 hour posting requirement. It is the District's administrative goal to post agendas for all Special Committee meetings on the Friday immediately preceding the week during which the Committee meets or earlier, conservatively meeting the posting requirement. Occasionally, the need for a special meeting arises mid-week; in those cases the agenda must be posted 24 hours in advance of the meeting.~~

~~In addition, a Committee may, on a two-thirds vote (unanimous for a two-member committee), add an item to the agenda of that Committee meeting if the need to discuss that item became known after publication of the agenda and if the Committee members who are present determine that there is a need for immediate action.~~

Preparation

~~The agenda packets for each Committee are delivered to the Committee members on Friday or Saturday of the week preceding the meeting (or as soon as possible). The agenda packets are also made available to the public at the same time. Directors prepare for Committee meetings by studying the agenda packet in detail in advance of the meeting.~~

~~If a Director has questions about the information in the packet, he/she should contact the General Manager, department managers or District Secretary for clarification or for further explanation. Committee business is transacted in the most complete, efficient and effective manner when Directors have reviewed and understand the information and issues presented for consideration by the time they arrive at the Committee meeting.~~

Format

Staff work on any given agenda item can be in various stages of completion at the time it is presented to the Committee. Often the work is not in final form and the materials presented to the Committee are less formal than those presented to the Board.

The material presented to a Committee may be in the form of a final or draft Summary and Recommendation, a memorandum from the General Manager or District staff, executive summaries or excerpts from draft or final reports, simple tables, drawings, spreadsheets, PowerPoint presentations, or similar work.

Staff will continue to work on items after the Committee agenda has been posted. As a result, District staff will often bring additional written material to a Committee meeting so as to present the latest information about the topic.

On occasion, the agenda will note, "Material will be forthcoming" or similar words. This is only done when the work is not completed by the preceding Friday. District staff strives to avoid this approach, as it compromises a Committee member's ability to prepare properly for the meeting.

Anticipated Time

Staff estimates how long the Committee will take to hear and transact the item. These estimates are intended to help manage time during Committee meetings but do not limit the actual time that the Committee may spend on any item.

COMMITTEE RECOMMENDATIONS TO THE BOARD

A Committee can make any of the following recommendations to the Board:

- A recommendation to approve/adopt is given when the Committee endorses the General Manager's recommendation or, alternatively, develops a recommendation of its own to present to the Board. In the latter case, both the General Manager's recommendation and that of the Committee is presented to the Board.
- A recommendation to disapprove is less common and occurs when Board action is required on a matter (keeping in mind a Committee cannot kill an item) or in those instances when the General Manager's recommendation differs from the consensus developed by a Committee.
- A neutral recommendation occurs in those instances when a Committee is split on a matter.
- No recommendation occurs when the Committee specifically decides not to make a recommendation; in such instances, the Committee's discussions, if any, are summarized for the Board.
- An informational recommendation is made when the Committee desires input from the Board in order to complete its deliberation; in this instance the item is calendared for discussion only by the Board (no action) and subsequently returns to the Committee for additional discussion and deliberation.

CHAPTER 4

BOARD MEETINGS AND COMMITTEE MEETINGS AND ALLOWABLE DISCUSSIONS

COMPLIANCE WITH THE BROWN ACT

The District's Board meetings are conducted consistent with the Ralph M. Brown Act ("Brown Act"); Gov't Code sections 54950 et seq.

REGULAR MEETING DATES AND TIMES

The regular meetings of the District Board of Directors shall be held on the first Wednesday of each calendar month, with open session commencing at 6:00 p.m., and the third Wednesday of each calendar month, with the open session commencing at ~~5:00 pm.~~ and with ~~Closed sessions~~ at these meetings may sometimes occurring ~~before before after~~ the open session at the time set in the notice of the posted meeting agenda. The open sessions of the regular meetings will be in the District Boardroom at 15160 Jackson Road, Rancho Murieta, CA. If the regular meeting date falls on a legal holiday, the regular meeting shall be held on the next ensuring full business day or to another specified date. The agenda for regular Board meetings shall be posted in a public place and on the District's website at least 72 hours prior to the meeting.

ADDITIONAL TYPES OF BOARD MEETINGS

In addition to regular meetings, where most District business is conducted, there are three additional types of Board meetings: special, adjourned, and emergency.

Special Board Meetings

Occasionally, special Board meetings are held to discuss a special topic, conduct a workshop or, if necessary or convenient, to hold a meeting at a time or date other than the regular Board meeting. Special Board meetings may be called at any time by the Board President or by a majority of the Board. They may be held at a time and place desired by the Board but generally must be convened within the District's service area. Written notice must be given to Directors and the public 24 hours in advance of a special Board meeting. The agenda for a special Board meeting must specify the time and place of the special meeting and the business to be transacted, and must be posted in a public place and on the District's website at least 24 hours prior to the meeting.

Adjourned Board Meetings

After any regular or special Board meeting has been called to order, it may be adjourned by (a) loss of a quorum, or (b) motion made, seconded and approved by a majority of the Board to adjourn the meeting to another date, time and place if the business of that meeting has not been completed or if the Board's deliberations would benefit from continuing the meeting at another time or in another location. Also, if less than a quorum is present, the Board members who are present (or, if none are present, the General Manager) can adjourn the meeting to another date, time and place. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the District Boardroom within 24 hours after the time of adjournment.

Emergency Board Meetings

The Board may hold an emergency Board meeting when prompt action is necessary due to the disruption or threatened disruption of public facilities. There are two levels of emergency: emergency and dire emergency. An emergency is a work stoppage, crippling activity or other activity that severely impairs public health, safety or both, as determined by a majority of the Board. A meeting to deal with such a situation may be called on one hour's notice to the newspapers and media outlets that have requested notice of such meetings. A dire emergency is a crippling disaster, mass destruction, terrorist act, or threatened terrorist act that poses peril so immediate and significant that the only requirement is that notice must be given to newspapers and media outlets that have requested notice of meetings at or near the time Directors are notified of the meeting.

Board Meetings Outside District Service Area

Regular or special meetings of the Board may be held at a District-owned facility outside the District's service area, provided that the topics of the meeting are limited to items directly related to that facility. There are other limited times when a Board meeting may be held outside the District boundaries (examples include but are not limited to multi-agency meetings, meetings with General Counsel, or meetings to inspect real property). District General Counsel should be consulted for the particular requirements related to these and other limited exceptions.

TYPES OF COMMITTEES AND COMMITTEE COMMUNICATION

General Rules Governing Committees

The Board President ~~shall~~ may appoint Board members to serve on the various types of committees described below. No more than two (2) Board members may serve on any one committee. Other Board members may attend committee meetings as observers in accordance with the Brown Act, but shall not participate in committee discussions. Any standing Board committee or committee that has members of the public serving as a committee member shall comply with the open meeting and other applicable requirements in the Brown Act.

Whenever a committee is formed, ~~e~~Each committee shall, upon request or whenever necessary to update the Board on its activities, give a report at the Board's regular meetings and bring recommendations to the Board. Committee members shall notify the General Manager of items, if any, to be placed on the Board meeting agenda no later than 2:00 p.m. five business days prior to the meeting date.

Standing Committees

A Standing Committee is one with a particular subject matter jurisdiction. The Board establishes each Committee's charter. A Standing Committee may deliberate and recommend changes in District policy or direction to the entire Board but may not itself take action or otherwise create or change policy. The Committee makes recommendations to the Board upon matters within its scope. Currently, the Board's Standing Committees include the following:

- ~~➤ Improvements Committee: This Committee shall study, advise, and make recommendations to the Board concerning the following matters: (a) plans, specifications, and bids; (b) the initiation, scheduling, contracting, and performance of construction work, capital improvements, and the equipment and materials to be used, replaced, or disposed of by the District; (c) the operation and maintenance of District facilities; (d) construction claims; (e) employment of engineering consultants and related consultants; (f) general matters relating to energy; (g) annexations, reorganizations, and other matters for consideration by the Sacramento County Local Agency Formation Commission (LAFCO); (h) facility expansions necessitated by proposed development; and (i) other matters as directed by the Board.~~
- ~~➤ Finance Committee: This Committee shall study, advise, and make recommendations to the Board concerning the following matters: (a) preparation of preliminary budgets; (b) disposition and investment of reserve funds; (c) compliance with District's investment policy; (d) changes to or adoption of new fees and rates; (e) insurance matters; (f) audit reports and financial statements; (g) employment of auditors, financial consultants and insurance consultants; (h) audits of monthly expenditures; and (i) other matters as directed by the Board.~~
- ~~➤ Personnel Committee: This Committee shall study, advise, and make recommendations to the Board concerning the following matters: (a) the District's organizational structure and flow of authority and responsibility; (b) periodic independent review of the organization, classification, duties, salaries and~~

~~salary ranges of employees and preparation and submittal of recommendations regarding employee salaries and benefits to the Finance Committee for consideration in preparing the District budgets; (c) employer-employee relations and employment rules and policies; (d) matters concerning equal employment opportunities, affirmative action, and employee health and safety; (e) matters concerning employees who are appointed by the Board; (f) employment of personnel consultants; and (g) other matters as directed by the Board.~~

- ~~➤ Security Committee: This Committee shall study, advise, and make recommendations to the Board concerning the following matters: (a) operation of and policies relating to gate and patrol functions; (b) public safety and health issues affecting the community; (c) special events affecting public safety; (d) interface with homeowners' association representatives regarding security; and (e) other matters as directed by the Board.~~
- Parks Committee: This Committee shall study, advise, and make recommendations to the Board concerning the following matters: (a) the District's representation on the Parks Committee as established pursuant to the 1990 and 1991 Park Development Agreements; (b) the District's involvement in public community parks within Rancho Murieta; (c) utilization of District properties for park and recreation purposes; and (d) other matters as directed by the Board.
- ~~➤ Communication and Technology Committee: This Committee is responsible for ensuring that information regarding District affairs is adequately and properly communicated to its constituents and the public at large, and developing ways to use technology to better serve the District and its customers. Toward these ends, the Committee shall study, advise, and make recommendations to the Board concerning the following matters: (a) development of the District's communication plan; (b) the goals, frequency, message, audience and costs of the various communication methods used by the District; (c) the District's web page, District field trips and open house, District brochures and bill stuffers, personal appearances by District officers and staff, and newspaper and media coverage; (d) responses to requests for political or legislative support, including letter writing campaigns or de minimis financial support, from various District membership organizations (i.e., CSDA, ACWA, Regional Water Authority, etc.); (e) technology improvements (software and hardware); (f) policies and procedures relating to the District's use of technology; (g) consultation with various community organizations concerning available technology; and (h) other matters as directed by the Board.~~
- Regional Water Authority (RWA): The mission of the Regional Water Authority is to serve and represent regional water supply interests and assist RWA members in protecting and enhancing the reliability, availability, affordability and quality of water resources. Activities of this committee include: (a) assisting, where appropriate, the voluntary consolidation of services provided by existing industry/trade associations and water utility support groups within RWA; (b) developing and providing subscription-based (i.e., paid for by participating RWA members) support services, projects and programs of mutual interest to RWA members, or groups of members, or certain other subscribers; (c) facilitating discussion of and action on matters of regional priority and interest; (d) coordinating and implementing regional water master planning, grant-funding acquisition, and related planning efforts; and (e) providing a unified voice for advocating and responding to legislative, regulatory and policy matters of importance to the region's water supply. The Board shall appoint two representatives to RWA from the Board, or executive staff, or a combination thereof, either of whom may cast a single vote on the District's behalf at RWA meetings.
- Joint Security Committee: This Committee shall study, advise, and make recommendations to the Board concerning the following matters: (a) special events within the District or affecting a homeowner's association, Rancho Murieta Country Club, or other community-based associations within the District; (b) public safety events affecting to community; (c) enforcement of homeowner

association covenants, conditions and restrictions; (d) incidents of note within the District or affecting various associations within the District; and (e) other matters as directed by the Board.

Ad Hoc Committees

Ad Hoc Committees may be created by the Board to undertake special assignments on its behalf. An Ad Hoc Committee shall exist for a specified term or until its special assignments are completed, whichever comes first, but its existence may be extended by action of the Board.

Subcommittees

Subcommittees may be created by any Standing Committee of the Board to undertake specific assignments on behalf of the Standing Committee. The Standing Committee creating a Subcommittee shall establish the term of such subcommittee, as it deems desirable. Unless otherwise specified, members of a Subcommittee shall be appointed by the Chairman of the Subcommittee's parent Committee.

Communications Among and Between Committee Members

The Brown Act prohibits Directors from conducting District business outside Board or Committee meetings. The normal definition of a meeting is the congregation of a majority of the members of a legislative body at the same time and place, including by teleconference or electronic means, to hear, discuss or deliberate upon any item that is within the subject matter jurisdiction of the legislative body. However, it is also possible to impermissibly develop a collective consensus among a majority of the Board without three (3) members being physically present at the same time and place, such as by serial communications by Directors.

The Brown Act states that “a majority of the members of a legislative body shall not, outside a meeting authorized by this chapter, use a series of communications of any kind, direct or through intermediaries, to discuss, deliberate or take action any on item of business that is within the subject matter jurisdiction of the legislative body” (Government Code section 54952.2(b) (1)). The Brown Act does not impose an absolute prohibition on all discussion outside meetings that may involve a majority of Directors; it allows a Board member or District employee to engage in separate conversations or communications outside of a meeting to answer questions or provide information concerning matters within the Board’s purview, if such Board member or District employee does not communicate to other Board members the comments or position shared by the Board member. (Government Code section 54952.2(b)(2)).

There are three (3) basic ways to comply with the Brown Act while employing Committees. Each alternative employs a different strategy to guard against improper deliberations or the development of a collective consensus in violation of the Brown Act. This does not diminish the importance of following the procedures regarding communication between committees discussed below.

- The first alternative is to ensure that no two (2) Committees consider the same policy matters. This is the reason for developing a mission statement within the charter of each Committee.
- The second alternative entails creating a new Committee specific to a major topic of importance as a separate Standing Committee and carving out the subject matter of the new committee from the existing Standing committees. This approach avoids the same issue being addressed serially in more than one Standing Committee, so that three (3) Directors would not have deliberated on the same topic except at a Board meeting. While this approach could sidestep many Brown Act issues, there may be practical difficulties in actually carrying it out, given possible interrelationships of the subject matter of a new Committee with the traditional Committees.

