



## RANCHO MURIETA COMMUNITY SERVICES DISTRICT

15160 JACKSON ROAD  
RANCHO MURIETA, CALIFORNIA 95683  
916-354-3700  
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### AGENDA

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

#### REGULAR BOARD MEETING

**MAY 15, 2019**

Call to Order/Closed Session 4:00 p.m. and Open Session 5:00 p.m.  
District Administration Building – Board Room  
15160 Jackson Road  
Rancho Murieta, CA 95683

*Director Linda Butler will participate in Agenda Item 12 of this meeting by teleconference in accordance with Government Code section 54953(b). The teleconference location is 15043 Magno Court, Rancho Murieta, California 95683. This location is accessible to the public, and members of the public may listen to the meeting and address the Board of Directors from the teleconference location.*

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#### BOARD MEMBERS

Les Clark	President
Randy Jenco	Vice President
Linda Butler	Director
Tim Maybee	Director
John Merchant	Director

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#### STAFF

Mark Martin	General Manager
Richard Shanahan	District General Counsel
Suzanne Lindenfeld	District Secretary
Tom Hennig	Director of Administration
Jeff Werblun	Security Chief
Paul Siebensohn	Director of Field Operations

# RANCHO MURIETA COMMUNITY SERVICES DISTRICT

May 15, 2019

## REGULAR BOARD MEETING

Call to Order/Closed Session 4:00 p.m. and 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

- |  | ESTIMATED RUNNING TIME |
|--|------------------------|
| <b>1. CALL TO ORDER</b> - Determination of Quorum – President Clark ( <b>Roll Call</b> )   | 4:00                   |
| <b>2. CONSIDER ADOPTION OF AGENDA</b> ( <i>Motion</i> )<br><i>The Board will discuss items on this agenda, and may take action on those items, including informational items and continued items. The Board may also discuss other items that do not appear on this agenda but will not act on those items unless action is urgent, and a resolution is passed by a two-thirds (2/3) vote declaring that the need for action arose after posting of this agenda.</i><br><br><i>The running times listed on this agenda are only estimates and may be discussed earlier or later than shown. At the discretion of the Board, an item may be moved on the agenda and or taken out of order. <b>TIMED ITEMS</b> as specifically noted, such as Hearings or Formal Presentations of community-wide interest, will not be taken up earlier than listed.</i> |                        |
| <b>3. CLOSED SESSION</b><br><i>Under Government Code section 54956.9: Conference with Legal Counsel Regarding Anticipated Litigation – Significant Exposure to Litigation Involving One Potential Case Pursuant to Government Code Section 54956.9 (e)(2).</i><br><br><i>Under Government Code 54957: Public Employee Performance Evaluation of the General Manager.</i>   |                        |
| <b>4. OPEN SESSION/REPORT ACTION FROM CLOSED SESSION</b>   | 5:00                   |
| <i>The Board will discuss items on this agenda, and may take action on those items, including informational items and continued items. The Board may also discuss other items that do not appear on this agenda but will not act on those items unless action is urgent, and a resolution is passed by a two-thirds (2/3) vote declaring that the need for action arose after posting of this agenda.</i><br><br><i>The running times listed on this agenda are only estimates and may be discussed earlier or later than shown. At the discretion of the Board, an item may be moved on the agenda and or taken out of order. <b>TIMED ITEMS</b> as specifically noted, such as Hearings or Formal Presentations of community-wide</i>  |                        |
| <b>5. CONSENT CALENDAR</b> ( <i>Motion</i> ) ( <b>Roll Call Vote</b> ) (5 min.) <i>All 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 and Committee Meeting Minutes
    - 1. April 17, 2019 Regular Board Meeting Minutes
    - 2. May 1, 2019 Special Board Meeting Minutes
    - 3. May 2, 2019 Security Committee Meeting Minutes
    - 4. May 7, 2019 Improvements Committee Meeting Minutes
    - 5. May 8, 2019 Finance Committee Meeting Minutes
  - B. Approval of Bills Paid Listing
- 6. STAFF REPORTS** (Receive and File)
- A. General Manager’s Report
  - B. Administration/Financial Report
  - C. Security Report
  - D. Utilities Report
- 7. CONSIDER CONFERENCE/EDUCATION OPPORTUNITIES** (Discussion/Action) (Motion)
- A. President Clark Awarded the SDLF Kohnen Scholarship
- 8. EMPLOYEE ANNOUNCEMENTS, PROMOTIONS, COMMENDATIONS, AND KUDOS**
- 9. REVIEW DISTRICT MEETING DATES/TIMES FOR JUNE 2019**
- A. Personnel – June 4, 2019 @ 7:30 a.m.
  - B. Improvements June 4, 2019 @ 8:30 a.m.
  - C. Finance – June 6, 2019 at 8:30 a.m.
  - D. Communications – June 6, 2019 at 9:30 a.m.
  - E. Security – June 6, 2019 at 10:30 a.m.
  - F. Regular Board Meeting – June 19, 2019 - Open Session at 5:00 p.m.
- 10. CORRESPONDENCE**
- A. Correspondence from Myrna Solomon
  - B. Correspondence from Jim and Kelly Crowder
  - C. Correspondence from Jane Hall
- 11. COMMENTS FROM THE PUBLIC**
- Members of the public may comment on any item of interest within the subject matter jurisdiction of the District and any item specifically agendaized. Members of the public wishing to address a specific agendaized item are encouraged to offer their public comment during consideration of that item. With certain exceptions, the Board may not discuss or take action on items that are not on the agenda.*
- If you wish to address the Board at this time or at the time of an agendaized item, as a courtesy, please state your name and address. Speakers presenting individual opinions shall have 3 minutes to speak. Speakers presenting opinions of groups or organizations shall have 5 minutes per group.*

12. **CONSIDER REQUEST BY DEVELOPER TO UTILIZE \$540,000 PHASE 2 WATER TREATMENT PLANT RESERVED FUNDS AS A ONE-TIME SOURCE TO COVER A PORTION OF MELLO-ROOS CFD NO. 2014-1 SPECIAL TAX DELINQUENCIES ON SELECTED PARCELS** (Discussion/Action) (Motion) **(Roll Call Vote)** (15 min.)
13. **PRESENTATION AND DISCUSSION OF GENERAL MANAGER'S ACTION PLANS** (Discussion/Action) (10 min.)
14. **CONSIDER APPROVAL OF CO-OP INTERNSHIP PROGRAM HOURLY PAY RATE** (Discussion/Action) (Motion) **(Roll Call Vote)** (5 min.)
15. **CONSIDER APPROVAL OF ANNUAL FINANCIAL AUDIT ENGAGEMENT LETTER** (Discussion/Action) (Motion) (5 min.)
16. **CONSIDER ADOPTION OF RESOLUTION R2019-04 APPROVING THE PROPOSED BUDGET FOR FISCAL YEAR 2019/2020, INCLUDING CAPITAL PROJECTS** (20 min.)
  - A. Presentation by Staff
  - B. Public Comment on the 2019-20 Budget, Including Capital Projects
  - C. Board Discussion/Adoption of Resolution R2019-04, a Resolution Approving the Proposed Budget for Fiscal Year 2019-20, Including Capital Projects (Discussion/Action) (Motion) **(Roll Call Vote)**
17. **PUBLIC HEARING TO CONSIDER ADOPTION OF THE PROPOSED SERVICE CHARGE INCREASES AND SPECIAL TAX ADJUSTMENTS** (10 min.) (Time is approximate but will not be conducted before 6:00 p.m.)
  - A. Presentation by Staff.
  - B. The Board President will open the Public Hearing for public comment on Ordinance O2019-01, 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 and Chapter 16A of the District Code Relating to Drainage Tax; Amending Chapter 21 of the District Code Relating to Security tax; and Amending Chapter 31 of the District Code Relating to Solid Waste Collection and Disposal service charges.
  - C. The Board President will close the Public Hearing on Ordinance O2019-01, 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 and Chapter 16A of the District Code Relating to Drainage Tax; Amending Chapter 21 of the District Code Relating to Security tax; and Amending Chapter 31 of the District Code Relating to Solid Waste Collection and Disposal service charges.
  - D. Board Discussion/Introduction of Ordinance O2019-01, 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 16 and Chapter 16A of the District Code Relating to Drainage Tax; Amending Chapter 21 of the District Code Relating to Security tax; and Amending Chapter 31 of the District Code Relating to Solid Waste Collection and Disposal service charges. (Discussion/Action) (Motion) **(Roll Call Vote)**



## 18. DIRECTOR COMMENTS/SUGGESTIONS

*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.*

## 19. ADJOURNMENT (Motion)

"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 May 10, 2019. Posting locations are: 1) District Office; 2) Rancho Murieta Post Office; 3) Rancho Murieta Association; 4) Murieta Village Association.



## 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



## RANCHO MURIETA COMMUNITY SERVICES DISTRICT SPECIAL BOARD MEETING

May 1, 2019

Call to Order/Open Session 8:00 a.m.

### 1. CALL TO ORDER/ROLL CALL

President Les Clark called the May 1, 2019 Special Board Meeting of the Board of Directors of Rancho Murieta Community Services District to order at 8:00 a.m. at the Rancho Murieta Community Services District Board Room at 15160 Jackson Road, Rancho Murieta. Directors present were Les Clark, Linda Butler, Tim Maybee and John Merchant. Director Randy Jenco was absent. Also, present were Mark Martin, General Manager; Tom Hennig, Director of Administration; Jeff Werblun, Security Chief; Paul Siebensohn, Director of Field Operations; and Suzanne Lindenfeld, District Secretary.

### 2. ADOPT AGENDA

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

### 3. COMMENTS FROM THE PUBLIC

No comments.

### 4. CONSIDER APPROVAL OF REVISION TO HIGHWAY 16 BORE AND CASING INSTALLATION AGREEMENT

Mark Martin, General Manager, gave a brief summary of the recommendation to approve the revision to the Facilities Extension and Reimbursement Agreement with Cosumnes River Land, LLC, (CRL). The Board approved an expanded Facilities Extension and Reimbursement Agreement on February 27, 2019. On February 28, 2019, the agreement was forwarded to CRL for signature. On April 16, 2019 CRL contacted the District with concerns about certain language in the agreement. Staff worked with the District's General Counsel to revise the agreement with language acceptable to both parties.

Due to the need for proper specification of pressure reduction options and SMUD's scheduling backlog for electrical services, these items were removed from this project's specifications and will be completed as standalone efforts in the future without the grant deadline constraints.

John Sullivan, CRL, thanked staff and the Board for getting this done in a timely manner.

**Motion/Clark to approve a revised Facilities Extension and Reimbursement Agreement with Cosumnes River Land, LLC in an amount not to exceed \$340,832 for project 1a and \$178,783 for project 1b for a revised total of \$519,615. Second/Butler. ROLL CALL VOTE: Ayes: Clark, Butler, Maybee, Merchant. Noes: None. Absent: Jenco. Abstain: None.**

Director Clark thanked staff for their efforts in getting this to the Board for approval in such a short time.

### 5. DIRECTOR COMMENTS

None.

### 6. ADJOURNMENT

**Motion/Merchant to adjourn at 8:15 a.m. Second/Maybee. Ayes: Clark, Butler, Maybee, Merchant. Noes: None. Absent: Jenco. Abstain: None.**

Respectfully submitted,

Suzanne Lindenfeld, District Secretary

## MEMORANDUM

Date: May 2, 2019  
To: Board of Directors  
From: Security Committee Staff  
Subject: May 2, 2019 Security Committee Meeting Minutes

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### 1. CALL TO ORDER

President Maybee called the meeting to order at 10:30 a.m. Present were Directors Clark and Maybee. Present from District staff were Mark Martin, General Manager; Tom Hennig, Director of Administration; Jeff Werblun, Security Chief; and Suzanne Lindenfeld, District Secretary.

### 2. COMMENTS FROM THE PUBLIC

Richard Gehr commented on his concern regarding the equestrian event that is scheduled for May 9 – 12, 2019. Chief Werblun stated that for that size of an event, they usually have their own security and/or hire off-duty Sacramento County Sheriff's Deputies. Chief Werblun will check.

### 3. MONTHLY UPDATES

Chief Werblun gave a brief overview of the operations updates, incidents of note, contract security, and the Joint Security Committee meeting.

Director Maybee stated that Rancho Murieta Association (RMA) has requested the District assist with some of the cost of tools to surveil for graffiti activities. RMA will submit such request in writing to the District for consideration.

### 4. RANCHO MURIETA ASSOCIATION ENFORCEMENT REQUESTS/PRIORITIES

Mark Martin, General Manager, stated that he is having his monthly meeting with Greg Vorster, RMA General Manager next week and hopes to get the response then.

### 5. UP-DATE ON COMMUNITY SECURITY SURVEY/MATRIX FEEDBACK ON SECURITY PRIORITIES

Chief Werblun stated that he has received three (3) responses. A reminder has been put on the District's Facebook page already along with being on the District's website. A reminder will be sent to Ranchomurieta.com and to RMA to post.

### 6. DIRECTOR & STAFF COMMENTS

Director Clark commented on RMA requesting the District help in paying for cameras and their draft emergency plan to go out for review soon. Mark Martin, General Manager, gave an overview of the email sent to RMA this morning regarding the information gathered from the meeting with the County's OES representative.

Director Clark commented on a few months ago when a Gate Officer's comments appeared to be discouraging to a potential new resident to the community. Chief Werblun stated that he is aware of the situation and it has already been addressed.

### 7. ADJOURNMENT

The meeting adjourned at 11:16 a.m.



# MEMORANDUM

Date: May 7, 2019  
To: Board of Directors  
From: Improvements Committee Staff  
Subject: May 7, 2019 Improvements Committee Meeting Minutes

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## 1. CALL TO ORDER

Director Clark called the meeting to order at 8:30 a.m. Present were Directors Clark and Jenco. Present from District staff were Mark Martin, General Manager; Tom Hennig, Director of Administration; Paul Siebensohn, Director of Field Operations; and Suzanne Lindenfeld, District Secretary.

## 2. PUBLIC COMMENT

None.

## 3. MONTHLY UPDATES

Paul Siebensohn, Director of Field Operations, gave an overview of the project updates. Murieta Gardens is finishing up utilities in the area; Murieta Gardens II drafted and Coastland Engineering approved amended plans for two (2) new water services; FAA Business Park is putting in a road cover the CIA ditch to accommodate parking for the Equestrian Center's events; bore under Highway 16 and recycled pipeline installation work has begun; Administration Building recycled water tie-in mapped out; recycled water commercial loop plans have been drafted and are awaiting approval from Coastland Engineering; the new tank has been installed at the WWRP; and TELSTAR is continuing to work through software issues with the SCADA program.

Director Jenco stated that John Sullivan has been talking about purple pipe and tying into Rancho Murieta Country Club (RMCC) for recycled water. Paul Siebensohn stated that they are not allowed due to State law and were told that when Mr. Sullivan asked the District about this previously. Director Jenco stated that Mr. Sullivan has talked about it over the last few weeks. President Clark directed Mark Martin, General Manager, to send out a reminder notice to Mr. Sullivan and RMCC.

## 4. ADDING CHAPTER 17, SECTION 7.04 INSTALLATION FEE TO DISTRICT CODE (RECYCLED WATER)

Mark Martin, General Manager, gave an overview of the proposal to add section 7.04 Installation Fee to District Code, Chapter 17, Recycled Water Code to allow the District to collect fees related to the installation of recycled water meters. Staff conducted an updated analysis of the labor and materials costs related to recent water meter installations and confirmed the cost basis for installation of recycled water meters based on expected labor and materials costs. ***This item will be on the June 19, 2019 Board Meeting agenda.***

## 5. FY 2019-20 CIP/CRP REVIEW

Paul Siebensohn, Director of Field Operations, gave an overview of the proposed CIP/CRP projects for the FY 2019-20 budget. Those projects include: replace Calero subdrain panels, replace truck 217, WTO #1 Effluent pump rehab, distribution system dry-barrel fire hydrant replacements, re-power Sewer Jetter, North Course Hole 14 culver replacement, and creating water right to capture stormwater into wastewater storage. These projects will be presented to the Board in the FY 2019-20 budget.

## **6. DIRECTORS & STAFF COMMENTS/SUGGESTIONS**

Paul Siebensohn stated Rancho Murieta Association (RMA) approached the District to cover some of the costs for the road work needed on Colbert Drive. At this time, there is no immediate concerns or safety issues.

Mark Martin, General Manager, stated that he is working on a response to Mr. Zieour and should have it out in the next two (2) weeks.

President Clark asked that CIP/CRP projects be tied back into the original project number. Staff confirmed this is currently being reported.

## **7. ADJOURNMENT**

The meeting was adjourned at 9:23 a.m.

DRAFT

# MEMORANDUM

Date: May 8, 2019  
To: Board of Directors  
From: Finance Committee Staff  
Subject: May 8, 2019 Finance Committee Meeting Minutes

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## 1. CALL TO ORDER

Director Merchant called the meeting to order at 9:00 a.m. Present were Directors Merchant and Maybee. Present from District staff were Mark Martin, General Manager; Tom Hennig, Director of Administration; Jeff Werblun, Security Chief; Paul Siebensohn, Director of Field Operations; and Suzanne Lindenfeld, District Secretary.

## 2. COMMENTS FROM THE PUBLIC

None.

## 3. BUDGET REVIEW

Tom Hennig, Director of Administration, gave an update on the FY 2019-20 budget. Changes to the budget since April 4, 2019 include: an increase in water treatment chemical costs, increase in water source of supply power costs, increase in sewer operations, decrease in GSRMA coverage costs, and a decrease in use of temporary staff. General Finance updates include being in the process of hiring new Controller, working with Pun Group on developing/updating accounting practices and procedures, continuing use of temporary staff, hiring of UOP CO-OP intern. A discussion followed. The final budget will be presented at the May 15, 2019 Regular Board meeting. ***This item will be on the May 15, 2019 Regular Board Meeting agenda.***

## 4. REVIEW DISTRICT FINANCIAL REPORT IMPROVEMENTS CONSULTING WORK

Tom Hennig, Director of Administration, gave an overview of the progress the Pun Group has made regarding the review of the District's financial reporting processes and procedures. The internal controls are solid, but the processes are labor intensive which can be improved. Due to some difficult circumstances and complexity of issues encountered, staff plans to bring to the May 15, 2019 Board meeting, a cost proposal and scope to expand consulting services to wrap-up financial operations review and recommendations. ***This item will be on the May 15, 2019 Regular Board Meeting agenda.***

Director Merchant asked staff to present a list of all the currently known fixes and the costs to the Board for review. Director Maybee asked that it include a timeline and any additional work and costs that the Pun Group may need to finish their review.

Director Merchant asked why these concerns were not mentioned by the auditor. Tom Hennig stated that that is not the auditor's responsibility to address procedures.

Mark Martin, General Manager, thanked all staff for the work they have put in to assist with this project: Tom Hennig, Chief Werblun, Paul Siebensohn, Debby Bradberry, Tonya Perez, Maimie Chyinski, and Suzanne Lindenfeld.

## **5. UOP CO-OP INTERN RATE OF PAY**

Tom Hennig, Director of Administration, gave a brief summary of the recommendation to approve the UOP CO-OP Internship program pay rate of \$20.00 an hour. The duties of the Intern will be to support a variety of the District operations based on needs and the availability of a specific CO-OP Intern skill set. The first intern will be focusing on scanning escrow files into the document management system and updating operational procedures. ***This item will be on the May 15, 2019 Regular Board Meeting agenda.***

## **6. DISCUSS USE OF WTP EXPANSION DEPOSIT FOR DELINQUENT INSTALLMENTS OF CFD #2014-1**

Mark Martin, General Manager, gave an overview of the request from John Sullivan for the District to direct \$540,000 in funds that are reserved as landowner obligation for a future Phase 2 expansion of the water Treatment Plant (WTP) as a one-time source of funds to pay off direct levy delinquencies for selected CFD 2014-1 parcels. Staff would like the Board to weigh in on whether to proceed and commit significant District resources and moneys on the required analyses and legal review. ***This item will be on the May 15, 2019 Regular Board Meeting agenda.***

## **7. DIRECTORS & STAFF COMMENTS/SUGGESTIONS**

None.

## **8. ADJOURNMENT**

The meeting was adjourned at 10:06 a.m.

DRAFT

## MEMORANDUM

Date: May 10, 2019  
To: Board of Directors  
From: Tom Hennig, Director of Administration  
Subject: Bills Paid Listing

Enclosed is the Bills Paid Listing Report for April 2019. 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 for April (excluding payroll-related items) are listed *in order as they appear* on the Bills Paid Listing Report:

<u>Vendor</u>	<u>Project / Purpose</u>	<u>Amount</u>	<u>Funding</u>
AppleOne Employment Services	Contract Staffing – Admin	\$5,583	Operating Expense
California Waste Recovery Sy	Solid Waste Monthly Contract	\$49,217	Operating Expense
Prodigy Electrical Controls	Repairs & Maintenance	\$8,665	Capital Replacement
AccountTemps	Contract Staffing - Admin	\$2,040	Operating Expense
Coastland Engineering	Engineering Services	\$11,462	Operating Expense
Golden State Flow Meas	Meters	\$13,089	Operating Expense
GSRMA	Insurance	\$55,589	Operating Expense
SMUD	Purchased Power	\$22,805	Operating Expense
Southwest Valve	Repairs & Maintenance	\$16,251	Operating Expense
Telstar Instruments	Repairs & Maintenance	\$89,479	Capital Replacement

PREPARED BY: Tom Hennig, Director of Administration

REVIEWED BY:  District Treasurer



**Rancho Murieta Community Services District**  
**Bills Paid Listing for April 2019**

CHECK	Date	Vendor	Amount	Purpose
ACH	4/1/2019	CalPERS	38,112.52	Monthly Medical
CM34555	4/5/2019	A Leap Ahead IT	\$4,418.06	IT Support
CM34556	4/5/2019	American Family Life Assurance Co.	\$383.19	Payroll
CM34557	4/5/2019	Apple One Employment Services	\$5,582.88	Contract Staffing - Admin
CM34558	4/5/2019	Aramark Uniform & Career Apparel, LLC	\$403.40	Uniform Service - Water
CM34559	4/5/2019	Brower Mechanical, Inc	\$591.00	Quarterly Maintenance
CM34560	4/5/2019	California State Disbursement Unit	\$79.26	Payroll
CM34561	4/5/2019	California Waste Recovery Systems	\$49,216.52	Solid Waste Contract
CM34562	4/5/2019	Chrysler Capital	\$156.80	Security Vehicle Lease
CM34563	4/5/2019	Corrpro Companies, Inc.	\$725.00	Annual Inspection
CM34564	4/5/2019	County of Sacramento	\$601.00	Permit
CM34565	4/5/2019	Ditch Witch West	\$187.00	Repairs & Maintenance
CM34566	4/5/2019	ECS House Industries, Inc.	\$252.22	Repairs & Maintenance
CM34567	4/5/2019	Fastenal	\$1,803.77	Repairs & Maintenance
CM34568	4/5/2019	Ferguson Enterprises, Inc 1423	\$82.97	Repairs & Maintenance
CM34569	4/5/2019	Guardian Life Insurance	\$5,472.16	Monthly Dental Insurance
CM34570	4/5/2019	Hach Company	\$1,642.31	Repairs & Maintenance
CM34571	4/5/2019	Holt of California	\$12.93	Repairs & Maintenance
CM34572	4/5/2019	Lee's Automotive Repair Inc	\$50.56	Vehicle Service
CM34573	4/5/2019	Legal Shield	\$11.95	Payroll
CM34574	4/5/2019	Nationwide Retirement Solution	\$2,380.00	Payroll
CM34575	4/5/2019	Office Depot, Inc.	\$199.97	Supplies
CM34576	4/5/2019	Onsolve, LLC	\$5,000.00	Code RED 4/8/19-4/7/20
CM34577	4/5/2019	Operating Engineers Local Union No. 3	\$498.42	Payroll
CM34578	4/5/2019	Pac Machine Co., Inc.	\$1,451.39	Generator Rental
CM34579	4/5/2019	PDF Tactical	\$3,165.95	Temp Staffing - Security
CM34580	4/5/2019	Prodigy Electric & Controls Inc.	\$8,665.45	Repairs & Maintenance
CM34581	4/5/2019	River City Rentals	\$201.39	Repairs & Maintenance
CM34582	4/5/2019	Romo Landscaping	\$385.00	Landscaping
CM34583	4/5/2019	Santander Leasing	\$240.00	Security Vehicle Lease
CM34584	4/5/2019	Norman Paul Morgan, (DBA) Sierra Foothill F	\$739.51	Repairs & Maintenance
CM34585	4/5/2019	Sierra Office Supplies	\$462.25	Supplies
CM34586	4/5/2019	TASC	\$98.07	Payroll
CM34587	4/5/2019	U.S. Bank Corp. Payment System	\$3,141.15	Fuel & Supplies
CM34588	4/5/2019	U.S. HealthWorks Medical Group, PC	\$98.00	Pre-Employment Screening
CM34589	4/5/2019	Vision Service Plan (CA)	\$465.62	Monthly Vision Insurance
CM34590	4/5/2019	W.W. Grainger Inc.	\$2,188.79	Repairs & Maintenance
CM34591	4/5/2019	Walker's Office Supplies, Inc	\$364.13	Supplies
CM34592	4/5/2019	Wilbur-Ellis Company	\$1,596.88	Chemicals
ACH	4/5/2019	Employment Development Dept	\$2,492.55	Payroll Tax
ACH	4/5/2019	Eldorado Savings Bank	\$8,503.29	Payroll Tax
ACH	4/5/2019	Employment Development Dept	\$10,826.52	Quarterly Payroll Tax
ACH	4/5/2019	Eldorado Savings Bank	\$50.31	Payroll Tax
ACH	4/5/2019	Employment Development Dept	\$15.89	Payroll Tax
ACH	4/10/2019	CalPERS	\$15,014.21	Classic Unfunded Liability
ACH	4/10/2019	CalPERS	\$36.75	PEPRA Unfunded Liability
ACH	4/10/2019	CalPERS	\$11,029.25	Payroll Retirement
CM34593	4/11/2019	Costco Membership	\$556.22	Supplies
CM34594	4/19/2019	A Leap Ahead IT	\$0.00	Void
CM34595	4/19/2019	A&D Automatic Gate and Access	\$0.00	Void
CM34596	4/19/2019	Accountemps	\$2,040.00	Contract Staffing - Admin
CM34597	4/19/2019	Accounting & Association Software Group	\$1,278.75	IT Support
CM34598	4/19/2019	Duloglo Enterprises Inc DBA Action Cleaning	\$1,445.00	Cleaning Service
CM34599	4/19/2019	American Family Life Assurance Co.	\$383.19	Payroll
CM34600	4/19/2019	American Water Works Association	\$315.32	Training
CM34601	4/19/2019	Apple One Employment Services	\$620.32	Contract Staffing - Admin
CM34602	4/19/2019	Applications By Design, Inc.	\$520.00	IT Support
CM34603	4/19/2019	Aramark Uniform & Career Apparel, LLC	\$276.77	Uniform Service - Water
CM34604	4/19/2019	AT&T	\$961.63	Monthly Cell Phones
CM34605	4/19/2019	Bar-Hein Co.	\$2,273.49	Repairs & Maintenance
CM34606	4/19/2019	Bartkiewicz, Kronick & Shanahan	\$0.00	Void
CM34607	4/19/2019	California Special Districts Association	\$55.00	Training
CM34608	4/19/2019	California State Disbursement Unit	\$79.26	Payroll
CM34609	4/19/2019	Caltronics Business Systems	\$1,970.08	Copier-Admin/Water



