



RANCHO MURIETA COMMUNITY SERVICES DISTRICT REGULAR BOARD MEETING

April 17, 2019

Call to Order/Closed Session 4:00 p.m. - Open Session 5:00 p.m.

1. CALL TO ORDER/ROLL CALL

President Les Clark called the Regular Board Meeting of the Board of Directors of Rancho Murieta Community Services District to order at 4:00 p.m. in the District meeting room, 15160 Jackson Road, Rancho Murieta. Directors present were Les Clark, Linda Butler, Tim Maybee, and John Merchant. Director Randy Jenco arrived at 4:03 p.m. Also, present were Mark Martin, General Manager; Tom Hennig, Director of Administration; Jeff Werblun, Security Chief; Paul Siebensohn, Director of Field Operations; Richard Shanahan, District General Counsel; and Suzanne Lindenfeld, District Secretary.

2. CONSIDER ADOPTION OF AGENDA

Motion/Merchant to adopt the agenda. Second/Clark. Ayes: Clark, Butler, Maybee, Merchant. Noes: None. Absent: Jenco. Abstain: None.

3. BOARD ADJOURNED TO CLOSED SESSION AT 4:02 P.M. TO DISCUSS THE FOLLOWING ITEMS:

Under Government Code 54956.9(a): Conference with Legal Counsel - Anticipated Litigation - Significant Exposure to Litigation: One Potential Case.

Under Government Code 54957: Public Employee Performance Evaluation of the General Manager.

4. BOARD RECONVENED TO OPEN SESSION AT 5:26 P.M. AND REPORTED THE FOLLOWING:

Under Government Code 54956.9(a): Conference with Legal Counsel - Anticipated Litigation - Significant Exposure to Litigation: One Potential Case. No action to report back.

Under Government Code 54957: Public Employee Performance Evaluation of the General Manager. No action to report back.

5. CONSENT CALENDAR

Motion/Butler to adopt the consent calendar. Second/Merchant. Roll Call Vote: Ayes: Clark, Jenco, Butler, Maybee, Merchant. Noes: None. Absent: None. Abstain: None.

6. STAFF REPORTS

Under Agenda Item 6a, Mark Martin, General Manager, gave a brief overview of the Regional Water Authority (RWA) Legislative Advocacy Update, noting that there are now three (3) versions of the bill regarding a tax charge for water under review. At this time, not enough information is available. Hopefully a more detailed report will be given to the Board at the May 15, 2019 Regular Board meeting. Site visits were done related to the two (2) resident stormwater concerns. It is expected that a response will be prepared and sent with a copy to the Board at the May 15, 2019 and Regular Board meeting.

Director Maybee asked if District staff helps residents when there is a concern made to the District. Paul Siebensohn, Director of Field Operations, stated that when able, staff always help residents.

Director Butler asked about the status of the meeting with Office of Emergency Services (OES). Mark Martin, General Manager, gave a brief summary of the meeting with OES and stated that District's role is secondary in support of the all-risk agencies with the primary responsibility being to restore water and wastewater services. Mr. Martin is waiting for feedback on possible grant opportunities.

Under Agenda Item 6b, Tom Hennig, Director of Administration, stated that the January Bills Paid Listing has been corrected, water revenue is down due to the rains, and the District currently has a temporary Controller. Director Jenco asked about the dollar amount for approval by staff before it has to go to the Board of Directors for approval. Paul Siebensohn, Director of Field Operations, stated that per District Policy, all use of reserve funds needs to be approved by the Board. By consensus, the Board agreed to have that policy reviewed.

Under Agenda Item 6c, Director Maybee asked about the request to Rancho Murieta Association (RMA) for their top priorities of the Security Department. Mark Martin, General Manager, stated that the request has been made and staff is waiting for RMA's response.

Under Agenda item 6c, Chief Werblun stated that he has only received 4 responses back from residents regarding the Joint Security Committee survey to residents regarding their top 5 security concerns.

Under Agenda Item 6d, Paul Siebensohn, Director of Field Operations stated that pumping from the river to storage has resumed due to the stop logs being placed and gave an overview of the letter from KHovnanian Homes requesting early sewer line connects for the two (2) model homes and the agreement to accommodate this request under conditions that keep the services inactive.

7. CONSIDER CONFERENCE/EDUCATION OPPORTUNITIES

No discussion.

8. EMPLOYEE ANNOUNCEMENTS, PROMOTIONS, COMMENDATIONS, AND KUDOS

None.

9. REVIEW APRIL 2019 BOARD/COMMITTEE MEETING DATES/TIMES

No discussion.

10. CORRESPONDENCE

No discussion.

11. COMMENTS FROM THE PUBLIC

None.

12. DISCUSS COMMUNITY FACILITIES DISTRICT NO. 2014-1 DELINQUENT INSTALLMENTS

Mark Martin, General Manager, gave a brief overview of Community Facilities District (CFD) No. 2014-1 and their current delinquent parcel tax payments on parcels tied to the bond. The District currently collects the money owed through the County's Teeter System. In the event the County discontinues the Teeter program or parcels are removed from the Teeter program, the District may proceed with foreclosure proceedings.

John Sullivan, Cosumnes River Land, LLC, requested the District release \$540,000 in funds that were reserved out of the \$4,358,245 landowner obligation for a future Phase 2 expansion of the Water Treatment Plant (WTP), stating that the Phase 2 expansion was not anticipated for years and the Developer could use those funds to help pay their bond indebtedness. This request will require a second amendment to the Financial Services Agreement (FSA).