- The third alternative is to have a given subject handled in its entirety by the Board and thereby avoiding any separate Committee deliberations.

Directors should remember that any form of communications between or among Board members has the potential to result in impermissible discussion or consensus-building outside noticed Board meetings. The most reliable way to avoid improper communication is to transmit information between Committees only through the General Manager. Standing Committees must avoid deliberating on the same subjects. It is the responsibility of the General Manager to identify when this is happening or could happen, and to take action.

OPEN VERSUS CLOSED SESSION DISCUSSIONS

Board and Committee meetings can have open as well as closed session topics for discussion.

Open Session Discussions

The Board and its Committees transact the vast majority of the public's business in open session. Open sessions are those portions of the Board or Committee meetings that are open to the public and during which the public can address the Board or Committee and comment on any item of business being considered or on any matter within the Board's subject matter jurisdiction or the Committee's charter that is not on the agenda.

Closed Session Discussions

A closed session may be held on any subject authorized under the Brown Act. Closed sessions must be properly disclosed and described in the agenda as required by the Brown Act. (Government Code section 54954.5.) Neither the Board nor its Committees shall keep minutes of their closed sessions. Prior to holding a closed session on any matter, the Board President or Committee Chair shall refer to the closed session item or items by reference to the appropriate agenda item number(s). In the closed session, the Board or Committee shall consider only those matters covered in the agenda.

The Brown Act authorizes, among other things, closed sessions to give direction to District negotiators for labor contracts with District employees and for the acquisition or disposal of real property; to confer with legal counsel regarding claims or threats of litigation, initiation of litigation, or to discuss existing litigation in which the District is involved; to evaluate the performance of a public employee, when dealing with the hiring, dismissal or discipline of a public employee; or to discuss certain security matters.

Matters discussed in closed session are strictly confidential. Disclosure of information from a closed session may prejudicially impact District interest and can result in (1) the possible censure by the Board of a Director who breaches the confidentiality requirement; (2) the issuance of an injunction against such conduct by a court; or (3) in an appropriate case, criminal penalties. Therefore, a Board member shall not disclose confidential information that has been received for, or during, a closed session meeting of the Board or of a Committee to a person not authorized to receive the information, unless the Board or Committee authorizes such disclosure. This, however, does not prohibit any of the following: (1) making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law; (2) expressing an opinion concerning the propriety or legality of actions taken by the District in closed session, including disclosure of the nature and extent of the allegedly illegal action; or (3) disclosing information acquired by being present in a closed session that is not confidential information. Prior to disclosing confidential information pursuant to (1) or (2), above, however, a Board member shall first bring the matter to the attention of either the President of the Board or the full Board, to provide the Board an opportunity to cure an alleged violation. To protect the confidentiality of information presented in closed session, staff normally will collect all written material distributed during the session at the end of the session.

After any closed session, the Board or Committee shall reconvene into open session and publicly report any action taken (including the roll call vote, if any) during the closed session to finally approve a real property acquisition; to appoint, employ, dismiss, accept the resignation of, or otherwise affect the employment status of a District employee; or to finally approve a labor contract. For the report back obligations relating to pending litigation, the Board shall consult with General Counsel. (Government Code section 54957.1.)

DRAFT

Chapter 5

THE BOARD MEETING AGENDA

The Board meeting agenda is an informational, decision-making and management tool. It presents the issues under consideration by the Board and provides a brief general description of business to be discussed and actions the Board will consider taking. The agenda is accompanied by a packet of supporting materials designed to aid in decision-making by presenting in sufficient factual detail the issues and options associated with each item of business.

The General Manager, in consultation with the Board President, shall set the agenda. Committee recommendations on topics to be included on the agenda shall be given to the General Manager. Individual Directors may request items to be placed on the agenda by notifying the General Manager of their request no later than 2:00 p.m. five business days prior to the meeting date.

The District Secretary is responsible for preparing the regular meeting agenda and special meeting notice/agenda for Board meetings, and for posting and mailing the agenda at least 72 hours before each regular meeting and at least 24 hours before each special meeting. The agenda must specify the time and location of the meeting and contain a brief general description (generally no more than 20 words) of each item of business to be transacted or discussed at the meeting.

The agenda of each Board meeting includes the elements described below.

Call to Order

The President of the Board shall strike the gavel and begin the Board meeting. In the absence of the President, the Vice President shall call the meeting to order. In the absence of both the President and Vice President, the District Secretary shall call the meeting to order.

Roll Call, Determining and Maintaining a Quorum

The District Secretary calls the roll of the Directors and records the names of those present and those absent in the minutes of the meeting. If a Director enters the meeting late or departs early, those times are also recorded in the minutes. If a quorum of the Board (three (3) Directors) is not present, no further proceedings or discussion may occur and the General Manager announces that the meeting is adjourned for lack of a quorum.

The Board must maintain a quorum throughout the meeting in order to conduct business. However, the meeting may be adjourned with less than a quorum by those Directors who are present; if no Director is present, the General Manager can adjourn the meeting.

Adopt Agenda

At this point in the meeting, a Director or the General Manager has an opportunity to propose re-arranging the order of the items on the agenda. The Board President will re-arrange agenda items if the need should arise. For example, a closed session may be moved to an earlier time in a meeting, or a Board Business item may be moved ahead of another item due to some unusual circumstances or if audience members are present for a particular agenda item. Timed items, such as hearings, cannot be heard earlier than the time published.

Special Announcements and Activities

During this section of the meeting, the General Manager, or staff members designated by the General Manager, addresses the Board with matters such as introducing new District employees, acknowledging employee promotions and certifications, acknowledging or giving a special award or recognizing an event, local students or dignitaries.

If neither the President nor Vice President is present, the General Manager would at this point ask for a motion to name a President Pro-tem for that meeting. If the motion is made, seconded, and passed (requires a 3-0 vote) the Director so named presides over the meeting. If there is no such motion or second, or if the motion does not pass, the General Manager presides over the meeting but cannot make motions or seconds, vote on any item, or enter into policy level deliberations and discussions.

Closed Session

Closed Sessions are usually held at the ~~beginning~~ end of the meeting, but may be held at the beginning of a meeting at the time set forth in the notice of the posted meeting agenda.

Reports from Closed Session

Upon returning to open session, the Board President or General Counsel will announce any reportable action taken in closed session. Such reports are required by law.

Public Comment

At every Board meeting, members of the public are allowed to address the Board on any item of interest within the subject matter jurisdiction of the Board that is not already included on the posted agenda. The Board President asks anyone desiring to make public comments to state his/her name and address so that the minutes accurately reflect the speakers identity and affiliation and so that the District can contact the speaker if necessary. The President calls speakers to the lectern and asks them to identify themselves, announce their item and address the Board.

Public comments are limited to three minutes per speaker, unless extended by the President. Board members may briefly respond, request staff to report back on the matter, or ask clarifying questions, but cannot take any action on, discuss or debate the matters not on the agenda that are presented during the public comment period unless the Board makes one of the determinations required under Government Code section 54954.2. Members of the public may also make requests to have items placed on a future agenda during the public comment portion of the meeting. After considering such a request, the Board may provide direction to the General Manager regarding including that item on future Board or Committee agendas.

Consent Calendar

Matters listed under the consent calendar are considered routine and generally are acted upon by a motion and a second of the Board and passed by a roll call vote indicating a majority vote. Directors normally do not discuss consent calendar matters. These items include the approval of previous Board meeting minutes, receiving and filing of reference correspondence, receiving and filing of various staff reports, the approval of the list of District bills paid, and other routine informational items.

Items may be removed from the Consent Calendar in three (3) ways.

- If a Director has an unanswered question or concern about any of the items listed on the Consent Calendar, he/she may request that the matter be removed prior to a motion being made and approved. Any such request by a Director is automatically granted. When a Director wishes to pull an item from the consent calendar for discussion, it is helpful if he/she contact the General

Manager before the Board meeting to explain his/her concern. This enables staff to provide information that might be needed to further the Board's discussion.

- On occasion, the General Manager may request that the President remove an item from the Consent Calendar. Typically, this occurs so staff can clarify for the record any matters in the written material provided to the Board, to present new information that came to staff's attention subsequent to the preparation of the agenda, or for other similar administrative reasons.
- A member of the audience may also request that the Board remove an item from the Consent Calendar so that it may be discussed. Any such request must be made prior to the time the Board votes on the matter as part of the Consent Calendar. Any such request from a member of the public will only be granted if a Director agrees that the item should be removed from the Consent Calendar and makes a Director request. Nevertheless, any member of the public has a right to comment on any item on the Consent Calendar. The member of the public should identify what items he/she is commenting upon and proceed to make his/her comments. Such commenting does not automatically require that the Board remove the item from the Consent Calendar unless a Director so requests for discussion or a separate vote.

Once any item is removed from the Consent Calendar, the remaining items are considered and decided by a single motion. The removed items are then discussed and considered individually.

Staff Reports

The General Manager and District staff report on upcoming events, recent occurrences, pending projects and matters, and other informational matters that are of significance to the District.

Board Correspondence

The agenda will list all correspondence received by the District that is addressed or copied to the Board. This agenda listing informs the public what has been received and documents that all material sent to the Board have been transmitted to the Board. Generally, staff makes the listing but if Directors have received correspondence that has not been sent to staff, the Director should make an announcement. The announcement should identify the sender, the subject, the form of communication (letter, e-mail, etc.) and the date on the correspondence.

All Board correspondence reported under this item (as well as material first made available on any agenda item at the Board meeting) is maintained by the District in accordance with the Brown Act (Government Code section 54957.5). This information is available for inspection by the public upon request.

Board Business

Board business is the section of the agenda where the Board considers and decides matters that require substantive discussion or conducts formal public hearings when required to do so by an applicable law or regulation. Some items involve an action by the Board, others are informational. In some cases, the Board will discuss a matter without making a decision and refer the matter back to staff or a Standing Committee for further development. *See Chapter 4 – Transacting Board Business for Appropriate Protocol.*

Review and Select Conference/Education Opportunities

This is the section of the meeting where Directors request Board approval to attend various conference or education opportunities. Also at this time, Directors must provide brief reports on meetings that they have attended at the District's expense as required by Government Code section 53232.3(d). (AB 1234)

Meeting Dates/Times

During this section of the meeting, the Board acknowledges the dates and times for the next month's Board and Standing Committee meetings.

Comment/Suggestions – Board Members and Staff

During this section of the meeting, Directors and staff are invited to comment on their District-related activities or to suggest new ideas and concepts.

Adjournment

The Board meeting will adjourn by the making of a motion, a second and a call for a vote. The meeting may be adjourned if there is less than a quorum present by action of those Directors who remain in attendance; if no Director is present, the General Manager may adjourn the meeting. Occasionally, meetings are adjourned in memory of a loved one or close friend of the District or in honor of a significant event.

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CHAPTER 6

PLACING AN ITEM ON THE BOARD OR COMMITTEE AGENDA

SOURCES OF ITEMS

Items on the Board agenda originate from a variety of sources: the General Manager, Standing committees, Directors and the public.

Items Originating from the General Manager

Many items on the agenda originate with the General Manager and District staff. The following types of items are typical:

- Matters on which policy direction from the Board is required or desired.
- Items with over-arching policy implications (e.g., labor negotiations, budgeting, and strategic planning).
- Action required by law (e.g., consolidation of District elections, amending a Conflict of Interest Code).
- Intermediate actions in the overall implementation of a Board-approved project or program (e.g., awarding construction contracts, considering an environmental review document).
- Discretionary decisions for which authority has not been delegated to the General Manager.
- Informational items to keep the Board current on a matter or to allow them to discuss the implications of continuing on a previously agreed course of action.
- Items with critical timing needs.
- Proclamations honoring special events or individuals.

Items Originating from a Board Committee

A Director may bring up a new item at a Committee meeting. However, in such cases, the advance notice requirements of the Brown Act only allows the Committee to decide to place such a matter on a future agenda; the matter cannot be discussed at the meeting at which it was first verbally mentioned. Committee recommendations may be referred to the Board and may include items that are routine business, new ideas developed by Committee or unusual matters.

Items Originating from or of Interest to a Director

Any Director may request that an item be placed on a future Committee or Board agenda during the Director Comment section of a Board meeting. If time allows, a Committee may review the matter prior to discussion by the Board. The Director who originated the item contacts the General Manager to more fully explain the issue so that staff can prepare a Recommended Action and Background (which allows the Board to discuss the matter). The Director who placed the item on the agenda is cited as the reference and is expected to lead the discussion.

For any matter referred to or being discussed by a Committee, the Committee shall report its findings back to the Board and capture its deliberations in the notes prepared by the Committee. If, after reviewing the notes

prepared by the Committee, a Director wishes to have a matter discussed by the full Board, the Director may state this request at a Board meeting or notify the General Manager. The General Manager shall then notify the Committee of the Director's request and schedule the matter for discussion at the next reasonably available Committee meeting. This process allows the Committee to complete its work and respond to concerns raised. Following that Committee meeting, the General Manager shall place the matter on the Board agenda for discussion at the next reasonably available Board meeting.

Items Originating from the Public

Members of the public may request to have an item placed on a future Board or Committee agenda during the Public Comment portion of a Board or Committee meeting. The General Manager in consultation with the President considers and decides such requests of the public to have an item placed on a future agenda. The Board generally may not discuss the matter brought up by the public at the same meeting at which it is first verbally mentioned.

PLACING AN ITEM ON A COMMITTEE AGENDA

Committee agenda items originate from the General Manager or his/her staff, the Board, or a Director.

~~All matters typically go to Committee prior to being placed on the Board agenda. The General Manager decides which Committee reviews an item based on the nature of the item and the charter of each Committee.~~

The Board may refer an item to a Committee for consideration or further discussion. This typically occurs when new matters are brought to the attention of the Board by a Director or by the public.

