



RANCHO MURIETA COMMUNITY SERVICES DISTRICT




15160 Jackson Road, Rancho Murieta, CA 95683
Office - 916-354-3700 * Fax - 916-354-2082

FINANCE COMMITTEE

Regular Meeting
August 1, 2017 at 9:30 a.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

1. **Call to Order**
2. **Comments from the Public**
3. **Resolutions**
 -  Resolution R2017-08, Delinquent Charges/Taxes
 -  Resolution R2017-09, Community Facilities District No. 2014-1 Annual Special Tax Levies
 -  Resolution R2017-10 Authorizing Sale of District Surplus Equipment
4. **Review District Policy P2017-03, Debt Management**
5. **Discuss Payment of the Capital Improvement and Water Augmentation Fees Report**
6. **Directors & Staff Comments/Suggestions [no action]**
7. **Adjournment**

In accordance with California Government Code Section 54957.5, any writing or document that is a public record, relates to an open session agenda item and is distributed less than 72 hours prior to a regular meeting will be made available for public inspection in the District offices during normal business hours. If, however, the document is not distributed until the regular meeting to which it relates, then the document or writing will be made available to the public at the location of the meeting.

Note: This agenda is posted pursuant to the provisions of the Government Code commencing at Section 54950. The date of this posting is July 28, 2017. Posting locations are: 1) District Office; 2) Rancho Murieta Post Office; 3) Rancho Murieta Association; 4) Murieta Village Association.

MEMORANDUM

Date: July 31, 2017
To: Finance Committee
From: Eric Thompson, Controller
Subject: Resolution R2017-08 Placing Delinquent Charges/Taxes on the Sacramento County Tax Rolls

RECOMMENDED ACTION

Adopt Resolution R2017-08 placing delinquent water, sewer, solid waste, security and/or drainage charges/taxes on the Sacramento County tax rolls to be purchased by Sacramento County under the Teeter Plan.

BACKGROUND

The Board adopts this Resolution annually placing any delinquent water, sewer, garbage, security and/or drainage charges/taxes on the Sacramento County (County) tax rolls. The County has the option to purchase these charges from the District under the Teeter Plan thereby shifting responsibility for collection to the County. In exchange, the County receives all penalties and interest incurred after the charges are billed to the property owner via the property tax bills.

The Exhibit A prepared on July 31, 2017 will be published as required by regulations in the Daily Recorder. An updated Exhibit A will be provided at the August 16, 2017 Board meeting which will reflect the then most current delinquent accounts. The final Exhibit A and data file will be filed with the County on August 17, 2017 for collection through the County tax rolls.

RESOLUTION R2017-08

A RESOLUTION OF THE BOARD OF DIRECTORS OF RANCHO MURIETA COMMUNITY SERVICES DISTRICT AUTHORIZING COLLECTION AND REQUESTING INCLUSION OF DELINQUENT RATES, SPECIAL TAXES, CHARGES AND PENALTIES FOR WATER, SEWER, SOLID WASTE, DRAINAGE AND SECURITY SERVICE ON THE TAX ROLL FOR THE FORTHCOMING FISCAL YEAR IN THE SAME MANNER AS THE GENERAL TAXES

WHEREAS, the Government Code authorizes the District to establish rates and charges for water, sewer, drainage and security services, prescribed penalties for nonpayment of those charges, and to have delinquent charges and penalties collected on the County tax roll; and

WHEREAS, the Rancho Murieta Community Services District, pursuant to Rancho Murieta Community Services District Code, Chapters 14, 15, 16, 21, and 31 prescribes rates, special taxes, and charges for water, sewer, solid waste, drainage and security service, provide for penalties for delinquent water, sewer, drainage and security rates, special taxes, and charges with the County tax roll; and

WHEREAS, the notices prescribed by law were duly published and mailed, and the Board of Directors held a Public Hearing on August 16, 2017 to consider all objections and protest, if any, to the reports on the delinquent charges prepared pursuant to law;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Rancho Murieta Community Services District hereby;

1. Adopts the written report of delinquent water, sewer, drainage and security rates, special taxes, charges and penalties attached hereto as Exhibit "A" and incorporated herein as of June 30, 2017, and determines that each amount described in said report for each parcel is proper and correct.
2. Request the Sacramento County Board of Supervisors to authorize the Auditor and Tax Collector to perform the functions provided by the Government Code and Rancho Murieta Community Services District Codes; Chapter 14, 15, 16, 21 and 31 respecting the placement of said delinquent charges on the tax roll and collecting said charges with the general taxes, for compensation at a cost not to exceed the amounts set by law.
3. The delinquent charges report, in the form submitted to this meeting and on file with the Board, is hereby approved and adopted. The General Manager of the District, or one or more of his/her designees, is hereby authorized to make changes to the Delinquent Charges Report before it is filed with the Sacramento County Auditor as provided in Section 4 hereof and to make changes in response to payments received from ratepayers.
4. A certified copy of this Resolution together with a list of all delinquent parcels subject to being placed on the tax rolls shall be delivered to the Sacramento County Auditor no later than August 17, 2017 as specified by written consent of the Sacramento County Auditor.

BE IT FURTHER RESOLVED, the Secretary of the Board is hereby directed to transmit a certified copy of this Resolution to the Board of Supervisors, County of Sacramento.

