

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Regular Board of Directors Meeting

MINUTES

February 20, 2012

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

1. CALL TO ORDER/ROLL CALL

President Gerald Pasek called the regular meeting of the Board of Directors of Rancho Murieta Community Services District to order at 4:00 p.m. in the District meeting room, 15160 Jackson Road, Rancho Murieta. Directors present were Gerald Pasek, Roberta Belton, Betty Ferraro, Paul Gumbinger, and Michael Martel. Also present were Edward R. Crouse, General Manager; Darlene Gillum, Director of Administration; Greg Remson, Security Chief; Paul Siebensohn, Director of Field Operations; and Suzanne Lindenfeld, District Secretary.

2. ADOPT AGENDA

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

3. SPECIAL ANNOUNCEMENTS AND ACTIVITIES

None.

John Sullivan commented on the water capacity of the District and his request for the District to issue Will Serve letters to Sacramento County so the Murieta Gardens' hotel project can proceed.

4. BOARD ADJOURNED TO CLOSED SESSION AT 4:05 P.M. TO DISCUSS THE FOLLOWING ITEMS:

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

Conference with Legal Counsel – Existing Litigation Pursuant to Government Code section 54956.9(a). Name of case: Rancho Murieta Community Services District v. Elk Grove Bilby Partners, LP, Sacramento County Superior Court Case No. 34-2011-00097778.

Under Government Code section 54956.8: Real Property Negotiations - Real Property APN 128-0080-067; APN 128-0080-068; APN 128-0080-069; APN 128-0080-076; and APN 128-0100-029. Real Property Agency Negotiator: Edward R. Crouse, General Manager. Negotiating Party: CSGF Rancho Murieta, LLC, BBC Murieta Land, LLC, Murieta Retreats, LLC, PCCP CSGF RB PORTFOLIO, LLC Cosumnes River Land, LLC. Under Negotiation: Price and Terms.

5/6. BOARD RECONVENED TO OPEN SESSION AT 5:07 P.M. AND REPORTED THE FOLLOWING:

Under Government Code section 54956.9(a): Conference with Legal Counsel – Anticipated Litigation – Significant Exposure to Litigation Pursuant to 54956.9(a): One Potential Case. No reportable action.

Conference with Legal Counsel – Existing Litigation Pursuant to Government Code section 54956.9(a). Name of case: Rancho Murieta Community Services District v. Elk Grove Bilby Partners, LP, Sacramento County Superior Court Case No. 34-2011-00097778. No reportable action.

Under Government Code section 54956.8: Real Property Negotiations - Real Property APN 128-0080-067; APN 128-0080-068; APN 128-0080-069; APN 128-0080-076; and APN 128-0100-029. Real Property Agency Negotiator: Edward R. Crouse, General Manager. Negotiating Party: CSGF Rancho Murieta, LLC, BBC Murieta Land, LLC, Murieta Retreats, LLC, PCCP CSGF RB PORTFOLIO, LLC Cosumnes River Land, LLC. Under Negotiation: Price and Terms. No reportable action.

7. COMMENTS FROM THE PUBLIC

Ted Hart, lot 825 commented on the Will Serve Letters and how important he feels these projects are to the community. Mr. Hart requested the Board make this matter their number 1 priority.

8. CONSENT CALENDAR

Under Agenda Item 8b3, Security Committee Minutes, Director Belton commented on the comments made at the Security Committee which implies that the Board does not trust staff. She stated that is not true, the Board has total faith in staff.

Director Martel stated that it was just his opinion that the cameras are not needed in the parks and suggested that Security needs to take a different approach to prevent vandalism. Director Martel apologized and stated that he did not mean to insult staff.

President Pasek stated that the statement that he is contacting the PTF to request they send a letter explaining their position on the river access is incorrect. President Pasek stated he requested the Joint Security Committee Sub-committee have PTF send a letter providing that information.

Under Agenda Item 8b5, Improvements Committee Minutes, President Pasek asked Paul Siebensohn to provide the status report in terms that the average consumer can understand, as requested. Paul Siebensohn gave a brief status report, stating that the filling of the reservoirs is farther along this year than last year, as the level is already at the spillways.

Ed Crouse stated that Greg Vorster, General Manager of Rancho Murieta Association, submitted a letter today regarding the river access and requested that the District's Security Department lock and unlock the gates. By consensus, the Board agreed to send this matter to the Security Committee for discussion in March.

Director Gumbinger stated even though there is no shortage of water, the community still needs to conserve water. Director Ferraro agreed and commented on the required reduction in use of water per to the 20 x 2020 Plan.

Motion/Gumbinger to adopt the consent calendar. Second/Ferraro. ROLL CALL VOTE: Ayes: Pasek, Belton, Ferraro, Gumbinger, and Martel. Noes: None.

9. STAFF REPORTS

Under Agenda Item 9d, Water/Wastewater/Drainage Report, President Pasek commented on his concern regarding the flushing issues at Murieta Village. Paul Siebensohn stated that a letter is going to be sent out.