ITEMS THAT DO NOT REQUIRE COMMITTEE REVIEW

~~The Board's system of Standing Committees that review matters within their subject matter jurisdiction is one way the Board uses to efficiently conduct its business. It also creates opportunities for public involvement in Board deliberations in a less formal manner than at a Board meeting. However, there are several matters that do not require Committee review, either because they are routine or because it is proper or legally require that only the full Board consider them. The following items may be placed directly on a Board agenda without Committee review.~~

Administrative Matters

- ~~Proclamations~~
- ~~Notifications (training, conferences, etc.)~~
- ~~Board Organizational Matters (appointment of Board President or Vice President)~~
- ~~Appointment of Committees~~

Board Oversight

- ~~Performance Evaluation (General Manager or General Counsel)~~
- ~~Mandated Reports~~
- ~~Consideration of Conference Attendance~~

Procedural Streamlining

- ~~Second reading of an Ordinance.~~

- ~~Acceptance of projects.~~
- ~~Acceptance of developer improvements.~~
- ~~Intention to levy assessments in existing assessment Districts (mandated notification step in anticipation of formal action later).~~
- ~~Follow up of items for action previously presented in workshops for discussion.~~
- ~~Any item with a critical timing need when a Committee meeting cannot be effectively scheduled.~~
- ~~Any other item as determined by the Board.~~

~~District Wide Matters~~

- ~~Items with over arching policy implications (e.g., budgeting, strategic planning).~~
- ~~General informational items that keep the Board current on a matter or allow them to discuss the implications of continuing with a previously agreed upon course of action.~~
- ~~Presentations requested by the Board.~~
- ~~Actions required by law (e.g., consolidation of District elections, amending conflict of interest codes).~~

~~Matters that Should be Considered Only by the Full Board to Protect the District's Interest~~

- ~~Personnel appeals (that are before the Board and on which the Board must be unbiased and rule on the record before them).~~
- ~~Environmental review documents where the administrative record must be developed in front of the entire Board.~~

CHAPTER 7

TRANSACTING BOARD BUSINESS

Items presented for consideration at Board meetings generally are handled in a consistent manner to ensure that:

- Pertinent facts associated with a matter are presented not only for the benefit of the Board but also for the benefit of any member of the public who is present;
- Actions taken by the Board are properly approved; and
- The Board takes action only on items that are scheduled for action on the agenda. For example, the Board may discuss but not taken action on an item that is identified as being for Discussion and Information or as a Special Announcement.

RULES OF ORDER FOR BOARD AND COMMITTEE MEETINGS

Action items shall be brought before and considered by the Board by motion in accordance with the following rules of order.

- **Obtaining the Floor:** Any Director desiring to speak should address the Board President and upon recognition by the President may address the subject under discussion.
- **Motions:** Any Board member, including the President, may make or second a motion. A motion shall be brought and considered as follows: (1) A Director makes a motion; (2) another Director seconds the motion; and (3) the President states the motion. Once the President states the motion, it is open to discussion and debate. Before voting on any motion, the President should ask for any comments from the public audience. After the matter has been fully debated (subject to a motion to close debate and vote immediately, discussed below), the President will call for the vote.
- **Secondary Motions:** Ordinarily, only one motion may be considered at a time, and a pending motion must be voted on before the Board considers any other motion or business. However, there are a few exceptions to this general rule where a secondary motion concerning the main motion may be made and considered before voting on the main motion. The secondary motion exceptions are the following:
 - Motion to Amend: A main motion may be amended before it is voted on, either by the consent of the Board members who moved and seconded, or by a motion to amend, which is then seconded and approved by the Board. After approving an amendment by consent or by motion to amend, the Board then proceeds to consider the main motion as amended.
 - Motion to Table: A main motion may be indefinitely tabled before it is voted on by a motion to table, which is then seconded and approved by the Board. After approving a motion to table, the main motion is not further considered at that meeting and remains tabled until placed on a subsequent meeting agenda.
 - Motion to Postpone: A main motion may be postponed to a specified date and time by a motion to postpone, which is then seconded and approved by the Board. After approving a motion to postpone, the main motion is not further considered at that meeting and is then reconsidered at the date and time specified in the motion to postpone.

- Motion to Refer to Committee: A main motion may be referred to a Board committee for further study, recommendation, and report back to the Board by a motion to refer to a specified committee, which is then seconded and approved by the Board.
- Motion to Close Debate and Vote Immediately: Debate on a main motion may be closed by a motion to close debate and vote immediately, which is then seconded and approved by the Board.
- Motion to Adjourn: A meeting may be adjourned before voting on a main motion by a motion to adjourn, which is then seconded and approved by the Board. After approving a motion to adjourn, the meeting then immediately adjourns without further consideration of the main motion.

These rules of order are intended to be informal and applied flexibly. The Board prefers a flexible form of meeting and therefore does not conduct its meetings under formalized rules (e.g., Robert’s Rules of Order). If a Director believes order is not being maintained or procedures are not adequate, then he or she may raise a point of order to the President. A point of order does not require a second. If the ruling of the President on the point of order is not satisfactory, then it may be appealed by motion (which does require a second) to the full Board. A majority vote of the Board will govern and determine the point of order.

MAJORITY VOTE REQUIRED

A majority of the entire Board shall constitute a quorum for the transaction of business. A majority vote is required for any action to be taken by the Board (i.e., there must be a minimum of three affirmative votes) unless a different voting requirement to approve a particular action is specified under state law (e.g., to adopt a resolution if necessary to condemn real property or to add an emergency item to an agenda (which require a super-majority vote)). In those cases, General Counsel will provide guidance. Unless a Board member expressly abstains from voting, a director’s silence will be recorded as an affirmative vote. An express abstention will not be counted as an affirmative vote.

ACTIONS TAKEN BY THE BOARD

The Board shall act only by ordinance, resolution or motion.

Ordinance

An ordinance is the most formal of actions that can be taken by the Board. Ordinances are used to establish the local laws that are within the District’s power to enact and are applicable throughout the District. Ordinances may apply only to matters not preempted or superseded by federal or state law. An ordinance is the authorizing instrument to change the District Code, which is a compilation of the rules and regulations of the District. Ordinances also may be used to set the District’s rates and charges after consultation with General Counsel. State law requires that District ordinances be published or posted. In some cases, a public hearing is required prior to consideration. An ordinance generally becomes effective 30 days after adoption unless it expressly provides otherwise. Ordinances remain in full force and effect until repealed, modified or superseded by the Board in another ordinance or by action of the voters through initiative or referendum. Everyone at the District, including the Board, is bound by the requirement of an ordinance (and the Code it may establish or amend). Ordinances are the law of the District and are enforced by staff. Only the Board itself may waive, modify or suspend an ordinance by the enactment of a subsequent ordinance. The only way to change an ordinance is to pass an ordinance that revises the original ordinance.

Additional District guidelines for considering and adopting ordinances:

- The form of enacting clause of all ordinances passed by the Board shall be: “The Board of Directors of the Rancho Murieta Community Services District ordains as follows.”

- With the exception of urgency ordinances, no ordinance may be passed within five (5) days of its introduction. Two readings of the ordinance are required: One to introduce the ordinance, and a second to adopt the ordinance. Reading of the ordinance in full may be waived by a motion approved by a majority vote of the Board.
- Ordinances (other than urgency ordinances) may be adopted only at regular meetings of the Board.
- If an ordinance is altered substantively after its introduction, the ordinance must be reintroduced and may be passed only at a regular meeting held five days after its reintroduction.
- For ordinances that propose rate increases for water, sewer or solid waste service, the Board must conduct a public hearing on the proposed rate increase at least 45 days after mailed notice of such proposal to record property owners. The Board must consider all written protests against the proposed rate increase and, if written protests are presented by a majority of affected property owners in the District, the District may not proceed with the rate increase.
- All ordinances shall be signed by the President and attested by the District Secretary.

After an ordinance has been adopted and signed by the Board President and District Secretary, the ordinance must be published in full one time, within 15 days of the date of adoption, in a newspaper of general circulation in the District. The publication must include the names of the Board members voting for and against the ordinance.

Resolution

A resolution constitutes a more formal written expression of the will of the Board as the District's legislative body. Resolutions represent an official Board action or position taken on a particular issue that may be more temporary in nature than an ordinance but for which a separate permanent record is needed or desired. Resolutions preserve the history of the action taken in a separate official instrument in addition to documentation in the Board's minutes. A resolution becomes effective immediately and remains in effect until rescinded, cancelled or superseded by Board action by means of a new resolution. Resolutions typically are used to adopt policies, approve agreements (e.g. master agreements, construction agreements, public facilities planning agreements, and transfer agreements), award contracts for materials or services, approve memoranda of understanding with bargaining groups, award pay for performance, and establish or amend job classifications. Resolutions, if properly written, can be used to change the rates and charges that the District imposes for the privilege of receiving service. Given the nuances of the law in this area, General Counsel should always be consulted to determine the proper instrument for approving rates and charges.

Motion

The Board uses a motion to submit a matter for action. A motion can be a parliamentary tool used by a member of the Board (plus another member who seconds the motion) to place a matter before the entire Board for its consideration. A motion also can be a legislative action used to authorize or approve action on simple matters that are routine in nature, such as approving direction to staff, communicating a District position, approving a task order, increasing a purchase order amount, or approving a proclamation. The minutes of the Board meeting document the Board's determination on the matters. A motion is always used to place a proposal before the Board to approve a resolution or adopt an ordinance.

TRANSACTING BUSINESS ON AN ITEM

Introducing an Item

The Board President announces each agenda item, referencing the item number and the nature of the matter.

Staff Presentation

The General Manager or, at the General Manager's discretion, a staff member, summarizes the item being considered, including background, pertinent facts and details, analyses conducted by staff, and options available for the Board's consideration. On occasion, a consultant may assist the General Manager or staff in presenting an agenda item.

Staff Recommendation

The General Manager usually makes a recommendation on each action item. The recommendation is identified in the Recommended Action section of the staff report. The General Manager often delegates this responsibility to Department Managers.

Clarifying Questions

Directors ask questions of the presentation and offer general comments about the subject matter after the staff presentation. Questions and comments at this time are to clarify the matter and the recommendation. Debates or deliberations occur after public comment and after a motion has been made.

Committee Recommendation

If a Standing Committee has reviewed the matter, the outcome of its discussion will be noted in the Summary and Recommendation included in the Board agenda packet. Should any of the Directors on the Committee so desire, this is the time to state the Committee's recommendation and the reasons for it.

Public Comment

The Board President then opens up the agenda item to the public for comment. The public must have an opportunity to comment on every agenda item. Sometimes this is done through a public hearing when such a hearing is required by law. Other times, the President simply asks the audience if there are any comments. The President will ask speakers to state their name and address for the record and for the benefit of others in the audience. If it is obvious that no potential speakers are present, there is no need to formally call for public comment. A member of the public should be permitted to speak only once, and public comments are limited to three minutes per speaker, unless otherwise allowed or extended by the President. In the event the District receives written correspondence from the public on the matter after publication of the agenda, that written correspondence will be presented to the Board at this time.

- Any person who desires to address the Board at length on a matter which is not on the agenda must make a request to do so to the District Secretary at least five business days before the meeting. The General Manager in consultation with the President will decide whether to include the requested item on the agenda. Failure to request to appear, however, shall not prevent any person from addressing the Board at the general public comment time designated on the agenda.
- Manner of Addressing the Board by an Individual: A member of the public addressing the Board may give his or her name. All remarks shall be addressed to the Board as a body, not to any individual Director or staff person. No person, other than a Director, the General Manager or the District General Counsel, and the person having the floor, shall be permitted to enter into any general discussion without the President's permission.
- Manner of Addressing the Board by a Group of Persons: Whenever members of the public wish to address the Board on the same subject matter, it shall be proper for the President to request that a spokesperson be chosen by the group to address the Board and, in case additional matters are to be presented at the time by any other member of that group, to limit the number of persons so addressing the Board, so as to avoid repetition. The President may set a time limit for each side of an issue.

- Government Code section 54957.9 permits the Board to clear the room if the meeting is willfully interrupted so as to render further conduct of the meeting infeasible.
- All written or electronic correspondence addressed to the Board shall be sent to the District office. Copies of such correspondence and written responses in reply thereto, if any, shall be distributed to each Board member and included on the agenda for the next regular Board meeting, depending on the date of receipt or the response required by such correspondence.

Motion and Second

After public comment, a Board member may make a motion regarding the action to be taken on the item. The motion must be seconded before additional debate or discussion on the matter is permitted. No discussion may occur on a motion without a second. A motion fails if it does not receive a second.

Discussion

After a motion is properly made and seconded, the Board discusses the merits of the item in an attempt to reach a decision. During this time, the Board may ask staff or the public additional questions or seek the advice of the General Manager or General Counsel. As discussion by the Board ensues, the motion may be amended or withdrawn or a substitute motion offered. These actions must follow the procedures adopted by the Board.

Decision

When the Board President senses that a discussion has run its course or when a motion to call the question is properly made and seconded, the Board President calls for a vote on the motion on the floor. After hearing the results, the Board President announces the vote. Voting may be by voice or roll call.

MINUTES

The District Secretary shall prepare and maintain written minutes of each Board meeting. The Board minutes shall include at least the following information: names of the Directors and staff present at the meeting; brief summary of the discussion of the Board on each agenda item considered; names of the Directors who make and second ordinances, resolutions and motions; and, the ayes and noes taken upon all action items. Any Director may request that a brief abstract of his or her statement either in support or opposition of any matter be entered in the minutes.

DEVIATIONS FROM PROCEDURES

No deviation from or failure to follow the procedures set forth in these Guidelines shall invalidate any action or decision of the Board.

CHAPTER 8

EFFECTIVE PARTICIPATION IN BOARD MEETINGS

The following ground rules apply to all Directors.