PASSED AND ADOPTED by the Board of Directors of the Rancho Murieta Community Services District at their regular meeting held on this 16th day of August 2017 by the following roll call vote:

Ayes:
Noes:
Absent:
Abstain:

Mark Pecotich, President of the Board
Rancho Murieta Community Services District

[seal]

Attest:

Suzanne Lindenfeld, District Secretary
Rancho Murieta Community Services District

Exhibit "A"

Rancho Murieta Community Services District

2016-17 Delinquent Amounts for Sacramento County Tax Rolls

Parcel Number	Account Number	Property Owner	Service Address	Delinquent Amount
073-0790-023	5001300	MURIETA LAKESIDE PROPERTIES, LLC	RIVER CANYON ESTATES	\$71,972.16
073-0800-003	5001400	MURIETA LAKESIDE PROPERTIES, LLC	ESTATES LAKE CLEM/CHESBRO	\$65,833.55
073-0800-008	5001100	MURIETA HIGHLANDS, LLC	THE TERRACE / HIGHLANDS	\$47,737.58
073-0090-062	5000600	MURIETA LAKESIDE PROPERTIES, LLC	ESTATES AT LAKE CALERO	\$33,603.67
073-0190-069	5000500	FRANK STATHOS	APARTMENT SITE	\$6,302.50
073-0190-105	5003200	CSGF RANCHO MURIETA , LLC	RESIDENCE MURIETA HILLS EAST	\$4,745.55
073-0790-007	5002200	PCCP CSGF PORTFOLIO, LLC	RIVERVIEW UNDEVELOPED	\$3,158.40
073-0290-005	1029703	MEGAN VINCENT	7019 PESCADO CIRCLE	\$872.42
073-0300-021	1030503	MONIQUE WILLIAMSON	7001 PESCADO CIRCLE	\$802.07
073-0674-001	6015701	JOAN ABBEY	14780 VALLERO WAY	\$654.62
073-0675-027	6013000	ALEXANDER WELLS	7347 BELLA UNION COURT	\$620.55
128-0290-013	90042600	REVERSE MORTGAGE SOLUTIONS	15337 MURIETA SOUTH PARKWAY	\$521.05
073-0675-017	6014001	ROBERT LOWRY	14571 PONCHO CONDE CIRCLE	\$496.73
073-0676-011	6008500	VELMA STICE	7364 CARMELLA CIRCLE	\$464.15
128-0270-002	90033901	DARIUS STELMACH	14805 REYNOSA DRIVE	\$386.13
128-0260-078	90026801	JESSE HERRERA	15227 MEDELLA CIRCLE	\$375.75
073-0560-035	2077902	ROBERT TAUBER	6742 TERRENO DRIVE	\$321.48
073-0580-005	8002102	HARSMARJ GHAI	7083 MURIETA PARKWAY #21	\$296.03
073-0672-008	6020900	COMMUNITY COMMERCE BANK	7330 SONORA DRIVE	\$202.02
073-0680-049	6007300	OLAF VAN ARDENNE	14701 CARLOS CIRCLE	\$158.08

20 Parcels

\$239,524.49

Eric Thompson

From: Huang. Shih-Der (Stephanie) [Huangs@saccounty.net]
Sent: Monday, July 31, 2017 3:01 PM
To: Eric Thompson; Finance-DirectLevy
Cc: Edward Crouse; Suzanne Lindenfeld
Subject: RE: Delayed Teeter Submission (DL#0440)

Hi Eric,

You may submit your direct levy information by the extended deadline of August 17, 2017.

Please don't hesitate to contact me if you have any questions or concerns.

Stephanie Huang
Accounting Manager
County of Sacramento
Department of Finance
Auditor - Controller Division
Property Tax Accounting Bureau
(916) 874-6078



From: Eric Thompson [<mailto:ethompson@ranchomurietaacsd.com>]
Sent: Friday, July 28, 2017 3:19 PM
To: Finance-DirectLevy
Cc: Huang. Shih-Der (Stephanie); Edward Crouse; Suzanne Lindenfeld
Subject: Delayed Teeter Submission (DL#0440)

Dear Sir or Madam,

I am contacting you with regard to our annual Teeter submission. In years past, you have allowed us to submit our list of delinquent utility accounts after the stated submission date because of the timing of our monthly Board meetings. I'm hoping you will, once again, allow us to submit our Teeter documents after our regular monthly, which occurs on August 16th.

Will it be OK if the District submits its reports on August 17th this year? Once we get the resolution from the Board on August 16th, it should be no problem to get everything over to you by email the following morning.

Thank you in advance for your consideration,

Eric Thompson

Controller

Rancho Murieta Community Services District
P.O. Box 1050
15160 Jackson Road
Rancho Murieta, CA 95683

MEMORANDUM

Date: July 31, 2017
To: Finance Committee
From: Eric Thompson, Controller
Subject: Consider Adoption of District Resolution R2017-09, Community Facilities District No. 2014-1 Annual Special Tax Levies

RECOMMENDED ACTION

Adopt Resolution R2017-09 for Community Facilities District No. 2014-1 placing the annual bond levies on the Sacramento County Tax Rolls for the 2017-2018 and subsequent fiscal years.

BACKGROUND

Enclosed is a draft resolution which places the 2017-2018 and subsequent year's Community Facilities District (CFD) No. 2014-1 bond levies on the Sacramento County Tax Rolls in the total amount of \$420,000.00. The District submits this levy for CFD 2014-1 annually to Sacramento County to be collected on the Sacramento County Tax Rolls. This levy covers bond interest payments due on September 1, 2017 and March 1, 2018, the first bond principal payment due on September 1, 2018, and administrative costs for the 2017-2018 fiscal year. The amount of the levy is calculated annually by NBS who provides annual administration services for the CFD 2014-1.

The individual parcel levies are currently being calculated by NBS and will accompany the resolution at the August 16, 2017 Board meeting.

RESOLUTION NO. R2017-09

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT AUTHORIZING THE ESTABLISHMENT OF AN ANNUAL SPECIAL TAX FOR RANCHO MURIETA CSD COMMUNITY FACILITIES DISTRICT NO. 2014-01 (RANCHO NORTH/MURIETA GARDENS) FOR FISCAL YEAR 2017-2018 AND FUTURE TAX YEARS

WHEREAS, the Board of Directors (the "Board") of the Rancho Murieta Community Services District (the "District") had previously initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors to authorize the levy of special taxes in Community Facilities District No. 2014-01 (Rancho North/Murieta Gardens) ("CFD 2014-01"), all as authorized pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act");

WHEREAS, the Board, by the adoption of Ordinance No. 2014-03, as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of such special taxes in CFD 2014-01; and

WHEREAS, Government Code Section 53340 provides that the Board may provide, by resolution, for the levy of the special taxes in CFD 2014-01 in the current tax year and future tax years at the same rates or at a lower rate than the rate provided for in Ordinance No. 2014-03, if such resolution is adopted and a certified list of all parcels in CFD 2014-01 subject to the special tax levy, including the amount of the special tax to be levied on each such parcel for the current tax year (the "Fiscal Year 2017-2018 Certified List") and future tax years, is timely filed by the District Secretary or other official designated by the Board with the Auditor of the County of Sacramento (the "County Auditor").