**Rancho Murieta Community Services District**  
**Bills Paid Listing for April 2019**

CHECK	Date	Vendor	Amount	Purpose
CM34610	4/19/2019	CVCWA	\$0.00	Void
CM34611	4/19/2019	Coastland Civil Engineering	\$11,462.40	Engineering Services
CM34612	4/19/2019	Dave Bunfill ( DBA) Dave Bunfill Blacktop S	\$3,700.00	Repairs & Maintenance
CM34613	4/19/2019	Ditch Witch West	\$22.70	Repairs & Maintenance
CM34614	4/19/2019	Domino Solar LTD	\$8,822.84	Purchased Power - Solar
CM34615	4/19/2019	ECS House Industries, Inc.	\$796.11	Repairs & Maintenance
CM34616	4/19/2019	Frank A. Olsen Co.	\$675.00	Repairs & Maintenance
CM34617	4/19/2019	Gallery & Barton	\$535.08	Legal Services
CM34618	4/19/2019	Golden State Flow Measurement	\$13,088.69	Meters & Boxes
CM34619	4/19/2019	GSRMA	\$55,589.13	Insurance
CM34620	4/19/2019	Greenfield Communications	\$448.99	Monthly Internet/TV
CM34621	4/19/2019	Hach Company	\$1,195.51	Repairs & Maintenance
CM34622	4/19/2019	Home Depot Credit Services	\$2,010.62	Repairs & Maintenance
CM34623	4/19/2019	Larry Bain, CPA, An Accounting Corporation	\$1,500.00	State Reporting
CM34624	4/19/2019	Lee's Automotive Repair Inc	\$3,278.73	Vehicle Service
CM34625	4/19/2019	Legal Shield	\$11.95	Payroll
CM34626	4/19/2019	Anne H Long (DBA) Marion Leasing	\$526.90	Copier - Admin
CM34627	4/19/2019	Nationwide Retirement Solution	\$2,380.00	Payroll
CM34628	4/19/2019	Operating Engineers Local Union No. 3	\$498.42	Payroll
CM34629	4/19/2019	Pitney Bowes	\$348.01	Supplies
CM34630	4/19/2019	Pitney Bowes	\$695.23	Postage Machine Lease
CM34631	4/19/2019	Public Agency Retirement Services	\$376.74	Payroll - OPEB
CM34632	4/19/2019	Rancho Murieta Association	\$150.00	Monthly Landscaping
CM34633	4/19/2019	S. M. U. D.	\$22,805.11	Purchased Power
CM34634	4/19/2019	Safety Center, Inc.	\$370.00	Training
CM34635	4/19/2019	Sierra Office Supplies	\$155.16	Supplies
CM34636	4/19/2019	Southwest Valve, LLC	\$16,251.84	Repairs & Maintenance
CM34637	4/19/2019	Sprint	\$189.95	Monthly Air Cards
CM34638	4/19/2019	State of California	\$64.00	Pre-Employment Screening
CM34639	4/19/2019	Streamline	\$300.00	Monthly Internet Host
CM34640	4/19/2019	TASC	\$70.82	Payroll
CM34641	4/19/2019	TASC	\$98.07	Payroll
CM34642	4/19/2019	Telstar Instruments, Inc.	\$89,478.90	Repairs & Maintenance
CM34643	4/19/2019	U.S. HealthWorks Medical Group, PC	\$714.50	Payroll-Other
CM34644	4/19/2019	Univar USA Inc.	\$2,116.00	Chemicals
CM34645	4/19/2019	USA Blue Book	\$1,845.71	Repairs & Maintenance
CM34646	4/19/2019	W.W. Grainger Inc.	\$357.68	Repairs & Maintenance
CM34647	4/19/2019	Walker's Office Supplies, Inc	\$1,124.99	Supplies
CM34648	4/19/2019	Zenon Environmental Corporation	\$1,923.68	Repairs & Maintenance
CM34649	4/19/2019	A Leap Ahead IT	\$3,722.38	Toughbook Security
CM34650	4/19/2019	A&D Automatic Gate and Access	\$424.38	Repairs & Maintenance
CM34651	4/19/2019	Bartkiewicz, Kronick & Shanahan	\$0.00	Void
CM34652	4/19/2019	CVCWA	\$0.00	Void
CM34653	4/19/2019	Bartkiewicz, Kronick & Shanahan	\$2,267.84	Legal Services
CM34654	4/19/2019	CVCWA	\$875.00	Membership
CM34655	4/19/2019	California Laboratory Services	\$1,005.48	Lab Tests
CM34656	4/19/2019	AT&T	\$2,726.67	Monthly Telephones
ACH	4/19/2019	Eldorado Savings Bank	\$8,915.64	Payroll Tax
ACH	4/19/2019	Employment Development Dept	\$2,577.73	Payroll Tax
ACH	4/19/2019	Eldorado Savings Bank	\$9.82	Payroll Tax
ACH	4/19/2019	Employment Development Dept	\$3.21	Payroll Tax
		<b>Total</b>	<b>470,378.88</b>	

<b>CFD 2014-1 Bank of America Checking</b>				
CM2079	4/5/2019	Corelogic Solutions, LLC	\$206.00	CFD 2014-1 Admin Cost
CM2080	4/5/2019	NBS	\$1,655.04	CFD 2014-1 Admin Cost
CM2081	4/5/2019	Wilmington Trust	\$1,800.00	CFD 2014-1 Special Tax Fund



**Rancho Murieta Community Services District**  
**Bills Paid Listing for April 2019**

CHECK	Date	Vendor	Amount	Purpose
CM2082	4/19/2019	NBS	\$213.50	CFD 2014-1 Admin Cost
CM2083	4/19/2019	Bartkiewicz, Kronick & Shanahan	\$160.00	CFD 2014-1 Legal Services
			<b>\$4,034.54</b>	
		<b><u>EL DORADO PAYROLL</u></b>		
Checks: CM11858 to CM11870 and Direct Deposits: DD10730 to DD10781			\$115,875.27	Payroll
EFT	Various	National Payment Corp	\$175.58	Payroll
		<b>TOTAL</b>	<b>\$116,050.85</b>	

PREPARED BY: Tom Henning, Director of Administration

REVIEWED BY:  District Treasurer

DRAFT

# MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** Mark Martin, General Manager  
**Subject:** General Manager's Report

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## OUTREACH/ADVOCACY

May 2, 2019 – **Prepared and Forwarded Write-up of Meeting with Roger Ince of County OES on Emergency Planning Roles to Chery McElhany and Greg Vorster of RMA** – Chief Werblun and I met with Roger Ince, Emergency Operations Coordinator for County OES in late March to ask follow-up questions on CSD's role in Emergency Operations relative to the primary role of County OES, Sac Metro Fire, and Sacramento County.

May 2, 2019 – **Outreach to Developer to Establish Monthly Development Administrative Meetings** – I reached out to John Sullivan to suggest we re-establish monthly development administrative meetings, distinct from engineering/project review meetings, to tackle fees owed and reimbursements and other administrative matters. Mr. Sullivan responded that he is supportive of these meetings. The first meeting is expected late May.

May 2, 2019 – **Regional Water Authority (RWA) Monthly Meeting** – This meeting conflicted with District's Committee meetings. Unable to attend.

May 7, 2019 – **CSD/RMA General Manager's Meeting** – Discussed Security coordination, cleanup of RMA open area adjacent to CSD managed drainage facility, possible cost sharing of pavement failures in a few spots due to possible utility subsidence.

May 8, 2019 – **Sacramento Central Groundwater Authority (SCGA) Monthly Meeting** – This meeting conflicted with District Committee meetings where the District changed the dates of our regular meetings. Unable to attend.

May 14, 2019 - **Presidents Meeting** – President Clark and I attended the Presidents meeting with RMA and RMCC. Discussions were had about organizational and volunteer response to graffiti, community response to top-five security concerns due May 31, gate access and coordination for behind the gates events, RMCC event lawn and CSD's FY 2019-20 CRP plan to replace a culvert across the 14<sup>th</sup> North fairway.

## LEGISLATIVE UPDATE

Water Tax - Governor Newsom has supported a water tax to support the concept of water as a human right to help supplement water districts struggling to provide clean water. Water agencies have strongly opposed the idea of a distributed water tax to be collected by each water district in California, arguing that such a mechanism is inefficient and negatively impacts agencies' ability to provide affordable clean water. The good news is the Senate is now taking up a new approach which rejects Newsom's proposal for a distributed tax, and instead would establish a standing State General Fund annual appropriation of \$150 million to fund efforts related to helping deficient districts with inefficient operating and maintenance funding. This item goes to Senate Budget Committee this morning for consideration.

CSDA Legislative Advocacy Days – May 21-22 – A reminder that I will be attending the California Special Districts Association (CSDA) Legislative Advocacy Days next week. Legislative priorities of the District are the maintenance of District water rights, concerns about new costly unfunded State regulations/mandates, significantly increased State permitting fees, and Accessory Dwelling Unit legislation that would impact utility agencies' ability to recover additional costs of ADU hookup and ongoing infrastructure related costs.

## MEMORANDUM

Date: May 15, 2019  
 To: Board of Directors  
 From: Tom Hennig, Director of Administration  
 Subject: Administration / Financial Update

For your review is a scaled down version of the monthly Board financial reports. This report contains a limited amount of financial reports. The reason for the lack of current financial reports remains the lack of confidence in the financial reporting software utilized by the District. In response to this critical issue, District Administration entered into a consulting agreement with The Pun Group, to provide financial accounting services. The Pun Group team (Team) began their work on Wednesday, April 3, 2019. Staff is working with the Team to establish sustainable accounting practices and procedures throughout District operations. Our goal is for this work to be completed in time to begin utilizing the new accounting management strategies before the start of the FY 2019-20 budget year.

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

**Residential Water Consumption** – Year-to-date residential water usage was approximately 7% below budget through March. 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
<b>Residences</b>	0.2%	2,542	2,542	2,542	2,543	2,545	2,545	2,546	2546	2541	2546		
	Weighted Average	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
<b>Cubic Feet</b>	1,560	2,672	2,659	2,566	1,930	1,522	797	678	584	569	837		
<b>Gallons per day</b>	396	666	663	640	481	379	199	169	146	142	209		
<b>Planned Usage GPD</b>	627												

**Commercial/Other Water Consumption** – Year-to-date commercial water usage was approximately 1% below budget. Listed below are year-to-date water consumption numbers in cubic feet.

	YTD Totals	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
<b>Commercial</b>	495,036	136,243	134,170	128,218	96,405	74,880	50,290	39,726	45,277	39,987	53,880		
<b>Parks</b>	240,537	88,540	68,739	50,519	32,739	16,480	878	501	758	602	3,561		
<b>Raw Water</b>	308,351	37,475	126,163	93,612	51,101	10,110	100	-	100	15,622	611		
<b>CSD</b>	74,863	21,501	19,548	18,782	15,032	12,703	11,057	11,663	10,925	9,269	5,330		
<b>Totals</b>	1,118,787	283,859	348,620	291,131	195,277	114,173	62,325	51,890	56,985	53,700	63,382		

**Lock-Offs** – During the month of April 2019, there were fifteen (15) lock-offs.

**Connection Fees** – There were no connection fees received in April 2019.

**Aging Report** – Accounts past due of more than sixty (60) days totals \$165,493. Of the total amount of the sixty (60) days past due, \$162,692, 98.3%, is attributed to four (4) undeveloped commercial properties. The amount due represents fees for Security, Drainage, and late payment penalties.

**Summary of Reserve Accounts as of February 28, 2019** – The District’s reserve accounts began the 2018-19 fiscal year with a balance of \$5,825,224 and have a net increase of \$280,876 through the end of February 2019. Staff continues to validate all reserve contributions and expects there will be additional adjustments as we continue to identify past practices for allocation of monthly interest and sales revenue. Staff is also working to complete a detailed analysis of all reserve funds and plans to prepare a report for the June Board meeting.

**Reserve Fund Balances**

<i>Reserve Descriptions</i>	<i>Fiscal Yr Beg Balance July 1, 2018</i>	<i>YTD Collected &amp; Interest Earned</i>	<i>YTD Spent</i>	<i>Period End Balance Feb 28, 2019</i>
Water Capital Replacement (200-2505)	1,375,775	136,437	78,981	1,433,231
Sewer Capital Replacement (250-2505)	2,745,922	250,039	98,476	2,897,485
Drainage Capital Replacement (260-2505)	108,771	21,103	507	129,366
Security Capital Replacement (500-2505)	121,869	30,773	16,354	136,288
Admin Capital Replacement (xxx-2505-99)	87,096	75	(0)	87,171
Sewer Capital Improvement Connection (250-2500)	4,134	68	19	4,183
Capital Improvement (xxx-2510)	349,075	28,608	13,710	363,972
Water Supply Augmentation (200-2511)	1,744,938	71,007	22,509	1,793,436
WTP Construction Fund Reserve (200-2513)	(702,387)	130,700	157,258	(728,945)
Security Impact Fee Reserves (500-2513)	(9,969)	1,246	1,364	(10,087)
<b>Total Reserves</b>	<b>5,825,224</b>	<b>670,056</b>	<b>389,178</b>	<b>6,106,100</b>

**Inter-fund Borrowing Balances**

<i>Inter-fund Borrowing</i>	<i>Fiscal Yr Beg Balance July 1, 2018</i>	<i>YTD Interest</i>	<i>YTD Repayment</i>	<i>Period End Balance Feb 28, 2019</i>
WTP Construction Loan from Sewer	996,749	13,826	93,700	903,050
WTP Construction Loan from WSA	332,250	4,609	31,227	301,022
Security N. Gate Loan from Drainage Fund	40,367	484	15,224	25,143
<b>Total Inter-fund Borrowing</b>	<b>1,369,366</b>	<b>18,919</b>	<b>140,151</b>	<b>1,229,215</b>

**Budget to Actual Comparison Details (year-to-date through February 28, 2019)**

**Revenues**

- Water Charges, year-to-date, are **below** budget \$46,562 or (0.03%)
- Sewer Charges, year-to-date, are **above** budget \$955 or 0.001%
- Drainage Charges, year-to-date, are **below** budget \$1,352 or (0.06%)
- Solid Waste Charges, year-to-date, are **above** budget \$3,838 or 0.009%
- Security Charges, year-to-date, are **below** budget \$1,149 or (0.002%)

### Expenses

Expense details are not available for this report due to unplanned issues with the -modifications to our reporting software. We have elected to hold back on publishing financial information we do not feel is accurate. These issues are being addressed by staff and are being elevated to a higher priority through a consulting contract with The Pun Group.

### ***Finance Committee Update***

During the May 8, 2019, Finance Committee meeting, staff was requested to develop an agreement with The Pun Group for additional services beyond the financial accounting services work currently nearing completion. This additional agreement would be designed to allow the District to utilize the expertise of The Pun Group to complete the transition to current governmental accounting standards. Because the current work is not yet completed, staff and The Pun Group agreed to delay initiation of a second project. Staff will return to the Board in June to recommend a workplan to accomplish this work.



# MEMORANDUM

**Date:** May 7, 2019  
**To:** Board of Directors  
**From:** Jeffery Werblun, Security Chief  
**Subject:** Security Update for April 2019

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## OPERATIONS

April 2, 2019, I attended the Neighborhood Watch Meeting at the Rancho Murieta Association (RMA) building. There were 17 residents in attendance. Patrol Officer Arino and I were there along with three (3) representatives from the Sacramento County Sheriff's Department (SSD). An overview of the Neighborhood Watch Program was discussed along with some examples of success stories of communities starting up programs. The process was explained in detail to the residents on the next steps to take if they are interested in a program in their neighborhood. A period of questions and discussion followed. The meeting lasted an hour and a half.

April 16, 2019, Mark Martin, General Manger, and I attended a training sponsored by the Regional Water Authority (RWA) and presented by the Citrus Heights Police Dept. The topic was "Active Shooter and Workplace Violence Prevention." Good information was given on an unfortunate but relevant topic. I will be doing a presentation based on this to District staff.

April 23, 2019, Patrol Sergeant Tompkins and I interviewed for the vacant Patrol Officer position. I have advanced the candidate for the next step in the hiring process.

April 26, 2019, Patrol Sergeant Tompkins and I attended the annual Law Enforcement and Emergency Services Open House at the Deer Creek Hills property, hosted by the Sacramento Valley Conservancy. This is the third year I have attended this meeting. Members from Metro Fire, Cal-Fire Law Enforcement, State Parks, local ranchers, District Security, and the Conservancy attended the meeting. The gathering is an annual networking meeting held at the Deer Creek Hills Corral. It is an open discussion with issues that affect the local area; such as trespassing, illegal fires, dumping of trash and stolen cars, parties including illegal rave parties, theft, vandalism etc. The area behind Lake Calero borders the Conservancy and trespassing and illegal fires impact the Rancho Murieta area.

Volunteers have spent approximately 44 hours on graffiti cleanup around the community.

## INCIDENTS OF NOTE

April 8, 2019, the Lago outbound gate arm was discovered severely damaged. I responded and determined it could not be put back into place; it was damaged beyond repair. The on-duty gate officer did not see who or what hit the gate arm. I reviewed videotape and discovered that the RMA street sweeper drove through the gate and stopped just outside the gate. The arm lowered into the closed position. The street sweeper backed up into the gate arm and caused the damage. The street sweeper drove off, presumably unaware the damage occurred. I contacted RMA Maintenance Supervisor Rod Hart. I sent him the photos I took and the video of the incident. RMA will pay for a new gate arm.

April 10, 2019, I received a phone call from an SSD Homicide Detective looking for information. He was working a case that occurred in 2018 where the victim was possibly in Rancho Murieta just before her death. I assisted him with a records check looking for names and any relationship, if any, to Rancho Murieta. Investigation is ongoing.

April 18, 2019, Around 0600 hours, the local Federal Bureau of Investigation (FBI) office conducted a search warrant at a residence on the South related to a lengthy investigation. Investigation ongoing.

April 26, 2019, 2100 hours on De La Cruz. Security received a report that a black car was speeding. Words were exchanged between the driver of the car and the reporting party (RP) who was in a golf cart. RP says the driver in the car intentionally tried to hit him with his car. California Highway Patrol (CHP) was called and is investigating. April 29, 2019, CHP asked for our help in trying to identify the suspect vehicle involved. Sergeant Tompkins reviewed video tape from the North Gate. I reviewed video and license plate reader video as well. We identified a potential suspect and vehicle information which was passed on to CHP.

### **RANCHO MURIETA ASSOCIATION COMPLIANCE MEETING**

My participation was canceled this month at the request of the RMA.

### **CONTRACT SECURITY**

We are still using PDF on a limited basis for the gate and patrol.

### **JOINT SECURITY MEETING**

Thus far I have received seven (7) responses from residents on the Top 5 Security Concerns survey and one question about the Burns and McDonnell survey itself. The deadline for responses is May 31, 2019.

### **GOLF CART REGISTRATION**

Rancho Murieta Association (RMA) Non-Architectural Rules require that an approved decal is displayed on vehicles driving on the private RMA streets, including golf carts and low speed vehicles. These decals can be used to identify lost, disabled or stolen carts.

1. Rancho Murieta Country Club (RMCC) decal. All RMCC members are required to register their golf carts with the Country Club.
2. Rancho Murieta Community Services District (District) decal. All owners of golf carts and Neighborhood Electric Vehicles (NEVs) can obtain a yellow, numbered District decal; the decals may be obtained at the South Gate. There is no charge for a yellow District cart decal.

All golf carts and NEVs can obtain a barcode decal following the same procedure used to obtain a barcode decal for vehicles. A barcode is only needed for those vehicles driving across Jackson Road.

Rancho Murieta Country Club members have decals on their golf carts and pay a monthly fee to drive their carts on the courses.

Carts in Murieta Village and the commercial areas should have a decal issued by the District, primarily to help identify the vehicles in case they are lost or stolen. Contact the South Gate 354-3743 if you have questions.

**2019 RMA Rule Violation Citations by CSD**

<b>Violation</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Total</b>
Back Area w/o Resident				1									1
Basketball Standard													
Commercial Vehicle Signage													
Construction Hours/Days													
Curfew													
Driveway Parking	30	5	2										37
Fishing License/Fish & Wildlife													
Guest Parking													
Loose/Off Leash Dog		1											1
Motorcycle North Streets													
Overloaded Golf Cart													
Overnight Street Parking	7	9											16
Park Hours													
Speeding	39	39	5	4									87
Stop Sign	6	7	1	1									15
Unauthorized Vehicle													
Unlicensed Driver													
Unsafe Driving	1												1
Intereference													
Parking Citations			12	13									25
<b>Total</b>	<b>83</b>	<b>61</b>	<b>20</b>	<b>19</b>									<b>183</b>

## Rancho Murieta Association

### Violation Item Summary Report -- 2019

(This report includes RMA and CSD issued violations)

Violation Item Summary Report	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>Motor vehicle violations:</b>													
Motorcycle													0
No drivers license			2										2
Speeding	38	32	28	27									125
Speeding - twice speed limit													0
Stop signs	19	7	7	0									33
Use of streets													0
<b>Parking:</b>													
Driveway parking	36	16	18	8									78
Guest parking	6	7	1	9									23
Overnight street parking	2	6	7	13									28
Unauthorized Vehicle (24 hr pass)			2	5									7
Accumulation/dumping of debris													0
Advertising signs													0
Barbeques, open fires, bonfires													0
<b>Carrying passengers/overloaded cart</b>													0
Clothes lines													0
Commercial vehicle lettering													0
Construction overnight parking													0
Park hours / curfew													0
Decorative lights													0
Discharge of firearm													0
Dog park investigations													0
Dwelling exterior alterations													0
Failure to identify													0
Fences, screens & enclosures													0
<b>Guest w/o resident in comm areas</b>				1									1
Home business activities		1											1
Noxious activities													0
Open garage doors													0
Pets - off leash / teathered / noise													0
Property maintenance				22									22
Sign rules													0
Skating in common area													0
Sports equip/trampoline/basketball													0
Storage of building materials													0
Stored vehicles	1	5		2									8
Trash containers													0
Use of common areas & facilities													0
Vandalism													0
Vehicle repair or maintenance													0
Village/Villas violations													0
Working days & hours													0
<b>Total Violations</b>	<b>102</b>	<b>74</b>	<b>65</b>	<b>87</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>328</b>
Citations written by RMCSD	81	44	30	12									167
Citations written by RMA	21	30	35	75									161
<b>Total Violations</b>	<b>102</b>	<b>74</b>	<b>65</b>	<b>87</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>328</b>



## Rancho Murieta Community Services District

### RMA Rule Violation Sections Enforced by RMCS Security Department

RULE I SECTION 5: IDENTIFICATION

RULE I SECTION 6: INTERFERENCE WITH CSD/RMA EMPLOYEE

RULE II SECTION 1: USE OF STREETS

RULE II SECTION 2: UNLICENSED DRIVER

RULE II SECTION 3: SPEED LIMIT VIOLATION

RULE II SECTION 4: ENHANCED SPEED

RULE II SECTION 5: STOP SIGN VIOLATION

RULE II SECTION 6: BUS STOP

RULE II SECTION 8: NO BARCODE

RULE II SECTION 9: TRAILERS AND COMMERCIAL VEHICLE PARKING

RULE II SECTION 10: OVERNIGHT STREET PARKING

RULE II SECTION 11: STORING OF VEHICLES

RULE II SECTION 12: MOTOR VEHICLE REPAIRS

RULE II SECTION 14: CARRYING OF PASSENGERS

RULE II SECTION 15: UNAUTHORIZED VEHICLES, NO 24 HR. PASS

RULE III SECTION 2: UNLEASHED PETS

RULE III SECTION 5: PET NOISE

RULE VI SECTION 1: COMMERCIAL SIGNAGE

RULE VII SECTION 6: BASKET BALL STANDARDS

RULE VII SECTION 9: NOXIOUS ACTIVITIES

RULE IX SECTION 1: GUEST WITHOUT RESIDENT

RULE IX SECTION 2: SWIMMING IN CHESBRO/CALERO

RULE IX SECTION 3: PARK HOURS

RULE IX SECTION 5: FISHING VIOLATIONS

RULE IX SECTION 6: FIREWORKS

RULE IX SECTION 8: SKATEBOARDING/SCOOTERS

RULE IX SECTION 9: CURFEW

RULE IX SECTION 10: VANDALISM

RULE XIII SECTION 1: DRIVEWAY PARKING

ARTICLE VII SECTION 12(B): GUEST PARKING

ARTICLE VII SECTION 13: BON FIRE

**2019 RMA Rule Violation Warnings by CSD**

<b>Violation</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Total</b>
Back Area w/o Resident				1									1
Basketball Standard													
Barking Dog	14	10	9	11									44
Open Garage Doors		1	6	8									15
Curfew													
Driveway Parking													
Fishing License/Fish & Wildlife				2									2
Guest Parking													
Loose/Off Leash Dog	8	4	13	2									27
Motorcycle North Streets				1									1
Overloaded Golf Cart													
Overnight Street Parking			3										3
Park Hours	1			3									4
Speeding	12		5	4									21
Stop Sign	3	1	1										5
Unauthorized Vehicle													
Unlicensed Driver	1	2	1	1									5
Unsafe Driving	5	2	5	2									14
Intereference													
Gate Refusals	16	47	29	41									133
<b>Total</b>	<b>60</b>	<b>67</b>	<b>72</b>	<b>76</b>									<b>275</b>

RANCHO MURIETA



SECURITY DEPARTMENT

## Information Bulletin

For public release,

The CSD has been exploring options to make the Pet Micro-Chip scanner reader more accessible to residents. The scanner has been available at the South Gate if a resident brought the animal to the South Gate. We have realized that for various reasons a resident may not be able to bring an animal to the South Gate to use the scanner.