- Come to meetings prepared. Contact the General Manger ahead of any meeting if you have clarifying questions or need additional background. Many times your questions can be answered without taking up meeting time. Also, it helps staff to understand your concerns ahead of the meeting so they can be prepared with the information you need.
- During the meeting, express your thoughts and support them whenever possible with facts, figures and references. Specifically identify your sources of information so as to establish their credibility with your colleagues. More specific statements are more persuasive to your colleagues on the Board than generalized statements. Examples: (a) I spoke with ____, who is the President of the homeowners association and he/she would like the District to _____” is better than “The public thinks that we should do ____;” (b) “(specific name) told me _____” is better than “I was told that _____;” (c) “(specific organization) has a concern with _____” is better than “Everyone thinks that_____.
- Be creative. Innovative ideas supported by sound reasoning are welcome on complicated matters when the Board is attempting to arrive at a consensus.
- Take a positive approach. Keep an open mind. When a Director proposes an idea, look for the value in that idea.
- Be enthusiastic.
- Stay on the subject. Do not introduce other agendas. Keep your comments brief but long enough to establish your point.
- When you do not understand what someone is saying, ask for clarification. Make criticism positive and constructive. Direct critical comments to the issues being discussed, not toward the person expressing the idea.
- Protect the rights of others to have their opinions and feelings heard. Encourage silent members to participate.
- Help the Board President when others take up outside issues. Interrupt gently and say, “We’re getting a little off the subject here, maybe we should get back to our topic.”
- Share your thoughts. Holding back when you have an idea robs the Board and staff of your knowledge and opinion and prevents further development of your idea. Have confidence in yourself and speak up.
- Protect ideas. Help the Board President set an atmosphere where people will feel comfortable expressing ideas even if they are not perfect. When someone begins attacking another’s idea, say, “That idea probably has faults, most ideas do. Let’s just let ideas come out for now and evaluate them later.”

- Attend and participate. Be on time and stay for the entire meeting. Advise the General Manager or District Secretary if you are unable to attend or know you will be arriving late or leaving early.
- Be an active listener. Be open-minded: listen and consider all points of view.
- At all times, ask yourself, “What, right now, would help the Board move ahead and get this problem solved? What can I do to help the Board function more effectively? How can I help?”
- Always remember that civil discourse is one of the keys to effective communication.

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CHAPTER 9

DIRECTOR ROLES AND DUTIES

THE BOARD OF DIRECTORS

The Board of Directors is the legislative body that holds governing authority for the District. The Board of Directors' roles and responsibilities are as follows:

- ❖ Establish policies, procedures and regulations for District operations;
- ❖ Establish and oversee the District's finances and its budgets, program, and performance;
- ❖ Provide the resources needed by management and staff to carry out District policy;
- ❖ Determine the mission of the District;
- ❖ Approve and ensure the implementation of the District's Strategic Plan and vision; and
- ❖ Appoint and evaluate the General Manager and General Counsel.

Directors

Apart from his/her normal functions as part of the Board of Directors, each individual Director's roles and responsibilities are as follows:

- ❖ Function only as one member of the Board
- ❖ Have no individual authority (other than responsibilities of the President and Vice President of the Board as described elsewhere);
- ❖ May not commit, nor represent that they commit, the District to any policy, act, or expenditure; and
- ❖ Support decisions made by the Board (even when the Board decision conflicts with his/her individual position).

CODE OF CONDUCT

In order to ensure cooperation and a good working relationship among Board members, the following rules should be observed:

- The dignity, style, values and opinions of each Board member shall be respected.
- Responsiveness and attentive listening in communication is encouraged.
- The needs of the District's constituents should be the priority of the Board members.
- The primary responsibility of the Board members is the formulation and evaluation of policy. Routine matters concerning the operational aspects of the District are to be delegated to District staff.
- Board members should commit themselves to focusing on issues and not personalities. The presentation of the opinions of others should be encouraged. Cliques and voting blocks based on personalities rather than issues are to be avoided.
- Differing viewpoints are healthy in the decision making process. Individuals have the right to disagree with ideas and opinions, but without being disagreeable. Once the Board takes action, Board members should commit to supporting the action and not to create barriers to the implementation of the action.

- Board members should practice the following procedures:
 - In seeking clarification on informational items, Board members may directly approach District staff to obtain information needed to supplement, upgrade, or enhance their knowledge to improve legislative decision making.
 - In handling complaints from District residents and property owners, the complaints should be referred directly to the General Manager.
 - In handling items related to safety, concerns for safety or hazards should be reported to the General Manager as soon as possible. Emergency situations should be dealt with immediately by seeking appropriate assistance.
 - In seeking clarification for policy-related concerns, especially those involving personnel, legal action, land acquisition and development, finances, and programming, the concerns should be referred directly to the General Manager.
- When approached by District personnel concerning specific District policy, Board members should direct inquiries to the appropriate staff supervisor. The chain of command should be followed.
- The work of the District is a team effort. All individuals should work together in the collaborative process, assisting each other in conducting the affairs of the District.
- When responding to constituent requests and concerns, Board members should be courteous, responding to individuals in a positive manner and routing their questions through the General Manager or responsible management personnel.
- Board members should function as a part of the whole. Issues should be brought to the attention of the Board as a whole, rather than to individual members selectively.
- Board members are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.

CHAPTER 10

ETHICS AND CONFLICTS OF INTEREST

RESPONSIBILITIES OF PUBLIC OFFICE

Board members are obligated to uphold the Constitution of the United States and the Constitution of the State of California. Board members shall comply with all applicable laws regulating their conduct, including but not limited to conflict of interest and financial disclosure laws. Board members shall work in cooperation with other public officials unless prohibited from so doing by law or officially recognized confidentiality of their work. Board members shall maintain the highest standard of personal honesty and fairness in carrying out their duties.

All Board members are required to take at least two hours of ethics training every two years and receive a certificate of completion as required by Government Code sections 53234-53235.2. New Board members need to complete the training within one year of taking office. The District must keep records indicating when each Board member has completed the training and who provided the training for five years.

FAIR AND EQUAL TREATMENT

Board members shall not, in the performance of their official functions, discriminate against any person on the basis of race, religion, color, creed, age, marital status, national origin, ancestry, sex, sexual orientation, medical condition, physical or mental disability, genetic information, gender, gender identity, gender expression, or military and veteran status of any person. A Board member will not grant any special consideration, treatment or advantage to any person or group beyond that which is available to every other person or group on similar circumstances. (See, e.g., California Constitution, article 1, section 31; Age Discrimination in Employment Act of 1967; Americans with Disabilities Act of 1990; Fair Employment and Housing Act; Rehabilitation Act of 1973; Title VII of the Civil Rights Act of 1964; Labor Code, section 1102.1.)

PROPER USE AND SAFEGUARDING OF DISTRICT PROPERTY AND RESOURCES

Except as specifically authorized, a Board member shall not use or permit the use of District owned vehicles, equipment, telephones, materials or property for personal use, convenience or profit. A Board member shall not ask or require a District employee to perform services for his or her personal convenience, benefit or profit or the convenience, benefit or profit of another Board member or District employee. Each Board member must protect and properly use any District asset within his or her control, including information recorded on paper or in electronic form. Board members shall safeguard District property, equipment, moneys and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust. Board members are responsible for maintaining written records, including expense accounts, in sufficient detail to reflect accurately and completely all transactions and expenditures made on the District's behalf, in accordance with the District's policy for reimbursement of expenses of Board members (District's Travel/Reimbursement Policy, Policy No. 2009-07).

USE OF CONFIDENTIAL INFORMATION

A Board member is not authorized, without approval of the Board, to disclose information that qualifies as confidential information under applicable provisions of law to a person not authorized to receive it, that (1) has been received for, or during, a closed session meeting of the Board, (2) is protected from disclosure under the attorney/client or other evidentiary privilege, or (3) is not required to be disclosed under the California Public Records Act. A Board member who willfully and knowingly discloses, for financial gain, confidential information received by him or her in the course of his or her official duties may be guilty of a misdemeanor under Government Code section 1098 (Government Code section 54963).

CONFLICTS OF INTEREST

A Board member shall not have a financial interest in a contract with the District, or be a purchaser at a sale by the District or a vendor at a purchase made by the District, unless the Board member's participation was authorized under Government Code section 1090. A Board member shall not participate in the discussion, deliberation or vote on a matter before the Board, or in any way attempt to use his or her official position to influence a decision of the Board, if he or she has a prohibited interest with respect to the matter, as defined in the Political Reform Act, Government Code Section 81000, and following, relating to conflicts of interest, and as further defined in the Fair Political Practices Commission's ("FPPC") regulations.

If a member of the Board believes that he or she may be disqualified from participation in the discussion, deliberations or vote on a particular matter due to conflict of interest, the following procedure will be followed: (a) if the Board member becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Board member shall notify the District's General Manager of the potential conflict of interest, so that a determination can be made as whether it is a disqualifying conflict of interest; (b) if it is not possible for the Board member to discuss the potential conflict with the General Manager before the meeting, or if the Board member does not become aware of the potential conflict until during the meeting, the Board member shall immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is a disqualifying conflict of interest; and (c) upon a determination that there is a disqualifying conflict of interest, the Board member shall not participate in the discussion, deliberation or vote on the matter for which a conflict of interest exists, which will be so noted in the Board minutes.

A Board member shall not recommend the employment of a relative by the District. In addition, a Board member shall not recommend the employment of a relative to any person known by the Board member to be bidding for or negotiating a contract with the District.

A Board member who knowingly asks for, accepts or agrees to receive any gift, reward or promise thereof for doing an official act, except as may be authorized by law, may be guilty of a misdemeanor under Penal Code section 70 (Government Code section 1090 et seq. and 81000 et seq.).

Board members shall at all times comply with the District's Conflict of Interest Code as set forth in District Code Chapter 3.

SOLICITING POLITICAL CONTRIBUTIONS

Board members are prohibited from soliciting political funds or contributions at District facilities. A Board member shall not accept, solicit or direct a political contribution from any person or entity who has a financial interest in a contract or other matter while that contract or other matter is pending before the District. A Board member shall not use the District's seal or stationery in any solicitation for political contributions contrary to state or federal law

"REVOLVING DOOR" POLICY

For a period of one year after leaving office, Board members shall not represent for compensation non-governmental entities before the District in violation of Government Code section 87406.3.

Nothing in this section is intended or will be applied to prevent a former Board member from participating in meetings of the Board in the same manner as other members of the public.

REPORTING OF IMPROPER ACTIVITIES: PROTECTION OF WHISTLEBLOWERS

The General Manager has primary responsibility for (1) ensuring compliance with the District's Personnel Manual, and ensuring that District employees do not engage in improper activities; (2) investigating allegations of improper activities; and (3) taking appropriate corrective and disciplinary actions. The Board has a duty to ensure that the General Manager is operating the District according to law and the policies approved by the Board. Board members are encouraged to fulfill their obligations to the public and the District by disclosing to the General Manager, to the extent not expressly prohibited by law, improper activities within their knowledge. Board members shall not interfere with the General Manager's responsibilities in identifying, investigating and correcting improper activities, unless the Board determines that the General Manager is not properly carrying out these responsibilities. Nothing in this section affects the responsibility of the Board to oversee the performance of the General Manager.

A Board member shall not directly or indirectly use or attempt to use the authority or influence of his or her position for the purpose of intimidating, threatening, coercing, commanding or influencing any other person for the purpose of preventing such person from acting in good faith to report or otherwise bring to the attention of the General Manager or the Board any information that, if true, would constitute: a work-related violation by a Board member or District employee of any law or regulation; waste of District funds; abuse of authority; a specified and substantial danger to public health or safety due to an act or omission of a District official or employee; use of a District office or position or of District resources for personal gain; or a conflict of interest of a Board member or District employee.

A Board member shall not use or threaten to use his or her official authority or influence to effect any action as a reprisal against another Board member or District employee who reports or otherwise brings to the attention of the General Manager any information regarding the subjects described in this section.

Any person who believes that he or she has been subjected to any action prohibited by this section may file a confidential complaint with (1) the General Manager, or (2) a Board member, if the complaint involves the conduct of the General Manager, who will thereupon refer the matter to the full Board to investigate the complaint. Upon the conclusion of the investigation, the General Manager (or the Board in case of a complaint against the General Manager) will take appropriate action consistent with the District's Personnel Manual and applicable law.

CHAPTER 11

GENERAL MANAGER'S ROLE

Legal Requirements

The Community Services District Law, the enabling statute under which the District was organized and now operates, defines the General Manager as the highest level management appointee who is directly responsible to the Board for the implementation of the policies established by the Board (see Government Code section 61002(f), 61040 and 61050 et seq.). The General Manager serves as the District's Chief Executive Officer and is responsible for the day to day operations and functions of the District.

The primary powers and duties of the General Manager specified by the law are as follows (Government Code section numbers are shown in parentheses):

- Implement the policies established by the Board for the operation of the District (61051);
- Appoint, supervise, discipline and dismiss District employees, consistent with the employee relations system and rules established by the Board (61051);
- Supervise the District's facilities and services (61051);
- Supervise the District's finances (61051);
- If authorized by the Board, transfer funds between budget categories, other than transfers from the designated reserve for capital outlay (61111(b));
- and,
- Prepare and file various reports.

The General Manager may not be a member of the Board (61040(e)) but may serve as the District's Finance Officer (61050(c)). Traditionally, the Board has appointed another individual to serve as the District Finance Officer. The Community Services District Law specifies that the General Manager serves at the pleasure of the Board and that the Board sets the compensation of the General Manager (61050(d) and (e)).

Practice Based on Good Governance

The role of the General Manager is also defined by the relationship between the position and the Board. In its simplest form, the relationship is defined as the Board setting policy for the District or providing policy level guidance to the General Manager, and the General Manager being responsible for implementing those policies. The General Manager is responsible for the performance of the District within policy and budget criteria established by the Board and is accountable to the Board for all aspects of District operation. As such, the Board views all organizational successes and failures as those of the General Manager.

The Board's primary connection to the operational aspects of the District is through the General Manager. Decisions or instructions of individual Directors or Committees are not binding on the General Manager, who can only take direction from the Board. The Board can only give direction to the General Manager and not to other District managers or staff. The General Manager is available to all Directors to discuss District issues and strategies. The General Manager is the clearinghouse for all informational requests originating from Directors.

The Board establishes the General Manager’s annual performance plan and typically evaluates the performance of the General Manager on an annual basis, but can do so more frequently if the situation warrants.

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CHAPTER 12

WORKING WITH DISTRICT STAFF

The District's success in efficiently accomplishing its mission is partly due to the direct and regular access staff has to Directors. This helps in that decisions are made in real time, with minimal re-work. However, even with the real-time communication that occurs at Committee and Board meetings, there are times when a Director needs additional information from staff. The following guidelines will enable a Director to quickly and efficiently get needed information without disrupting staff's routine work.