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

Section 1. The above recitals are all true and correct.

Section 2. The General Manager is hereby authorized and directed to determine or cause to be determined the specific rates and amounts of the special tax to be collected from taxable parcels within CFD 2014-01 for Fiscal Year 2017-18 and in future tax years.

Section 3. The General Manager is hereby authorized and directed to prepare or cause the preparation of the Fiscal Year 2017-18 Certified List and in future tax years and to submit such list to the County Auditor on or before August 17th or such later date to which the County Auditor may agree.

Section 4. The special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes, and the

Sacramento County Tax Collector is hereby authorized to deduct reasonable administrative costs incurred in collecting any said special tax.

Section 5. It is hereby further directed that a certified copy of this Resolution, together with the Certified List for Fiscal Year 2017-18 and future tax years, also be filed with the County Auditor.

Section 6. The County Auditor is hereby directed to enter in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land effected in a space marked "public improvements, special tax" or by any other suitable designation, the installment of the special tax.

Section 7. The County Auditor shall then, at the close of the tax collection period, promptly render to the District a detailed report showing the amount and/or amounts of such special tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.

Section 8. This resolution shall become effective upon its adoption.

PASSED, APPROVED AND ADOPTED this 16th day of August, 2017, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:



Mark Pecotich, President of the Board
Rancho Murieta Community Services District

ATTEST:

Suzanne Lindenfeld, District Secretary

MEMORANDUM

Date: July 25, 2017
To: Finance Committee
From: Edward R. Crouse, Interim General Manager
Subject: Consider Adoption of Resolution 2017-10, Authorizing Sale of District Surplus Equipment

RECOMMENDED ACTION

Adopt Resolution 2017-10 authorizing the sale of District surplus equipment, a 2010 Ford Explorer, Vehicle #517 and a 2010 Ford Escape, vehicle #519.

BACKGROUND

The 2010 Ford Escape patrol vehicle and the 2010 Ford Explorer were replaced in 2016 but the vehicles were not surplused. Adopting the Resolution and declaring these vehicles surplus will allow the District to trade-in, sell, or salvage the vehicles.

RESOLUTION # 2017-10

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

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

WHEREAS, the equipment listed below has become obsolete and its useful life has been consumed:

<u>No.</u>	<u>Description</u>
1	2010 Ford Escape (vehicle #519)
1	2010 Ford Explorer (vehicle #517)

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

PASSED AND ADOPTED this 16 day of August, 2017, by the following roll call vote:

Ayes:

Noes:

Absent:

Abstain:

Mark Pecotich, President of the Board
Rancho Murieta Community Services District

[SEAL]

Attest:

Suzanne Lindenfeld, District Secretary

MEMORANDUM

Date: July 24, 2017
To: Finance Committee
From: Edward R. Crouse, Interim General Manager
Subject: District Policy P2017-03, Debt Management

RECOMMENDED ACTION

To adopt District Policy P2017-03, Debt Management.

DISCUSSION

The State adopted Senate Bill 1029 (SB 1029) which became effective on January 1, 2017. This Bill amended California Government Code 8855 by adding certain requirements related to the issuance and administration of debt by local agencies, including requiring the adoption of a debt management policy that meets the requirements of California Government Code 8855. The attached draft policy meets these requirements.

The policy reflects legal counsel review.

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Category:	Finance	Policy # P2017-03
Title:	Debt Management	

PURPOSE

This policy sets forth guidelines concerning the District's issuance of debt and use of debt instruments in compliance with Government Code Section 8855(i). This policy shall govern all debt undertaken by the District.

The purpose of this policy is to establish parameters for issuing debt; provide guidance to decision makers with respect to all options available to finance infrastructure, capital projects and other financing needs so that the most prudent, equitable and cost-effective method of financing can be chosen; document the objectives to be achieved by District staff both prior to issuance and subsequent to issuance; promote objectivity in the decision-making process; and facilitate various financing processes by establishing important policy decisions in advance.

BASIC POLICY AND GUIDELINES

The District hereby recognizes that a fiscally prudent debt policy is required in order to:

- ✓ Maintain the District's sound financial position.
- ✓ Ensure the District has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- ✓ Protect the District's credit-worthiness.
- ✓ Ensure that all debt is structured in order to protect both current and future taxpayers, ratepayers and constituents of the District.
- ✓ Ensure that the District's debt is consistent with the District's planning goals and objectives and capital improvement program or budget, as applicable.

The District will adhere to the following legal requirements for the issuance of public debt:

- ✓ The state law which authorizes the issuance of debt;
- ✓ The federal and state laws which govern the eligibility of the debt for tax-exempt status
- ✓ The federal and state laws which govern the issuance of taxable debt; and
- ✓ The federal and state laws which govern the disclosure, sale, and trading of the debt.