Effective immediately, residents can still bring the animal to the South Gate to use the scanner, but now residents can elect to check out the scanner, take it with them and return the scanner back to the South Gate when they are done using it. We believe this will make the scanner more accessible to the community. The resident can go to the South Gate and request to check it out. The resident will have to sign an agreement form and will have to return the scanner as soon as they are done with it, no later than 60 minutes after they leave the South Gate. This will ensure the scanner is returned and available for others to use.

CSD staff will not deliver to or pick up the scanner from a resident; this is the honor system at work. Residents will have more access to the scanner, but they need to be responsible for it and return it when done. We only have one scanner so cooperation from the residents will help ensure availability for its use.

*Jeff Werblun*

Security Chief  
Rancho Murieta Community Services District  
916-354-3700  
[www.RMCSD.com](http://www.RMCSD.com)



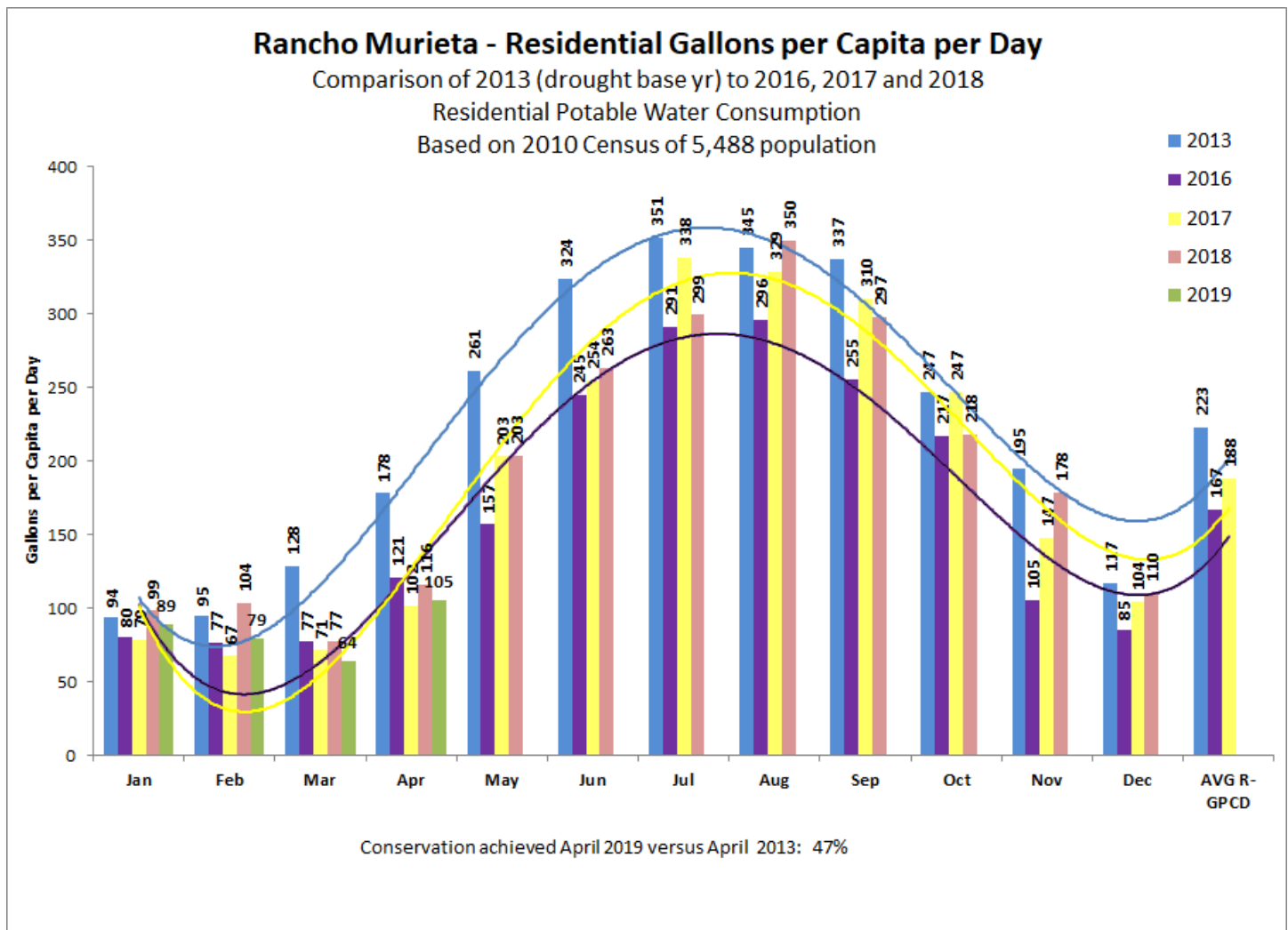
# MEMORANDUM

Date: May 10, 2019  
 To: Board of Directors  
 From: Paul Siebensohn, Director of Field Operations  
 Subject: Utilities Update Report

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

## WATER TREATMENT

Water Treatment Plant (WTP) #1 is in operation at 2.0 million gallons per day (mgd), producing an average of 1.6 mgd to meet the community's water demand. WTP #2 continues to be off until it is needed again. Total water production for April 2019 was 28.7 million gallons (88 acre-feet). Gallons per capita per day for April was 95 vs 178 in 2013.



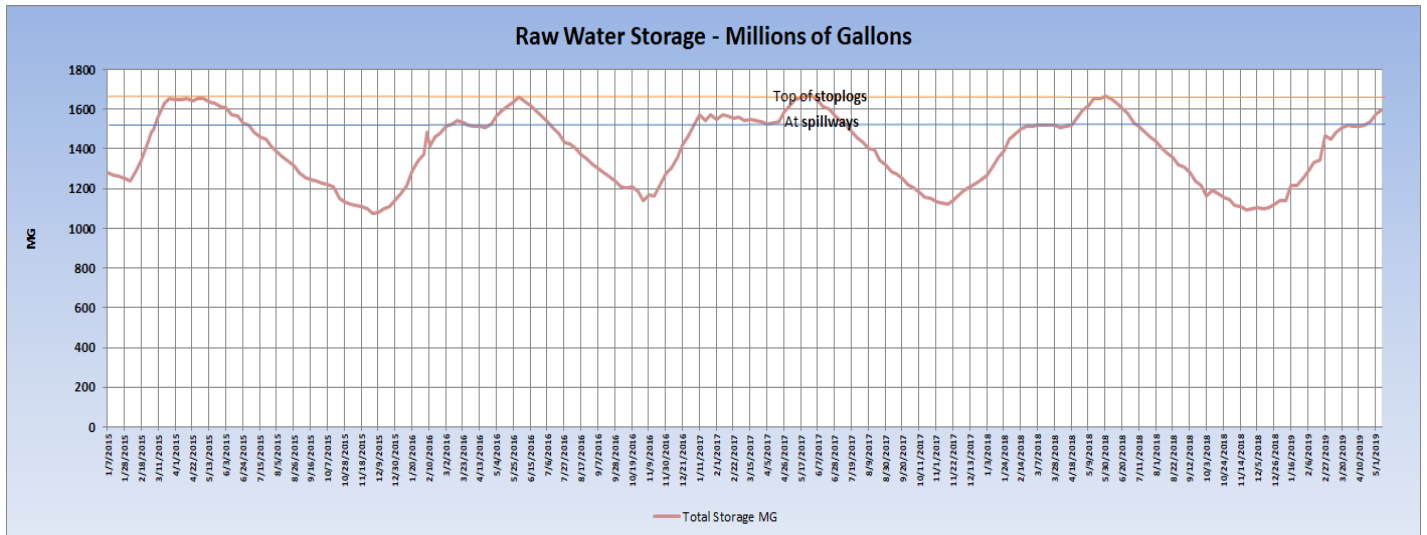
**WATER SOURCE OF SUPPLY**

On April 8, 2019, all raw water storage for Calero, Chesbro, and Clementia Reservoirs measured approximately 1,597 MG (4,901.5 AF) of which 1,433 MG (4,398 AF) is usable due to dead storage. For Calero and Chesbro Reservoirs alone, storage measured 1,304 MG (4,003 AF), or 1,254.8 MG (3,549.7 AF) usable. In April 2019 there was 1.19" of rainfall received and evaporation was 4.73".

Diversion to storage from the Cosumnes River totals 552,232,000 gallons (1,695 AF) so far, along with direct rainfall received into our reservoirs. Stop logs have been installed in the reservoir spillways at Calero, Chesbro, and Clementia Reservoirs to allow the District to capture additional water per certificates of approval issued to the District by the Department of Safety of Dams in 1989. Utility staff installed a new manufactured stop log system this year in Clementia Reservoir spillway replacing the wooden boards previously used (shown in photo below).



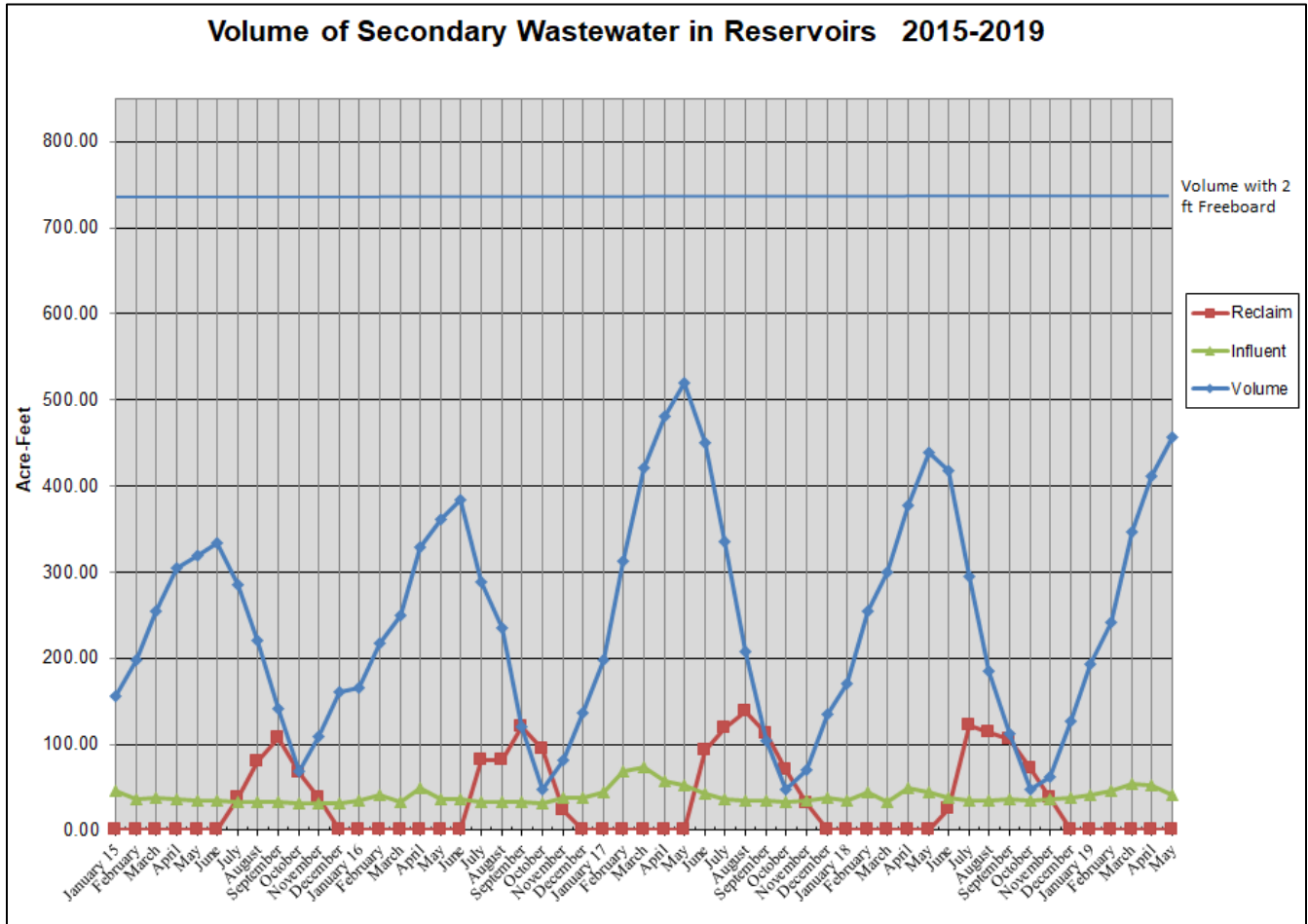
Below is a graphic representation of the water storage reservoir levels from January 2015 to May 2019.



**WASTEWATER COLLECTION, TREATMENT, AND RECLAMATION**

In April 2019, influent wastewater flow averaged 439,783 gallons a day, for a total of 13.19 MG, (40.5 AF). This is approximately 165 gpd per sewer connection based on the number of connections reported from administration from February 2019. On April 8, 2019, secondary wastewater storage measured 148.6 MG (455 AF), of which 143.7 MG (441 AF) is usable for reclamation due to dead storage. Work continues at the reclamation plant to prepare for operation once the Ranch Murieta Country Club (RMCC) requests recycled water.

Below is a graph of the secondary wastewater storage volumes where the reservoirs will fill up to until we begin reclamation deliveries which have been targeted for May 20, 2019.



**SEWER COLLECTION**

Staff cleaned 13,200 feet of sewer collection lines in the month of April as part of routine maintenance to ensure the sewer lines stay free flowing. Staff also has been routinely checking an area in the South Parkway which continues to accumulate flushable wipes and cleaning it to prevent backups in the system.

**DRAINAGE / STORMWATER**

Utilities staff has begun weed abatement by weed whacking areas of the drainage system as time permits. So far, they have nearly completed weed abatement in Zone 2 G & H shown below. They also cleaned out the drainage channel on the discharge end of Zone 2, C located off Guadalupe 7 Park to assist with better flows, hauling away one dump truck load of material.



## **WATER METERING AND UTILITY STAFF WORK**

In April 2019, seven (7) ¾" meter and one (1) inch meter were replaced, and one 2-inch meter was rebuilt. Again, this month twenty-three (23) Utility Star reports and eighteen (18) underground service alerts (USAs) were also completed. Four (4) new water services were installed and inspected. Utility staff also spent time assisting with potholing and locating lines for the Prop 84 projects.

## **PROJECTS**

### **Development**

#### The Retreats East and North

No new update.

#### The Retreats West

This project is complete, and no further updates will be provided.

### **The Murieta Gardens**

#### The Murieta Gardens - Murieta Marketplace

The project is finishing up utilities in the area. They anticipate beginning on the vertical portions of the BelAir project in mid-July. Design for a Shell Station is looking to be brought forward to the planning commission in June.

#### The Murieta Gardens – Highway 16 Off-Site Improvements

No update.

#### The Murieta Gardens II – Infrastructure at "Utility A"

The project has drafted amended plans for two new water services within the project, which were reviewed and approved by Coastland. The project is planning to finish paving the Utility A drive isle out to Murieta Drive and will stub in the fire hydrant and fire service line as approved on plan/profile sheet 20 for lots 4 & 5.

### The Murieta Gardens II – Subdivision

K Hovnanian homes (KHOV) is continuing the process of completing two model homes at lots 27 & 28, has paid their fees, and have requested inspections for water and sewer service installations.

### Rancho Murieta North – Development Project

No Update. A continued issue for all of us is that review requires deposit funding or funding agreements from the developer before proceeding. The Developer has had a draft deposit agreement in hand for three months.

### FAA Business Park

Only minor grubbing work is proceeding as the project is waiting on a building permit before proceeding.

## **District Projects**

### Proposition 84 – Recycled Water Projects

Summary table of current recycled water projects:

	Projects
1a	Bore and casing installation & Caltrans encroachment permit
1b	12" pipe and appurtenance installations
2	District office area irrigation conversion
3	Cantova Commercial loop – 6" recycled water service

### Project 1a & 1b – Bore Under Highway 16 and Recycled Pipeline Installation

With the revised cost estimates for the reimbursement agreement approved at the May 1, 2019 Special Board meeting, the agreement was signed and a Notice to Proceed was issued after the meeting. The project immediately began work later that day to begin excavations for the bore pits in which the boring equipment would be placed. The southern bore pit had encountered some ground water at the beginning of the project and has installed dewatering equipment to deal with it. As a precaution when the project started, the CIA ditch which has been providing river water to the Ranch, was shut down. Due to dropping water levels in Laguna Joaquin and continued demands from the Equestrian Center and Van Vleck Ranch, the flow was reestablished at a low rate. It was estimated that the bore casing, a 12-inch pipe, two 2-inch conduits, and one 1-inch conduit installation would have been completed by May 9, 2019 but this is extending out due to issues with cobble rock. As of this update, 100 feet of the total 175 feet of pipe has been installed. Once the bore casing is installed the contractor will be working on the continuation of the 12-inch pipe, two 2-inch conduit installations, vault, automated valves, manual valve, and "T" into the North Course reclamation line. The one 3-inch conduit will terminate at the bore pit.

### Project 2 – Administration Building Recycled Water Tie-in

Staff mapped out the District's irrigation system and the number and type of irrigation heads on the system in order for the pump contractor to size an appropriate pump. Staff also potholed to find an appropriate tie-in location at the Wastewater Plant for connection of the tertiary treated recycled water for irrigation use. Once the pump is specified, staff will work on obtaining the pump and variable drive control for it and then begin installations.

### Project 3-Recycled Water Commercial Loop

New plans have been drafted for the route and profile for installation of the 6-inch recycled water line and are awaiting approval signatures from Coastland Engineering. Once the plans are approved and signed, Coastland will direct Baker Williams to stake the alignment for installation and we will schedule the contractor to begin

work. In the meantime, a Right of Entry agreement was written, reviewed by Richard Shanahan, signed by Mark Martin, and then dropped off for signature by John Sullivan. This will allow our contractor to proceed with working on Sullivan’s properties until an Easement is formalized.

Cantova Sewer Lift Station – Forcemain re-Route

Only the fencing replacement around the Cantova lift station is left to be completed. I requested that detailed invoicing be provided to the District once that is complete.

Wastewater Reclamation Plant – West DAF Hydro Tank Replacement

The new tank is installed, and the installation of an air release valve is scheduled to be completed today.

Wastewater Reclamation Plant – PLC replacement

The installation contractor, TELSTAR, is continuing to work through software issues with the Rockwell SCADA program and its licensing. A Leap Ahead IT has assisted TELSTAR with providing newly needed IP addresses for the system’s communications and is continuing to assist in resolving outstanding IT issues to complete the project.

Dam Inundation Study

The District’s consultant has submitted the studies for all of the required dams in November 2018. We have only received feedback on the Calero and Clementia studies, noting that they were accepted by Division of Safety of Dams (DSOD). I followed up with DSOD as to the status of the other dams and they noted that they are focused on reviewing the High Hazard Dam classifications before reviewing other submittals and therefore it may be a while before they respond. Below is a table of the District’s dam’s and their DSOD hazard classifications for reference.

<b>Name</b>	<b>Location (County)</b>	<b>ID</b>	<b>Height (feet)</b>	<b>DSOD Classification</b>
Calero	Sacramento	1450-3	52’	High
Chesbro	Sacramento	1450-2	76’	significant
Clementia	Sacramento	1450-4	27’	High
Granlees	Sacramento	451	12’	Low
Michigan Bar No. 1	Sacramento	1450-5	15’	significant
Michigan Bar No. 2	Sacramento	1450-6	34’	Low

## CONFERENCE/EDUCATION SCHEDULE

Date: May 8, 2019  
To: Board of Directors  
From: Suzanne Lindendorf, District Secretary  
Subject: Review Upcoming Conference/Education Opportunities

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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)**

2019 Special District Legislative Days	May 21, 2019	Sacramento
2019 Special District Leadership Academy	July 7 - 10, 2019	Napa
2019 Board Secretary/Clerk Conference	November 12, 2019	Seaside

### **GOLDEN STATE RISK MANAGEMENT ASSOCIATION (GSRMA)**

No Information Currently Available on Upcoming Conferences.

### **AMERICAN WATER WORKS ASSOCIATION (AWWA)**

No Information Currently Available on Upcoming Conferences.

### **ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA)**

No Information Currently Available on Upcoming Conferences.

**From:** [amberp@sdlf.org](mailto:amberp@sdlf.org) <[amberp@sdlf.org](mailto:amberp@sdlf.org)>

**Sent:** Tuesday, April 23, 2019 9:54 AM

**To:** [LClark@ranchomurietacsd.com](mailto:LClark@ranchomurietacsd.com)

**Subject:** SDLF Kohnen Scholarship

Great News! The SDLF sub-committee has approved your scholarship application.

Once you have attended this event, SDLF will send reimbursement to your district. You can register for the event [here](#).

Please let me know once you have completed your registration.

Congratulations!

**Amber Phelen**

*Program Assistant*

Special District Leadership Foundation

[www.SDLF.org](http://www.SDLF.org)

916-442-7887

*\*Scholarship/Registration amount is \$400.00.*



**Rancho Murieta Community Services District**  
**Board/Committee Meeting Schedule**



**JUNE 2019**



**June 4, 2019**

<b>Personnel</b>	<b>7:30 a.m.</b>
<b>Improvements</b>	<b>8:30 a.m.</b>

**June 6, 2019**

<b>Finance</b>	<b>8:30 a.m.</b>
<b>Communications/Technology</b>	<b>9:30 a.m.</b>
<b>Security</b>	<b>10:30 a.m.</b>

**June 19, 2019**

**Regular Board Meeting - Open Session @ 5:00 p.m.**



Dear Board of Directors,

I read on Rancho Murieta.com that the North Developers want to use funds reserved for a future water treatment plant expansion to pay bond delinquencies. When this bond was discussed originally, many residents were concerned that this would happen, and we'd be on the hook to pay their debts. We were assured then this wouldn't happen. When this started, I wasn't happy that the developers were only paying 1/3 of the cost even though most of the expansion benefited the Developers, and now that they are failing at paying their bond payments, this reinforces my concerns that this developer can't be trusted. John Sullivan's assurances that the developers can pay back the \$540,000. rings hollow considering the obvious, that they haven't so far. Please do not buy into his sales pitch and do not give the North Developers the reserve money to bail them out from their incompetency.

From: Jim Crowder  
Sent: Tuesday, April 30, 2019 5:08 AM  
To: Mark Martin <[MMartin@ranchomurieta.csd.com](mailto:MMartin@ranchomurieta.csd.com)>  
Subject: Sullivan's request

Mark,

As a ratepayer and resident of Rancho Murieta, we want to go on record that Sullivan's recent request to borrow back funds from CSD is unacceptable. The Rancho North LLC. entered into a binding contract with Rancho Murieta CSD. These funds must remain in the designated CSD account. Rancho Murieta CSD has a fiduciary responsibility to all ratepayers and allowing the Rancho North LLC to borrow against these funds would be a violation of their responsibilities. Simply put, if any developer has money issues at this stage of the game, I'd be very concerned about their financial commitment to our community. We must hold Sullivan(RNA LLC.) or any developer accountable and not release these funds.

Respectfully,  
Jim and Kelly Crowder

Suzanne,

If you can please pass my letter along to all of the BOD I would very much appreciate it. Thank you.

RMCS D Board of Directors:

I ask that you NOT return the \$540,000 to John Sullivan as he is requesting.

His rationale is that he needs to pay his bond delinquencies and thinks that the monies that are being held by RMCS D “may never be needed” and that if the money is needed, the developers “would look at providing a replacement. If they don’t have the money now, how would they guarantee they would have it then? Would the other customers have to pay for their financial inadequacies?

This appears to be a “rob Peter to pay Paul” situation.

What kind of precedence would that set?

Thank you for your attention to my concerns.

Yours Truly,

Jane Hall  
Lot 55  
6994 Carreta Lane  
Rancho Murieta, CA  
916-752-8131

## MEMORANDUM

Date: May 10, 2019  
To: Board of Directors  
From: Mark Martin, General Manager  
Subject: Consider Request by Developer to Utilize \$540,000 Phase 2 Water Treatment Plant Reserved Acquisition and Construction Funds as a One-time Source to Cover a Portion of Mello-Roos CFD No. 2014-1 Special Tax Delinquencies on Selected Parcels.

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### RECOMMENDED ACTION

Decline request by Developer to redirect \$540,000 Phase 2 Water Treatment Plant Expansion Reserved Acquisition and Construction Funds as a one-time source to cover a portion of Mello-Roos CFD No. 2014-1 Special Tax delinquencies on selected parcels.