- Always start with the General Manager, as he/she can obtain an answer or get the right person involved in the discussion, as needed.
- If the General Manager is unreachable, contact the Director of Administration.
- If neither the General Manager nor Director of Administration is available, contact one of the senior managers.
- The District Secretary can help you at any time with administrative matters (e.g. scheduling, expense reports, requirements such as Fair Political Practices Commission forms, travel arrangements, etc.).
- The District's Human Resources staff can help a Director at any time with issues dealing with a Director's personnel benefits or issues of a similar personal nature.

Given the workload that staff faces and the General Manager's expectation that each senior manager (and employee) is responsible to complete assigned work, it is important that management has the ability to adjust staff's priorities and not be surprised.

When discussing a matter with staff, please keep in mind the following principles:

- Do not create assignments for staff. It is quite easy for staff to interpret an innocent question or comment from a Director as direction to drop current assignments and undertake some project, research or investigation, creating risk that important priorities and assignments are not completed on time or that the District does not fulfill commitments made to others (very often customers).
- Take any information as work in progress. Be cautious with the use of information. What is heard from a staff member may not be what the General Manager ultimately recommends. Very often, there are differences of opinion among staff as an issue is vetted prior to being presented to the Board. In addition, the General Manager's opinion given at an early point in a project may change as more information becomes known and before the matter is formally presented to the Board. Finally, keep in mind that it is hard for some staff members to say, "I don't know," when talking to a Director.
- Request information judiciously. The District is a public agency and therefore very little information, other than personal data about employees or customers, cannot be disclosed to Directors. However, take care not to overwhelm the General Manager and staff with requests for information.

- Let the General Manager know if disappointed by a response. Since the Board judges the General Manager on the performance of the whole staff, inform the General Manager when improvement is needed.

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CHAPTER 13

THE ROLE OF GENERAL COUNSEL AND SPECIAL COUNSEL

THE ROLE OF LEGAL COUNSEL

The primary obligations of both General Counsel and Special Counsel are to ensure that the District complies with applicable law, provide legal advice and opinions when requested, advice on available legal options, including advantages and disadvantages of each option related to a specific matter, and advice of legal risks and liabilities. (When the term Legal Counsel is used throughout this document, it shall mean both General Counsel as well as Special Counsel). The public official receiving that advice has the right to make policy decisions, based on the legal options provided and legal risk associated with each option.

General Counsel

The Community Services District Law provides that a District may engage professional services including Legal Counsel (Government Code section 61060(g)). The District Board of Directors appoints the General Counsel. The General Counsel serves as the primary legal advisor, is responsible for day to day legal questions and provides ongoing legal advice and opinions regarding the long term interests of the District. The General Counsel is expected to provide high quality, trustworthy and responsive legal counsel in a professional manner to assist in accomplishing the District's goals and objectives. When necessary, the General Counsel represents the District in litigation matters and before administrative agencies and, in some instances, manages Special Counsel appointed for a particular matter. The General Counsel should seek to practice preventative law in an effort to help the District recognize and manage risks in a timely and effective manner. Preventative law can limit the expenditure of District resources to defend legal actions, reduce the frequency and severity of disputes, and help the District maintain a positive image in the community.

Special Counsel

The District may, at the District's sole discretion and with or without approval or consultation with General Counsel, hire outside Special Counsel. However, the District may, but is not required, to seek General Counsel's assistance in determining whether to utilize outside Special Counsel and in the selection process. The retention of Special Counsel may be necessary based on any number of factors, including the need for highly specialized knowledge, the provision of a defense by an insurer or should a conflict of interest arise with the General Counsel on a particular matter. Unless prevented by a conflict of interest, General Counsel should facilitate and cooperate in the retention of Special Counsel services to ensure the District receives accurate and cost-effective legal advice and services.

The District as a Client

While the general practice of the District is for the Board to delegate day to day management authority to the General Manager, it is important to remember that Legal Counsel to the District represents the entity rather than any natural person (i.e. Legal Counsel is not the attorney for any individual Director, District employee or officer). The client in such a representation is the entity itself as embodied in the "highest authorized officer, employee, body or constituent overseeing the particular engagement" (California Rules of Professional Conduct, Rule 3-600(A)). In the case of the District, the highest authorized authority is generally the Board of Directors. The Board may delegate this authority to the General Manager by action of the Board duly taken. The most common points of contact for legal counsel are the General Manager, District's senior management and to a lesser extent, other District employees and individual Directors.

During the course of representation, the Legal Counsel may become aware of information that indicates that the interests of a District official or employee may not be aligned with the interests of the District. Should such situations arise, Legal Counsel's duty of loyalty and confidentiality is owed to the District and not the individual.

Hiring and Termination

General Counsel and Special Counsel are hired by and may only be terminated by the Board unless those actions have been delegated to the General Manager by duly taken action of the Board.

Regular Performance Evaluations

The Board, with the assistance of the General Manager, may establish the General Counsel's annual performance plan and may evaluate performance on an annual basis, or when the Board deems it appropriate.

PROTECTING ATTORNEY-CLIENT PRIVILEGE, ATTORNEY WORK PRODUCT DOCTRINE AND MAINTAINING THE CONFIDENTIALITY OF COMMUNICATIONS WITH COUNSEL

Protecting both the Attorney-Client Privilege and the Attorney-Work Product Doctrine and maintaining confidentiality of communications between the District and Legal Counsel are vital to ensuring the District's ability to confide freely in its attorneys.

Attorney-Client Privilege

The District, acting through Legal Counsel, may claim the Attorney-Client Privilege (see, generally, California Evidence Code section 954). However, the privilege only protects communications and only extends to information given for the purpose of obtaining legal representation. Core information is not necessarily protected and the information may not be privileged simply because it has been told or provided to the General Counsel. The privilege may be waived if the confidential communications are disclosed to third parties.

Attorney-Work Product Doctrine

The Attorney-Work Product Doctrine protects the work of the attorney and includes the legal theories and strategies of legal counsel. Attorney-work product may be found in interviews, statements, memoranda, correspondence, briefs, mental impressions, personal beliefs, and countless other forms. The Attorney-Work Product Doctrine is broader than the attorney-client privilege in that protects materials prepared by the attorney, whether or not disclosed to the client and materials prepared by third parties for the attorney (see Laguna Beach County Water District v. Sup. Ct. (Woodhouse) (2004) 124 Cal.App.4th 1453 and Code of Civil Procedure section 2018).

Whenever a Director receives a work product from an attorney, that work product must not be transmitted to a third party. The Director shall also take great care in managing that document, keeping it only as long as needed and destroying or returning copies to the District or Legal Counsel.

Confidentiality of Communications

The duty of confidentiality is broader than the Attorney-Client Evidentiary Privilege and the Attorney-Work Product Doctrine. Legal Counsel's duty of confidentiality runs to the District itself, including the Board of Directors as a whole, rather than to an individual Board member, District official or employee (see, generally, Business & Professions Code section 6068). When an individual Board member receives advice from Legal Counsel, that advice is provided to the Director in his or her official capacity and the advice is subject to disclosure to the entire Board.

Information and advice provided to the Board of Directors or Legal Counsel during a closed session is generally confidential and may also be privileged. It is important to note that a Board member may inadvertently waive the attorney-client privilege by discussing closed session matters with third parties. Directors and others present at a closed session should take care to prevent unauthorized disclosure of confidential information. There is a particular risk of breach of confidentiality when a Director maintains material distributed in a closed session in personal files.

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CHAPTER 14

EFFECTIVE COMMUNICATIONS

GENERAL DIRECTOR GUIDELINES

- Make no promises for the Board or the District.
- Be aware of how various forms of communication affect how messages are received: formal versus informal, written versus verbal, in-person versus over the phone versus electronic. Strive to use each form at the appropriate time.
- Confer with the General Manager when in doubt – staff is always available to advise you on how best to proceed.
- Maintain neutrality when required by not discussing nor commenting upon matters that are quasi-judicial in nature such as, but not limited to, administrative hearings on personnel matters or environmental impact reports, until the entire record is presented to the full Board; it is imperative that a Director maintain an open mind on such matters until after all information has been entered into the public record and presented to the full Board.

Communicating with the Public

- A Director can always communicate with District constituents.
- Inform the General Manager as soon as possible about concerns you have heard from your constituents. Many times the concern can be handled administratively or is already a work in progress.
- Don't make personal comments or promises for the District because only the Board can commit the District to an action or policy.
- Understand that very often there is a fair amount of background to an issue and you may have heard only one perspective.

Communication with Other Agencies

- It is acceptable to attend meetings of other public agencies and it is good to introduce yourself so everyone knows you are present.
- If you are speaking for the District at another agency's public meeting, always clearly state that what you are saying has been approved by the Board and do not deviate from the message or position.
- Be clear when the Board has no position on an issue.
- Take opportunities to develop relationships but always in a way that supports Board policy and avoids accusations of deal-making.
- Be positive and cooperative in comments and attitudes about people and other agencies (particularly in public).

- Communicate in a way that builds positive relationships.

Speaking as a Private Individual

- If you speak as a private citizen at a public gathering, clearly state that you are doing so.
- Keep in mind that even when you say you are speaking as a private individual, many in your audience nevertheless hear your comments in light of your position as a Director of the District.
- Apply common sense.
- Avoid personal statements that might be interpreted as District policy.
- Support District policy, avoiding personal statements that conflict with policy and identify when your personal opinions deviate from Board policy as determined by the Board majority.
- It is acceptable to speak as an individual on issues not related to District business, but make it clear that your remarks are solely your own.

Communicating with the Media

If you choose to talk with the media, the following practices can help you present your thoughts effectively.

- Do not use the phrase, “No comment,” as this phrase has been stigmatized and may be interpreted negatively.
- Feel free to refer media inquiries to the General Manager or confer with the General Manager prior to speaking with the media to ensure that you are fully briefed on the facts associated with the topic at hand.
- Feel free to use and ask staff to prepare talking points so as to convey a consistent message about District actions.
- Clarify when your view is dissenting, but support adopted Board policy even when you are in the minority. Don't stimulate or inflame controversy.
- If you communicate with the media before you vote on a matter, you can inadvertently become a party to a serial meeting in conflict with the Brown Act if the media were to poll other Directors and share with them your predisposition on a matter.

Communicating with Liaison Committees

- At meetings of a Joint Powers Authority (JPA), your role is different from that of your role at a liaison meeting because you also serve as a Director of the JPA, which is an independent government agency.
- When serving on a JPA Board, the California Attorney General has opined and the Joint Powers Act suggests that a Director has independent discretion apart from the agency to which Board he or she was elected. In other words, a JPA Director owes his or her primary duty to the JPA when acting in that capacity. However, since a District Director usually serves on a JPA Board at the pleasure of the District Board, the District Board can terminate the Director's appointment to the JPA at its sole discretion and without showing cause for the termination of that appointment.

- Subject to the points above it, if the District Board has discussed a matter and arrived at a decision, the JPA representative should advocate and vote as decided by the District Board.
- Problems can arise when there is a conflict around a specific issue, either between the best interest of the JPA versus the best interest of the District or between the majority District position and the representative's individual view. In such situations, prior consultation with the General Manager or General Counsel is advised.
- The Board President considers the individual views of the Director when making or suggesting appointments to JPA positions so as to avoid potentially awkward situations.
- If the representative knows there is a serious personal conflict, he or she can ask to be replaced by the alternate for those meetings dealing with the issues of concern.
- Matters discussed in a closed session of the JPA are subject to the same confidentiality obligations as a District closed session. However, there are certain exceptions and exemptions to this general rule. Specific concerns over what may be discussed with the District Board and under what circumstances should be addressed with the General Counsel.

Building Goodwill with Other Agencies

- Remain positive in outlook, comments and tone, particularly in public.
- Work on building and improving positive relationships and mending previously strained relationships.
- Remember that the professional staff of the District and other agencies can and do work things out with input and guidance from their respective Boards. Sometimes it may be more effective to not say anything.
- Learn about and understand the interests and needs of the other agencies.
- Informal interactions help build connections better than formal interactions.
- Do not force relationships; work on them to the extent they are needed.
- There is an appropriate time and place for applying pressure to get desired results; grandstanding at public meetings rarely achieves this purpose.
- Whatever happens, model good behavior, keep communications professional and civil, and always show others the same respect you hope to receive in return.

Communicating in Writing

Refer to District policy and consult with the General Manager on all correspondence and other written communications. Follow District policy regarding Board correspondence.

Communicating Electronically

- All communications to and from a Director related to District business, including email, mobile to mobile texting, mobile instant messaging, computer based instant messaging, chat logs, and similar modes of electronic communication, are very likely to be considered a public record (even those originating from your personal e-mail) and are subject to disclosure under the Public Records Act to the same extent as traditional written materials.

- Electronic communications are potentially discoverable if legal proceedings are involved.
- Keep in mind that these forms of electronic communication are often retained by and can be retrieved from electronic devices, software programs, and the companies that provide such services even if you delete from your display.
- When you receive an e-mail related to District business, consider:
 - Copying the e-mail (and any response you make) to the General Manager;
 - Using the e-mail response as an opportunity to open a subsequent verbal communication with the constituent; and
 - Referring the matter to the General Manager for assistance in preparing a response (with suggestions for what might be included in the response).
- When writing back, refer to and rely on Board policy to address the concerns raised.
- Be careful about using Reply to All and using features that automatically fill in e-mail addresses when emailing or posting on discussion boards, social media messages and social networking sites. This can lead to inadvertent serial meetings that are prohibited by the Brown Act.

DRAFT

MEMORANDUM

Date: July 9, 2015
To: Board of Directors
From: Improvements Committee Staff
Subject: Consider Adoption of Resolution 2015-10, Authorizing Sale of District Surplus Equipment

RECOMMENDED ACTION

Adopt Resolution 2015-10 authorizing the sale of District surplus equipment.

BACKGROUND

As a result of the Water Treatment Plant Expansion Project, some items that were in service will no longer be needed. Since these items have no other use for the District, it is to the benefit of the District to try to sell them. Adopting the Resolution and declaring these items surplus will allow the District to sell these items.