1. Purposes for Which Debt May Be Issued

- a. **Long-Term Debt.** Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and

operated by the District. Long-term debt financings will not generally be considered appropriate for current operating expenses and routine maintenance expenses. Long-term debt financings are appropriate when the following conditions exist:

- ✓ When the project to be financed is necessary to provide basic services.
- ✓ When the project to be financed will provide benefit to constituents over multiple years.
- ✓ When total debt does not constitute an unreasonable burden to the District and its taxpayers and/or ratepayers, as applicable.
- ✓ When the debt is used to refinance outstanding debt in order to produce debt service savings or to realize the benefits of a debt restructuring.

b. The District may use long-term debt financings subject to the following conditions:

- ✓ The project to be financed must be approved by the District Board.
- ✓ The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed by more than 20%.
- ✓ The District estimates that sufficient revenues will be available to service the debt through its maturity.
- ✓ The District determines that the issuance of the debt will comply with the applicable state and federal law.

c. **Short-term debt.** Short-term debt may be issued to provide financing for the District's operational cash flows in order to maintain a steady and even cash flow balance. Short-term debt may also be used to finance short-lived capital projects; for example, the District may undertake lease-purchase financing for equipment.

d. **Financings on Behalf of Other Entities.** The District may also find it beneficial to issue debt on behalf of other governmental agencies or private third parties in order to further the public purposes of District. In such cases, the District shall take reasonable steps to confirm the financial feasibility of the project to be financed and the financial solvency of any borrower and that the issuance of such debt is consistent with the policies set forth herein.

e. **Limitations on Use of Debt Financing.** The District shall not finance construction of a facility if it is unable to adequately provide for the subsequent annual operation and maintenance costs of the facility throughout its expected life. Capital projects financed through debt issuance shall not be financed for a term longer than the expected useful life of the project.

2. Types of Debt and Financing Criteria

The District may issue any type of debt legally available to it.

Each debt issuance shall be evaluated on an individual basis, overall financing objectives, and current market conditions. Prior to the issuance of new debt, the District shall consider and review the latest credit rating agency reports and guidelines to ensure that the District's credit ratings and financial flexibility remain at levels consistent with the most highly rated comparable public agencies.

Credit Enhancement. The District shall consider the use of credit enhancement on a case-by-case basis.

Only when clearly demonstrable savings can be realized shall credit enhancement be utilized.

Cash-Funded Reserve v. Surety. If the issuance of debt requires a cash-funded debt service reserve fund, then the District may purchase a surety policy or replace an existing cash-funded debt service reserve fund when deemed prudent and advantageous. The District may permit the use of guaranteed investment agreements for the investment of reserve funds pledged to the repayment of any of the District's debt when it is approved by the District Board.

Call Provisions. In general, the District's securities should include optional call provisions. The District shall avoid the sale of non-callable, long-term fixed rate bonds, absent careful evaluation of the value of the call option.

Additional Bonds Test/Rate Covenants. The amount and timing of debt shall be planned to comply with the additional bonds test and rate covenants outlined in the appropriate legal and financing documents and this policy.

Investment of Bond Proceeds. Bond proceeds shall be invested in accordance with the permitted investment language outlined in the bond documents for each transaction, unless further restricted or limited in the District's investment policy. The District shall seek to maximize investment earnings within the investment parameters set forth in the respective bond financing documentation. The reinvestment of bond proceeds will be incorporated into the evaluation of each financing decision, specifically addressing arbitrage/rebate position, and evaluating alternative debt structures and refunding savings on a "net" debt service basis, where appropriate.

3. Refinancing Outstanding Debt

The General Manager, in consultation with the District's financial advisor and bond counsel, shall have the responsibility of evaluating potential refunding opportunities. The District shall consider the following issues when analyzing potential refunding opportunities:

- ✓ Debt Service Ratings. The District shall establish a target savings level equal to three percent (3%) of the par of debt refunded on a net present value (NPV) basis. This figure will serve only as a guideline and the District may determine that a different savings target is appropriate. The District shall evaluate each refunding opportunity on a case-by-case basis.
- ✓ Remaining time to maturity
- ✓ Size of the issue;
- ✓ Current interest rate environment;
- ✓ Annual cash flow savings;
- ✓ The value of the call option; and
- ✓ Other factors approved by the District Board.

The decision to take all savings upfront or on a deferred basis must be explicitly approved by the District Board.

Restructuring. The District may seek to refinance a bond issue on a non-economic basis, in order to restructure debt, to mitigate irregular debt service payments, accommodate revenue shortfalls, release reserve funds, or comply with and/or eliminate rate/bond covenants.

Term/Final Maturity. The District may consider the extension of the final maturity of the refunding bonds in order to achieve a necessary outcome, provided that such extension is legal. The term of the bonds should not extend beyond the reasonably expected useful life of the asset being financed. The District may also consider shortening the final maturity of the bonds. The remaining useful life of the assets and the concept of inter-generational equity will guide these decisions.

Economic vs. Legal Defeasance. When evaluating an economic versus legal defeasance, the District shall take into consideration both the financial impact on a NPV basis as well as the rating/credit impact. The District shall take all necessary steps to optimize the yield on its refunding escrows investments and avoid negative arbitrage.

4. Relationship of Debt to Capital Improvement Program and Budget

- a. The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the District's capital budget and the capital improvement plan.
- b. The District shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear.
- c. The District shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the District's public purposes.
- d. The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements in circumstances when the sole purpose of such debt financing is to reduce annual budgetary expenditures.
- e. The District shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its general fund.

5. Policy Goals Related to Planning Goals and Objectives

- a. The District is committed to long-term financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the District's annual operations budget.
- b. It is a policy goal of the District to protect taxpayers, ratepayers (if applicable) and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.
- c. The District will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

6. Internal Control Procedures

- a. When issuing debt, in addition to complying with the terms of this Debt Policy, the District shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds. Without limiting the foregoing, the District will periodically review the requirements of and will remain in compliance with the following:
 - ✓ Any continuing disclosure undertakings entered into by the District in accordance with SEC Rule 15c2-12.

- ✓ Any federal tax compliance requirements, including, without limitation, arbitrage and rebate compliance.
- ✓ The District's investment policies as they relate to the use and investment of bond proceeds.

b. Proceeds of debt will be held either (a) by a third-party trustee or fiscal agent, which will disburse such proceeds to or upon the order of the District upon the submission of one or more written requisitions by the Finance Director of the District (or his or her written designee), or (b) by the District, to be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the District.

7. Policy Requirements

This Debt Policy shall be reviewed periodically and updated as needed.