Director Merchant asked if Mr. Sullivan knows when the development will proceed. Mr. Sullivan stated that the County has requested more information: a traffic study and air quality study, before moving forward with the Environment Impact Report (EIR).

After a discussion, the Board agreed to have staff look into the impact to the District this request would have and that staff time for this is to be billed to the developer.

13. CONSIDER ADOPTION OF DISTRICT POLICY P2019-02, USE OF TOBACCO PRODUCTS DURING WORK

Mark Martin, General Manager, stated that the purpose of this Policy is to update the current Policy 2011-10. The update includes the definition of smoking per California Labor Code 6404.5 and Business and Professions Code Section 22950.5

Motion/Clark to adopt District Policy P2019-02, Use of Tobacco Products During Work. This Policy supersedes District Policy 2011-10. **Second/Merchant. Roll Call Vote: Ayes: Clark, Jenco, Butler, Maybee, Merchant. Noes: None. Absent: None. Abstain: None.**

14. RECEIVE FISCAL YEAR 2019-20 DRAFT BUDGET UPDATE

Tom Hennig, Director of Administration, gave a brief update on the FY 2019-20 budget. Adjustments since the last presentation include an increase in water treatment chemicals, increased water source of supply power costs, increased sewer operations costs, decrease of Golden State Risk Management Authority (GSRMA) dues, and a decrease in proposed temporary staff budget.

The Pun Group is continuing their review of the District's finances and anticipates their work to be completed by the end of April 2019. So far completed is the year to date payroll audit, review of all accounting, financial and payroll procedures, review of internal controls, review of CFD #2014-1 bond documents, payments, disbursements and review of administrative cost allocation plans.

Currently underway is a reserve fund analysis and recommendation; review and validation of the reversal and re-enter of allocated administrative costs; formalizing procedural changes for collection and transmission of all financial data that relates to the general ledger; complete development of and approval of report and tracking tools; train staff on the use of the new reporting tools; streamline monthly posting and close-out process; evaluate and recommend a transition plan for the new finance and accounting processes and position duties; recommend a best practice account process; and work with staff to complete the FY 2019-20 budget report by May 1, 2019.

Mr. Hennig gave an overview of the Capital Improvement and Capital Replacement Projects for FY 2019-20. These items will be included in the approval of the budget, but each item will come back to the Board for approval individually when the project begins.

Director Merchant asked staff to provide information regarding what the monthly reserve amount in the monthly billings is actually used for.

15. CONSIDER APPROVAL OF PROPOSAL FOR ENGINEERING COSTS FOR DESIGN OF THE SIX-INCH RECYCLED WATER LINE INSTALLATION FOR THE COMMERCIAL LOOP

Paul Siebensohn, Director of Field Operations, gave a brief summary of the recommendation to approve the proposal from Baker Williams Engineering to prepare a stand-alone set of improvement plans for the design of a 6-inch recycled water main, staking of the alignment for contractor construction, and easement preparation.

Motion/Jenco to approve the proposal from Baker William Engineering for engineering costs for the 6-inch recycled water line installation for commercial loop, to be paid through Coastland Engineering, in an amount not to exceed \$18,515. Funding is to come from Water Augmentation funds. **Second/Clark. Roll Call Vote: Ayes: Clark, Jenco, Butler, Maybee, Merchant. Noes: None. Absent: None. Abstain: None.**

16. CONSIDER APPROVAL OF PROPOSAL FOR SEWER LIFT STATION 6A PROGRAMMABLE LOGIC CONTROLLER (PLC) REPLACEMENT

Paul Siebensohn, Director of Field Operations, gave a brief summary of the recommendation to approve the proposal from Prodigy Electric, for lift station 6A programmable logic controller (PLC) replacement.

Motion/Jenco to approve the proposal from Prodigy Electric, for lift station 6A programmable logic controller (PLC) replacement, in an amount not to exceed \$9,200, which includes a 15% contingency. Funding to come from Sewer Replacement Reserves. **Second/Clark. Roll Call Vote: Ayes: Clark, Jenco, Butler, Maybee, Merchant. Noes: None. Absent: None. Abstain: None.**

17. DIRECTOR COMMENTS

Director Maybee commented on the graffiti in the community. Suzanne Lindenfeld stated that a paragraph is being put in the Pipeline regarding the graffiti and the clean up volunteers. Director Maybee suggested that information also be provided to RMA and RMCC. To date, the volunteers have donated 44 hours of their time cleaning up and removing graffiti around the community.

Director Maybee asked about the flooding of two (2) of the holes in the south golf course and the green water at Lost Lake. Paul Siebensohn, Director of Field Operations, stated that the flooding occurs due to the RMCC infrastructure and the water at Lost Lake is not green, it is algae and the District does weed abatement there several times a year.

Mark Martin, General Manager, stated he will be on vacation next week and Tom Hennig, Director of Administration, will be acting General Manager for that time. Paul Siebensohn, Director of Field Operations will be off April 18 – 19, 2019 and then at a conference April 22 – 25, 2019.

Chief Werblun stated that aside from the warning notices, he is working on other projects with RMA and will provide more information once completed. He also gave a brief overview of Murieta Village requesting Patrol drive down the side streets as well as the main streets. Chief Werblun informed Patrol and the first-time Patrol did, a resident from Murieta Village called and complained about Patrol going down the streets in Murieta Village.

18. ADJOURNMENT

Motion/Clark to adjourn at 7:26 p.m. **Second/Butler. Ayes: Clark, Jenco, Butler, Maybee, Merchant. Noes: None. Absent: None. Abstain: None.**

Respectfully submitted,



Suzanne Lindenfeld
District Secretary