These items include:

- 1) Diesel Generator and day tank- Genset 175 kw
- 2) Diesel fuel tank - 1,000 gallons steel tank
- 3) Propane tank - 573 gallons steel propane tank
- 4) Chemical tank - 1,700 gallons, polyethylene tank with secondary containment
- 5) Electrical Transfer switch - 3 phase, 4 wire, 400 amps

The Improvements Committee recommends adoption.

RESOLUTION # 2015-10

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT AUTHORIZING SALE OF DISTRICT SURPLUS EQUIPMENT

WHEREAS, in the past, the Rancho Murieta Community Services District has purchased equipment to be used in the provision of water, sewer, drainage, solid waste, and security services to the community of Rancho Murieta; and

WHEREAS, the equipment listed below has become obsolete and it no longer has any useful life:

<u>No.</u>	<u>Description</u>
1	Diesel Generator and Day Tank - Genset 175 kw
1	Diesel Fuel Tank - 1,000 gallon steel tank - 1974
1	Propane Tank - 573 gallon steel propane tank - 1974
1	Chemical Tank - 1,700 gallon polyethylene tank with secondary containment - 2008
1	Electrical Transfer Switch - 3 phase, 4 wire, 400 amps -1987

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Rancho Murieta Community Services District declares this equipment surplus to the needs of the District and no longer necessary for the District's uses. The Board authorizes the General Manager to sell the equipment for fair value with procedures, terms and conditions that she finds appropriate or, if the General Manager determines that any equipment has no substantial value, to dispose of the equipment.

PASSED AND ADOPTED this 15th day of July, 2015, by the following roll call vote:

Ayes:
Noes:
Absent:
Abstain:

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

[SEAL]

Attest:

Suzanne Lindenfeld, District Secretary
Rancho Murieta Community Services District

MEMORANDUM

Date: July 9, 2015
To: Board of Directors
From: Darlene J. Gillum, General Manager
Subject: Consider Approval of North Gate Facilities Use Agreement with Rancho Murieta Association

RECOMMENDED ACTION

Approve the North Gate Facilities Use Agreement between Rancho Murieta Community Services Agreement and Rancho Murieta Association.

BACKGROUND

Attached for review and discussion is the draft of the North Gate Facilities Use Agreement. District Staff (Darlene Gillum and Chief Remson) and Rancho Murieta Association (RMA) staff (Greg Vorster and Danise Hetland) met on various occasions regarding the negotiation of the North Gate Facilities Use Agreement following the initial review by both respective Boards of Directors.

RMA has declined to take ownership of the generator because they do not believe any of their items using electricity need to be powered by the generator in an emergency. The generator connection will need to be reviewed to see what is currently powered by the generator and modifications made to detach any RMA lighting or the generator is in use, the RMA related breakers will be flipped to the off position.

Spider web control on the building exterior is provided as part of the District's exterminator services.

RMA has agreed to perform the exterior window washing on a quarterly basis.

RMA has requested that language be added to Article 11 regarding their right to attach cameras to the structure and house video recording equipment in the North Gate.

The attached red-line version of the draft agreement reflects staff agreement to date. This draft will also be presented to the RMA Board of Directors for their approval at their July Board of Directors meeting.

RANCHO MURIETA NORTH SECURITY GATE USE AGREEMENT

This Use Agreement is entered into this August 1, 2015, between Rancho Murieta Community Services District, a local government agency (“**District**”), and Rancho Murieta Association, a California nonprofit corporation (“**Association**”), who agree as follows:

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

1.1. Association owns the new and relocated north security/guard station located at the entrance to Rancho Murieta North (the “**North Gate**”) and underlying real property. The North Gate and adjacent land covered by this Use Agreement are shown on the attached Exhibit A (the “**Property**”).

1.2. District operates and maintains a security department and employs security personnel to protect the life and property of Rancho Murieta residents and property owners. As part of this service, District security personnel for many years have staffed and operated, and plan to continue to staff and operate, the North Gate.

1.3. The District-Association arrangement regarding the North Gate has not previously been memorialized in a ~~lease~~ use agreement or other agreement. By this Use Agreement, the parties desire to memorialize their arrangement regarding Association ownership of, and District operation of, the North Gate, concurrent with Association’s completion of construction of the new North Gate.

2. Grant of Use. Subject to the terms and conditions set forth below, Association grants use of leases the Property to District, and District accepts use of leases the Property from Association.

3. Term. The term of this Use Agreement will be 10 years commencing on the date set forth above. The term shall automatically renew for additional 10 year terms unless either party provides a 60 day notice of termination prior to the expiry of the then current 10 year term. —and, unless sooner terminated or extended as provided below, terminating on _____. The parties may agree in writing to earlier terminate the Use Agreement. ~~The parties may agree in writing to extend the Lease term.~~

4. Use of Property. The Property may be used by District for the operation and management of a security gate and security services and for other uses incident or related to those uses. Except as provided by section 11, District will have the exclusive use and control of the Property. District will not use or permit the Property to be used for any other purpose, without the prior written consent of Association. District will not maintain, commit or permit the maintenance or commission of any nuisance or waste on the Property.

5. North Gate Operation Services. District agrees to operate and staff the North Gate on a full-time basis (i.e., 24 hours a day, 365 days a year). Services will include monitoring, controlling and registering the guests, vendors, service providers, contractors, country club users, realtors, and other invitees and visitors of Rancho Murieta North residents and property owners.

6. Consideration. As consideration for this Use Agreement, District will provide the services described in section 5. There will be no rent paid for this Use Agreement.

7. Compliance with Laws. The parties will comply with all applicable federal, state and local statutes, ordinances, regulations and other laws relating to the Property and its use and occupancy.

8. Property Improvements.

8.1. District will not make any structural alterations or construction on the Property or install any real property fixtures to or on the Property without the prior written consent of Association, which consent will not be unreasonably withheld. Any District construction work relating to improvement of the Property will be performed in a good and workmanlike manner, and will comply with all applicable federal, state and local laws, codes and building and other permit requirements. District will keep the Property free and clear from any and all liens, stop notices, claims and demands for work performed, materials furnished or operations conducted by District on the Property. Except for any District repair that may be required under section 9.3, nothing in this Use Agreement will require District to undertake any structural alteration, construction or improvement on the Property.

8.2. The parties agree that the generator, gate operators, gate arms, and barcode readers installed at the North Gate are owned by the District and that the Association has provided consent for their installation.

9. Property Maintenance and Upkeep.

9.1. Association at its sole cost and expense will keep and maintain the North Gate structure and improvements and Property in good, safe, sanitary, habitable and usable condition and repair, including, but not limited to, the following: repair and replacement (as needed) of the structural parts of the North Gate building (which include the foundation, flooring, walls, roof, windows ~~(including window coverings)~~, gutters and downspouts, heating/ventilation/air-conditioning equipment, pavement, and electrical, plumbing, sewage, cabling and utility systems); exterior repainting; repair and replacement of the ~~gate arms, gate operators, barcode readers,~~ surveillance cameras owned by Association and related equipment; and, repair and replacement of other equipment, fixtures and improvements on the Property excluding District's cameras, computers, appliances, furnishings, generator, gate operators, gate arms and barcode readers. Association at its sole cost and expense also will operate, care for, repair and replace (as needed) the landscaping and irrigation and storm drainage systems on the Property. In addition, Association at its sole cost and expense will provide routine maintenance as shown in Exhibit B.

9.2. If Association fails to make with reasonable promptness any repairs, replacement or maintenance that are the obligation of Association, District, upon at least 20 days prior written notice and demand to Association, may (but will not be required to) cause the same to be put in good order, condition and repair. Association will pay to District the reasonable cost and expense of the repairs, replacement or maintenance that District performs on Association's behalf within 30 days after receipt by Association of an itemized statement accompanied by invoices for the repair, replacement, maintenance and other charges.

9.3. District at its sole cost and expense will keep and maintain the interior of the North Gate and Property grounds around the North Gate in good, safe, sanitary and clean condition; and will repair and replace the District owned cameras, computers, appliances, furnishings, generator, gate operators, gate arms, and barcode readers as long as District is providing services under this Use Agreement; however, District's obligation will not extend to any area of Association responsibility described in section 9.1. District will repair any damage to the Property caused by District or District's employees. In addition, District at its sole cost and expense provide routine maintenance as shown in Exhibit B.

9.4. If District fails to make with reasonable promptness any repairs or maintenance that are the obligation of District, Association, upon at least 20 days prior written notice and demand to District, may (but will not be required to) enter the Property and cause the same to be put in good order, condition and repair. District will pay to Association the reasonable cost and expense of the repairs or maintenance that Association performs on District's behalf within 30 days after receipt by District of an itemized statement accompanied by invoices for the repair, maintenance and other charges.

10. Surrender of Property. On termination of this Use Agreement, District will promptly surrender and deliver the Property to Association in as good condition as it was in at the time of District's initial occupancy, excepting ordinary wear and tear. On termination of this Use Agreement, the parties will agree on the disposition of the gate operators, gate arms, and barcode readers owned by the District. If the parties fail to reach agreement, the District may remove the gate operators, gate arms, and barcode readers upon termination of this Use Agreement.

11. Access by Association. Association, and its employees and agents, will have the right to enter the Property at all reasonable times, and at any time during an emergency, for the purposes of inspecting the Property to determine whether District is complying with this Use Agreement, doing other lawful acts that may be necessary or appropriate to protect Association's interest in the Property, or performing Association's duties related to this Use Agreement. Association will have the right to attach cameras to the structure and house video recording devices in the North Gate. District will not be responsible for monitoring such devices unless otherwise agreed upon in writing by the Parties.

12. Utilities and Taxes. Association will pay all of the following: (a) charges and fees for the furnishing of water service for irrigation, sewer service, electricity service as outlined in Exhibit C (Association will bill District for the remaining monthly electric charges as billed by SMUD), ~~telephone service, Internet service, garbage pickup and disposal~~, and other public utilities and services (excluding telephone service, Internet service, garbage pickup and disposal) to the Property; and (b) all real property taxes, assessments and standby charges levied or assessed against the Property by a governmental entity, and including any taxes or charges that may be assessed or imposed upon or against the leasehold estate or possessory interest created by this Use Agreement. District will pay any taxes, assessments and other charges levied or imposed by any governmental entity on the District-owned furniture or other personal property placed in the Property. All such fees, charges, taxes and assessments will be paid as they become due and payable.

13. Damage and Destruction.

13.1. Insured Loss. If the Property is damaged or destroyed by fire or by any other risk occurrence insured by Association's property insurance, then Association forthwith will proceed to repair and restore the Property on substantially the same plans and design that existed immediately before the damage or destruction, and Association will diligently proceed to complete the repairs and restoration.

13.2. Uninsured Loss.

13.2.1. If the Property is damaged or destroyed by a risk occurrence not insured by Association's property insurance and if the extent of the damage or destruction is less than 25% of the replacement cost of the Property, then Association forthwith will proceed to repair and restore the Property on substantially the same plans and design that existed immediately before the damage, and Association will diligently proceed to complete the repairs and restoration.

13.2.2. If the Property is damaged by a risk occurrence not insured by Association's property insurance and if the extent of the damage or destruction is more than 25% of the replacement cost of the Property, then Association may decide and elect whether to repair and restore the Property. Association will notify District about its election in writing within 60 days following the date of the damage or destruction. If Association elects to repair and restore the Property, then Association forthwith will proceed to repair and restore the Property on substantially the same plans and design that existed immediately before the damage or destruction, and Association will diligently proceed to complete the repairs and restoration. If Association elects not to repair and restore the Property, then this Use Agreement will terminate at the end of the 60-day period and the parties will meet and confer in good faith concerning the future repair and operation of the North Gate.

13.3. District Personal Property. District shall provide insurance for District owned personal property including District-owned cameras, computers, appliances, furnishings, generator, -gate operators, gate arms, and barcode readers. ~~If any District personal property is damaged or destroyed by fire or by any other risk occurrence insured by Association's property insurance, then Association will adjust the loss and settle all claims with its insurer and obtain and remit to District the insurance proceeds recovery to the extent provided for by the Association property insurance policy. If the insurance proceeds are inadequate to pay the cost of the personal property repair, replacement or restoration, District will bear the deficiency. Except for any property insurance proceeds received under the Association's property insurance, District will be responsible for the repair, replacement or restoration of any damaged or destroyed District personal property and Association will not be required to repair, replace or restore that property.~~

13.4. Abatement of District Services. If the Property is uninhabitable or unusable during the period of any Property repair or restoration, the obligation of District to provide services under section 5 will be abated during the period of such repair or restoration.

14. Condemnation. If title and possession of the Property are taken under the power of eminent domain by any public or quasi-public agency or entity, this Use Agreement will terminate as of the date of actual physical possession of the Property is taken by the agency or

entity. Any just compensation, damages or other payment for the taking of the Property will be awarded to and be the sole property of Association.

15. Indemnification.

15.1. District will indemnify, defend, protect and hold harmless Association and its officers, employees and agents from and against any and all liability, loss, damage, expense, penalties, and costs (including attorney fees, investigation costs and litigation costs) of every nature arising out of or in connection with: (a) the death or injury of any person or persons, or the damage to or destruction of any personal or real property, that is caused or allegedly caused by some act or omission of District or a District employee or contractor; or (b) District's failure to perform or otherwise comply with any provision of this Use Agreement; but excepting any such loss or damage caused by the sole negligence or willful misconduct of Association.

15.2. Association will indemnify, defend, protect and hold harmless District and its officers, employees and agents from and against any and all liability, loss, damage, expense, penalties, and costs (including attorney fees, investigation costs and litigation costs) of every nature arising out of or in connection with: (a) the death or injury of any person or persons, or the damage to or destruction of any personal or real property, that is caused or allegedly caused by either the condition of the Property or some act or omission of Association or an Association employee or contractor; (b) any construction or improvement work performed by Association on the Property; or (c) Association's failure to perform or otherwise comply with any provision of this agreement; but excepting any such loss or damage caused by the sole negligence or willful misconduct of District.

These indemnification provisions will survive the termination of this Use Agreement with respect to any occurrence or event occurring prior to the termination.

16. Restriction against Assignment. District will not sublet, encumber, assign or otherwise transfer this Use Agreement, or any right or interest in this Use Agreement, or any right or interest in the Property, without first obtaining the written consent of Association.