Section 2(i)(2) of Government Code section 8855 states that in the case of an issue of bonds the proceeds of which will be used by a government entity other than the issuer, the issuer may rely upon a certification by that other entity that it has adopted the policies required by that section. The District shall rely upon the debt management policies adopted by such other government entities and upon their implementation of appropriate internal controls.

Approved by Rancho Murieta Community Services District's Board of Directors	
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MEMORANDUM

Date: July 28, 2017
To: Finance Committee
From: Eric Thompson, Controller
Subject: Funding Discussion Regarding Coastland's Capital Improvement and Water Augmentation Fee Study

RECOMMENDED ACTION

Give staff direction.

BACKGROUND

The Board approved the funding of a Coastland Civil Engineering C.I. and Water Augmentation at their regular monthly meeting on November 16, 2016. In booking Coastland's invoices for work related to this study, staff realized that there was no mention of how / where the study was to be funded. Staff is looking for direction from the Board as to how this project should be paid for and recorded in the general ledger.

The original memorandum to the Board, Coastland's proposal, and the meeting minutes approving the study are included for your review.

MEMORANDUM

Date: November 10, 2016
To: Board of Directors
From: Finance Committee Staff
Subject: Consider Approval of Proposal from Coastland Engineering to Update the District's Capital Improvement and Water Augmentation Fees

RECOMMENDED ACTION

Approve the proposal from Coastland Civil Engineering to update the District's Capital Improvement and Water Supply Augmentation Fees, in an amount not to exceed \$56,700.

BACKGROUND

On July 7, 2014, the District adopted Ordinance 2014-02 increasing the Water Supply Augmentation Fee. The Capital Improvements Fee was unchanged. The District is now looking to have these fees reviewed and updated. Attached is the proposal for your review.

The Finance Committee recommends approval.



COASTLAND

CIVIL ENGINEERING - CONSTRUCTION MANAGEMENT - BUILDING DEPARTMENT SERVICES

October 31, 2016

Ms. Darlene J. Thiel
General Manager
Rancho Murieta Community Services District
P.O. Box 1050
Rancho Murieta, CA 95683
Via email: dthiel@ranchomurietacs.com

Subject: Proposal for Update of District Capital Improvement and Water Supply Augmentation Fees

Dear Darlene,

Per your request, we have prepared this letter proposal to facilitate adoption of updated Capital Improvement and Water Supply Augmentation Fees.

Project Background/Understanding and Approach

On July 7, 2014, Rancho Murieta Community Services District (District) adopted Ordinance 2014-02 (Ordinance), increasing the Water Supply Augmentation Fee. At this meeting, the District decided to keep the Capital Improvement Fee unchanged.

The District now desires to update these fees to reflect multiple changes since 2014. The first change is an update of the projects that are the basis for calculating the fees. For example, the District may consider eliminating the augmentation well(s) project, which is a currently planned project in the Water Supply Augmentation study, and utilize recycled water to offset usage of existing potable water to further extend the District's existing surface water supplies. The capital improvement projects and miscellaneous studies that were identified in the prior fee studies will be evaluated to determine their applicability and need. The second change is an update of the development projects that are driving the need for these fees. Not only will some projects be eliminated, but also the previously assuming housing densities on a number of projects may have changed. Third, for commercial and industrial development, the methodology for converting usage to equivalent dwelling unit (EDU) will be reviewed and updated.

Based on our conversations, the District desires that the updated fees be scheduled for adoption at the June 21, 2017 Board of Directors meeting. As the District desires to adopt these fees via ordinance, public notification must be issued 60 days prior to the Board meeting, which is Friday, April 21, 2017.

Based on our discussions with the District and review of the project information provided by the District, Coastland is proposing the following scope of work for updating the Capital Improvement and Water Supply Augmentation Fees.

Santa Rosa
1400 Neotomas Avenue
Santa Rosa, CA 95405

Auburn
11865 Edgewood Road
Auburn, CA 95603

www.coastlandcivil.com

SCOPE OF WORK

Task 1 – Meetings and Project Management

Coastland proposes to conduct five meetings with District staff, as follows:

1. Kickoff Meeting
2. Capital Project List Brainstorming Meeting
3. Site Visits of Proposed Projects
4. Comment review meeting on the draft tech memo covering the findings of Tasks 3 through 5 (described below)
5. Comment review meeting on the draft report covering the findings of Task 6 (described below)

Attendance at the public hearings and meetings are presented separately in Task 7.

We will begin the project with a kick-off meeting with the District to go over the project in detail, review the project goals and schedule, and to set up lines of communication with District staff. After the kickoff meeting, we anticipate communicating with District staff in person, by phone and via e-mail, as needed.

After the Capital Project List Brainstorming meeting, we will conduct site visits with District staff to collect photos and other field information needed to support the descriptions for the various projects that will be identified in the fee study report.

We will meet with District staff to review comments on the draft tech memo and the draft report. We will prepare draft and final meeting minutes for all meetings.

Coastland will also conduct all project management tasks associated with this project, including all necessary communications with District staff to keep them apprised of the status of the project.

Task 2 – Review Background Information

At the kickoff meeting, we will provide a list of information needed for the project. We envision the background information needed will include, but not be limited to, the following:

1. Record of all fees collected by the District;
2. Master planning documents that identify capital improvement projects triggered by additional demand within the District's service area;
3. All prior documents used to support all fee adoptions, including the original fee report;
4. Recycled Water Program Predesign Report prepared by Kennedy/Jenks;
5. Records of development projects within the Area of Benefit that identify anticipated units and density.
6. Demand Factor Analysis by Maddaus Water Management Inc.
7. CAD files of District service area and applicable infrastructure maps

Please note that the intent of obtaining a record of fees collected by the District is not to reconcile fees, but to incorporate these fees into the overall calculation.