10. CORRESPONDENCE

None.

12. REPORT BACK ON DISTRICT POLICY 2012-14, DUI ENFORCEMENT POLICY (taken out of order)

Ed Crouse gave a brief update on the District's draft DUI enforcement policy. There have been no changes or updates from Rancho Murieta Association (RMA) or Rancho Murieta Country Club (RMCC) regarding their lack of support for the policy.

Motion/Belton to approve District Policy 2012-14, Suspected DUI Vehicle Stop Policy. The motion died due to the lack of a Second.

11. SECURITY DEPARTMENT ANNUAL YEAR IN REVIEW

Chief Remson gave his annual presentation of the Security Department for 2012. The items covered in the presentation include: 2012 review, gate operations, patrol operations, calls for service, patrol time, and the James L. Noller Safety Center. A question and answer period followed.

13. PROVIDE DIRECTION TO STAFF REGARDING USE OF SECURITY SURVEILLANCE CAMERAS

President Pasek referred this item to the Security Committee. Ed Crouse stated the Committee will develop a plan, which includes the goals, objectives, costs, and schedule. Director Belton requested that Security staff provide input.

14. DISCUSS CHANGING SECURITY COMMITTEE MEETINGS TO A TWO (2) HOUR BLOCK

President Pasek stated that the change in the committee schedule allows for the Security Committee to take whatever time is needed, within reason.

15. REVIEW DISTRICT CODE, CHAPTER 2, SECTION 8.0

Director Ferraro commented on the Board having gotten soft on following the District Code. One area is after a motion and a second is made, the Board is supposed to be allowed time to discuss the item and that is not being done. All Directors are equal, other than running the Board meeting and creating the agenda. Director Ferraro requested that each Director review Chapter 2 of the District Code.

Ed Crouse stated that each Director can request an item to be put on an agenda. The best time to do that is at the Director/Staff Comments section of the Board meeting agenda so there can be a consensus from the Board on going forward with an item. This will also address the concern that the Board President is refusing to put item on the agenda that Directors request.

16. PRESENTATION AND REVIEW OF BROWN ACT (OPEN MEETING LAW)

Jonathan Hobbs, District's General Counsel, gave a brief presentation on the Brown Act. Areas covered include all meetings must be "open and public"; the Board of Directors are covered by the

Brown Act, not staff; three (3) Board members or more getting together is considered a meeting; a serial meeting is when one (1) member contacts two (2) or more members to discuss an issue; the three (3) types of meetings: regular, special and emergency; new law effective January 1, 2013 states that Special Meetings cannot be called regarding the compensation of local agency executives; requirements for posting agendas; closed sessions; reporting out after closed session, minutes and audio/video recording of meetings; violations of the Brown Act. A short question and answer period followed.

17. DISCUSS AND CONSIDER AUDIO RECORDING ALL DISTRICT COMMITTEE MEETINGS AND CLOSED SESSION

Director Martel stated that he would like any meeting that has a verbal update to be recorded so people not in attendance can hear what was actually being said. Verbal updates do not provide any information to go back to.

Motion/Martel to start recording meetings that have a verbal update given.

Director Martel stated that he would like to have Board meetings videotaped. Ralph Frattura stated that he did video tape the District's and RMA's Board meetings for about 2 years. Due to the cost, time and lack of interest, he does not do it anymore.

Director Gumbinger stated that the District does action minutes and any action that is taken at a Committee level is reported in the minutes and send to the Board. The entire Board can have dialogue at that time.

Ed Crouse stated that staff can provide written updates instead of giving verbal updates, if that is what is being requested.

Jonathan Hobbs stated that all recordings are public record and if the Board wishes to do this, a policy needs to be adopted.

Director Martel stated in the future, the recordings would provide information about the District.

Director Belton stated that she does not feel recording of committee meetings is necessary.

President Pasek amended the motion to be: staff to begin recording all committee meetings. **Second/Martel. Ayes: Pasek, Ferraro, Gumbinger, Martel. Noes: Belton.**

Director Martel requested that Closed Sessions be recorded.

The item died due to lack of a motion.

18. DISCUSS AND CONSIDER VIDEO TAPING ALL DISTRICT BOARD MEETINGS

By consensus, the Board directed staff to discuss with RMA the use of their staff to video record the Board meetings.

19. APPROVE EMPLOYEE MANUAL REVISION – JURY DUTY

Director Belton stated that this change to the manual is the same as what most, if not all, government agencies provide to their employees. President Pasek commented on his concern that having no limit leaves the District on the hook for paying employees that may possibly be on a jury for over a year. Jonathan Hobbs stated that trials do not go that long.