17. General Provisions.

17.1. 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.

17.2. 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.

17.3. 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.

17.4. 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.

17.5. 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.

17.6. 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.

17.7. 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
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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: _____
Darlene J. Gillum
General Manager

By: _____
Greg Vorster
General Manager

EXHIBIT A

Rancho Murieta North Gate and Adjacent Land ~~Lease~~used by RMCS D

EXHIBIT B
ROUTINE MAINTENANCE SERVICES AND SCHEDULE

Association's Routine Maintenance Services

1. Exterior window cleaning – Not less than quarterly in the months of January, April, July, and October
2. Leaf and debris blowing – Leaves and debris will be blown away from the building (including the generator enclosure) and entry and exit lanes weekly
- ~~3. Exterior building walls – The exterior of the building will be kept clear of bugs and spider webs by sweeping of the exterior walls and soffits on a monthly basis~~

District's Routine Maintenance Services

1. Interior cleaning – The following cleaning services will be performed on a weekly basis:
 - a. Dust all surfaces
 - b. Empty all waste containers
 - c. Vacuum all carpet areas, if any
 - d. Sweep and mop all linoleum floors
 - e. Dust blinds, if any, as needed
 - f. Clean and sanitize restrooms
- ~~2.~~ 2. Pest control – Monthly pest control spraying around the exterior building perimeter. Monthly service shall also include sweeping of the exterior walls and soffits for removal of bugs and spider webs.
- ~~2-3.~~ 2-3. HVAC Maintenance Filter replacement in accordance with manufacturer's recommended maintenance schedule.

EXHIBIT C

New North Gate Electrical Use

RMA Usage

June 1, 2015

Site lighting fake gates	731	watts
Site lighting entry	680	watts
Street ligths	318	watts
Irrigation controllers	10	watts
Total watts	<u>1739</u>	watts

RMA's Electrical Use Calculation :

1739 watts /1,000 = 1.739 kilowatts per hour.

1.739 x 12 hours of operation = 20.87 KWHs x .1266 (rate) = \$2.63 per day

\$2.63 per day x 30 days = \$78.90 per month for RMA's electrical usage

RMA's electrical usage cost will be adjusted annually on June 1 to reflect the then current SMUD rates in effect.

MEMORANDUM

Date: July 8, 2015
To: Board of Directors
From: Darlene J. Gillum, General Manager
Subject: Consider Approval of Proposal for Water Supply Assessment for Rancho Murieta North Project

RECOMMENDED ACTION

Approve proposal from Maddaus Water Management for a Water Supply Assessment for Rancho Murieta North Project, contingent upon receipt of Developer deposit of payment for costs.

BACKGROUND

The Sacramento County Planning and Environmental Review Division (County) is currently processing the application for the proposed Rancho Murieta North Project. Senate Bill 610 and 221 requires coordination between land use lead agencies and public water systems for preparation of a Water Supply Assessment. Senate Bill 610 requires the County, as the lead agency, to request the District, as the public water system, provide a water supply assessment, approved by the District's Board, within 90 days of the County's request. The report needs to include the following information:

- Whether the projected water demand associated with the development project was included as part of the public water system's most recent adopted urban water management plan.
- Whether public water system's total projected water supplies available during normal, single-dry, and multiple-dry water years during a 20 year projection will meet the projected water demand associated with the proposed project, in addition to the public water system's existing and planned future uses, including agricultural uses.
- If the public water system's supplies are, or will be, insufficient, the public water system must identify its plans for acquiring additional water supplies, setting forth the measures that are being undertaken to acquire and develop those water supplies.
- The legislation requires the lead agency to include the supply assessment within the CEQA document for the project.

Once completed, the County must then determine whether the projected water supplies will be sufficient to satisfy the demands of the project.

DRAFT

RMCS D –TASK ORDER 16-01

Water Supply Assessment

July 2, 2015

Scope of Work

Maddaus Water Management (MWM) staff, principally Lisa Maddaus, Michelle Maddaus, and Tess Kretschmann will assist Rancho Murieta Community Services District (RMCS D) in development of a Water Supply Assessment including the following tasks:

Task 1. Demand Growth Projections Review

We understand that the Rancho Murieta North project is large enough to require a Water Supply Assessment. This project analysis is being requested by Sacramento County to be prepared for the CEQA analysis, and inform the decision-making process related to this project's inclusion in the growth demand projections. This task will be based on previously completed work for RMCS D for the Integrated Water Resources Plan (IWRP) that may need an update upon review of recent demand trends.

The project already has a tentative map completed which will form the basis for the demand estimates. This effort may require an update to the Summary of Residential Demand Factors Analysis Technical Memorandum prepared by Maddaus Water Management (June 19, 2013). Both preparing demand factors analysis and quantification of project demands is assumed would occur once with onset of consolidated set review and comment by RMCS D. Additional edits or changes would require additional time and budget. It is also assumed that this task may include up to one in-person and one board meeting.

Task 2. Demand Reduction through Recycled Water

Given recycled water is planned, MWM will work with staff to identify any additional onsite conservation measures and recycled water plans to reduce demands up to the allowable budget and rely on work done by others to the extent available and practical. Review and incorporate RMCS D's Water Shortage Contingency Plan and Demand Management Measures estimated water reductions as appropriate. This will finalize the water demand for the overall project.

Task 3. Demand vs. Supply Comparison Review

Determine whether RMCS D water supplies are sufficient to serve existing development, plus the Rancho Murieta North Development, including other planned growth, taking into account the conclusion from Task #1 and Task #2. It is assumed that the other demand projections

previously completed for other planned future development included in the IWRP are still accurate.

Task 4. Draft Water Supply Assessment Document

Draft an approximately 10-15 page Water Supply Assessment for Rancho Murieta North that conforms to DWR guidance for preparation of Water Supply Assessments. It is assumed that one electronic draft would be provided for comment by RMCS D staff. It is assumed one set of consolidated comments (preferred in track changes format) would be provided to MWM by RMCS D. The WSA will be revised one time based on the electronic comments. If the proposed development project parameters change (i.e. the lot types square footage or the specified use of building space changes) and the WSA needs to be revised, this would require additional scope and budget. It is assumed the delivered report would be in electronic Word Document format.

Task 5. Project Management and Meetings

Attend up to three in person meetings (approximately 2 to 4 hours in length) for one MWM staff member. It is assumed these meetings will be held in Rancho Murieta and that at minimum one meeting will be to attend the hearing of the RMCS D board at which the WSA is considered.

Estimated Fee

Maddaus Water Management proposes to conduct this work on a time and materials basis not to exceed \$29,600. The task will be done as efficiently as possible and may be done for less than the total stated hours. MWM will be conducting the work as directed by staff as to the level of effort on each item they would prefer. Results will be provided for each Task before proceeding to the next task unless otherwise directed by RMCS D staff.

The terms and conditions of this agreement are provided in Attachment A. An estimated proposed fee is presented in Table 1.

Table 1 – Proposed Rate Schedule

Task	Title	Michelle Maddaus \$180/hr	Lisa Maddaus \$185/hr	Tess Kretschmann \$125/hr	Total Budget
	Project Role	Technical Review	Technical Analysis	Analysis	
1	Demand Growth Projections Update	8	32	48	\$13,360
2	Demand vs. Supply Comparison	4	16	16	\$5,680
3	Demand Reduction (Water	4	24	24	\$8,160

Task	Title	Michelle Maddaus \$180/hr	Lisa Maddaus \$185/hr	Tess Kretschmann \$125/hr	Total Budget
	Project Role	Technical Review	Technical Analysis	Analysis	
	Efficiency/Recycled) Alternatives				
4	Project Management / Meetings		4	4	\$1,240
	Total Hours and Labor Cost	16	76	92	\$28,440
	APC & ODCs (Mileage at cost)				\$1,104
	Total Estimate				\$29,544

The staff, roles, hourly rate for each staff person and estimated hours is presented in Table 1. Internal charges for phone, fax, copies and computers will be billed as an Associated Project Cost (APC) at a charge of \$6 per labor hour (which is added to the labor rates shown in Table 1). Other direct costs (ODCs) including mileage, outside printing charges, and related direct job costs will be billed at actual cost based on RMCS D approval. All rates are subject to a 3% increase starting on January 1st of each year.

Schedule

The work will be completed at RMCS D staff direction and assumed to be complete within three months of authorization to proceed.

Contact Information

The Project Manager, Lisa Maddaus, may be contacted via phone at (916) 730-1456 or email at lisa@maddauswater.com.

MADDAUS WATER MANAGEMENT, INC.

RANCHO MURIETA CSD

Signature _____

Signature _____

Date _____

Date _____

Lisa Maddaus
Partner and Chief Financial Officer

Darlene Gillum
General Manager

MEMORANDUM

Date: July 8, 2015
To: Board of Directors
From: Darlene J. Gillum, General Manager
Subject: Consider Appointing A Director to the Sacramento Central Groundwater Authority (SCGA) Governing Board

RECOMMENDED ACTION

Appoint a Director to the Sacramento Central Groundwater Authority (SCGA) Governing Board.

BACKGROUND

Sacramento Central Groundwater Authority (SCGA) has requested the District appoint both a Primary and an Alternate to their Governing Board, per SCGA JPA (see JPA §5(b), §7(a)(ix)(7), and §7(b)) .

MEMORANDUM

Date: July 9, 2015
To: Board of Directors
From: Paul Siebensohn, Director of Field Operations
Subject: Receive Water Treatment Plant Expansion Project Update

WATER TREATMENT PLANT EXPANSION PROJECT

The project is continuing. Completed work includes: finishing of the canopy metal stud framing and some fascia installations; core drilling the cement and installation of hand rails around the facility; installation and testing of the 5 ton crane beam and hoist; installation of membrane reject, backwash, and Clean in Place (CIP) pumps; continuing installation of basin drain 12" line, 12" back pulse line, 4" air supply line to membrane tanks, 6" CIP line, 6" backwash waste, chemical piping, and 2" sump line; installation of chemical totes and chemical feed systems; installation of lighting fixtures and accessories; continuing installation of branch power, control, and instrument wiring; installation of raw water screen control panel; and installation of light standard.

The schedule provided by Roebbelen Construction Management conveys that production of water from the new facility should occur on October 23, 2015.

TEMPORARY FILTRATION UPDATE

Current water production flow is set at 0.72 MGD. Due to monitoring requirements set by the Division of Drinking Water, staff must perform a manually run membrane integrity test on each treatment train daily. This testing takes approximately two hours per day of staff time. Also required by GE is a manually performed maintenance clean on each train every 48 hours of operations, which takes another hour per train to perform. Recent project photos are shown below.



Overview of facility from Chesbro dam



Load testing of crane



Chemical feed equipment and storage tote behind them



View of CIP tank

Change Order Detail

Shared Cost Change Orders (Split between CSD/CFD#1/CFD2014-1):

Completed (Shared) Change Orders:

<u>#</u>	<u>Status</u>	<u>Description</u>	<u>Amt</u>	<u>Remaining</u>
1	COMPLETE	Remove proj contingency from trade contr	\$ -	\$ -
2	COMPLETE	JDP - Drying bed extension shotcrete	\$ 5,648.00	\$ -
3	COMPLETE	KGW/JDP - FM change of material	\$ 2,888.00	\$ -
4	COMPLETE	JDP - 2" Conduit for Fiber	\$ 26,264.00	\$ -
5	COMPLETE	JDP - CLSM trench at lower yard	\$ 3,300.00	\$ -
6	COMPLETE	JDP - drying bed clean out	\$ 1,882.00	\$ -
7	COMPLETE	Boring of 2" FM (IBA)	\$ -	\$ -
8	COMPLETE	RFI #024, replace corroded FCA	\$ 6,623.00	\$ -
9	COMPLETE	RFI #009, TW Booster pump station slab	\$ 6,029.00	\$ -
10	COMPLETE	ASI #01, check valve/concrete fillet	\$ 7,018.00	\$ -
11	COMPLETE	NAOH added slab at tank yard	\$ 4,091.00	\$ -
14	COMPLETE	RFI #28, conduit & chem trench vault conflict	\$ 11,700.00	\$ -
15	COMPLETE	SWPPP Maintenance	\$ -	\$ -
16	COMPLETE	16" Water Main Repair	\$ 7,000.00	\$ -
17	COMPLETE	Addl gunite for drying bed extension	\$ 2,946.00	\$ -
18	COMPLETE	KGW - Door 302 added lockset	\$ 345.00	\$ -
19	COMPLETE	Zenon - GE dimension Clar.Support Grate	\$ 2,815.00	\$ -
21	COMPLETE	RFI #19, Transformer Relocation	\$ 1,542.00	\$ -
23	COMPLETE	Temp Power Switchover	\$ 3,070.00	\$ -
24	DELETION	RFI #024, deleted ARV at sta 227+47	\$ (5,008.00)	\$ -
26	COMPLETE	SWPPP Maintenance	\$ -	\$ -
27	DELETION	Upper Tank Yard Pad Prep	\$ (492.00)	\$ -
30	COMPLETE	RFI #060, relocate 12" line for stair conflt	\$ 1,725.00	\$ -
35	COMPLETE	RFI #041, CIP Line Relocation	\$ 5,561.00	\$ -
36	COMPLETE	GE Upgraded Maintenance Table	\$ 5,013.00	\$ -
38	COMPLETE	CIP Heater Control MCC	\$ 4,415.00	\$ -
39	COMPLETE	FS Structural Consulting	\$ 1,093.00	\$ -
40	COMPLETE	Additional Spare Parts	\$ 2,600.00	\$ -
43	COMPLETE	RCMS Trailer Power Hookup	\$ -	\$ -
47	COMPLETE	Generator Pad Size Changes	\$ 8,317.00	\$ -
57	COMPLETE	SWPPP Maintenance	\$ -	\$ -
59	COMPLETE	RFI #75, Added Cable Tray	\$ 1,852.00	\$ -
60	COMPLETE	AER (E) Fan Demo and Plywood Vents	\$ 5,860.00	\$ -
63	COMPLETE	R&R Siding at West Side Plant 1	\$ 2,120.00	\$ -
64	COMPLETE	Additional Painting Control Room Ceiling & Walls	\$ 2,230.00	\$ -
69	COMPLETE	RFI #084, Pump Station Bar Beams	\$ 286.00	\$ -
70	DELETION	Paint (E) Chlorine Room	\$ 3,280.00	\$ -
87	DELETION	Reverse CE#70 paint (E) chlorine room	\$ (3,280.00)	\$ -