Task 3 – Identify Development Projects and Update EDU Ratios

We will review the information on development projects included in the July 2014 Water Supply Augmentation fee ordinance and any additional information provided by the District. We will contact developers to confirm their current project information (number of units, densities, etc.). Further, we will review the existing EDU ratios in the Ordinance for multi-family residential, commercial, and industrial projects and provide updated ratios for the anticipated development projects. We have assumed a total of eight (8) residential projects and eight (8) non-residential projects will be identified. We will utilize an average daily demand of 750 gallons per day per EDU as determined in previous planning documents adopted by the District for all calculations of ratios. Single-page descriptions of each project will be prepared that identifies specifics of the project and supporting documentation for estimation of EDUs and water usage.

Based on these items, we will prepare a draft technical memorandum for District review that identifies the proposed projects, the proposed units for each proposed project, the recommended EDU ratios for multi-family residential, commercial, and industrial projects. We envision that there will be one overall technical memorandum will cover the findings of Tasks 3 through 5, which will include an area of benefit map. We will provide an electronic version of the draft document for District review. A Coastland principal will conduct a QC review of the document. We will also provide a final version, reflective of comments from the District.

Task 4 – Identify Capital Improvement Program Projects and Costs

The District will provide the list of current capital improvement projects to be jointly reviewed by District and Coastland. This list will be reviewed and discussed at the Capital Projects List Brainstorming meeting. Coastland assumes that planning level cost estimates for all projects have been completed, but due to age will need to be updated.

Based on the discussions from the Capital Projects List Brainstorming meeting, Coastland will update the list of projects, and prepare a brief single-page project description and a planning level estimate for each project. For the purposes of preparing descriptions and updating preliminary estimates, we are assuming a total of six (6) projects. This updated list will be incorporated into a draft technical memo. We envision that there will be one overall technical memorandum will cover the findings of Tasks 3 through 5. We will provide an electronic version of the draft document for District review. A Coastland principal will conduct a QC review of the document. We will also provide a final version, reflective of comments from the District.

Task 5 – Identify Reclaimed Water Program Capital Projects and Costs

Coastland will utilize the Recycled Water Program Predesign Report prepared by Kennedy/Jenks to create a master list of reclaimed water program projects. The cost estimates from this report will be used in the calculation of connection fees. This list will be reviewed and discussed at the Capital Projects List Brainstorming meeting. It is expected that there will be no changes to the list of projects and costs identified in the Recycled Water Program Predesign Report, as this report has already been accepted by the District.

For the purposes of preparing descriptions and updating preliminary estimates, we are assuming a total of twelve (12) projects. Coastland will prepare a brief single-page project description with a planning level estimate for each project. We envision that there will be one overall technical memorandum will cover the findings of Tasks 3 through 5. We will provide an electronic version of the draft document for District review. A Coastland principal will conduct a



QC review of the document. We will also provide a final version, reflective of comments from the District.

Coastland assumes that water balances, WWTP capacity analysis for meeting peak day reclaimed water demands, and proposed reclaimed water system hydraulic modeling has been completed and results incorporated into the Recycled Water Program Predesign Report.

Task 6 – Prepare Report

Based on the comments from the District on the draft and final technical memo prepared for Tasks 3 through 5, Coastland will prepare a draft report that summarizes all findings, assumptions, methodologies, and results of the analysis in accordance with Government Code 66000 and AB 1600. We will provide an electronic version of the draft document for District review. A Coastland principal will conduct a QC review of the document. We will also provide a final version, reflective of comments from the District.

Task 7 – Prepare Hearing Documents and Attend Public Meetings and Hearings

Coastland will prepare a draft and final electronic version of Chapter 8 of the District Code (Community Facilities Fee Code), based on the findings of the report from Task 6.

Coastland will attend up to three public meetings and/or hearings in support of the adoption of the updated Capital Improvement and Water Supply Augmentation Fees. Coastland will also provide a formal presentation to the Board of Directors at all three public meetings and/or hearings. An electronic version of the draft of each presentation will be provided to District staff for review and comment at least one week prior to each public meeting or hearing.

Exceptions to Scope of Services

The following work is not included in our proposal; however, Coastland would be pleased to provide these services if the District desires:

- Environmental studies
- Geotechnical studies
- Right-of-way determination or preparation of associated documents
- Permitting fees
- Meetings beyond those noted above
- Public outreach

Schedule

The following is the proposed schedule for the project:

- November 2016 through January 2017
 1. Conduct background research.
 2. Prepare recommended EDU ratios for multi-family residential, commercial, and industrial projects.
 3. Prepare draft and final lists of Capital Improvement Projects, Reclaimed Water Projects, and development project lists for District approval.



4. Prepare updated planning level cost estimates for all identified projects.
5. Prepare draft and final tech memo.
- February through April 2017
 1. Conduct site visits.
 2. Prepare draft and final report.
- April 19, 2017
 1. Board receives final report at public hearing.
 2. Board opens 60 day comment period on new ordinance.
- June 21, 2017
 1. Board receives final comments at public hearing.
 2. Board closes 60 day comment period on new ordinance.
 3. Board adopts report and updated Chapter 8.

Project Fee

Based upon our described scope of work, we propose to provide our professional services on a time and materials fee in accordance with the current rate schedule included in our contract with the District for the not to exceed amount of \$56,700, which includes a total of \$1,390 in other direct costs. These other direct costs include four sets of the final tech memo and the final report. In support of all invoices, we will prepare monthly summary statements that provide detail of all work efforts performed by Coastland.

Thank you for the opportunity to assist the District with this important project. We are prepared to begin this work upon receipt of the District's executed task order. If you have any questions regarding the contents of this proposal, please feel free to call me at (530) 401-4610 or John Griffin at (530) 401-4293.