### BACKGROUND AND DISCUSSION

Community Facilities District (CFD) No. 2014-1 was formed and bonds issued in 2015 as a means for property owners of developable lands to help fund their share of the District's water treatment plant expansion needed to accommodate future development.

At the April 17, 2019 Board meeting, staff presented information related to the status of delinquent payment of direct-levy assessments for six CFD 2014-1 parcels. As of April 3, 2019, the total outstanding delinquencies on six parcels were \$539,756.47 with additional penalties of \$107,992.92, for a total of \$647,754.39 outstanding with beginning delinquencies aged one year and four months.

The next direct-levy tax payments on CFD 2014-1 parcels were due April 10, 2019. As of May 6, 2019, research via the County's Online Property Tax Bill Information System, indicates that the April 10, 2019 direct-levy assessments on at least seven parcels related to CFD 2014-1 are unpaid. The April 10, 2019 unpaid assessments represent an addition to the existing delinquencies of approximately \$344,492 in direct levies and penalties for a current outstanding delinquency of around \$992,246. It should be noted that a quick review of parcels under active development, those within the Murieta Gardens area, showed those parcels to be current on their direct levy assessments.

Toward the end of the April 17, 2019 discussion, Mr. Sullivan, representing CFD 2014-1 parcel owners, proposed the District redirect \$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) to be used as a one-time source of funds to pay off a portion of direct levy delinquencies for selected CFD 2014-1 parcels. Mr. Sullivan argued the Phase 2 expansion was not anticipated for years and the Developer could use those funds to help pay some of the delinquencies on developer owned properties. He mentioned the Developer was willing to put some other instrument in place to maintain the obligation, however, the exact nature and surety of the proposed instrument was unclear.

Mr. Sullivan's proposal would require amendment of the Rancho North Properties and Murieta Gardens Financing and Services Agreement (FSA). The agreement currently requires the \$540,000 be used as the landowner's share of the incremental costs for the balance of its purchased capacity comprising Phase 2 of the WTP Improvements.

The \$540,000 for Phase 2 WTP expansion was carved out of a total of \$4,358,245 bond proceeds directed specifically to the bond's Acquisition and Construction Fund. The bond's Fiscal Agent Agreement states the following under Section 3.8 Acquisition and Construction Fund – *"The moneys in the Acquisition and Construction Fund shall be applied exclusively to pay the Project Costs and Costs of Issuance."* There is no discussion of use of the funds for other purposes.

In addition to legal review to confirm whether or not such a proposal could be accomplished due to covenant restrictions of the bond, one more legal question to answer would be whether or not the funds could be used to the benefit of some of the CFD 2014-1 parcels, but not all, given that some of the parcels within the CFD are no longer controlled by the Developer. A further analysis of the bond is likely required to evaluate the potential impacts of the removal of the \$540,000 from the structure of the bond itself, in addition to determining if bond covenants may exist that restrict when the bonds can be called. If the period when bonds can be called is years out, then the request is largely moot.

From staff's perspective, it is important to not lose sight of the fact that the \$540,000 obligation as part of the landowners' contribution for Phase 2 of the WTP expansion was a *negotiated* point of a larger Financing and Services Agreement that structured how the entire water treatment plant expansion was to be funded. As a part of negotiations, there were likely concessions made by the District to gain this particular concession. Staff does not believe it wise to restructure the current obligation which could move the RMCSD away from an already solid commitment for WTP Phase 2 expansion funding.

At least one member of the Finance Committee asked for an estimate of expenditures to date on this matter. Staff time, including legal counsel, related to research, analysis, communications with the public and presentation on the impacts of the CFD 2014-1 direct levy delinquencies along with the response to Mr. Sullivan's request together approximate a little over \$9,000 at this time. An estimate of the cost of future staff efforts to accommodate the request is not something easily done given the complex nature of bonds.

The Finance Committee recommended this matter be taken to the full Board for a decision so that Directors could weigh in before further District resources are expended on whether to proceed and commit serious resources to the effort or decline the request.

A copy of Mr. Sullivan's request is attached.

## REQUEST FOR RELEASE OF DEVELOPER FUNDS TO CURE DELINQUENCY

RECEIVED  
RANCHO MURIETA  
COMMUNITY SERVICES DIST.

April 17, 2019

To: Rancho Murieta Community Services District – Board of Directors/General Manager/General Counsel

From: John M Sullivan, Manager  
Murieta Industrial Park, LLC  
Murieta Highlands, LLC  
Murieta Lakeside Properties, LLC

I am providing this proposal as suggested by Mark Martin as a follow up to the discussion held at the Finance Committee meeting on April 4<sup>th</sup> and my subsequent side bar discussion with Dick Shanahan, Director Maybee and Mark Martin (GM).

We have previously reported in our semi annual statements that the above entities were delinquent in payment of CFD2014-1 bonds. In 2014, when the Rancho North Properties FSA was completed, we anticipated approvals from Sacramento County for re-zoning and parcel maps to be completed by mid-year 2016. Development, as you know has not started on any of the eight villages proposed in our application to the County; in fact, the environmental document and hearings are still not underway.

The water treatment plant was completed with a capacity of 4,000,000 gallons, in addition to the 2,000,000 gallon per day capacity of Plant #2 which continues to operate along side plant #1. Part of the funding was \$540,000 currently held by the District to fund 1,000,000 gallons of capacity for Rancho North added to Plant #1, by adding flights of filters into the existing plant basins. These funds are not part of the bond reserves but are separately held by the District for Rancho North's future added capacity. The FSA requires us to give 1 year minimum notice to add any portion of this capacity. It isn't clear at this point if 1,000,000 gallons or some reduced capacity would ever be needed. We respectfully request that the District release those funds to help cure the bond delinquencies.

### WHY WOULD IT BE REASONABLE TO RELEASE THESE FUNDS

Even during the busy construction years in Rancho Murieta there were between 125 and 175 homes built per year. That means that it will be at least another five to six years before any expansion of the existing plant #1 is required or requested and close to full build-out if the District decides that plant #2 should continue to operate.

The demand on the combined water plants #1 and #2 typically peaks in July or August each year, when seasonal irrigation demand increases dramatically. Last year during the peak August season plant #1 was operated at 1.44mgd and plant #2 at 1.00mgd. That peak 2018 demand was only about 40% of the combined plants capacity.

The residential and commercial water consumption report that is in the monthly Board packet reports 2546 residential hook-ups. If you ignore the commercial demand for a moment and calculate the total demand within the District against the peak 2018 demand of 2.44/mgd you get about 950 gallons per day per occupied house. This is peak demand. That means that it would take another 2,484 homes with

similar demand before the treatment capacity is 80% used. If you take water treatment plant #2 permanently offline, plant #1 still provides enough capacity for service to the next 800 homes. Additionally, with the advent of 20x2020 (an overall mandated reduction of 20% throughout the State), and recent State of California legislation mandating more and more efficiencies within the District's boundaries, it is clear that the peaking and total water demand on the water treatment capacity within Rancho Murieta will decrease over time. And when recycle water is available the average use per house will also decrease, although not proportionally (only on those future homes served with purple pipe).

We propose amending the Rancho North FSA to release our \$540,000, for the express purpose of curing the delinquencies. The FSA has been amended before and is not a CEQA document.

We would coordinate with District counsel to accomplish the funding of the past due property taxes by year, such that second half 2017 and 2018 payments are fully resolved. As we stated at the Finance committee meeting, our goal is to be current by June 30<sup>th</sup>. With your assistance I'm confident that can be accomplished.

As I indicated in my remarks to the Finance Committee, the County does not take property tax payments out of sequence, so there are other amounts due in addition to the CFD 2014 bonds. The payment and acceptance of the parcel tax payments must be done in sequence. To facilitate some additional flexibility, we would agree to add the roughly \$195,000 of additional infrastructure reimbursements due to us to the \$540,000 to facilitate payment of these additional amounts due.

Your cooperation and assistance would be greatly appreciated.



# MEMORANDUM

**Date:** May 10, 2019  
**To:** Board of Directors  
**From:** Mark Martin, General Manager  
**Subject:** General Manager's Action Plans

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## RECOMMENDED ACTION

Accept Proposed General Manager's Action Plans.

## BACKGROUND

On November 21, 2018 the Board approved an amendment to the General Manager's contract. Tied to the recommended salary adjustment was a requirement for the General Manager to accomplish four Action Plans as a condition of a salary adjustment retroactive to September 30, 2018. The intent was to take these plans forward within three months, however, due to unexpected circumstances, the effort was delayed.

The intent of the plans was to provide a high-level plan to strategize and initiate engagement in the areas of:

- Hire a new Director of Administration and prepare press release;
- Review of management staff roles, responsibilities, necessary training, and prioritization of identified assignments;
- To identify and address outstanding accounts receivable and payable relating to new development activity and establish new procedures and protocols to help reduce future problems; and,
- To create a plan to engage and collaborate with community stakeholders.

One of these tasks has already been completed and many of these efforts are already underway. The attached identifies planned actions to accomplish each item, the status and expected timeframe to accomplish each task, and identifies the parties responsible for carrying out each task.

A copy of the signed General Manager contract amendment is also attached.

## GENERAL MANAGER ACTION PLANS

Responsive to Board Requested condition of General Manager Contract Amendment of November 21, 2018

ACTION ITEM	ACTION PLAN	STATUS/DELIVERABLE	LEAD/STAFF
<p>A. Hire a qualified Director of Administration (DA) within the established District salary range and issue a news release at the November 2018 Board meeting that explains the (DA's) qualifications and job responsibilities.</p>	<p>The General Manager advertised for the recruitment of the Director of Administration (DA) starting in October 2018. In early November the GM conducted interviews with five applicants invited to interview with two Board members participating and advising. From that process Tom Hennig was selected and started in the role of DA on November 24, 2018. A news release on the hiring of a new DA was prepared for and issued at the November 21, 2018 Board Meeting.</p>	<p>Accomplished</p>	<p>GM</p>
<p>B. Create and implement a management improvement plan, in consultation with the DA, that includes these components:</p> <ol style="list-style-type: none"> <li>1. Confirm the roles, responsibilities, and tasks of the District management personnel (General Manager, Director of Administration, Accounting Supervisor, Controller, Security Chief, District Secretary, and Director of Field Operations) and clarify the respective job requirements and expectations.</li> <li>2. Identify appropriate training where warranted.</li> <li>3. Set the prioritization (e.g., 'high', 'medium', 'low') of the established job requirements and expectations and employee accountability to ensure completion of the District needs relative to daily operations, implementation of and compliance with the District Code and</li> </ol>	<ol style="list-style-type: none"> <li>1. The General Manager and Director of Administration will review current job descriptions of the identified positions with each individual holding the position, clarify the job requirements and expectations of each position and identify where potential job description edits may be required.</li> <li>2. Review staffs' past training in areas of existing clearly defined areas of responsibility and identify new or refresher training for clarified areas of responsibility or areas where training has not been accomplished. Establish a pace for ongoing refresher training for staff to maintain necessary competency.</li> <li>3. As we meet with staff, we will confirm the order of priority of identified responsibilities and set priorities consistent with the priorities of the Board's Goals and required operations of the District.</li> </ol>	<p>Preliminary review of job specifications has occurred. Expect meetings with staff to occur starting in June 2019 once we are past the Budget and resolve the financials which is where the DA is focused at this time.</p> <p>Accomplish by September 30, 2019. Present and to Board October 2019.</p>	<p>GM/DA</p>

<p>applicable regulations, forthcoming labor negotiations, and annual goals.</p>			
<p>C. Create and implement a plan to identify and immediately address and resolve outstanding and open inquiries and pending accounts receivable and payable relating to new development activity. The plan shall be prepared in consultation with affected developers, Director of Field Operations, Director of Administration, and District Engineer. The plan shall include new procedures, protocols, or standards to establish long-term, future operational processes intended to reduce reoccurrence of current issues.</p>	<p>1. Identify the appropriate players. In the case of affected developers, ownership should be involved in this process so that concerns can be brought to more than through one conduit.</p> <p>Re-establish monthly development administration meetings with the Developer(s) to review project schedules, financials, and protocols to improve the interaction of Developers and RMCS D. Project engineering meetings will continue to be ad-hoc as necessitated by the pace of development and submittals.</p> <ul style="list-style-type: none"> <li>• Establish more official application process for project initiation and required application modification/update when a project substantially changes from the original application.</li> <li>• Timely sharing of information</li> <li>• Timely provision of project schedules.</li> <li>• Notification at time of map recordation.</li> <li>• Monthly aging of invoices submitted for development deposits and CIA ditch maintenance.</li> <li>• Timely submittal of developer deposits to cover RMCS D review of project plans</li> <li>• Timely RMCS D billings on expenses incurred to developer.</li> <li>• Proper separation of deposits and fees due from</li> </ul>	<p>Much of this effort has already been initiated in some form.</p> <p>Engaged Developer May 2, 2019 to establish monthly Development Administration meetings distinct from Engineering/ Planning meetings which are typically ad hoc. First meeting is expected late May 2019.</p> <p>Accomplish by September 30, 2019. Present to Board October 2019.</p>	<p>GM</p>

	<p>reimbursements to developer. No comingling of accounting.</p> <p>It should be noted that staff has already worked to make progress on many of these issues over the past year, so we have a good head start.</p>		
<p>D. Create and implement a plan for the continued engagement and collaboration with community entities (e.g. Rancho Murieta Association, Murieta Village Association, area developers) to define the various security-related roles, responsibilities, and expectations (e.g., leading joint security action plan consistent with the District’s security role), and report the status and outcomes to the Board on a quarterly basis. The plan shall include reference to “as required” coordination of other community entities as the need arises.</p>	<ol style="list-style-type: none"> <li>1. Meet initially with community entities such as RMA, MVA, RMCC and Developer(s) to discuss their concerns related to RMCS D functions.</li> <li>2. Establish monthly or quarterly meetings as needed to review concerns and document steps for follow-through.</li> <li>3. Report to Board the status of follow-up items from each meeting to the Board.</li> </ol> <p><i>Although a quarterly pace was originally recommended by the Board, the General Manager recommends updates occur monthly as part of the regular monthly General Manager Update to the Board. This way reporting of progress and outcomes will be more timely in relation to when meetings are held and issues are resolved.</i></p>	<p>The plan is to accomplish initial meetings by July 31, 2019.</p> <p>Monthly meetings between RMCS D and RMA General Managers were established in November 2018 and are ongoing.</p> <p>Present update to Board August 2019.</p> <p>Regular meetings to be ongoing.</p> <p>Updates to be provided monthly to the Board on meeting topics, action items, and resolution of action items.</p>	GM



## MEMORANDUM

Date: November 21, 2018  
To: Board of Directors  
From: Mark Pecotich, Board President  
Subject: Consider Approval of General Manager's Employment Agreement Amendment 1

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### RECOMMENDED ACTION

Approve the proposed first (1<sup>st</sup>) Amendment to the Employment Agreement for the General Manager and the Board to authorize the Board President to sign the amendment on behalf of the District.

### BACKGROUND

In the November Board meeting, the Board of Directors, including Board President Pecotich, met in closed session and were provided a draft Amendment No. 1 to the Employee Agreement for the General Manager prepared by a subcommittee of the Board of Directors, composed of Directors Merchant and Clark, who were authorized by the Board to enter into negotiations with the General Manager. Consistent with that direction, the Board President and General Manager have reached agreement on the terms of the amendment, all subject to approval by the Board. The proposed amendment is attached. The key provisions of the amendment are as follows:

- The General Manager's annual salary is to be increased by \$6,600 to \$171,600, retroactive to September 30, 2018 at such time certain objectives and tasks as outlined in the Amendment No. 1 have been presented to the directors at a Board meeting with certain tasks completed including the preparation of certain plans, and confirmation that he has initiated implementation of those plans.

Provided these terms are acceptable to the Board, it is recommended that the Board approve the amendment to the General Manager's employment agreement in the form presented, and that the Board authorize the Board President to sign the amendment on behalf of the District.



**AMENDMENT NO. 1**

**TO RANCHO MURIETA COMMUNITY SERVICES DISTRICT  
GENERAL MANAGER EMPLOYMENT AGREEMENT**

THIS AMENDMENT TO AGREEMENT is entered into on November 21, 2018, by and between the Rancho Murieta Community Services District, a public agency ("District"), and Mark Martin, an individual ("Employee"), who agree as follows:

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

1.1. On September 6, 2017, the parties entered into the Rancho Murieta Community Services District General Manager Employment Agreement (the "Agreement"), which is on file in the District office.

1.2. The parties now desire to amend the Agreement to modify Employee's salary, subject to Employee's satisfaction and completion of certain performance objectives.

**2. Amendments to Agreement.** The parties amend the Agreement as follows:

2.1. General Manager Objectives. In addition to his usual duties, Employee shall perform, undertake, and satisfy the following objectives and tasks:

A. Hire a qualified Director of Administration (DOA) within the established District salary range and issue a news release at the November 2018 Board meeting that explains the DOA's qualifications and job responsibilities.

B. Create and implement a management improvement plan, in consultation with the DOA, that includes these components:

(1) Confirm the roles, responsibilities, and tasks of the District management personnel (General Manager, DOA, Accounting Supervisor, Controller, Security Chief, District Secretary, and Director of Field Operations) and clarify the respective job requirements and expectations.

(2) Identify appropriate training where warranted.

(3) Set the prioritization (e.g., 'high,' 'medium,' 'low') of the established job requirements and expectations and employee accountability to ensure completion of the District needs relative to daily operations, implementation of and compliance with the District Code and applicable regulations, forthcoming labor negotiations, and annual goals.

C. Create and implement a plan to identify and immediately address and resolve outstanding and open inquiries and pending accounts receivable and payable relating to new development activity. The plan shall be prepared in consultation with affected developers, Director of Field Operations, Director of Administration, and District Engineer.



The plan shall include new procedures, protocols, or standards to establish long-term, future operational processes intended to reduce reoccurrence of current issues.

D. Create and implement a plan for the continued engagement and collaboration with community entities (e.g., Rancho Murieta Association, Murieta Village Association, area developers) to define the various security-related roles, responsibilities, and expectations (e.g., leading joint security action plan consistent with the District's security role), and report the status and outcomes to the Board on a quarterly basis. The plan shall include reference to 'as required' coordination of other community entities as the need arises.

When completed, Employee shall present the actions and plans responding to and addressing items A, B, C and D above to the Board and review them with the directors at one or more Board meetings. Presentation of the actions and plans and confirmation by Employee that he has hired the DOA and initiated implementation of the plans under items B, C and D shall constitute achievement of these four objectives.

2.2. Conditional Salary Increase. Upon satisfactory completion and achievement of the four objectives and tasks set forth in section 2.1 as determined by the Board, Employee's salary (Agreement section 6(a)) shall be increased to \$171,600 per year, effective retroactive to September 30, 2018.

**3. No Effect on Other Provisions.** Except for the amendments in section 2, the remaining provisions of the Agreement are unaffected and remain in full force and effect.

EMPLOYER

EMPLOYEE

\_\_\_\_\_  
Mark Pecotich, President

\_\_\_\_\_  
Mark Martin

Attest:

\_\_\_\_\_  
Suzanne Lindenfeld, Board Secretary





## Rancho Murieta Community Services District

15160 Jackson Road • P.O. Box 1050 Rancho Murieta, CA 95683 • 916-354-3700 • Fax 916-354-2082

Visit our website [www.rmcsd.com](http://www.rmcsd.com)

On behalf of the Rancho Murieta Community Services District (RMCS D) Board of Directors, we would like to thank Mark Martin for his one year of service to the District that amounted to many long workdays and busy weekends.

Learning the RMCS D General Manager's job is a very challenging one as we've discovered watching Mark this past year come-up to speed on daily operations, District code, myriad single-purpose agreements, statewide policy/regulations, forthcoming negotiations and staff functions. Unlike other Districts, Rancho Murieta is unique in that the RMCS D has core duties like water, waste water, drainage and solid waste, but we have this additional, very complex element – Security. As top community amenity and a key RMCS D service function, security demands attention at all times and is challenged by staff turnover, high customer expectations and the need of responding to a growing community. We can share that our General Manager spends the overwhelming majority of his time working security related topics as well as human resource concerns. We are now supporting a \$6.5 million annual business operation, managing \$56 million in plant, property and assets with a small staff of 38 employees. Any normal business would be hard-pressed to do the job of a business this size with such a small team.

In the past under prior General Managers and Boards, it could be viewed in retrospect that the District has not put the right operational structure and financial funding mechanisms in-place to support the District's long-term needs – such as adequate staffing and appropriately saving for reserves to fund replacement of aging infrastructure. Another challenge with our past is continuing to live in an old operational model established by two decades of nearly the same leadership. Change is both rewarding and more often than not, very challenging when you are experiencing it. Setting expectations of staff and navigating the "that's the way we've always done things" operational models while attempting to evolve can stress any organization. We know and respect that some staff will choose to stay employed with the District in this time of evolutionary change and some may not – and know that we are indeed moving our community's future forward under Mark's leadership.

The hiring of a new Director of Administration (DOA) is necessary to help attend to our human resource and operational governance demands while affording Mark the time to support RMCS D's annual goals, community development, relationships with local, regional and statewide stakeholders and the overall strategic direction of the District. We also now have a permanent Security Chief in-place to work security related needs and provide direction based on the outcomes of the security study and resurrection of the Joint Security Meetings and those initiatives.

Growth has arrived, and it is needed. Our community is not finished. And if we want to achieve a favorable outcome for our community and the developers, we need to continue to work together with all local entities and Sacramento County to accomplish our combined success. The RMCS D has a primary role in considering that all interests of the community and the developers are addressed, and it has been challenging for Mark to focus on these needs while supporting DOA functions, security concerns and still learn the job.

The 2019 General Manager contract for Mark recognizes the needs of the RMCS D and our community over the next year. It focuses on his responsibility and incentive in planning and meeting those needs accordingly. He has learned a lot in his first year, and there's always more to learn in navigating and negotiating in the District's best interests. We appreciate the community's support of the RMCS D, and we look forward to Mark's continued leadership and focus in providing quality services for our community and residents.

Sincerely,

Mark Pecotich  
Board President, RMCS D

*Serving the Community for over 30 years*

Board of Directors: Mark Pecotich, *President* • Morrison Graf, *Vice-President* • Les Clark • John Merchant • Gerald Pasek  
General Manager • Mark Martin





*RANCHO MURIETA COMMUNITY SERVICES DISTRICT (RMCS D)*

**PRESS RELEASE**

November 21, 2018

**ANNOUNCING THE APPOINTMENT OF TOM HENNIG AS DIRECTOR OF  
ADMINISTRATION**

Tom Hennig will be joining the Rancho Murieta Community Service District as the Director of Administration beginning November 26<sup>th</sup>, 2018. Tom brings to the District over 29 years of combined experience in local government programs and finance. He has served the public in a variety of administrative roles during his tenure with the City of Stockton and the County of San Joaquin.

As Director of Administration, Tom will provide needed depth in support of and as backup for the General Manager and staff, maintaining a comprehensive understanding of the entire District's operations and directly overseeing District-wide administrative functions. While tasked with overseeing day-to-day personnel matters, financials/accounting, technology and customer service, he will identify and implement opportunities to improve customer service and enhance organizational capacity and culture. Working closely with the General Manager, he will immediately focus on organizational review, planning and training for all key District administrative roles and responsibilities. This will greatly assist the General Manager in evolving our District to a new model of effective and efficient operation supporting our District customers, staff and administrative needs.

Tom was raised in Cheyenne, Wyoming. One of seven children, he developed a love of family, sports and the outdoors. After completing a bachelor's degree in Economics at the University of Utah, Tom worked for 4 years in hospitality management services before discovering a passion for serving the public.

He started his public service career at San Joaquin General Hospital where he oversaw the implementation of a variety of programs tied to Cigarette Tax funding of special health care initiatives. Tom later served as the budget manager and technology coordinator for the San Joaquin County Sheriff for more than twelve years. He was responsible for budgets over 25 divisions and for modernizing the Sheriff's patrol fleet with mobile computers and portable fingerprint identification equipment.

Tom then moved to the City of Stockton Police Department where he managed a budget in excess of \$100 million. During that time, he assisted in the successful navigation of the department through the City's Chapter 9 bankruptcy filing. This responsibility included designing innovative financial programs to increase revenue and reduce costs which resulted in a reduction in police officer layoffs. Tom also managed the development of programs to implement, support and administer a city-wide camera surveillance network of more than 300 cameras.

(OVER)



In 2012, Tom became the Technology Officer for the City of Stockton where he was responsible for operations and customer service support for over 1,600 city employees across 13 departments. While Technology Officer, Tom managed a staff of 48 personnel responsible for support of mission-critical technology initiatives, training, finance and administration, IT security, technology recovery planning, and applications development. Tom designed and implemented major organizational restructuring of the IT organization and service delivery models.

Tom's commitment to public service extends to working with the community and youth, primarily through his 30 years as a leader and member of the Stockton Seaport and Sunrise Rotary Clubs. Tom coached and was a manager with Sunrise Stockton Little league for 8 years. His love of sports includes fly fishing, boating and golf.

## **Professional and Civic Involvement**

- National Institute of Justice, Biometric Technology Work Group (TWG) – 2003 to 2012
- Department of Homeland Security, Biometric Technology Work Group –2006 to 2014
- Stockton Seaport/Sunrise Rotary Clubs – March 1989 to 2017

## **Education**

BS Degree in Economics, Emphasis in Business, from University of Utah

## MEMORANDUM

Date: May 8, 2019  
To: Board of Directors  
From: Tom Hennig, Director of Administration  
Subject: Consider Approval of CO-OP Internship Program Hourly Pay Rate

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### RECOMMENDED ACTION

Approve the UOP CO-OP Internship program pay rate of \$20.00 an hour.