<u><u>\$ 128,733.00</u></u>	<u><u>\$ -</u></u>
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Non-Completed (Shared) Change Orders:

<u>#</u>	<u>Status</u>	<u>Description</u>	<u>Amt</u>	<u>Remaining</u>
28	APPROVED	Bid Div 28 SCADA console Allowance	\$ 1,738.00	\$ 1,738.00
29	PENDING	RFI #070 Pnuematic Valve Buyout	\$ 2,700.00	\$ 2,700.00
37	PENDING	1 1/2" LIT at Membrane Basin	\$ 1,345.00	\$ 1,345.00
45	PENDING	1" Motorized Ball Valves for Chlorination Equip	\$ 9,585.00	\$ 9,585.00
56	PENDING	Damaged Bollards During Excavation (IBA)	\$ -	\$ -
72	PENDING	Modify Crane Stops	\$ 4,700.00	\$ 4,700.00
73	PENDING	Repair 12" RW line (IBA)	\$ -	\$ -
74	PENDING	Install 14" Blind Flange on 14" TW pipe	\$ 3,301.00	\$ 3,301.00
75	PENDING	RFI#037, chemical conduit trench pathway	\$ 39,974.00	\$ 39,974.00
80	PENDING	Line pump for light pole at lower yard	\$ 424.00	\$ 424.00
101/103	PENDING	Damaged lightpole sonotube @TWPS (IBA)	\$ -	\$ -
102	PENDING	IP camera upgrade	\$ 1,196.00	\$ 1,196.00
105	APPROVED	Seal Membrane Basins	\$ 4,575.97	\$ 4,575.97
110	PENDING	Delete painting scope from metal deck	\$ (4,698.00)	\$ (4,698.00)
111	PENDING	New conduit and wire for motorized gate	\$ 4,006.00	\$ 4,006.00
113	PENDING	ZO temp power	\$ 1,305.00	\$ 1,305.00
115	PENDING	Phone line from (e) termination board to (N) PLC	\$ 5,797.00	\$ 5,797.00
116	PENDING	Generator Slab duck bank conflict	\$ 425.00	\$ 425.00
117	PENDING	RFI #122, chemical injectors	\$ 4,617.00	\$ 4,617.00
			<u>\$ 80,990.97</u>	<u>\$ 80,990.97</u>

CSD-Only Change Orders:

Completed (CSD-Only) Change Orders:

<u>#</u>	<u>Status</u>	<u>Description</u>	<u>Amt</u>	<u>Remaining</u>
25	COMPLETE	Drying Bed cleanout and sand infill (CSD only)	\$ 13,482.00	\$ -

Non-Completed (CSD-Only) Change Orders:

<u>#</u>	<u>Status</u>	<u>Description</u>	<u>Amt</u>	<u>Remaining</u>
34	APPROVED	Plant 2 SLC Ethernet connection (CSD only)	\$ 8,527.00	\$ 8,527.00
12	APPROVED	Siding Replacement-Hardie Board (CSD only)	\$ 91,466.00	\$ 83,594.00
			<u>\$ 99,993.00</u>	<u>\$ 92,121.00</u>

HARD CONSTRUCTION COSTS (via Roebbelen)

Project Construction Summary								Source of Funding		
Contractor	Work Type	Contract Amount	% Billed to Date	Amount Billed to Date	Amount Billed This Month	Contract Amount Remaining	CSD \$4.358 million	R&B LOC \$4.136 million	CFD 2014 \$3.818m Ph 1 \$0.540m Ph 2	
Roebbelen Construction Management Services	General Conditions	781,205	85%	664,024	39,060	117,181	235,065	223,112	205,848	
River City Painting	Painting	291,000	16%	45,665	4,510	245,335	16,165	15,343	14,156	
GE Technology	Membrane Supplier	2,173,800	90%	1,949,043	-	224,757	689,961	654,878	604,203	
JD Pasquetti	Sitework	555,659	63%	349,625	-	206,034	123,767	117,474	108,384	
Roebbelen Construction	Fencing	53,640	30%	16,078	-	37,562	5,692	5,402	4,984	
KG Walters Construction	Mechanical & Plumbing	4,893,000	93%	4,532,027	199,623	360,973	1,604,338	1,522,761	1,404,928	
Bockmon & Woody Electric	Electrical	2,370,266	95%	2,253,500	35,250	116,766	797,739	757,176	698,585	
Marquee	Fire Protection	42,500	15%	6,375	-	36,125	2,257	2,142	1,976	
Total Initial Construction Contracts (with 534,318 Contingency = 11,695,388)		11,161,070	88%	9,816,337	278,443	1,344,733	3,474,983	3,298,289	3,043,065	
Change Order Summary										
APPROVED CHANGE ORDERS:										
Max Contract Change Order Amount		534,318								
Shared Completed Change Orders (Invoiced/Paid)		128,704					45,561	43,245	39,898	
CSD Only Completed Change Orders (Invoiced/Paid)*		13,482					13,482			
Approved Change Orders (Not Invoiced)		105,835								
Total Completed/Approved CO		248,021								
Amount CO remaining		286,297								
PROPOSED CHANGE ORDERS:		105,906								
Amount CO remaining (if Proposed COs are approved)		180,391								
OTHER:										
Bay Area Coating Consulting Services	**Contingency amt outside of Roebbelen contract (approved BOD 11/19/15)	15,000	7%	980	588	14,020	347	329	304	
* CSD Only Change Orders are in addition to the CSD share of \$4.358m										
Total Adjusted Construction Contracts (hard costs + CO's)		11,424,091					3,534,374	3,341,863	3,083,267	

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

Service Cost Summary							Source of Funding		
Item	Company/Agency	Estimated Soft Cost	Contract/Actual Soft Cost	Amount Billed to Date	Amount Billed This Month	Contract Amount Remaining	CSD	R&B LOC	CFD 2014
							\$4.358 million	\$4.136 million	\$3.818m Ph 1 \$0.540m Ph 2
Preconstruction CM Assistance	Roebbelen CMS	49,049	49,049	49,049		-	17,363	16,480	15,205
Design Engineering	HDR Engineering	240,000	239,982	239,982		-		239,982	
CEQA NOI/MND	HDR Engineering	40,000	71,070	63,559		7,511	5,583	53,088	4,889
Design Geotech	Youngdahl and Associates	3,000	2,600	2,600		-	920	874	806
Construction Engineering Assistance	HDR Engineering	150,000	276,328	206,251		70,077	73,013	69,300	63,938
Special Construction Inspection	Youngdahl and Associates	50,000	45,511	45,511		-	16,111	15,292	14,108
Misc Fees				709		-	251	238	220
SMUD Service	SMUD	5,000	31,632	31,632		-	11,198	10,628	9,806
Generator Permit	Sac County Air Quality Mgmt	5,000	5,000	-		5,000			
State Clearinghouse for CEQA	State of CA	3,000	3,000	-		3,000			
Fish & Wildlife Agency Permits	State of CA	2,000	2,000	921		1,079	326	309	286
Ca Dept Health Review	State of CA	5,000	5,000	-		5,000			
Road Mitigation	RMA	8,000	12,000	12,000		-	4,248	4,032	3,720
CSD Admin, Legal and Engineering (CFD 2014 Max per FSA = \$50K)	CSD	50,000	50,000	207,551		-	80,227	77,324	50,000
						-	-		
Total		610,049	793,172	859,765		-	209,240	487,548	162,977

Grand Total (Construction and soft costs)

12,488,560

10,819,268

Additional Info	
Total Retainage to Date:	401,073

Total Hard/Soft Costs	3,743,613	3,829,411	3,246,244
Less: Funds Received		(2,645,520)	(3,455,475)
Pending Draw Request		0	0
Total Outstanding Amount		1,183,891	(209,231)

****CFD 2014-1 Draw Amount Based on Cashflow per FSA**

MEMORANDUM

Date: July 9, 2015
 To: Board of Directors
 From: Paul Siebensohn, Director of Field Operations
 Subject: Receive Water Conservation Update

No change from previous outlooks, our Water Conservation schedule is still in effect, and staff is continuing to monitor the community for compliance. Calendar year to date, 214 tags have been issued. From January 1, 2015 to June 30, 2015, there have been no fines levied. As shown by the US Drought Monitor and US Seasonal Drought Outlook below, we remain in the worst possible drought categories.

Water treatment plant flow is currently at 1.72 million gallons per day, running close to 24 hours per day to keep up with the community's water demand.

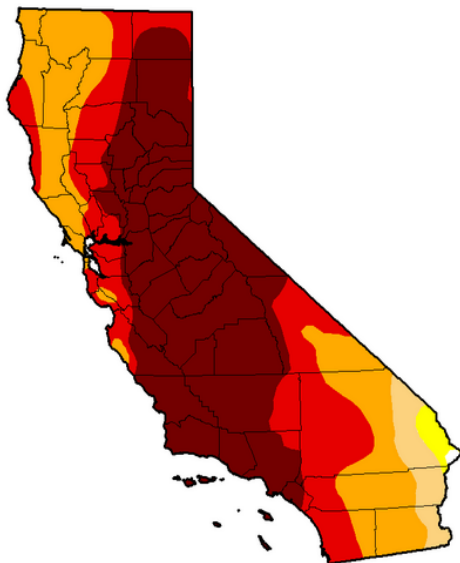
[Home](#) > [State Drought Monitor](#)

[Login](#)

U.S. Drought Monitor California

June 23, 2015
 (Released Thursday June 25, 2015)
 Valid 8 a.m. EDT

Statistics type: Traditional Percent Area Export table: [PNG](#) [CSV](#) [XLS](#)



Week	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current 2015-06-23	0.14	99.86	98.71	94.59	71.08	46.73
Last Week 2015-06-16	0.14	99.86	98.71	94.59	71.08	46.73
3 Months Ago 2015-03-24	0.15	99.85	98.11	93.44	66.60	41.41
Start of Calendar Year 2014-12-30	0.00	100.00	98.12	94.34	77.94	32.21
Start of Water Year 2014-09-30	0.00	100.00	100.00	95.04	81.92	58.41
One Year Ago 2014-06-24	0.00	100.00	100.00	100.00	76.69	32.98

Population Affected by Drought: **37,034,027**

[View More Statistics](#)

Intensity:

- D0 (Abnormally Dry)
- D2 (Severe Drought)
- D4 (Exceptional Drought)
- D3 (Extreme Drought)
- D1 (Moderate Drought)

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying [text summary](#) for forecast statements.

Author(s):

Richard Tinker, NOAA/NWS/NCEP/CPC

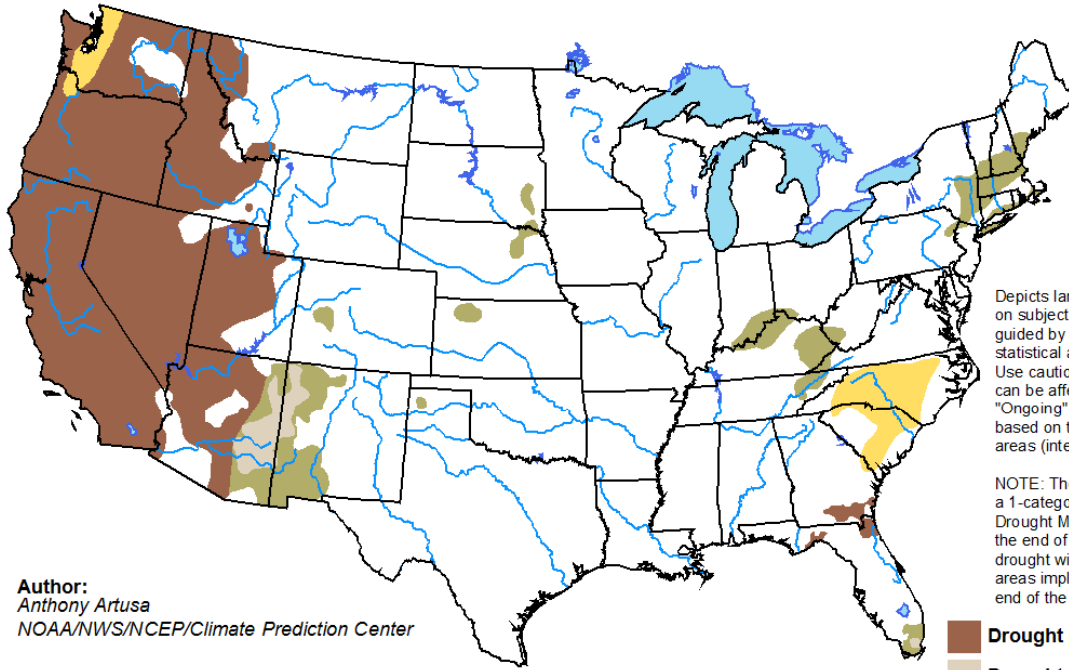
Download: [PNG](#) [PDF](#) [JPG](#)

[View drought planning resources](#)

U.S. Seasonal Drought Outlook

Drought Tendency During the Valid Period

Valid for June 18 - September 30, 2015
Released June 18, 2015



Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Use caution for applications that can be affected by short lived events. "Ongoing" drought areas are based on the U.S. Drought Monitor areas (intensities of D1 to D4).

NOTE: The tan 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).

Author:
Anthony Artusa
NOAA/NWS/NCEP/Climate Prediction Center

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



<http://go.usa.gov/hHTe>

CONFERENCE/EDUCATION SCHEDULE

Date: July 9, 2015
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)

Annual Conference and Exhibitor Showcase	September 21 - 24, 2015	Monterey
Board Secretary/Clerk Conference	October 18-20, 2015	Lake Tahoe, CA

GOLDEN STATE RISK MANAGEMENT ASSOCIATION (GSRMA)

No Information Currently Available on Upcoming Conferences.

ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA)

No Information Currently Available on Upcoming Conferences.

AMERICAN WATER WORKS ASSOCIATION (AWWA)

No Information Currently Available on Upcoming Conferences.