Sincerely,



Dane H. Schilling, P.E.
Managing Engineer

cc: John Griffin





WORK ESTIMATE

Professional Engineering Services	Capital Improvement and Water Supply Augmentation Fee Update Study					Rancho Murieta Community Services District			
Task Information	Billing Classification & Rate					Hours & Cost			
TASK	Principal Engineer	Supervising Engineer	Assistant / Junior Engineer	CAD Technician	Admin	Subconsultant Cost	TOTAL HOURS	TOTAL FEE	NOTES
	\$185	\$160	\$125	\$125	\$80				
1 PROJECT MANAGEMENT									
Kick off Meeting (1)		4	6				10	\$1,390	
Brainstorming Meeting (1)		3	4				7	\$980	
Site Visits (1)		3	4				7	\$980	
Tech Memo Comment Review Meeting (1)		3	6				9	\$1,230	
Report Comment Review Meeting (1)		3	6				9	\$1,230	
Project Management		6			2		8	\$1,120	
Agendas & Minutes		4	8				12	\$1,640	
Subtotal							62	\$8,570	
2 REVIEW BACKGROUND INFORMATION									
Review Background Documents		6	16				22	\$2,960	
Subtotal							22	\$2,960	
3 IDENTIFY DEVELOPMENT PROJECTS AND EDU RATIOS									
Contact Developers		2	10				12	\$1,570	Up to 8 residential & 8 non-residential
Research Comparable EDU Ratios		2	4				6	\$820	
Prepare Updated District EDU Ratios		2	4				6	\$820	
Prepare Project Description Sheets		2	16	8			26	\$3,320	16 total projects
Prepare Draft & Final Tech Memo		4	10	6	4		24	\$2,960	
QC Review	4						4	\$740	
Subtotal							78	\$10,230	
4 IDENTIFY CAPITAL IMPROVEMENT PROGRAM PROJECTS									
Finalize List of Capital Projects		2	4				6	\$820	
Update Planning Level Cost Estimates		4	12				16	\$2,140	6 total projects
Prepare Project Description Sheets		2	10	4			16	\$2,070	6 total projects
Prepare Draft & Final Tech Memo		4	10	6	4		24	\$2,960	
QC Review	4						4	\$740	
Subtotal							66	\$8,730	
5 IDENTIFY RECLAIMED WATER CAPITAL IMPROVEMENT PROGRAM PROJECTS									
Finalize List of Capital Projects		2	4				6	\$820	
Prepare Project Description Sheets		2	16	6			24	\$3,070	12 total projects
Prepare Draft & Final Tech Memo		4	10	6	4		24	\$2,960	
QC Review	4						4	\$740	
Subtotal							58	\$7,590	
6 PREPARE REPORT									
Prepare Fee Calculations		4	16				20	\$2,640	
Prepare Draft & Final Report		4	24	6	4		38	\$4,710	
QC Review	8						8	\$1,480	
Subtotal							66	\$8,830	
7 ATTEND PUBLIC MEETINGS AND HEARINGS									
Update Chapter 8 of District Code	1	2	4				7	\$1,005	
Attend Public Meetings and Hearings (3)		12					12	\$1,920	
Prepare PowerPoint Presentations	3	6	12				21	\$3,015	
Conference Calls w/District		6	12				18	\$2,460	
Subtotal							58	\$8,400	
Direct Costs (repro, mileage, etc.)								\$1,390	
Total Engineering Costs	24	98	228	42	18		410	\$56,700	



RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Board of Directors Meeting

MINUTES

November 16, 2016

Closed Session at 4:00 p.m. ~ Open Session at 5:00 p.m.

1. CALL TO ORDER/ROLL CALL

President Gerald Pasek called the regular meeting of the Board of Directors of Rancho Murieta Community Services District to order at 4:00 p.m. in the District meeting room, 15160 Jackson Road, Rancho Murieta. Directors present were Gerald Pasek, Betty Ferraro, Morrison Graf, and Michael Martel. Also present were Darlene J. Thiel, General Manager; Paul Wagner, Security Chief; Paul Siebensohn, Director of Field Operations; Suzanne Lindenfeld, District Secretary; and Richard Shanahan, District General Counsel. Director Pecotich arrived at 4:03 p.m.

2. ADOPT AGENDA

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

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

Under Government Code Section 54956.9(d)(2): Conference with Legal Counsel Regarding Anticipated Litigation – Significant Exposure to Litigation Involving One (1) Potential Case Relating to Government Claims Act Claim Filed by M&R Investment One Company.

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

Under Government Code Section 54956.9(d)(2): Conference with Legal Counsel Regarding Anticipated Litigation – Significant Exposure to Litigation Involving One (1) Potential Case Relating to Government Claims Act Claim Filed by M&R Investment One Company. Nothing to report.

5. SPECIAL ANNOUNCEMENTS AND ACTIVITIES

None.

6. COMMENTS FROM THE PUBLIC

None.

7. CONSENT CALENDAR

Under Agenda Item 7B1, Director Pecotich stated that the Request for Proposal (RFP) for the Security Department Study closed today.

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

8. STAFF REPORTS

Under Agenda Item 8A, Darlene J. Thiel stated that the correct date for the closing of the RFP for the Security Department Study is November 16, 2016 not November 14, 2016.

Director Pecotich stated that he is happy to see the email notifications (Mailchimp) put in place.

9. CORRESPONDENCE

None.

10. CONSIDER GOVERNMENT CLAIMS ACT CLAIM FILED BY M&R INVESTMENT ONE COMPANY

Motion/Pecotich to return the claim by M&R Investment One Company, Inc. as untimely to the extent it relates to causes of action that accrued prior to one year before the claim submittal, to deny the claim to the extent that it's timely, and to direct District counsel to send a claim rejection letter. **Second/Ferraro. Roll Call Vote: Ayes: Pasek, Ferraro, Graf, Martel, Pecotich. Noes: None. Absent: None. Abstain: None.**

11. CONSIDER APPROVAL OF PROPOSAL FROM COASTLAND ENGINEERING TO UPDATE THE DISTRICT'S CAPITAL IMPROVEMENT AND WATER SUPPLY AUGMENTATION FEES

Darlene J. Thiel gave a brief summary of the recommendation to approve the proposal from Coastland Civil Engineering to update the District's Capital Improvement and Water Supply Augmentation Fees.