### BACKGROUND

District Administration has developed a strategy to complete project related work by partnering with the University of Pacific's School of Engineering. This program is named the UOP Cooperative Education Internship Program, CO-OP. The District's job posting for CO-OP Internship position is included as Attachment A. UOP's School of Engineering requires students to complete a six-month paid Cooperative Internship as part of their graduation requirement. UOP is the only University west of the Mississippi that has CO-OP as a graduation requirement. This will be the first year that the District is participating with UOP. Attachment B, UOP CO-OP Partnerships brochure and Attachment C, CO-OP Employer List, provides an overview on the process and scope of the program.

The duties of the Intern will be to support a variety of the District operations based on department needs and the availability of a specific CO-OP Intern skill set. For example, the first intern proposed is majoring in Engineering Management. Their focus will be to assist District Administration staff with scanning escrow files into the document management system and to update operational management procedures. Both of these primary tasks will improve District operations by leveraging existing technologies such as Electronic Document Management and Microsoft SharePoint. Each task supports the Board's number one goal of improving the financial operations for the District. Future CO-OP students would potentially focus on Civil Engineering, Engineering Management, Computer Engineering/Science or any other specific initiative within the District.

The hourly pay rate for the UOP CO-OP Intern is proposed to be \$20.00. This rate was determined based on the review of rates being paid by other companies associated with the program. Below is a list of the hourly pay for Interns from a recent UOP survey. The Intern is scheduled to begin work May 20, 2019. Funding for the Intern is available as part of the General Manager Initiatives for the current fiscal year. Funding for FY 2019-20, in the amount of \$20,000, will be included as part of the temporary staffing account budget request.

The Finance Committee recommends approval.

Major	Avg Hourly Pay
Bioengineering	\$21.83
Civil Engineering	\$19.41
Computer Engineering	\$24.22
Computer Science	\$25.07
Electrical Engineering	\$24.03
Engineering Management	\$23.14
Engineering Physics	\$23.97
Mechanical Engineering	\$19.64
Graduate – College Student	\$33.65



# Rancho Murieta Community Services District

## Civil Engineering & Computer Engineering

### Paid Internships

*Mission Statement – The mission of the Rancho Murieta Community Services District is to take a leadership role in responding to the needs of the residents. The District will deliver superior community services efficiently and professionally at a reasonable cost while responding to and sustaining the enhanced quality of life the community desires*

## The Organization

**Rancho Murieta Community Services District** (District) provides essential services to an area of 3,500 acres (covering roughly five and a half square miles) located in the beautiful wooded hills of eastern Sacramento County. The approved master plan calls for residential development on 1,920 acres with single-family residences, townhouses, apartments, and manufactured homes for a total of 5,189 units. Current estimates indicate Rancho Murieta has over 2500 households with a population of over 6,000 persons. The community is a balanced blend of both custom and production homes, townhouses, mobile homes, and a thriving retail complex. Also, an airport, office building, fire station, and equestrian center, are located in the District. The District currently maintains over \$43,000,000 in plant, property and equipment assets. The District acts as the local government, providing the following essential services:

- Water supply collection, treatment, and distribution;
- Wastewater collection, treatment, and reuse;
- Storm drainage collection, disposal, and flood control;
- Security;
- Solid waste collection and disposal.

A combination of taxes and fees fund these services.

The District's affairs are directed and governed by a five-member Board of Directors elected at large by registered voters within the jurisdiction. Policy direction is set by the Board of Directors and administered by the General Manager. The District's General Manager is Mark Martin, appointed in 2017.

## The Community

Rancho Murieta, California, located 25 miles from downtown Sacramento, (map provided at [www.rmcsd.com](http://www.rmcsd.com)) is nestled below the foothills of the Amador and El Dorado County wine regions. This master planned community has developed steadily for the past 25 years, with an emphasis on preserving an unparalleled quality of life. The community continues to be one of the best-kept secrets in Northern California. The private, gated community of Rancho Murieta offers both privacy and security (provided by the District) and proudly boasts of two championship golf courses at the Rancho Murieta Country Club.



*Aerial view of community from Lookout Hill*

Rancho Murieta is served by the award-winning Elk Grove Unified School District (<http://www.egusd.k12.ca.us/>) and has some of the highest graduation standards in the State of California. Schools serving Rancho Murieta include Cosumnes River Elementary School, T.R. Smedberg Middle School and Sheldon High School.

## The Position

### Engineering Intern

Spend your UOP Co-op Internship with our Field Operations Department or Administrative team to get hands-on Computer or Engineering experience in CAD, SharePoint, plan reviews and/or project management.

#### We are looking for Interns who meet most criteria listed below:

- Students pursuing a major in Civil or Computer Engineering.
- Coursework or experience with Hydrology, Open Channel Flows, Drafting and Surveying.
- Coursework or experience with GIS, CAD, SharePoint.
- Enjoy being in the field (sunshine, fresh air, gentle breezes, hot summer sun).
- Very proficient Microsoft Office (Word, Outlook, Excel) skills.

#### During your six-month Internship you could be:

- Gathering Field Data.
- Consolidation of District as-built plans in AutoCAD.
- Preparing maps and reports using GIS.
- Assisting staff during the planning, design, construction and post-construction activities.
- Building GIS shapefiles from as-built CAD maps for Board presentations and developer meetings.
- Working with SharePoint to build collaboration sites with District staff and Board use.
- Developing workflow procedures and working with Electric Document Management.



*Fish ladders at Grantees Dam*

GIS,

## **Selection Process**

The Rancho Murieta Program is open to undergraduate (Junior or Senior) and graduate level students participating in the UOP Engineering Co-op program.

- Requires GPA of 2.5 or higher.
- Pass a pre-employment screening process to include a fingerprint background check.
- Proof of enrollment will be required prior to starting employment.
- Available to work full-time (40 hours/week) during the six-month internship with limited flexibility.
- Position does not include benefits.

## **Application Process:**

**We will only be accepting applications through Tiger Jobs. You will need the following prior to employment:**

- Fully-completed Tiger Jobs Employment Application. We are very interested in learning about your school projects, volunteer events and/or extracurricular activities.
- Attach a resume and cover letter (these are helpful and appreciated when reviewing the applications).
- If selected for an internship, you will be required to complete a standard RMCS D application.

## **The Compensation**

The compensation for the position will be \$20.00 per hour, paid bi-weekly.

## **To Be Considered**

Interested candidates are strongly encouraged to submit their resume and transcripts via Tiger Jobs:

The District will conduct preliminary interviews February 21, 2019. The recruitment process will involve a final on-site interview, at the District Office.

Should you have any questions regarding this position, please call Tom Hennig at (916) 354-3700. For further information about the Rancho Murieta Community Services District, visit our website at [www.ranchomurietacsd.com](http://www.ranchomurietacsd.com).

*Rancho Murieta Community Services District is an equal employment opportunity employer and encourages all qualified individuals to submit an application for this exceptional career opportunity.*



Attachment B: UOP CO-OP Partners Brochure:



# CO-OP PARTNERSHIPS

**OTHER WAYS TO SUPPORT CO-OP?**

**GUEST LECTURERS + INFO SESSIONS**

We invite employers to visit campus and talk about their company and answer questions from prospective CO-OP students. Students have the opportunity to learn how their classroom education applies to real world expectations, and employers begin to develop relationships with the next generation of engineers and computer scientists.

**MENTORING 1:1**

Are you interested in getting involved more directly? Perhaps working with a student in a mentoring capacity would be a great fit. Let us help match you with a student who is pursuing a degree in your field!

**INDUSTRY PARTNERS FUND**

The School of Engineering and Computer Science created this fund in response to the high demand from corporate partners who want to support the CO-OP program in new ways. Gifts to this fund are used to directly support student endeavors such as: travel to conferences and career fairs, professional conference fees, "A New Suit" program for students embarking on CO-OP interviews, and living expenses for students away from home during their CO-OP.

OFFICE OF COOPERATIVE EDUCATION  
 3601 PACIFIC AVENUE, STOCKTON, CA 95211  
 209.946.7499 | COOPOFFICE@PACIFIC.EDU | ENGINEERING.PACIFIC.EDU

UNIVERSITY OF THE  
**PACIFIC**  
 School of Engineering  
 and Computer Science



**WHAT IS CO-OP?**

Cooperative Education (CO-OP), which serves as the core of our internship program, is a 3-way partnership between an employer, student, and the University of the Pacific. Our students complete academic and professional enrichment courses before they participate in 6 to 7 months of paid industry experience.

While on CO-OP, students benefit from applying academics to real-world scenarios and projects. Employers benefit from the new, energetic, progressive, and cutting-edge ideas students contribute to their business.

**WHY CO-OP IS IMPORTANT?**

A CO-OP partnership enables employers to develop and mentor next-gen engineers and computer scientists while benefiting from students' knowledge and use of industry best practices, modern programs, and latest equipment. CO-OP students allow employers to grow their employment pipeline and also provide assistance and relief to the existing workforce.

While on CO-OP, students benefit from applying academics to real-world scenarios and projects. Employers benefit from the new, energetic, progressive, and cutting-edge ideas students contribute to their business.

**STUDENT CONCENTRATIONS:**

- Bioengineering
- Civil Engineering
- Computer Engineering
- Computer Science
- Electrical Engineering
- Engineering Management
- Engineering Physics
- Mechanical Engineering

**WHO ARE OUR STUDENTS?**

Students who have achieved junior status and successfully completed required courses may participate in the CO-OP program. Required courses include: fundamental engineering or computer science classes, professional development, and laboratory experiences that will best prepare students for the transition into industry.

**CO-OP SESSIONS**

Employers hire students for one session or both, but a CO-OP student is required to only work during one of those sessions. Overlap of students during summer months allows outgoing students to train incoming students, reducing time and effort needed from supervisors and permanent employees.



RECRUITMENT PHASE: February - May  
 WORK PHASE: May - December  
 SITE VISIT PHASE: July - October



RECRUITMENT PHASE: September - December  
 WORK PHASE: January - August  
 SITE VISIT PHASE: April - June

**RECRUITMENT PHASE**

- 1 Invitations are sent out to employers to join CO-OP program
- 2 Employers hold info sessions and interviews for CO-OP positions
- 3 Employers hire students based on need and talent

**WORK PHASE**

- 4 Students begin their 6 to 7 month CO-OP experience

**SITE VISIT PHASE**

- 5 Meetings with students and their supervisors to assess progress

*University of Pacific's CO-OP program is a tremendous resource for NVIDIA. The quality of the students has been so good that my lab only looks to Pacific to fill our intern positions. And with the experience the students get during their co-op terms with companies like ours, they become better candidates for our full-time positions. Five of the seventeen full-time engineers in my lab are former interns from Pacific.*

Keith Seto  
 Director, Performance Group  
 NVIDIA Corp



## Attachment C: CO-OP Employer List

In the last 3 years, UOP students have completed their CO-OP at the following companies.

### **BIOENGINEERING**

Abbott Laboratories	Edwards Lifesciences	RefleXion Medical, Inc.
Augmenta Bioworks, Inc.	Inogen	Silk Road
CA Department of Water Resources	Intrexon Corporation	U.S. Department of Agriculture
Central Contra Costa Sanitary Dist.	Martino & Luth	University of the Pacific, Biology
City of Manteca, Public Works	Novanta Corporation	Vocera Communications
Constellation Brands	Ouster	Wellman's Center of Photomedicine
E & J Gallo	Orthofix	

### **CIVIL ENGINEERING**

AECOM	Dokken Engineering	South Tahoe Public Utility District
Bay Cities Paving & Grading, Inc.	Great Lakes E & I	Stantec Consulting Services
BKF Engineers	HDR, Inc.	Sukut Construction
CA Department of Water Resources	JCWagner & Associates, Inc.	Superior Elect. Mech. and Plumbing
Central Contra Costa Sanitary Dist.	KANE GeoTech	Teichert Construction
CH <sub>2</sub> M Hill Associates	Kennedy Jenks Consultants	Terracon
City and County of San Francisco	Kimley Horn	The Dutra Group
City of Manteca, Public Works	Kjeldsen, Sinnock & Neudeck, Inc.	Turner Construction
City of Modesto, Public Works	Knife River Construction	VVH Consulting Engineers
City of Stockton, Public Works	MCR Engineering	W.L. Butler Construction
Clark Pacific	Plant Construction Company	West Yost Associates
Crawford and Associates Inc.	Siegfried Engineering Inc.	

### **COMPUTER ENGINEERING**

Aruba, a HPE Company	Continental Automotive Holding	Nvidia
Abbott Laboratories	E & J Gallo Winery	Open Networking Foundation
Capital Insurance Group	Intel	Panasonic
City of Stockton, IT	Intuitive Surgical	RefleXion Medical, Inc.
City of Stockton, Public Works	Lawrence Livermore National Labs	University of the Pacific, OIT
Collins Electrical Company, Inc.	Mirantis	Vocera Communications

### **COMPUTER SCIENCE**

Aruba, a HPE Company	Holt of California, IT	Orthofix
Athena Technology Solutions	Intel	San Joaquin County, Public Works
Cisco	Lawrence Livermore National Labs	University of the Pacific, OIT
City of Stockton, IT	Lemelson-MIT Program	VSP Global
E & J Gallo Winery	Nvidia	Vocera Communications
Flextronics Developer	Open Networking Foundation	

### **ELECTRICAL ENGINEERING**

Aruba, a HPE Company	Holt of California, IT	San Luis & Delta-Mendota Water
Abbott Laboratories	Ichor Systems Inc.	Stella Technology
CA Department of Water Resources	InSynergy Engineering, Inc.	Teledyne Controls
Carollo Engineers	Intel	The Aerospace Corporation
City of Stockton, Public Works	Northrop Grumman	Tierra Luna Engineering
Damatt Engineering, Inc.	Nvidia	Verizon Wireless
E & J Gallo Winery	Omron Adept Technologies	Vocera Communications
Guntert & Zimmerman	Sacramento Municipal Utility Dist.	Wilab Energy

## **ENGINEERING MANAGEMENT**

Abbott Laboratories  
BKF Engineers  
Central Contra Costa Sanitary Dist.  
City of Manteca, Public Works  
Collins Electrical Company, Inc.  
Constellation Brands  
Construction Testing Services  
Daimler AG  
Delicato Family Vineyards

E & J Gallo Winery  
G3 Enterprises  
Granite Construction  
Guntert & Zimmerman  
Holt of California  
Knife River Construction  
NALCO  
Niagara Bottling  
O.C. Jones and Sons

Pavement Engineering  
Persistent Systems Inc.  
San Joaquin County, Capital Projects  
San Joaquin County, Public Works  
Teichert Construction  
The Dutra Group  
TriTechnic, Inc.  
West Yost Associates

## **ENGINEERING PHYSICS**

Abbott Laboratories  
Damatt Engineering Inc.  
CA Department of Water Resources  
Lawrence Berkeley National Lab

Ichor Systems Inc.  
Mission Support & Testing Services  
Quality Sound Systems Integration  
RefleXion Medical, Inc.

Reynolds Systems Inc.  
Teichert Construction  
University of the Pacific, OIT  
Vector Technologies

## **MECHANICAL ENGINEERING**

Abbott Laboratories  
Altec, Inc.  
CA Department of Water Resources  
Caldera Medical  
Central Contra Costa Sanitary Dist.  
City of Manteca, Public Works  
City of Stockton, Public Works  
Constellation Brands  
Daimler Trucks North America  
Delicato Family Vineyards  
E & J Gallo Winery  
Edwards Lifesciences

Excelsior  
Foster Farms  
Frito-Lay  
G3 Enterprises  
Guntert & Zimmerman  
Habitat for Humanity of SJC  
Harley Davidson  
Kohana Coffee  
Mission Support & Testing Services  
NASA, Armstrong Flight Research  
Niagara Bottling  
O.C. Jones and Sons

Orthofix  
Panasonic R&D Co. of America  
Parker Hannifin, Racor Division  
Proco Products  
RSS Manufacturing  
Teichert Construction  
TriContinent  
Trincherro Family Estates  
Tri-Technic, Inc.  
RGA Design  
Sugar Bowl Bakery  
UTC Aerospace

## MEMORANDUM

Date: May 9, 2019  
To: Board of Directors  
From: Tom Hennig, Director of Administration  
Subject: Consider Approval of Annual Audit Engagement Letter

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### RECOMMENDED ACTION

Approve the annual audit engagement letter with Larry Bain, CPA for the 2018-2019 financial audit and authorize the General Manager to sign the engagement letter. The not-to-exceed fee for the District audits is \$16,275 and \$2,500 for the CFD 2014-1. The District audit is paid from Operating Budget and the CFD 2014-1 audit is paid from administration fees collected in the Special Assessment Levy.

### BACKGROUND

The audit covers the District wide Financial Statements and Community Facilities District 2014-1 (CFD 2014-1) Financial Statements. Attached is the engagement letter to perform the 2018-19 financial audit for the District and the CFD #2014-1. Mr. Bain's proposal anticipates that the audit will commence on September 3, 2019 and that the draft audit report will be issued no later than November 2019.

May 2, 2019

Board of Directors  
Rancho Murieta Community Services District  
15160 Jackson Road  
Rancho Murieta, CA 95683

We are pleased to confirm our understanding of the services we are to provide Rancho Murieta Community Services District for the fiscal years ended June 30, 2019. We will audit the financial statements of the business-type activities and the aggregate discretely presented component units, including the related notes to the financial statements, which comprises the basic financial statements of Rancho Murieta Community Services District as of and for the fiscal years ended June 30, 2019. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Rancho Murieta Community Services District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Rancho Murieta Community Services District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Pension information for GASB 68 compliance
- 3) OPEB Plan information for GASB 75 compliance

We have also been engaged to report on supplementary information other than RSI that accompanies Rancho Murieta Community Services District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

- 1) The Schedules of Operating Revenues for the Water, Sewer, Drainage, Solid Waste and Security Funds

#### **Audit Objective**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Rancho Murieta Community Service's financial statements. Our report will be addressed to the governing board of Rancho Murieta Community Service. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement.

## **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

## **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

## **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Rancho Murieta Community Service's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion.

## **Other Services**

We will also prepare the financial statements of Rancho Murieta Community Service in conformity with U.S. generally accepted accounting principles based on information provided by you. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

## **Management Responsibilities**

Management is responsible for designing, implementing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting

principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon]. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

### **Engagement Administration, Fees, and Other**

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

The workpapers for this engagement are the property of Larry Bain, CPA and constitute confidential information. However, we may be requested to make certain workpapers available to regulatory agencies pursuant to authority

given to it by law or regulations. If requested, access to such workpapers will be provided under the supervision of Larry Bain, CPA. Furthermore, upon request, we may provide photocopies of selected workpapers to the regulatory agency. The regulatory agency may intend or decide; to distribute photocopies or information contained therein to others, including to governmental agencies.

We expect to begin our audit on September 3, 2019 and to issue our reports no later than November 2019 Larry Bain is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses will not exceed \$16,275 for the District audit and \$2,500 for the CFD 2014-1 component unit audit. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 45 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to Rancho Murieta Community Services District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Larry Bain, CPA  
An Accounting Corporation

RESPONSE:

This letter correctly sets forth the understanding of Rancho Murieta Community Services District.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



## MEMORANDUM

Date: May 10, 2019  
To: Board of Directors  
From: Tom Hennig, Director of Administration  
Subject: Review of the Proposed FY 2019-20 Budget and Capital Projects

---

### RECOMMENDED ACTION

Introduce Resolution R2019-04, waive the full reading and continue to the June 19, 2019 Board meeting for adoption.

### BACKGROUND

The purpose of this budget presentation is to receive community input on the budget as well as to receive Board direction addressing adjustments based on community input. The final budget will be adopted at the June 29, 2019 Regular Board of Directors meeting.

### *Budget Overview*

A Sample Bill and draft budget summaries for each fund are attached to assist in the review of this draft of the FY 2019-20 budget. The proposed budget results in a 5.41% increase, or \$9.54 per month, on the average monthly bill for a residential metered lot.

### Revenue Assumptions Used in this Proposed Budget

1. Sacramento County property tax allocation is projected to increase approximately \$24,370 due to the change in the appraised value from June 2018 to estimates at June 2019.
2. Growth of 26 new residential connections during the fiscal year.
3. Growth of 7 new commercial connections during the fiscal year.
4. Water consumption is projected to be stable over the calendar year 2018 demands.
5. Security reserves are funded by the transfer of approximately \$145,000 of Sacramento County property tax revenues to Security; a net of \$45,680 to reserves.
6. Drainage reserves are funded by the transfer of \$100,000 of Sacramento County property tax revenues to Drainage; a net of \$33,000 to reserves.
7. Drainage and Security rates are increased by the legal maximum of 2%.

### Budget Expense Assumptions

#### General Assumptions

1. PERS Employer Contribution for Classic Members (13 employees).
  - a. Monthly flat rate increase of \$3,258 (total increase \$39,096).
  - b. Contribution % increase to 10.221% (previous contribution rate of 9.409%); a 0.812% increase; equates to approximately \$14,000.
2. PERS Employer Contribution for PEPRAs Members (23 employees).
  - a. Monthly flat rate increase of \$42 (total increase \$490).

- b. Contribution % increase to 6.985% (previous contribution rate of 6.842%); a 0.143% increase; equates to approximately \$17,000.
3. Unrepresented salary increase pool of 3.6%.
4. Represented salary range increase of 2.75% based on MOU.
5. Health insurance premium increase of 5%.
6. No change in GASB45/OPEB Trust contribution of \$150,000.
7. Retiree medical estimate increase of \$4,800.
8. SMUD increase of 4.75%.
9. Development projected to increase 26 residential accounts.

Security Department Assumptions (Projected 2.1% Operating Expense Increase)

1. Security Replacement Contribution from property tax allocation continues at FY 2018-19 level.
2. Employer costs reflect:
  - a. Increased overall staffing costs due to negotiated salary increases and scheduled merit increases.
  - b. Higher cost for medical due to variance in coverage level for new employees (for example, now covering family premium instead of employee only).
3. \$20,000 included in IT hardware and software to improve overall operations

Water Department Assumptions (Projected 5.7% Operating Expense Increase)

1. Water consumption projected to increase 0.0% over calendar year 2018 demand.
2. Residential growth projected at 26 new connections.
3. Commercial growth projected at 7 new connections.
4. Includes Operating in Training position.
5. Source of Supply:
  - a. Increase in chemicals (routine and Taste & Odor) of \$1,000.
  - b. Dam inspection increase of \$10,600, 20.1%.
6. Water Treatment:
  - a. Power budget to remain at \$82,000.
  - b. Chemical cost of \$10,000, 11.1% due to increases in general chemical cost.
  - c. Decrease in maintenance and repairs based on recent trend.
7. Water Transmission & Distribution:
  - a. Power cost brought in line with previous actuals.
  - b. General wage and pension increase.
8. Water Administration:
  - a. Budget increase of \$90,000 to support water rights negotiations.

- b. Information Systems Maintenance increase \$9,000 due to scheduled hardware replacement
- c. Mobile maintenance management system upgrade, \$12,350 (50% share with Sewer)

Sewer Department Assumptions (Projected 11.7% Operating Expense Increase)

- 1. Residential growth projected at 26 new connections
- 2. Commercial growth projected at 7 new connections
- 3. Sewer Treatment & Disposal
  - a. Power cost remains stable
- 4. Sewer Administration
  - a. Vehicle fuel reflects alignment with recent actual cost
  - b. Training/safety reflects alignment with recent actual cost
  - c. Increase in telephone costs to correct savings estimate from previous year
  - d. Increase in consulting services to support growth related to recycled water
  - e. Mobile maintenance management system upgrade, \$12,350 (50% share with Water)

Drainage Department Assumptions (Projected 4.8% Operating Expense Increase)

- 1. Power budget increased to reflect experience
- 2. Chemicals broken out to reflect budget for herbicides and midge fly expenditures
  - a. Herbicides increased \$2,000
  - b. Midge fly granular increased \$4,000
- 3. Slight increase in maintenance and repairs based on experience

Solid Waste Department Assumptions (Projected 14.7% Operating Expense Increase)

- 1. CWRS contract cost and Sac County Admin Fee estimated to increase 3.5%
- 2. Additional properties drive up overall cost

Administration Assumptions (Project 2.1% Operating Expense Increase)

- 1. Property tax estimate based on Sac County projection as of February 25, 2019
- 2. Staffing reflects hiring new Director of Administration
- 3. Estimated liability insurance premium increase of \$14,000, 11%
- 4. Estimated workers comp insurance premium increase of \$54,000, 57%, is related to a reported error by the carrier and a high incidence of claims over the past three (3) years
- 5. Election cost removed for non-election year
- 6. IT programming budget of \$7,500 to support financial systems integration
- 7. IT purchase budget of \$14,600 for server, network hardware replacements, and purchase of large format plotter/scanner

Sample Bill

The attached Sample Bill shows the effect of the proposed rate adjustments according to the most recent budget draft.

**Sample Bill – Proposed Impact on Average Residential Monthly Bill**

The estimated overall maximum increase is projected to be \$9.54 per month or 5.52% for an average residential customer with the proposed service charge increase and special tax adjustment beginning July 1, 2019.

<b>Average Monthly Customer Bill</b>		Current Monthly Rates	Proposed Monthly Rates	\$	%
<i>Residential Metered Lot</i>		July 1, 2018	July 1, 2019	Change	Change
<b>Water</b>	<i>Average Usage in CF</i>	<i>1,426</i>	<i>1,426</i>		
	Residential Base (excluding reserves)	\$ 34.52	\$ 37.97	\$ 3.45	10.0%
	Reserve Contribution	7.75	7.75	-	0.0%
	Total Residential Base	\$ 42.27	\$ 45.72	\$ 3.45	8.2%
old rate	Water Usage \$0.175 per cubic foot	24.96			
new rate	Water Usage \$0.191 per cubic foot		27.24	2.28	9.1%
	<b>Total Water</b>	\$ 67.23	\$ 72.96	\$ 5.73	8.5%
	<b>WTP Debt Service Charge (interfund borrowing)</b>	6.00	6.00	-	0.0%
	<b>Sewer</b>				
	Residential Base (excluding reserves)	40.41	42.77	2.36	5.8%
	Reserve Contribution	6.76	6.76	-	0.0%
	Total Residential Base	\$ 47.17	\$ 49.53	\$ 2.36	5.0%
	<b>Solid Waste (avg. 64 Gallon Container)</b>	21.67	22.44	0.77	3.6%
	<b>Security Tax (Maximum Tax Ceiling \$29.73)</b>	29.15	29.73	0.58	2.0%
	<b>Drainage Tax (Maximum Tax Ceiling \$5.22)</b>	5.12	5.22	0.10	2.0%
	<b>Total RMCSD Bill</b>	\$ 176.34	\$ 185.88	\$ 9.54	5.41%

**Sample Bill – Proposed Impact on Average Murieta Village Monthly Bill**

The estimated overall maximum increase is projected to be \$7.45 per month or 5.52% for an average Murieta Village customer with the proposed service charge increase and special tax adjustment beginning July 1, 2019.

<b>Average Monthly Customer Bill</b>			Current Monthly Rates	Proposed Monthly Rates	\$ Change	% Change
			July 1, 2018	July 1, 2019		
<b>Murieta Village Lot</b>						
<b>Water</b>	<i>Average Usage in CF</i>		418	418		
	Residential Base		\$ 34.52	\$ 37.97	\$ 3.45	10.0%
	Reserve Contribution		7.75	7.75	-	0.0%
	Total Residential Base		\$ 42.27	\$ 45.72	\$ 3.45	8.2%
old rate	Water Usage	\$0.0175 per cubic foot	7.32			
new rate	Water Usage	\$0.0191 per cubic foot		7.98	0.66	9.0%
	<b>Total Water</b>		\$ 49.59	\$ 53.70	\$ 4.11	8.3%
	<b>WTP Debt Service Charge (interfund borrowing)</b>		6.00	6.00	-	0.0%
	<b>Sewer</b>					
	Residential Base (excluding reserves)		40.41	42.77	2.36	5.8%
	Reserve Contribution		6.76	6.76	-	0.0%
	Total Residential Base		\$ 47.17	\$ 49.53	\$ 2.36	5.0%
	<b>Solid Waste (avg. 64 Gallon Container)</b>		21.67	22.44	0.77	3.6%
	<b>Security Tax (Maximum Tax Ceiling \$7.31)</b>		7.03	7.17	0.14	2.0%
	<b>Drainage Tax (Maximum Tax Ceiling \$3.56)</b>		3.42	3.49	0.07	2.0%
	<b>Total RMCSD Bill</b>		\$ 134.88	\$ 142.33	\$ 7.45	5.52%
<b>Vacant or Unmetered Lot</b>						
	<b>Security Tax (Maximum Tax Ceiling \$23.32)</b>		\$ 23.32	\$ 23.79		2.0%
*	<b>Water Standby</b>	\$10.00 PER YEAR	\$ 0.83	\$ 0.83		0.0%
*	<b>Sewer Standby</b>	\$10.00 PER YEAR	\$ 0.83	\$ 0.83		0.0%
	<b>Drainage Tax (Maximum Tax Ceiling \$5.12)</b>		\$ 5.12	\$ 5.22		2.0%
			\$ 30.10	\$ 30.67		1.89%
	% Change over prior year					1.89%

\* This fee is billed annually at \$10.00 and is shown as a monthly rate for comparison purposes only.

**Budget Summaries by Fund**

Budget Summaries by fund are provided to aid in the comparison of changes in the FY 2019-20 proposed budget with the 2018-19 adopted budget and 2017-18 final audited budget.



## RANCHO MURIETA COMMUNITY SERVICES DISTRICT

### BUDGET SUMMARY COMBINED FUNDS

May 10, 2019

	<i>Actual</i> 2017-18	<i>Adopted</i> <i>Budget</i> 2018-19	<i>Projected</i> 2018-19	% <i>Variance</i> 2018-19	<i>Proposed</i> <i>Budget</i> 2019-20	% <i>Change</i> <i>Budget</i> 2018-19
<b>Revenues:</b>						
Service Charges	5,525,483	<b>5,759,274</b>	5,733,487	-0.4%	<b>6,135,885</b>	6.5%
Property Taxes	648,133	<b>650,000</b>	649,998	0.0%	<b>674,370</b>	3.7%
Interest Earnings	5,756	<b>5,990</b>	7,528	25.7%	<b>9,665</b>	61.4%
Other Charges / Reimbursements	176,352	<b>45,693</b>	73,769	61.4%	<b>82,751</b>	81.1%
<b>Total Revenues:</b>	<b>6,355,724</b>	<b>6,460,957</b>	<b>6,464,782</b>	<b>0.1%</b>	<b>6,902,671</b>	<b>6.8%</b>
<b>Expenditures:</b>						
<b>Total Operating Expenses</b>	<b>6,030,966</b>	<b>6,496,531</b>	<b>6,368,791</b>	<b>-2.0%</b>	<b>6,902,671</b>	<b>6.3%</b>
Initial Overage (Deficit)	324,758	<b>(35,574)</b>	95,991		<b>(0)</b>	
<i>Transfer from Fund Balance</i>	<i>0</i>	<b><i>35,574</i></b>	<i>0</i>		<b><i>0</i></b>	
<b>Reserve Collections</b>						
Water	213,265	<b>262,482</b>	259,031	-1.3%	<b>264,357</b>	0.7%
Sewer	209,747	<b>226,699</b>	224,831	-0.8%	<b>233,202</b>	2.9%
Security	45,684	<b>49,000</b>	49,750	1.5%	<b>49,000</b>	0.0%
Drainage	37,992	<b>33,000</b>	33,000	0.0%	<b>33,000</b>	0.0%
<b>Total Reserve Collections</b>	506,688	<b>571,181</b>	566,612	-0.8%	<b>579,559</b>	1.5%
<b>Add'l Transfers to Repl Reserves</b>	360,000	<b>0</b>	24,471		<b>0</b>	
<b>Inter-fund Borrowing Repayment</b>	210,209	<b>211,836</b>	212,199	0.2%	<b>206,724</b>	-2.4%
<b>Depreciation</b>	1,374,504	<b>1,440,000</b>	1,440,000	0.0%	<b>1,440,000</b>	0.0%



# RANCHO MURIETA COMMUNITY SERVICES DISTRICT

## BUDGET SUMMARY - GENERAL FUND

May 10, 2019

	<i>Actual</i> 2017-18	<i>Adopted</i> Budget 2018-19	<i>Projected</i> 2018-19	<i>%</i> Variance 2018-19	<i>Proposed</i> Budget 2019-20	<i>% Change</i> <i>Projected</i> 2018-19
<b>Revenues:</b>						
Property Taxes	549,513	<b>305,000</b>	305,000	0.0%	<b>329,370</b>	8.0%
Title Transfer Fees	10,233	<b>10,800</b>	6,900	-36.1%	<b>10,800</b>	56.5%
Interest	370	<b>240</b>	184	-23.3%	<b>240</b>	30.4%
CIA Ditch Service Charges	1,800	<b>1,800</b>	1,800	0.0%	<b>1,800</b>	0.0%
Other	9,318	<b>1,500</b>	1,547	3.1%	<b>1,500</b>	-3.0%
<b>Total Operating Revenues</b>	<b>571,234</b>	<b>319,340</b>	<b>315,431</b>	<b>-1.2%</b>	<b>343,710</b>	<b>9.0%</b>
<b>Expenditures:</b>						
Wages	555,684	<b>632,600</b>	583,425	-7.8%	<b>705,300</b>	20.9%
Director Meeting Stipends	13,408	<b>18,000</b>	18,000	0.0%	<b>18,000</b>	0.0%
Employers Costs	285,542	<b>357,880</b>	350,900	-2.0%	<b>384,729</b>	9.6%
Liability Insurance	91,997	<b>109,588</b>	105,000	-4.2%	<b>135,958</b>	29.5%
Information Systems Maintenance	87,661	<b>90,962</b>	93,000	2.2%	<b>96,822</b>	4.1%
Community Communications	6,126	<b>5,200</b>	45,000	765.4%	<b>5,700</b>	-87.3%
Legal	52,951	<b>74,400</b>	65,000	-12.6%	<b>60,000</b>	-7.7%
Office Supplies	20,502	<b>22,450</b>	21,310	-5.1%	<b>16,800</b>	-21.2%
Building/Grounds Maintenance	31,673	<b>20,560</b>	21,000	2.1%	<b>20,560</b>	-2.1%
Postage	18,853	<b>20,160</b>	21,000	4.2%	<b>18,000</b>	-14.3%
Telephones	7,919	<b>7,759</b>	6,900	-11.1%	<b>9,300</b>	34.8%
New Initiatives	13,184	<b>35,000</b>	35,000	0.0%	<b>35,000</b>	0.0%
Audit	14,500	<b>15,000</b>	15,500	3.3%	<b>16,275</b>	5.0%
Consulting	16,950	<b>5,400</b>	5,400	0.0%	<b>15,400</b>	185.2%
Memberships	8,807	<b>9,271</b>	9,500	2.5%	<b>10,750</b>	13.2%
Training/Safety	7,826	<b>8,910</b>	7,500	-15.8%	<b>9,000</b>	20.0%
Power	2,400	<b>1,285</b>	1,200	-6.6%	<b>925</b>	-22.9%
Meetings	5,256	<b>12,355</b>	10,000	-19.1%	<b>18,000</b>	80.0%
Director Exp Reimbursement	3,544	<b>5,400</b>	5,400	0.0%	<b>5,400</b>	0.0%
Equipment Maint	2,796	<b>2,950</b>	2,750	-6.8%	<b>2,950</b>	7.3%
Election Costs	0	<b>6,000</b>	5,934	-1.1%	<b>0</b>	-100.0%
Mail Machine Lease	3,252	<b>2,800</b>	2,750	-1.8%	<b>2,800</b>	1.8%
Copy Machine Maintenance	18,144	<b>19,224</b>	18,000	-6.4%	<b>18,000</b>	0.0%
Clerical Services	5,504	<b>15,000</b>	77,000	413.3%	<b>30,000</b>	-61.0%
Other / IT Projects	23,123	<b>6,683</b>	8,000	19.7%	<b>16,098</b>	101.2%
<b>Total Operating Expenses</b>	<b>1,297,602</b>	<b>1,504,837</b>	<b>1,534,469</b>	<b>2.0%</b>	<b>1,651,767</b>	<b>7.6%</b>
<b>Overage(Deficit)</b>	<b>(726,368)</b>	<b>(1,185,497)</b>	<b>(1,219,038)</b>	<b>2.8%</b>	<b>(1,308,057)</b>	<b>7.3%</b>

# RANCHO MURIETA COMMUNITY SERVICES DISTRICT

## BUDGET SUMMARY - WATER FUND

May 10, 2019

	Actual 2017-18	Adopted Budget 2018-19	Projected 2018-19	% Variance 2018-19	Proposed Budget 2019-20	% Change Projected 2018-19
<b>Revenues:</b>						
<b>Residential Sales</b>	1,842,339	1,962,929	1,937,468	-1.3%	2,156,395	11.3%
<b>Commercial Sales</b>	204,085	208,512	204,693	-1.8%	205,493	0.4%
<b>Other Sales</b>	9,171	8,400	9,473	12.8%	8,400	-11.3%
<b>Availability Fees</b>	300	300	300	0.0%	230	-23.3%
Late Charges	20,916	18,000	20,800	15.6%	20,400	-1.9%
Telephone Line Contracts	8,372	6,215	6,866	10.5%	7,175	4.5%
Meter Installation Fees	2,127	1,600	6,000	275.0%	4,800	-20.0%
Interest Income	3,569	4,700	4,560	-3.0%	5,725	25.5%
Inspection Fees	633	506	506	0.0%	1,518	200.0%
Project Reimbursement	81,385	2,400	24,000	900.0%	24,000	0.0%
Other	15,474	4,800	5,256	9.5%	7,200	37.0%
<b>Operating Revenues</b>	<b>2,188,371</b>	<b>2,218,362</b>	<b>2,219,922</b>	<b>0.1%</b>	<b>2,441,336</b>	<b>10.0%</b>
<b>Expenditures:</b>						
<b>Water Source of Supply</b>	<b>17-18 Actual</b>	<b>18-19 Budget</b>	<b>Projected</b>	<b>Variance</b>	<b>19-20 Budget</b>	<b>Variance</b>
Wages	41,846	21,214	20,955	-1.2%	22,180	5.8%
Employers Costs	18,537	9,757	7,885	-19.2%	9,296	17.9%
Power	62,517	62,755	54,000	-14.0%	56,000	3.7%
Dam Inspection	29,207	52,877	52,877	0.0%	63,500	20.1%
Chemicals - Routine	1,806	6,636	5,500	-17.1%	7,000	27.3%
Chemicals - Taste & Odor	7,688	10,000	8,750	-12.5%	11,000	25.7%
Maint/Repairs	29,175	10,800	16,246	50.4%	16,800	3.4%
Equipment Rental	2,163	3,000	3,000	0.0%	3,000	0.0%
Supplies	899	1,500	850	-43.3%	600	-29.4%
Other	250	250	250	0.0%	250	0.0%
<b>Subtotals</b>	<b>194,088</b>	<b>178,789</b>	<b>170,313</b>	<b>-4.7%</b>	<b>189,626</b>	<b>11.3%</b>
<b>Water Treatment</b>	<b>17-18 Actual</b>	<b>18-19 Budget</b>	<b>Projected</b>	<b>Variance</b>	<b>19-20 Budget</b>	<b>Variance</b>
Wages	192,647	222,747	215,570	-3.2%	232,890	8.0%
Employers Costs	96,838	94,503	90,335	-4.4%	106,187	17.5%
Power	99,906	82,017	78,000	-4.9%	82,017	5.2%
Chemicals	80,924	90,000	87,389	-2.9%	100,000	14.4%
Maint/Repairs	114,403	120,000	115,000	-4.2%	82,000	-28.7%
Lab Tests	12,514	17,000	17,500	2.9%	12,000	-31.4%
Equipment Rental	0	4,800	4,200	-12.5%	600	-85.7%
Taste & Odor Treatment	0	0	0	0.0%	0	0.0%
Supplies	8,950	16,800	15,252	-9.2%	16,800	10.1%
Other	0	500	500	0.0%	14,400	2780.0%
<b>Subtotals</b>	<b>606,182</b>	<b>648,367</b>	<b>623,746</b>	<b>-3.8%</b>	<b>646,894</b>	<b>3.7%</b>
<b>Water Transmission &amp; Distr</b>	<b>17-18 Actual</b>	<b>18-19 Budget</b>	<b>Projected</b>	<b>Variance</b>	<b>19-20 Budget</b>	<b>Variance</b>
Wages	176,980	222,747	215,570	-3.2%	232,890	8.0%
Employers Costs	81,089	94,503	82,115	-13.1%	97,619	18.9%
Maint/Repairs	32,166	50,400	49,250	-2.3%	50,400	2.3%
Meters/Box/Valve	13,509	36,000	34,000	-5.6%	36,000	5.9%
Power	43,006	48,629	46,500	-4.4%	40,800	-12.3%
Equipment Rental	1,477	6,000	6,000	0.0%	2,400	-60.0%
Post Repair Road Paving	24,700	36,000	36,000	0.0%	24,000	-33.3%
Supplies	99	1,200	1,362	13.5%	900	-33.9%
Other	0	600	450	-25.0%	600	33.3%
<b>Subtotals</b>	<b>373,026</b>	<b>496,079</b>	<b>471,247</b>	<b>-5.0%</b>	<b>485,609</b>	<b>3.0%</b>

# RANCHO MURIETA COMMUNITY SERVICES DISTRICT

## BUDGET SUMMARY - WATER FUND

May 10, 2019

<b>Water Administration</b>	<b>17-18 Actual</b>	<b>18-19 Budget</b>	<b>Projected</b>	<b>Variance</b>	<b>19-20 Budget</b>	<b>Variance</b>
Wages	72,756	<b>106,070</b>	104,500	-1.5%	<b>116,900</b>	11.9%
Employers Costs	37,860	<b>47,432</b>	46,200	-2.6%	<b>50,448</b>	9.2%
Permits	28,510	<b>28,044</b>	28,044	0.0%	<b>30,300</b>	8.0%
Equipment Maint	41,188	<b>15,614</b>	13,500	-13.5%	<b>7,200</b>	-46.7%
Legal/Consulting	32,057	<b>89,650</b>	73,616	-17.9%	<b>135,200</b>	83.7%
Vehicle Fuel	11,300	<b>10,500</b>	10,000	-4.8%	<b>11,400</b>	14.0%
Training/Safety	7,192	<b>8,100</b>	7,500	-7.4%	<b>8,100</b>	8.0%
Regional Water Authority	9,188	<b>9,500</b>	9,555	0.6%	<b>15,000</b>	57.0%
Central Ground Water Authority	12,000	<b>9,500</b>	9,500	0.0%	<b>10,000</b>	5.3%
Supplies	3,286	<b>4,020</b>	3,636	-9.6%	<b>3,600</b>	-1.0%
Dam Liability Coverage	11,000	<b>14,400</b>	11,000	-23.6%	<b>11,000</b>	0.0%
Telephones	12,673	<b>6,156</b>	5,600	-9.0%	<b>15,600</b>	178.6%
Information Systems Maint	5,513	<b>8,995</b>	8,995	0.0%	<b>23,303</b>	159.1%
Vehicle Maint.	21,314	<b>21,000</b>	21,000	0.0%	<b>21,000</b>	0.0%
Tools	5,116	<b>6,000</b>	5,000	-16.7%	<b>6,000</b>	20.0%
CIA Ditch Operations	2,766	<b>3,600</b>	3,600	0.0%	<b>3,000</b>	-16.7%
Uniforms	4,850	<b>4,800</b>	4,997	4.1%	<b>4,800</b>	-3.9%
Conservation	12,118	<b>13,260</b>	12,388	-6.6%	<b>13,260</b>	7.0%
Travel/Meetings	1,108	<b>1,800</b>	1,650	-8.3%	<b>1,680</b>	1.8%
Copier Maintenance	72	<b>120</b>	120	0.0%	<b>120</b>	0.0%
Memberships	4,789	<b>5,395</b>	5,200	-3.6%	<b>5,395</b>	3.8%
Maintenance/Repair	7,179	<b>0</b>	7,221	0.0%	<b>7,200</b>	-0.3%
Building Maint	2,113	<b>1,795</b>	1,993	11.0%	<b>2,100</b>	5.4%
Non-routine Maint/Repair	10,092	<b>24,000</b>	22,500	-6.3%	<b>24,000</b>	6.7%
Other / IT Hardware	40,367	<b>8,190</b>	29,669	262.3%	<b>17,190</b>	-42.1%
<b>Subtotals</b>	<b>396,407</b>	<b>447,941</b>	<b>446,984</b>	<b>-0.2%</b>	<b>543,796</b>	<b>21.7%</b>
<b>Total Operating Expenses</b>	<b>1,569,703</b>	<b>1,771,176</b>	<b>1,712,290</b>	<b>-3.3%</b>	<b>1,865,925</b>	<b>9.0%</b>
General Fund Net Alloc	(838)	<b>461,160</b>	461,160	0.0%	<b>508,830</b>	10.3%
<b>Total Expenses</b>	<b>1,568,865</b>	<b>2,232,336</b>	<b>2,173,450</b>	<b>-2.6%</b>	<b>2,374,755</b>	<b>9.3%</b>
<b>Initial Overage(Deficit)</b>	<b>619,506</b>	<b>(13,973)</b>	<b>46,472</b>		<b>66,581</b>	
<b>Transfer from Fund Balance</b>	<b>0</b>	<b>13,973</b>	<b>0</b>			
<b>Net Income (Loss)</b>	<b>619,506</b>	<b>0</b>	<b>46,472</b>		<b>66,581</b>	
Depreciation	822,408	<b>840,000</b>	757,920	-9.8%	<b>840,000</b>	10.8%
<b>Reserves &amp; Debt</b>						
Reserve Expenditures	14,518	<b>18,619</b>	16,824	-9.6%	<b>23,580</b>	40.2%
Interfund Borrowing Repayment	187,373	<b>192,000</b>	189,363	-1.4%	<b>183,888</b>	-2.9%
Water Reserves Collected	213,265	<b>262,482</b>	259,031	-1.3%	<b>264,357</b>	2.1%

# RANCHO MURIETA COMMUNITY SERVICES DISTRICT

## BUDGET SUMMARY - SEWER FUND

May 10, 2019

	<i>Actual</i> 2017-18	<i>Adopted</i> <i>Budget</i> 2018-19	<i>Projected</i> 2018-19	<i>%</i> <i>Variance</i> 2018-19	<i>Proposed</i> <i>Budget</i> 2019-20	<i>% Change</i> <i>Projected</i> 2018-19
<b>Revenues:</b>						
<b>Residential Service</b>	1,182,886	<b>1,222,817</b>	1,223,610	0.1%	<b>1,335,327</b>	9.1%
<b>Commercial Service</b>	123,278	<b>132,264</b>	132,271	0.0%	<b>139,992</b>	5.8%
<b>Availability Fees</b>	360	<b>380</b>	380	0.0%	<b>230</b>	-39.5%
Late Charges	20,913	<b>15,800</b>	19,214	21.6%	<b>18,000</b>	-6.3%
Interest Income	720	<b>490</b>	1,850	277.6%	<b>2,500</b>	35.1%
Project Reimbursement	2,184	<b>2,184</b>	2,184	0.0%	<b>2,184</b>	0.0%
Inspection Fees	506	<b>759</b>	633	-16.6%	<b>4,175</b>	559.5%
Other	3,673	<b>0</b>	0	0.0%	<b>0</b>	0.0%
<b>Operating Revenues</b>	<b>1,334,520</b>	<b>1,374,694</b>	<b>1,380,142</b>	<b>0.4%</b>	<b>1,502,408</b>	<b>8.9%</b>
<b>Expenditures:</b>						
<b>Sewer Collection</b>	<i>17-18 Actual</i>	<i>18-19 Budget</i>	<i>Projected</i>	<i>Variance</i>	<i>19-20 Budget</i>	<i>Variance</i>
Wages	103,213	<b>148,498</b>	145,600	-2.0%	<b>155,260</b>	6.6%
Employers Costs	122,452	<b>63,029</b>	62,495	-0.8%	<b>65,082</b>	4.1%
Power	17,554	<b>16,221</b>	15,500	-4.4%	<b>16,550</b>	6.8%
Maint/Repairs	41,005	<b>40,000</b>	42,500	6.3%	<b>40,000</b>	-5.9%
Equipment Rental	3,374	<b>2,400</b>	2,200	-8.3%	<b>2,400</b>	9.1%
Supplies	273	<b>3,000</b>	1,750	-41.7%	<b>6,000</b>	242.9%
Other	0	<b>600</b>	450	-25.0%	<b>600</b>	33.3%
<b>Subtotals</b>	<b>287,871</b>	<b>273,748</b>	<b>270,495</b>	<b>-1.2%</b>	<b>285,892</b>	<b>5.7%</b>
<b>Sewer Treatment &amp; Disposal</b>	<i>17-18 Actual</i>	<i>18-19 Budget</i>	<i>Projected</i>	<i>Variance</i>	<i>19-20 Budget</i>	<i>Variance</i>
Wages	165,184	<b>183,501</b>	174,600	-4.9%	<b>191,857</b>	9.9%
Employers Costs	81,948	<b>77,871</b>	64,879	-16.7%	<b>83,993</b>	29.5%
Power	100,772	<b>96,080</b>	93,500	-2.7%	<b>94,000</b>	0.5%
Maint/Repairs	130,251	<b>69,000</b>	76,680	11.1%	<b>69,000</b>	-10.0%
Chemicals	34,652	<b>37,500</b>	44,474	18.6%	<b>45,000</b>	1.2%
Lab Tests	13,489	<b>15,000</b>	13,355	-11.0%	<b>15,000</b>	12.3%
Supplies	10,524	<b>5,400</b>	4,750	-12.0%	<b>9,000</b>	89.5%
Equipment Rental	0	<b>2,400</b>	2,400	0.0%	<b>2,400</b>	0.0%
Sludge Removal Off Site	20,737	<b>11,000</b>	10,037	-8.8%	<b>10,000</b>	-0.4%
Other / IT Hardware	278	<b>600</b>	250	-58.3%	<b>500</b>	100.0%
<b>Subtotals</b>	<b>557,835</b>	<b>498,352</b>	<b>484,925</b>	<b>-2.7%</b>	<b>520,750</b>	<b>7.4%</b>