Motion/Ferraro to approve the proposal from Coastland Civil Engineering to update the District's Capital Improvement and Water Supply Augmentation Fees, in an amount not to exceed \$56,700. **Second/Graf. Ayes: Pasek, Ferraro, Graf, Martel, Pecotich. Noes: None. Absent: None. Abstain: None.**

12. CONSIDER APPROVAL OF RECALCULATED CONTRIBUTION TO SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

Darlene J. Thiel gave a summary of the recommendation to approve the recalculated contribution to Sacramento Central Groundwater Authority (SCGA) for the 2016/2017 fiscal year. At the June 10, 2016 Board of Directors meeting, the Board directed staff and District Legal Counsel to submit a letter to the SCGA to withdraw from participation due to the substantial increase in the 2016/2017 annual contribution and not knowing if the basin boundary adjustment filed by the Sloughhouse Resource Conservation District (SRCD) would be approved. Since that time, the Department of Water Resources denied the basin boundary adjustment requested by SRCD keeping the District within the South American Sub-basin. The SCGA Budget Subcommittee has reviewed and re-evaluated the basis upon which the Rancho Murieta contribution is calculated.

Motion/Pecotich to approve the recalculated 2016/2017 contribution to Sacramento Central Groundwater Authority in the amount of \$10,511. Funding to come from Water Operations Budget. **Second/Graf. Ayes: Pasek, Ferraro, Graf, Pecotich. Noes: None. Absent: None. Abstain: Martel.**

13. CONSIDER APPOINTMENT OF DIRECTOR MARK PECOTICH TO THE PARKS COMMITTEE SUBCOMMITTEE REGARDING RANCHO MURIETA TRAILS

Darlene J. Thiel gave a brief summary of the recommendation to appoint Director Pecotich as the District's representative on the Parks Subcommittee regarding Rancho Murieta Trails, if and/or when it is formed.

Director Martel stated he wanted it on the record that the District could get in trouble for violating the Federal laws regarding ADA accommodations on the trails.

Motion/Graf to appoint Director Pecotich as the District's representative on the Parks Subcommittee regarding Rancho Murieta Trails, if and/or when it is formed. **Second/Ferraro. ROLL CALL VOTE: Ayes: Pasek, Ferraro, Graf, Martel, Pecotich. Noes: None. Absent: None. Abstain: None.**

14. RECEIVE AND CONSIDER UPDATES

A. Parks Committee

The Committee discussed the District developing some sort of financing alternative for payment of the Water Supply Augmentation fees due for the Parks, to allow the money Rancho Murieta Association (RMA) currently has in the Parks funds to be used for actual construction of parks and allow payment to the District over some period of time with interest. Staff will research if the District has the authority/ability to act in a financing capacity.

B. Pending and Proposed Land Development Projects

The next Stakeholder meeting is scheduled for Thursday November 17, 2016.

C. Midge Fly Ad Hoc Committee

The Midge Fly Ad Hoc Committee is done meeting. The last committee meeting was held on October 24, 2016.

D. Solar Power Installation

Wastewater Treatment Plant Site

Solar City is in the process of executing the contract for Bockman Woody (BW) to complete the SMUD power supply upgrade. They issued a Notice to Proceed to BW and BW is in process of determining a schedule as to when they will be back onsite.

Water Treatment Plant Site

Construction has yet to begin as Solar City is still waiting for approval from Sacramento County Permit Office/ Sacramento Metro Fire Department (SMFD) before proceeding. Revision three of the site plans were submitted to SMFD October 28, 2016. The subcontractor of SMFD who is reviewing the plans, Interwest Consulting Group, met with Solar City and SMFD on November 16, 2016. Paul Siebensohn attended. Official outcome of the meeting will be forthcoming.

12" Force Main Assessment

The District is waiting for direction from Kennedy Jenks as to what specific soil tests they recommend we have the soil surrounding the pipe be tested for. We also have pieces of the pipe from the top end and bottom end of the pipeline secured in zip lock bags for whatever recommended testing Kennedy Jenks suggests.

15. RECEIVE QUARTERLY UPDATE ON 2016 BOARD GOALS

President Pasek asked what the plan was for improving customer service. Darlene J. Thiel stated that she plans to have a link on the District's website for residents to make comments/kudos/complaints regarding their interaction with District staff.

President Pasek suggested that the Security Department follow up with residents that have made a report to Security. Chief Wagner should follow up to get feedback from the residents.

Director Martel stated that he has heard nothing but good things about the water department except that some residents have stated that return calls are not being made when they have left a voice mail message.

16. CONSIDER CONFERENCE/EDUCATION OPPORTUNITIES

No discussion.

17. REVIEW MEETING DATES/TIMES

Director Martel is not available for meetings on December 2, 2016. Darlene Thiel suggested that the December Security Committee meeting be cancelled and the RFP for the Security Department Review go directly to the Board in December for review and approval. By consensus, the Board agreed.

18. COMMENTS/SUGGESTIONS – BOARD MEMBERS AND STAFF

Eric Thompson stated that 2015-2016 audit will be presented at the December Board meeting.

Chief Paul Wagner stated that he received five (5) responses to the Security RFP.

Director Martel stated that a resident commented to him that a complaint that was made to Director Graf in January has not been taken care of. Director Martel will forward the information on to staff.

Director Pasek asked about the status of the closing out of the Water Treatment Plant project. Darlene J. Thiel stated that a counter offer has been made to GE and staff is waiting to hear back.

Director Ferraro thanked Richard Shanahan, District General Counsel, staff, and the current Board of Directors for all their hard work over the years and welcomed the new Directors. She stated that the staff does an outstanding job.

Director Pecotich thanked Directors Ferraro and Martel for their service.

Darlene J. Thiel also thanked Director Ferraro and Martel.

19. ADJOURNMENT

Motion/Ferraro to adjourn at 5:58 p.m. Second/Graf. Ayes: Pasek, Ferraro, Graf, Martel, Pecotich. Noes: None. Absent: None. Abstain: None.

Respectfully submitted,



Suzanne Lindenfeld
District Secretary