# RANCHO MURIETA COMMUNITY SERVICES DISTRICT

## BUDGET SUMMARY - SEWER FUND

May 10, 2019

<i>Sewer Administration</i>	<i>17-18 Actual</i>	<i>18-19 Budget</i>	<i>Projected</i>	<i>Variance</i>	<i>19-20 Budget</i>	<i>Variance</i>
Wages	50,932	<b>63,642</b>	58,000	-8.9%	<b>66,540</b>	14.7%
Employers Costs	24,161	<b>29,760</b>	28,685	-3.6%	<b>31,661</b>	10.4%
Equipment Maint	16,807	<b>36,000</b>	35,716	-0.8%	<b>19,800</b>	-44.6%
Vehicle Fuel	17,495	<b>17,800</b>	18,515	4.0%	<b>20,000</b>	8.0%
Permits	40,165	<b>41,492</b>	35,411	-14.7%	<b>41,492</b>	17.2%
Legal/Consulting (Engineer)	4,204	<b>11,400</b>	11,400	0.0%	<b>39,000</b>	242.1%
Training/Safety	9,469	<b>9,700</b>	8,500	-12.4%	<b>9,700</b>	14.1%
Supplies	3,283	<b>4,020</b>	4,000	-0.5%	<b>3,000</b>	-25.0%
Information Systems Maint	2,107	<b>4,885</b>	4,500	-7.9%	<b>2,400</b>	-46.7%
Vehicle Maint.	12,415	<b>15,000</b>	17,473	16.5%	<b>15,000</b>	-14.2%
Tools	11,334	<b>3,600</b>	3,600	0.0%	<b>3,600</b>	0.0%
Telephones	10,283	<b>6,156</b>	9,500	54.3%	<b>18,300</b>	92.6%
Uniforms	4,850	<b>4,800</b>	5,005	4.3%	<b>4,800</b>	-4.1%
Travel/Meetings	1,108	<b>1,800</b>	1,500	-16.7%	<b>1,200</b>	-20.0%
Building Maint	2,113	<b>1,855</b>	1,902	2.5%	<b>1,855</b>	-2.5%
Copier Maintenance	72	<b>120</b>	95	-20.8%	<b>120</b>	26.3%
Memberships	1,879	<b>3,180</b>	2,700	-15.1%	<b>3,180</b>	17.8%
Maint/Repairs	17,379	<b>0</b>	25,191	0.0%	<b>19,800</b>	-21.4%
Sewer General Fine	0	<b>0</b>	0	0.0%	<b>0</b>	0.0%
Nonroutine Maint/Repair	0	<b>12,000</b>	12,000	0.0%	<b>12,000</b>	0.0%
Other / IT Hardware	19,599	<b>4,895</b>	10,940	123.5%	<b>16,977</b>	55.2%
<b>Subtotals</b>	<b>249,655</b>	<b>272,105</b>	<b>294,633</b>	<b>8.3%</b>	<b>330,425</b>	<b>12.1%</b>
<b>Total Operating Expenses</b>	<b>1,095,361</b>	<b>1,044,205</b>	<b>1,050,053</b>	<b>0.6%</b>	<b>1,137,067</b>	<b>8.3%</b>
General Fund Net Allocation	0	<b>352,090</b>	352,090	0.0%	<b>388,490</b>	10.3%
<b>Total Expenses</b>	<b>1,095,361</b>	<b>1,396,295</b>	<b>1,402,143</b>	<b>0.4%</b>	<b>1,525,557</b>	<b>8.8%</b>
<b>Initial Overage(Deficit)</b>	<b>239,159</b>	<b>(21,601)</b>	<b>(22,001)</b>		<b>(23,149)</b>	
<i>Transfer from Fund Balance</i>	<b>0</b>	<b>21,601</b>	<b>0</b>			
<b>Net Income (Loss)</b>	<b>239,159</b>	<b>0</b>	<b>(22,001)</b>		<b>(23,149)</b>	
Depreciation	552,096	<b>558,000</b>	0	-100.0%	<b>558,000</b>	0.0%
<b>Reserves &amp; Debt</b>						
Reserve Expenditures	0	<b>0</b>	0	0.0%	<b>0</b>	0.0%
<b>Sewer Reserves Collected</b>						
Sewer Reserves Collected	209,747	<b>226,699</b>	224,831	-0.8%	<b>233,202</b>	3.7%

**RANCHO MURIETA COMMUNITY SERVICES DISTRICT**  
**BUDGET SUMMARY - DRAINAGE FUND**

May 10, 2019

	<i>Actual</i> 2017-18	<i>Adopted</i> <i>Budget</i> 2018-19	<i>Projected</i> 2018-19	<i>%</i> <i>Variance</i> 2018-19	<i>Proposed</i> <i>Budget</i> 2019-20	<i>% Change</i> <i>Projected</i> 2018-19
<b>Revenues:</b>						
<b>Residential Special Taxes</b>	164,007	<b>167,422</b>	167,360	0.0%	<b>171,127</b>	2.3%
<b>Commercial Special Taxes</b>	31,576	<b>34,248</b>	32,267	-5.8%	<b>34,874</b>	8.1%
Property Tax Allocation	33,580	<b>100,000</b>	100,000	0.0%	<b>100,000</b>	0.0%
Tax Allocation to Reserves	(31,540)	<b>(33,000)</b>	(33,000)	0.0%	<b>(33,000)</b>	0.0%
<b>Operating Revenues</b>	<b>198,012</b>	<b>268,730</b>	<b>266,526</b>	<b>-0.8%</b>	<b>273,001</b>	<b>2.4%</b>
<b>Expenditures:</b>						
Wages	80,752	<b>92,282</b>	79,500	-13.9%	<b>96,336</b>	21.2%
Employers Costs	80,343	<b>39,233</b>	46,314	18.0%	<b>44,044</b>	-4.9%
MS4 Permit	6,552	<b>6,500</b>	5,692	-12.4%	<b>6,000</b>	5.4%
MS4 Stormwater Outreach	0	<b>3,000</b>	3,000	0.0%	<b>3,000</b>	0.0%
Power	8,202	<b>10,039</b>	7,900	-21.3%	<b>10,545</b>	33.5%
Chemicals	13,199	<b>14,812</b>	15,500	4.6%	<b>15,250</b>	-1.6%
Maint/Repairs	4,227	<b>15,000</b>	13,500	-10.0%	<b>15,500</b>	14.8%
Equipment Rental	2,953	<b>3,000</b>	3,000	0.0%	<b>3,000</b>	0.0%
Training/Safety	297	<b>600</b>	550	-8.3%	<b>600</b>	9.1%
Improvements	86	<b>5,000</b>	5,000	0.0%	<b>5,150</b>	3.0%
Legal/Consulting	1,514	<b>2,000</b>	2,750	37.5%	<b>2,750</b>	0.0%
Uniforms	0	<b>400</b>	630	57.5%	<b>400</b>	-36.5%
Tools	1,689	<b>4,544</b>	4,850	6.7%	<b>5,200</b>	7.2%
Other / IT Hardware	350	<b>0</b>	1,107	0.0%	<b>0</b>	-100.0%
<b>Total Operating Expenses</b>	<b>200,164</b>	<b>196,410</b>	<b>189,293</b>	<b>-3.6%</b>	<b>207,775</b>	<b>9.8%</b>
General Fund Net Allocation	(131)	<b>72,320</b>	72,320	0.0%	<b>79,790</b>	10.3%
<b>Total Expenses</b>	<b>200,033</b>	<b>268,730</b>	<b>261,613</b>	<b>-2.6%</b>	<b>287,565</b>	<b>9.9%</b>
<b>Transfer from Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	
<b>Net Income (Loss)</b>	<b>(2,021)</b>	<b>0</b>	<b>4,913</b>		<b>(14,564)</b>	
<b>Reserves &amp; Debt</b>						
Reserve Expenditures	0	<b>0</b>	0	0.0%	<b>0</b>	0.0%
Drainage Reserves Collected	37,992	<b>33,000</b>	33,000	0.0%	<b>33,000</b>	0.0%

**RANCHO MURIETA COMMUNITY SERVICES DISTRICT**  
**BUDGET SUMMARY - SOLID WASTE FUND**

May 10, 2019

	<i>Actual</i> 2017-18	<i>Adopted</i> <i>Budget</i> 2018-19	<i>Projected</i> 2018-19	<i>%</i> <i>Variance</i> 2018-19	<i>Proposed</i> <i>Budget</i> 2019-20	<i>% Change</i> <i>Projected</i> 2018-19
<b>Revenues:</b>						
<b>Solid Wastes Charges</b>	653,853	<b>673,985</b>	679,624	0.8%	<b>705,716</b>	3.8%
Other	2,176	<b>1,229</b>	1,016	-17.4%	<b>1,100</b>	8.3%
<b>Operating Revenues</b>	<b>656,029</b>	<b>675,214</b>	<b>680,640</b>	<b>0.8%</b>	<b>706,816</b>	<b>3.8%</b>
<b>Expenditures:</b>						
CWRS Contract	565,974	<b>579,691</b>	588,739	1.6%	<b>609,341</b>	3.5%
Sac. County Admin. Fee	35,446	<b>36,252</b>	37,578	3.7%	<b>37,826</b>	0.7%
<b>Subtotal</b>	<b>601,420</b>	<b>615,943</b>	<b>626,317</b>	<b>1.7%</b>	<b>647,166</b>	<b>3.3%</b>
General Fund Net Allocation	23,257	<b>59,270</b>	59,270	0.0%	<b>65,400</b>	10.3%
<b>Total Expenses</b>	<b>624,677</b>	<b>675,213</b>	<b>685,587</b>	<b>1.5%</b>	<b>712,566</b>	<b>3.9%</b>
<b>Net Income (Loss)</b>	<b>31,352</b>	<b>1</b>	<b>(4,947)</b>		<b>(5,750)</b>	



# RANCHO MURIETA COMMUNITY SERVICES DISTRICT

## BUDGET SUMMARY - SECURITY FUND

May 10, 2019

	<i>Actual</i> 2017-18	<i>Adopted</i> <i>Budget</i> 2018-19	<i>Projected</i> 2018-19	<i>%</i> <i>Variance</i> 2018-19	<i>Proposed</i> <i>Budget</i> 2019-20	<i>% Change</i> <i>Projected</i> 2018-19
<b>Residential Special Taxes</b>	1,125,437	<b>1,146,274</b>	1,148,445	0.2%	<b>1,172,205</b>	2.1%
<b>Commercial Special Taxes</b>	188,790	<b>201,743</b>	197,596	-2.1%	<b>205,895</b>	4.2%
Late Charges	41,827	<b>39,000</b>	41,700	6.9%	<b>39,000</b>	-6.5%
Title Transfer Fees	5,117	<b>5,400</b>	2,500	-53.7%	<b>5,400</b>	116.0%
Bar Code Income	9,530	<b>7,800</b>	8,600	10.3%	<b>7,800</b>	-9.3%
Fines, Enforcement	2,400	<b>2,100</b>	2,100	0.0%	<b>2,100</b>	0.0%
Interest Income	1,190	<b>1,035</b>	1,035	0.0%	<b>1,200</b>	15.9%
Property Tax Allocation	65,040	<b>245,000</b>	244,998	0.0%	<b>245,000</b>	0.0%
Tax Allocation to Reserves	(45,680)	<b>(49,000)</b>	(49,002)	0.0%	<b>(49,000)</b>	0.0%
Other	14,506	<b>5,800</b>	4,149	-28.5%	<b>5,800</b>	39.8%
<b>Operating Revenues</b>	<b>1,408,157</b>	<b>1,605,151</b>	<b>1,602,121</b>	<b>-0.2%</b>	<b>1,635,400</b>	<b>2.1%</b>

**Expenditures:**

<b>Security Gates</b>	<i>17-18 Actual</i>	<i>18-19 Budget</i>	<i>Projected</i>	<i>Variance</i>	<i>19-20 Budget</i>	<i>Variance</i>
Wages	266,251	<b>329,635</b>	281,900	-14.5%	<b>332,463</b>	17.9%
Employers Costs	304,003	<b>234,867</b>	243,983	3.9%	<b>263,745</b>	8.1%
Information Systems Maint	9,246	<b>10,506</b>	8,500	-19.1%	<b>15,298</b>	80.0%
Equipment Repairs	7,341	<b>3,600</b>	2,300	-36.1%	<b>3,600</b>	56.5%
Bar Codes	9,242	<b>6,000</b>	6,900	15.0%	<b>6,900</b>	0.0%
Telephones	5,842	<b>6,120</b>	2,750	-55.1%	<b>1,550</b>	-43.6%
Building Maint	5,843	<b>3,600</b>	4,300	19.4%	<b>3,600</b>	-16.3%
Power	7,732	<b>8,706</b>	6,500	-25.3%	<b>7,100</b>	9.2%
Uniforms	2,936	<b>2,400</b>	5,000	108.3%	<b>4,200</b>	-16.0%
Supplies	347	<b>300</b>	100	-66.7%	<b>120</b>	20.0%
Training / Safety	127	<b>0</b>	0	0.0%	<b>250</b>	0.0%
Other / IT Hardware	5,836	<b>600</b>	840	40.0%	<b>3,900</b>	364.3%
<b>Subtotal</b>	<b>624,746</b>	<b>606,334</b>	<b>563,073</b>	<b>-7.1%</b>	<b>642,726</b>	<b>14.1%</b>

<b>Security Patrol</b>	<i>17-18 Actual</i>	<i>18-19 Budget</i>	<i>Projected</i>	<i>Variance</i>	<i>19-20 Budget</i>	<i>Variance</i>
Wages	235,882	<b>283,888</b>	250,500	-11.8%	<b>284,488</b>	13.6%
Employers Costs	200,998	<b>256,213</b>	227,124	-11.4%	<b>235,060</b>	3.5%
Vehicle Fuel	14,113	<b>16,200</b>	14,500	-10.5%	<b>15,600</b>	7.6%
Off Duty Sheriff Patrol	6,895	<b>8,000</b>	6,000	-25.0%	<b>8,000</b>	33.3%
Vehicle Maint.	5,317	<b>9,000</b>	9,600	6.7%	<b>9,000</b>	-6.3%
Vehicle Lease	0	<b>4,762</b>	4,762	0.0%	<b>5,236</b>	9.9%
Information Systems Maint	0	<b>600</b>	4,422	637.0%	<b>3,466</b>	-21.6%
Training/Safety	3,883	<b>1,600</b>	900	-43.8%	<b>1,600</b>	77.8%
Safety Center	3,632	<b>5,573</b>	4,000	-28.2%	<b>4,200</b>	5.0%
Uniforms	4,335	<b>3,000</b>	2,500	-16.7%	<b>2,160</b>	-13.6%
Telephones	5,408	<b>6,795</b>	5,500	-19.1%	<b>3,800</b>	-30.9%
Equipment Repairs	141	<b>1,200</b>	1,200	0.0%	<b>1,200</b>	0.0%
Supplies	0	<b>300</b>	125	-58.3%	<b>120</b>	-4.0%
Other / IT Hardware	2,172	<b>0</b>	1,500	0.0%	<b>5,100</b>	240.0%
<b>Subtotal</b>	<b>482,776</b>	<b>597,131</b>	<b>532,633</b>	<b>-10.8%</b>	<b>579,030</b>	<b>8.7%</b>



# RANCHO MURIETA COMMUNITY SERVICES DISTRICT

## BUDGET SUMMARY - SECURITY FUND

<b>Security Administration</b>	<b>17-18 Actual</b>	<b>18-19 Budget</b>	<b>Projected</b>	<b>Variance</b>	<b>19-20 Budget</b>	<b>Variance</b>
Wages	48,838	<b>79,278</b>	81,116	2.3%	<b>87,664</b>	8.1%
Employers Costs	38,061	<b>55,363</b>	54,336	-1.9%	<b>63,708</b>	17.2%
Legal/Consulting	31,283	<b>6,000</b>	6,000	0.0%	<b>6,000</b>	0.0%
Supplies	6,758	<b>6,000</b>	6,236	3.9%	<b>6,000</b>	-3.8%
Telephones	1,209	<b>1,197</b>	1,189	-0.7%	<b>890</b>	-25.1%
Information System Maint	3,976	<b>6,068</b>	6,237	2.8%	<b>600</b>	-90.4%
Training/Safety	3,883	<b>2,350</b>	2,395	1.9%	<b>2,350</b>	-1.9%
Travel/Meetings	39	<b>600</b>	500	-16.7%	<b>1,000</b>	100.0%
Uniforms	1,094	<b>600</b>	600	0.0%	<b>1,200</b>	100.0%
Equipment Maint	212	<b>600</b>	396	-34.0%	<b>600</b>	51.5%
Other / IT Hardware	91	<b>3,438</b>	1,658	-51.8%	<b>1,200</b>	-27.6%
<b>Subtotal</b>	<b>135,444</b>	<b>161,494</b>	<b>160,663</b>	<b>-0.5%</b>	<b>171,212</b>	<b>6.6%</b>
<b>Total Operating Expenses</b>	<b>1,242,966</b>	<b>1,364,959</b>	<b>1,256,369</b>	<b>-8.0%</b>	<b>1,392,968</b>	<b>10.9%</b>
General Fund Net Allocation	0	<b>240,660</b>	240,660	0.0%	<b>265,540</b>	10.3%
<b>Total Expenses</b>	<b>1,242,966</b>	<b>1,605,619</b>	<b>1,497,029</b>	<b>-6.8%</b>	<b>1,658,508</b>	<b>10.8%</b>
<b>Initial Overage(Deficit)</b>	<b>165,191</b>	<b>(468)</b>	<b>105,092</b>		<b>(23,108)</b>	
<b>Transfer from Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	
<b>Net Income (Loss)</b>	<b>165,191</b>	<b>(468)</b>	<b>105,092</b>		<b>(23,108)</b>	
Depreciation	0	<b>42,000</b>	41,586	-1.0%	<b>42,000</b>	1.0%
<b>Reserves &amp; Debt</b>						
Reserve Interest Expenditures	49,266	<b>690</b>	0	-100.0%	<b>630</b>	0.0%
Internal Borrowing Repayment	22,836	<b>22,836</b>	22,836	0.0%	<b>22,836</b>	0.0%
Security Reserves	45,684	<b>49,000</b>	49,750	1.5%	<b>49,000</b>	-1.5%

## Project Listing

The Capital Project Listing for FY 2019-20 is attached.

### RANCHO MURIETA COMMUNITY SERVICES DISTRICT

May 10, 2019

#### 2019-20 CAPITAL PROJECTS

Project Number	Project Description	Budget Amount	Funding Source	Status	Bid Date
<b>Water / Sewer Department</b>					
1	08-07-1 Bobcat Compact Track Loader	\$ 65,000	Replacement Reserves - Water & Sewer	Approved	
2	18-01-2 Cantova Pump Station Repairs - Generator	\$ 35,000	Replacement Reserves - Sewer	Approved	
3	18-07-2 WWRP Chlorine Gas to Bleach Conversion	\$ 266,140	Capital Improvement Reserves	Approved	
4	18-12-1 Rio Oso Booster Pump Replacement	\$ 50,000	Water Replacement Reserves	Approved	
5	20-01-1 Replace Calero subdrain panels (3 total)	\$ 25,000	Replacement Reserves - Water	Proposed	
6	20-02-1 Replace Truck 217	\$ 25,000	Replacement Reserves - Water	Proposed	
7	20-03-2 Repower Sewer Jetter	\$ 25,000	Replacement Reserves - Sewer	Proposed	
8	20-04-1/2 Create Water Right to Capture Stormwater at WWRP	\$ 30,000	Water Augmentation Reserves	Proposed	
9	20-05-1 WTP #1 Effluent pump rehabilitations (3 total)	\$ 65,000	Water Replacement Reserves	Proposed	
10	20-06-1 Distribution system dry-barrel fire hydrant replacements (10)	\$ 90,000	Replacement Reserves - Water	Proposed	
<b>Department Subtotal</b>		<b>\$ 676,140</b>			
<b>Drainage Department</b>					
11	20-07-2 North Course - Hole 14 Culvert Replacement	\$ 32,000	Drainage Replacement Reserves	Proposed	
<b>Department Subtotal</b>		<b>\$ 32,000</b>			
<b>Security Department</b>					
No CIP Item for Security planned for FY 19-20		\$ -	Capital Improvement Reserves		
<b>Department Subtotal</b>		<b>\$ -</b>			
<b>Admin Department</b>					
No CIP Item for Administration planned for FY 19-20		\$ -	Capital Improvement Reserves		
<b>Department Subtotal</b>		<b>\$ -</b>			
<b>2019-20 Grand Totals</b>		<b>\$ 708,140</b>			
<b>Ongoing Projects</b>					
18-06-1	WTP Culvert	\$ 159,880	Capital Improvement Reserves	Completion - Fall 2019	
17-03-1	Dam Inundation Study	\$ 60,000	Replacement Reserves - Water Board approved Item - Domichell and Associates	Completion - Fall 2019	
<b>Ongoing Projects Total</b>		<b>\$ 219,880</b>			
<b>Other Optional Projects</b>					
TBD	MLN Generator	\$ 125,000	Replacement Reserves - Sewer	On-hold	
TBD	Granlees Forebay Repairs	\$ 130,000	Replacement Reserves - Water	On-hold	
TBD	Reservoir Monitoring - Water	\$ 65,000	Capital Improvement Reserves	On-hold	
TBD	Reservoir Monitoring - Sewer	\$ 65,000	Capital Improvement Reserves	On-hold	
<b>Other Optional Projects Total</b>		<b>\$ 385,000</b>			

**PROJECT TITLE: BOBCAT COMPACT TRACTOR LOADER – REPLACEMENT FUND**



<b>CAPITAL PLAN</b>	Water / Waste Water – Replacement Reserves
<b>CIP #</b>	08-07-1
<b>PROJECT BASIS:</b>	Replace 1993 Bobcat Loader with a newer model
<b>DESCRIPTION:</b>	Replacement of the 1993 loader will provide staff with the proper tool to load materials for service work throughout the District and for servicing the Water & Wastewater plant drying beds sludge handling process. Having the tractor available at the Wastewater plant materials storage bins will eliminate excessive time and wear & tear on the Districts backhoe needing to drive to and from projects to load materials.
<b>REGULATORY ISSUES:</b>	Under California DOORS program it would need to be replaced if we didn't have a backhoe already.
<b>RISK ASSESSMENT:</b>	Low. Hydrostatic brake is confusing to some staff vs traditional brake. New equipment would have traditional braking system.
<b>PROJECT BUDGET:</b>	\$65,000
<b>BASIS OF COST EST:</b>	Based on review of the market for used Bobcat Compact Tractor Loaders.

## PROJECT TITLE: CANTOVA GENERATOR REPLACEMENT- REPLACEMENT FUND



<b>CAPITAL PLAN</b>	Sewer Replacement Reserves
<b>CIP #</b>	18-01-2
<b>PROJECT BASIS:</b>	Replace 116 hp diesel fired generator with a liquid propane fired generator
<b>DESCRIPTION:</b>	Provided District with reliable and supportable equipment for long term use, especially in light of increasing sewer flows from the Murieta Gardens project. System would be automated vs existing one which requires manual startup and transfer of power.
<b>REGULATORY ISSUES:</b>	Meet current and future demands, as well as Air Quality Management District standards.
<b>RISK ASSESSMENT:</b>	Providing emergency backup power for the Cantova sewer pumping station.
<b>PROJECT BUDGET:</b>	\$35,000
<b>BASIS OF COST EST:</b>	Based on budgetary quote provided from Cummins Pacific and estimate for electrical tie-in.

## PROJECT TITLE: WWRP CHLORINE GAS TO BLEACH CONVERSION - IMPROVEMENT FUND



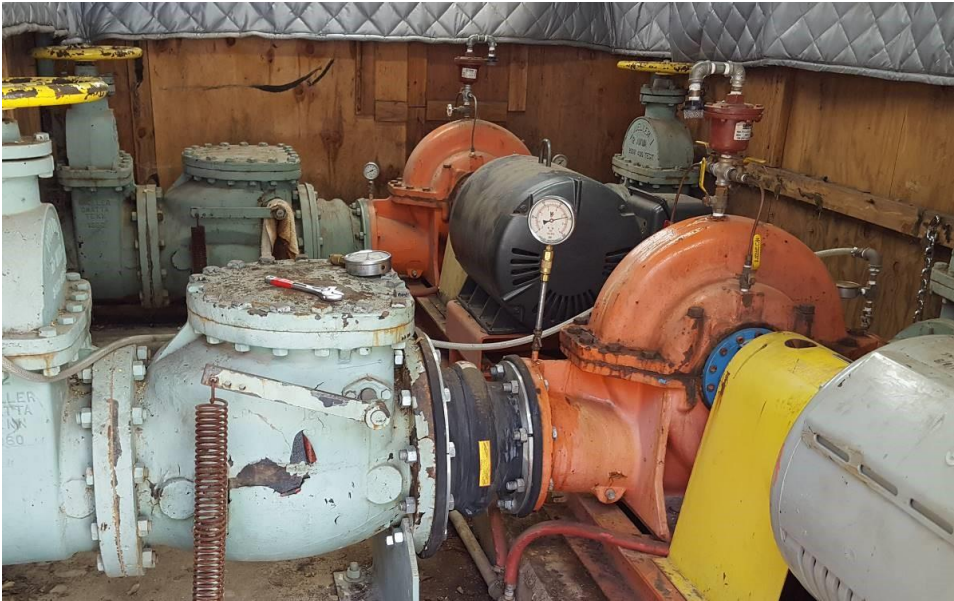
*Ton cylinders of chlorine gas*



<b>CAPITAL PLAN</b>	Sewer Improvement Reserves
<b>CIP #</b>	18-07-2
<b>PROJECT BASIS:</b>	System Conversion
<b>DESCRIPTION:</b>	Eliminate the use of chlorine gas at the Wastewater Plant for recycled water disinfection and convert to using industrial strength sodium hypochlorite (bleach) for pf staff and community.
<b>REGULATORY ISSUES:</b>	Safer product for staff; Substantially less regulatory oversight and required staff training; Mitigates risk to community from transport, storage and use of chlorine gas.
<b>RISK ASSESSMENT:</b>	Provides a safer alternative for the neighboring community vs the potential of a catastrophic chlorine gas leak.
<b>PROJECT BUDGET:</b>	\$266,140
<b>BASIS OF COST EST:</b>	Cost estimates based on removal of gas feed system, procurement and installation of chemical feed skids for bleach injection; engineering for design, plans, bid packet, submittal review and as-builts; contractor procurement of tanks, building tank pads, and installing piping and feed equipment appurtenances.



**PROJECT TITLE: RIO OSO BOOSTER PUMP REPLACEMENT - REPLACEMENT FUND**



<b>CAPITAL PLAN</b>	Water
<b>CIP #</b>	18-12-1
<b>PROJECT BASIS:</b>	Short description
<b>DESCRIPTION:</b>	Replacement of an obsolete system
<b>REGULATORY ISSUES:</b>	Provides District and its customers reliable water supply pressure and electrical cost savings in perpetuity of system operation. Estimate of operation of distribution system and jockey pump would lower annual operating costs at of \$3,400/year based on current power costs.
<b>RISK ASSESSMENT:</b>	Having system retrofitted on our time vs during a potential failure would eliminate excessive potential downtime from research, procurement, and installation for an obsolete system, as well as to avoid the repercussions from the downtime.
<b>PROJECT BUDGET:</b>	\$50,000
<b>BASIS OF COST EST:</b>	Based on vendor's budgetary estimate.

**PROJECT TITLE: CALERO SUBDRAIN PANEL REPLACEMENT- REPLACEMENT FUND**



<b>CAPITAL PLAN</b>	Water
<b>CIP #</b>	20-01-1
<b>PROJECT BASIS:</b>	Panel Replacement (3 total)
<b>DESCRIPTION:</b>	Replace 3 electrical panels and equipment that were installed in 1979 to provide reliable operations.
<b>REGULATORY ISSUES:</b>	Provides necessary equipment for reliable operations of equipment utilized to dewater the base of the Calero Main and East dams.
<b>RISK ASSESSMENT:</b>	Provides District loss of downtime of infrastructure by being able to replace equipment on its scheduled time vs emergency response.
<b>PROJECT BUDGET:</b>	\$25,000
<b>BASIS OF COST EST:</b>	Develop scope of work and solicit bids from various area electrical companies for panel replacements.

**PROJECT TITLE: REPLACE TRUCK 217**



<b>CAPITAL PLAN</b>	Water Replacement Reserves
<b>CIP #</b>	20-02-1
<b>PROJECT BASIS:</b>	Replace #217 F-150 with half ton or smaller truck for Field Operations staff
<b>DESCRIPTION:</b>	Obtain a replacement truck for one of the oldest and highest maintenance cost vehicles in Field Operations fleet, #217 F-150 purchased in 1997 with a current mileage of 131,047.
<b>REGULATORY ISSUES:</b>	Provides necessary equipment for staff to complete duties.
<b>RISK ASSESSMENT:</b>	Provides a safe and properly working vehicle for staff, as well as avoiding more time for maintenance and administration of repeated vehicle repairs.
<b>PROJECT BUDGET:</b>	\$25,000
<b>BASIS OF COST EST:</b>	Solicited bids from various area dealerships.



**PROJECT TITLE: REPOWER SEWER JETTER - REPLACEMENT FUND**



**CAPITAL PLAN** Sewer Replacement Reserves

**CIP #** 20-03-2

**PROJECT BASIS:** Replace motor with one that meets current and future Air Resources Control Board Standards

**DESCRIPTION:** Replace existing 50.9 HP Deutz diesel engine with one that meets California air standards and enough power to run the existing sewer jetter. Allows District to run necessary equipment for staff to complete cleaning and emergency blockages in the sewer collection system.

**REGULATORY ISSUES:** Due to diesel fired motor being over 50 hp this equipment is currently limited to operate only 80 hours per year.

**RISK ASSESSMENT:** Prevents District from possible fines.

**PROJECT BUDGET:** \$25,000

**BASIS OF COST EST:** Estimate based on verbal quote from US Jetting.

**PROJECT TITLE: WATER RIGHT TO CAPTURE STORMWATER AT WWRP - IMPROVEMENT FUND**



<b>CAPITAL PLAN</b>	Water Augmentation
<b>CIP #</b>	20-04-1
<b>PROJECT BASIS:</b>	Obtain water right to capture stormwater
<b>DESCRIPTION:</b>	Obtain a water right to collect to storage up to 200 acre-feet per year of rainfall. This would allow the District greater flexibility of potable water offset by having more water available through its recycled water system.
<b>REGULATORY ISSUES:</b>	Would provide another source of water to supplement use through the recycled water system, offsetting potable water use.
<b>RISK ASSESSMENT:</b>	Provides a security of water capture to storage in times where water may not always be readily available.
<b>PROJECT BUDGET:</b>	\$30,000
<b>BASIS OF COST EST:</b>	Estimate based on feedback from Water Rights attorney to accomplish the filing with the Division of Water Rights, as well as staff estimate for minor modifications to drainage ditch and pumping system.

**PROJECT TITLE: WATER TREATMENT PLANT #1 EFFLUENT PUMP REHABILITATIONS - REPLACEMENT FUND**



<b>CAPITAL PLAN</b>	Water Replacement Reserves
<b>CIP #</b>	20-05-1
<b>PROJECT BASIS:</b>	Rehabilitate pumps to original specifications (3 total)
<b>DESCRIPTION:</b>	Restore rusting pump columns, impellers, bolts, etc., to original operating condition to extend life of pumps prior to needing replacement.
<b>REGULATORY ISSUES:</b>	Provides continued viability of District pumping infrastructure at Plant 1 on District's scheduled time.
<b>RISK ASSESSMENT:</b>	Avoidance of possible emergency downtime of pumps in a period in which they would be needed. Pumps operate in a high chlorine residual environment which subjects them to highly corrosive conditions.
<b>PROJECT BUDGET:</b>	\$65,000
<b>BASIS OF COST EST:</b>	Costs were estimated based on previous comparable repair costs plus 5%.

**PROJECT TITLE: DRY BARREL FIRE HYDRANT REPLACEMENTS - REPLACEMENT FUND**



<b>CAPITAL PLAN</b>	Water Replacement Reserves
<b>CIP #</b>	20-06-1
<b>PROJECT BASIS:</b>	Replacement of dry barrel fire hydrants (10 total)
<b>DESCRIPTION:</b>	Replace failing wet barrel fire hydrants that are at the end of their useful life with fire hydrants that meet District and AWWA design standards for potable water systems.
<b>REGULATORY ISSUES:</b>	Allows District to conduct this needed replacement work on its own scheduled time vs unanticipated failures.
<b>RISK ASSESSMENT:</b>	Provides reliable water supply system for fire suppression.
<b>PROJECT BUDGET:</b>	\$90,000
<b>BASIS OF COST EST:</b>	Hydrant and material costs from supplier. Staff labor not included.



**PROJECT TITLE: HOLE 14 CULVERT REPLACEMENT - REPLACEMENT FUND**



<b>CAPITAL PLAN</b>	Drainage Replacement Reserves
<b>CIP #</b>	20-07-2
<b>PROJECT BASIS:</b>	Replace North Course Hole 14 Culvert
<b>DESCRIPTION:</b>	Replace failing corrugated metal drainage culvert pipe running under Hole 14 North with high density polyethylene pipe during a time when drainage flows are low.
<b>REGULATORY ISSUES:</b>	Replace with in-kind capacity. No need to replace with a larger capacity culvert as it is a fill/spill culvert across the golf course.
<b>RISK ASSESSMENT:</b>	Coordination with Rancho Murieta Country Club needs to occur to minimize impacts to them when replacing the culvert.
<b>PROJECT BUDGET:</b>	\$32,000
<b>BASIS OF COST EST:</b>	Material costs and estimates of contractor labor at prevailing wage.





**RESOLUTION NO. R2019-04**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT  
APPROVING THE BUDGET FOR FISCAL YEAR 2019-20**

**WHEREAS**, District departments have submitted estimates of budget requirements for Fiscal Year 2019-20 and those estimates have been reviewed by the General Manager and Finance Committee; and

**WHEREAS**, the General Manager has submitted a proposed budget with the tabulations of the estimates together with proposed revisions to the Board of Directors; and

**WHEREAS**, the Board of Directors has reviewed and considered the proposed budget for Fiscal Year 2019-20; and

**WHEREAS**, a public presentation and hearing were conducted for the budget for the Fiscal Year 2019-20 on May 15, 2019 at 6:00 p.m. in the Board Room at 15160 Jackson Road, Rancho Murieta, California.

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED** that (1) the proposed budget for Fiscal Year 2019-20, as submitted by the District General Manager and as reviewed by the Board of Directors is a proper financial program for the budget period and constitutes the budget for 2019-20; and (2) the District's 2019-20 Budget is hereby adopted in the form as presented at this meeting and ordered filed with the County Auditor of Sacramento County in accordance with Sections 53901 and 61110 of the Government Code.

**INTRODUCED** by the Board of Directors on the 15<sup>th</sup> day of May 2019.

**PASSED AND ADOPTED** by the Board of Directors of the Rancho Murieta Community Services District, Sacramento County, California, at a meeting held on the 19<sup>th</sup> day of June 2019, by the following roll call vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

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Les Clark, President of the Board  
Rancho Murieta Community Services District

[SEAL]

Attest:

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Suzanne Lindenfeld, District Secretary

## MEMORANDUM

Date: May 9, 2019  
To: Board of Directors  
From: Tom Hennig, Director of Administration  
Subject: Public Hearing – Introduce Ordinance O2019-01, Proposed Services Charge Increases and Special Tax Adjustments

---

### RECOMMENDED ACTION

Introduce Ordinance O2019-01, 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, waive the full reading of the Ordinance and continue to the June 19, 2019 Board Meeting for adoption.

### BACKGROUND

The purpose of this rate adjustment hearing is to receive community input on the rate adjustments as well as to receive Board direction addressing adjustments based on community input. To formally adopt new rates, various chapters of the District Code will be changed by adopting the attached Ordinance O2019-01.

#### *Rate Adjustment Overview*

The effect of the proposed rate changes on the average monthly bill for a residential metered lot is 5.41%, or an average increase of \$9.54 per month. Impacts to individual customer bills will vary depending on the monthly amount of water used by each customer. For the District, operational costs are anticipated to increase 5.8%, or \$376,085, for fiscal year 2019-20, versus the prior year's budget. This is largely due to increases in the items listed below:

- Wages and employer costs – 6.4%
- Medical premiums – 5%
- SMUD electric rates – 4.75%
- Solid waste contract rates – 4.21%
- Legal expenses related to water rights permit renewal – 38%
- Liability and Workers Comp Insurance – 32%
- Improvements to District financial systems – 15%
- Increases in Dam Inspection fees – 20%

The proposed rate increase also includes Capital Replacement Reserve contributions of \$579,559, which is an increase of 1.5%, or \$8,378 over the prior year's budget.

#### **District Maintaining Focus on Cost Efficiency**

The District remains committed to providing superior community services efficiently and professionally at a reasonable cost. The District is working diligently to identify cost savings where possible to reduce the rate increase impact on all residential and non-residential customers.

Revenue estimates for the overall budget are largely driven by water use. For the FY 2019-20 budget, staff recommends the Board approve the budget based on the FY 2018-19 use estimates. This approach has allowed staff to develop this budget with information consistent with historical projections. The effect of the proposed rate changes on the average monthly bill for a residential metered lot is based on the setting of the average monthly water use at 1,426 Cubic Feet which equates to 10,700 gallons per month. The effect of the proposed rate changes on the average monthly bill for a Murieta Village lot is based on the setting the average monthly water use at 418 cubic feet which equates to 3,130 gallons per month. The current year average for residential lots ranges from 2,200 CF for the larger estate lots to 945 cubic feet for the half-plex lots. The average water consumption for Murieta Village lots is 424 cubic feet. Impacts to individual customer bills will vary depending on the monthly amount of water used by each customer. Customers that use more than the monthly average of 1,426 cubic feet will see an increase in their monthly bill; those that use less than the monthly average usage will see a decrease in their monthly bill.

A summary of the proposed rate changes by Service Change and Special Tax area follows on the next page.

### WATER

The proposed 2019-20 monthly bill increase for an average consumption residential metered lot is projected to be \$5.73 or 8.5%.

	Current Rate 2018-19	Proposed 2019-20
Base Charge (w/o reserve contribution)	\$34.52	\$37.97
Reserve Contribution	\$7.75	\$7.75
<b>Total Base Charge</b>	<b>\$42.27</b>	<b>\$45.72</b>
Debt Service Charge (repay internal borrowing)	\$6.00	\$6.00
Usage Charge (per cū)	\$0.0175	\$0.0191

- Non-residential customers are charged one base charge per month per meter plus the reserve contribution times their Water EDU (equivalent dwelling unit) value plus usage

### SEWER

The proposed 2019-20 monthly bill increase for a residential metered lot is projected to be \$2.36 or 5.0%.

	Current Rate 2018-19	Proposed 2019-20
Base Charge (w/o reserve contribution)	\$40.41	\$42.77
Reserve Contribution	\$6.76	\$6.76
<b>Total Base Charge</b>	<b>\$47.17</b>	<b>\$49.53</b>

- Non-residential customers are charged the base charge plus the reserve contribution times their Sewer EDU (equivalent dwelling unit) value

### DRAINAGE

The proposed 2019-20 monthly bill increase for an average consumption residential metered lot is projected to be \$0.10 or 2.0%.

Developed Property	Current 2018-19	Proposed 2019-20	Max Rate 2019-20
<b>Residential (per lot)</b>			
Metered	\$5.12	\$5.22	\$5.22
Unmetered	\$5.12	\$5.22	\$5.22
The Villas	\$3.42	\$3.49	\$3.49
Murieta Village	\$3.42	\$3.49	\$3.49
<b>Non-Residential (per acre)</b>			
1 Retail	\$25.591	\$26.103	\$26.103
2 Industrial/Whse	\$27.188	\$27.732	\$27.732
3 Light Industrial	\$20.790	\$21.206	\$21.206
4 Office	\$23.991	\$24.471	\$24.471
5 Landscape (golf course/park sites)	\$4.799	\$4.895	\$4.895
6 Murieta Equestrian Center	\$1.852	\$1.889	\$1.889
7 RMCC (club house and parking)	\$0.000	\$0.000	\$0.000
8 Airport	\$2.132	\$2.175	\$2.175
9 Geyer Property	\$15.993	\$16.313	\$16.313
10 Hotel/Ext Stay	\$25.591	\$26.103	\$26.103
<b>Undeveloped Property</b>			
Residential & Non-Residential	\$3.020	\$3.080	\$3.080

### SECURITY

The proposed 2019-20 monthly bill increase for a residential metered lot inside the RMA gates is projected to be \$0.58 or 2.0%.

Developed Property	Current 2018-19	Proposed 2019-20	Max Rate 2019-20
<b>Residential (per lot)</b>			
<b>Inside Gates</b>			
Metered	\$29.15	\$29.73	\$29.73
Unmetered	\$23.32	\$23.79	\$23.79
<b>Outside Gates</b>			
	\$7.03	\$7.17	\$7.17
<b>Non-Residential (per Building square foot)</b>			
1 Highway Retail	\$0.2628	\$0.2681	\$0.2681
2 Other Retail/Comm	\$0.0283	\$0.0289	\$0.0289
3 Industrial/Whse/Lt Industrial	\$0.0618	\$0.0630	\$0.0630
4 Office	\$0.0149	\$0.0152	\$0.0152
5 Institutional	\$0.0149	\$0.0152	\$0.0152
6 Public Utility	\$0.0471	\$0.0480	\$0.0480
7 Murieta Equestrian Center	\$0.0044	\$0.0045	\$0.0045
8 RMCC	\$0.0740	\$0.0755	\$0.0755
9 Airport	\$0.0188	\$0.0192	\$0.0192
10 Hotel/Ext Stay	\$0.0283	\$0.0289	\$0.0289
<b>Undeveloped Property (per acre)</b>			
Inside Gates	\$24.6563	\$25.1494	\$25.1494
Outside Gates	\$3.6742	\$3.7477	\$3.7477



**SOLID WASTE**

The proposed 2019-20 monthly bill increase for a 64 gallon container is projected to be \$0.77 (0.74 for the container and \$0.03 for the Sacramento County Surcharge) or 2.8%. This increase is due to operational cost increases per contract with California Waste Recovery Services and anticipated increases in Sacramento County's landfill surcharges.

	Current Rate 2018-19	Proposed 2019-20
38 gallon container (T38)	\$18.64	19.40
64 gallon container (T64)	\$20.44	21.19
96 gallon container (T96)	\$30.42	31.52
Extra Cart (38 gallon)	\$8.43	8.62
Extra Cart (64 gallon)	\$10.49	10.67
Extra Cart (96 gallon)	\$22.25	22.55
Extra Recycle Cart	\$6.72	6.89
Extra Yard Waste Cart	\$6.75	6.89
Yard Waste Exemption	(\$2.00)	(2.00)
Sac County Surcharge	\$1.23	1.25

	Current Rate 2018-19	Proposed Rate 2019-20	Percent Increase
<b>Security</b>	29.15	29.73	2.00%
<b>Water</b>			
Base Charge	42.27	45.72	
Consumption / cubic foot	0.0175	0.0191	9.10%
WTP Debt Service Charge	6.00	6.00	
<b>Sewer</b>	47.17	49.53	5.00%
<b>Drainage</b>	5.12	5.22	2.00%
<b>Solid Waste</b>			
64-gallon container	20.44	21.19	3.60%
County surcharge	1.23	1.25	1.60%

## ORDINANCE NO. O2019-01

### AN ORDINANCE OF THE BOARD OF DIRECTORS 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 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 AND LEAF COLLECTION

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

SECTION 1. Purpose and Authority. The purposes of this ordinance are to (a) increase the District water, sewer and solid waste collection and disposal service charges in order to reflect and provide for operation, maintenance and other cost increases due to inflation, increased regulatory costs, increased costs of supplies, services, labor and benefits, and other factors, and (b) increase the District drainage special tax and security special tax to implement the voter-authorized annual adjustments. This ordinance is adopted pursuant to California Constitution articles XIII C, section 2, and XIII D, section 6, Government Code sections 61115, 61121 and 61123, District Ordinances Nos. 98-1 and 98-2, and other applicable law.

SECTION 2. Findings. The Board of Directors finds and determines as follows:

- (a) As calculated and demonstrated in the FY 2019-20 District budget, the increased service charges implemented by this ordinance have been fixed in amounts sufficient to pay the operating expenses of the District's water, sewer and solid waste operations, provide for and fund repairs and replacement of utility system works and equipment, provide for increased costs of regulatory compliance, fund financial reserves, and pay debt service and other costs.
- (b) The increased service charges are reasonably related to, and do not exceed, the District's cost of providing each of the services.
- (c) The revenues derived from the service charges do not exceed the funds required to provide the services and will not be used for any purpose other than the listed services.
- (d) The amount of the service charges imposed on each customer's parcel does not exceed the proportional cost of the particular service attributable to that parcel.
- (e) The District water, sewer and solid waste services are services that are actually used by and immediately available to the owner of each customer parcel.
- (f) No portion of these service charge increases are imposed for general governmental services.
- (g) As calculated and demonstrated in the FY 2019-20 District budget, the increased drainage and security special taxes implemented by this ordinance have been fixed in amounts as calculated and determined consistent with the annual tax adjustments as set forth in District Code chapters 16A and 21 and as authorized by the voters at the time of the approval of the special taxes.

- (h) The establishment, modification, structuring, restructuring and approval of the service charges and taxes as set forth in this ordinance are necessary and appropriate to continue to meet the District's costs for operation and maintenance, supplies and equipment, financial reserves, and capital replacement needs, and to maintain a satisfactory level of services within the District service area.
- (i) The District Board of Directors has conducted a duly noticed public hearing on the proposed service charge increases in accordance with California Constitution article XIII D, section 6, and the Board did not receive a majority protest against any of the proposed service charge increases.

SECTION 3. Service Charge and Tax Adjustments; District Code Amendments

- I) The Water Code, Chapter 14, Section 7.00 Rates and Charges is amended as follows:  
Section 7.05 Rates for Metered Service.

- (a) General metered service shall be as follows:

MONTHLY CHARGES

Base Charge	\$ 37.97
Reserve Charge	<u>\$ 7.75</u>
Total Basic Service Charge	\$ 45.72/mo

Usage charge per cubic foot:

Basic volumetric rate per cubic foot	\$ 0.0191/cu. ft.
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- (b) Metered service to residential lots at Murieta Village shall be as follows:

MONTHLY CHARGES

Base Charge	\$ 37.97
Reserve Charge	<u>\$ 7.75</u>
Total Basic Service Charge	\$ 45.72/mo

Usage charge per cubic foot:

Basic volumetric rate per cubic foot	\$ 0.0191/cu. ft.
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- (c) Non-Residential metered service shall be as follows:

MONTHLY CHARGES

Basic Service Charge for non-residential shall be calculated on an EDU basis

Monthly Charges

Basic Service Charge for non-residential metered service shall be calculated on number of meters and an EDU basis for each customer multiplied by the Basic Service Charge reflected in Section 7.05(a) above.

Usage charge per cubic foot:

Basic volumetric rate per cubic foot	\$ 0.0191/cu. ft.
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- II) The Sewer Code, Chapter 15, Section 7.00 Rates and Charges is amended as follows:

Section 7.03 Rates and Charges for Service. The monthly service charge for each premise receiving sewer service from the District shall be:

Residential or other premises, each unit	
Base rate	\$ 42.77 per month
Reserve contribution	<u>\$ 6.76 per month</u>
Total monthly service charge	\$ 49.53 per month

Murieta Village, per unit	
Base rate	\$ 42.77 per month
Reserve contribution	<u>\$ 6.76 per month</u>
Total monthly service charge	\$ 49.53 per month

Non-Residential

Monthly service charge for non-residential sewer service shall be calculated on an EDU basis for each customer multiplied by the residential service charge.

III) The Drainage Code, Chapter 16, Section 7.00 Rates and Charges is amended as follows:

Section 7.01 Rates and Charges: Drainage charges for operation and maintenance of the District's system shall be as set forth in Chapter 16A, Section 3.00.

The Drainage Code, Chapter 16A, Section 3.00 Drainage Tax, is amended as follows:

Section 3.00 Rates and Charges for Operation and Maintenance of the District's system shall be: Commencing July 1, 2018, property within the District shall be assessed a monthly drainage tax as follows. The maximum monthly tax rates shown reflect annual adjustments, per Section 5.00.

LAND USE		Monthly Special Tax Rates Fiscal Year 2019-20	Monthly Special Tax Rates Maximum Ceiling Rate Year 2019-20
<b>DEVELOPED PROPERTY</b>			
Residential			
-Metered Developed	Per Lot	\$ 5.22	5.22
-Unmetered Developed	Per Lot	\$ 5.22	5.22
-The Villas	Per Lot	\$ 3.49	3.49
-Murieta Village	Per Lot	\$ 3.49	3.49
Non-Residential			
-Retail	Per Acre	\$ 26.103	26.103
-Industrial/Warehouse	"	\$ 27.732	27.732
-Light Industrial	"	\$ 21.206	21.206
-Office	"	\$ 24.471	24.471
-Landscaped Areas (golf course & park site)	"	\$ 4.895	4.895
-Murieta Equestrian Center	"	\$ 1.889	1.889
-RMCC (club house & parking)	"	\$ 0.000	0.000
-Airport	"	\$ 2.175	2.175
-Geyer Property	"	\$ 16.313	16.313
-Hotel/Ext. Stay		\$ 26.103	26.103

**UNDEVELOPED PROPERTY**

**Uses Drainage System**

-Residential and Non-Residential	Per Acre	\$ 3.080	3.080
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IV) The Security Code, Chapter 21, Section 5.00 Security Tax, is amended as follows:

Commencing July 1, 2018, property within the District shall be assessed a monthly security tax as follows. The maximum tax rates shown reflect annual adjustments, per Section 5.00:

LAND USE		Monthly Special Tax Rates Fiscal Year 2019-20	Monthly Special Tax Rates Maximum Ceiling Rate Year 2019-20
<b>DEVELOPED PROPERTY</b>			
Residential			
Inside Gates			
- Metered	Per Lot	\$ 29.73	29.73
- Unmetered	Per Lot	\$ 23.79	23.79
Outside Gate	Per Lot	\$ 7.17	7.17
Non-Residential			
- Highway Retail	Per Building Sq. Ft.	\$ 0.2681	0.2681
- Other Retail/Commercial	"	\$ 0.0289	0.0289
- Industrial/Warehouse/Lt Industrial	"	\$ 0.0630	0.0630
- Office	"	\$ 0.0152	0.0152
- Institutional	"	\$ 0.0152	0.0152
- Public Utility	"	\$ 0.0480	0.0480
- Equine Complex	"	\$ 0.0045	0.0045
- RMCC	"	\$ 0.0755	0.0755
- Airport	"	\$ 0.0192	0.0192
- Hotel/Ext. Stay	"	\$ 0.0289	0.0289
<b>UNDEVELOPED PROPERTY</b>			
- Inside Gates	Per Acre	\$ 25.1494	25.1494
- Outside Gates	Per Acre	\$ 3.7477	3.7477

V) The Solid Waste Collection and Disposal Code, Chapter 31, Section 4.0 Collection Rates, is amended as follows:

Section 4.03 Collections Rates. The monthly service charge shall be:

(1) Garbage Collection Services	
38-gallon cart	\$ 19.40
64-gallon cart	\$ 21.19
96-gallon cart	\$ 31.52
(2) Additional Garbage Carts	
38-gallon cart	\$ 8.62
64-gallon cart	\$ 10.67
96-gallon cart	\$ 22.55



(3) Additional Recycling Cart (in excess of 1 recycled cart)	
38-gallon cart	N/A
64-gallon cart	\$ 6.89
96-gallon cart	\$ 6.89
(4) Additional Green Waste Cart (in excess of 2 green waste carts)	
38-gallon cart	N/A
64-gallon cart	\$ 6.89
96-gallon cart	\$ 6.89
(5) Sacramento County Surcharge	\$ 1.25

SECTION 4. Superseder. This ordinance supersedes 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 publish this ordinance once in a newspaper of general circulation published in the District within 15 days after the adoption of the ordinance.

**INTRODUCED** by the Board of Directors on the 15<sup>th</sup> day of May 2019.

**PASSED AND ADOPTED** by the Board of Directors of the Rancho Murieta Community Services District, Sacramento County, California, at a meeting held on the 19<sup>th</sup> day of June 2019, by the following roll call vote:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAIN:**

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Les Clark, President of the Board  
Rancho Murieta Community Services District

[seal]

**ATTEST:**

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Suzanne Lindenfeld, District Secretary