Motion/Gumbinger to approve changing Section 5.07, Jury Duty and Court Appearances by removing the cap on days of jury or subpoenaed witness services that are paid for by the District. **Second/Belton. Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

20. APPROVE AUDITOR ROTATION SCHEDULE

Ed Crouse gave a brief summary of the recommendation to approve retaining the services of Larry Bain, CPA, An Accounting Corporation, for audit services. The new Government Code 12410.6 requires auditor rotation after 6 consecutive years of audit services. The first year to be considered as part of the 6 consecutive years is the 13/14 fiscal year. The first year the District will be required to consider changing audit firms or rotating partners is the 19/20 fiscal year. Larry Bain, CPA, An Accounting Corporation, plans to utilize another owner of the corporation, who is also a CPA, to take over during the cooling off period to keep their clients in compliance with GC 12410.6. We have currently been using Mr. Bain for the past 5 years.

Motion/Belton to approve retaining the services of Larry Bain, CPA, An Accounting Corporation, for audit services as long as the District maintains compliance with Government Code 12410.6. **Second/Ferraro. Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

21. APPROVE PROPOSAL FOR QUARTERLY AND ANNUAL GROUNDWATER MONITORING REPORTS AND SERVICES

Paul Siebensohn gave a brief summary of the proposal from Westmark Group for quarterly and annual groundwater monitoring reports and services.

Motion/Gumbinger to approve the proposal from The Westmark Group for quarterly and annual groundwater monitoring reports and services in an amount not to exceed \$14,850.00. Funding to come from the Sewer Operating Budget. **Second/Ferraro. Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

Director Gumbinger suggested the more routine items needing approval by the Board be included in the Consent Calendar in the future.

23. APPROVE CHEMICAL PURCHASE CONTRACTS (taken out of order)

Director Belton asked about the status of the cost sharing for chemicals that Regional Water Authority (RWA) was looking into. Ed Crouse stated that RWA is currently in the bid process, with the goal of having the award made in May.

Paul gave a brief summary of the recommendation to approve the chemical contracts. This is done annually.

Motion/Gumbinger to approve chemical purchase contracts as follows: NTU Technologies Inc. for Protek 301, price not to exceed \$1.02/lb delivered; Liquid Aluminum Sulphate, price not to exceed \$0.159/lb delivered; Pro Pac 9890, price not to exceed \$1.39/lb delivered. The contract will last to June 30, 2014. Sierra Chemical Co., at \$560/ton of chlorine gas delivered. Contract pricing will last through December 31, 2013. UNIVAR to supply Sodium Hydroxide 50% at \$3.79/gal delivered price, Sodium Hydroxide 30% at \$3.39/gal delivered and Potassium Permanganate at \$210.50/pail plus delivery, contract pricing through December 31, 2013, subject to rate change and surcharges. Sierra Chemical Company, West Sacramento, powdered activated carbon (PAC) at \$2.89/lb plus freight. Funding to come from the applicable Water and Sewer Operating Budgets. **Second/Martel. Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

22. REVIEW WATER TREATMENT PLANT HISTORY AND SERVICE AREAS

Ed Crouse gave a summary of the water treatment plant history and service areas. The Pension Trust Fund (PTF) built the first water plant to serve Murieta Village and other early lots in the early 1970's. This plant was later abandoned. Water Treatment Plant I (WTP I) was constructed in 1977 by PTF and operated by El Dorado Irrigation District (EID) through an operation and maintenance agreement with the PTF.

Water Plant II (WTP II) was constructed in 1987 with funds from Improvement District No. 1 (ID 1). WTP I and WTP II were designed to serve the existing commercial businesses as well as Murieta Village and all of the lots in Units 1-4, both occupied and unoccupied.

In 1992, Community Facilities District No. 1 (CFD 1) was formed to fund Water Treatment Plant III (WTP III) to serve Rancho Murieta South. WTP III has not been constructed yet.

Both WTP I & II were retrofitted in 1994-95 to meet newer surface water treatment rules. Funding for this work came from Reynen and Bardis (Winncrest) as a trade off for the delay in the WTP III expansion.

All of the remaining undeveloped lands in Rancho North as well as undeveloped commercial and industrial lands south of Highway 16 were to be served by Water Treatment Plant IV (WTP IV). WTP IV was to be constructed with funds from a separate Community Facilities District, which was never formed due the financial insolvency of the then developer/owner RMPI (Jack Anderson).

The current approach to water plant construction envisions the current entitled projects expanding the capacity of WTP I to accommodate their capacity needs. For the remaining undeveloped properties, WTP II is planned to be expanded to meet their capacity needs.

It is the District's policy that WTP I & II are at capacity due to current and prospective water service commitments. As such, all new development is required to provide the expanded capacity needed by their development, as outlined above. The District disagrees with Murieta Gardens developer/owner assertion that there is available capacity and that the property is owed 110,000 gpd of capacity by that property's inclusion in ID 1.

In 2004, 50 units of water capacity beyond the 690 unit threshold were released to Reynen and Bardis to allow completion of the Greens and Crest home building efforts. Since the South had already committed and provided funding via CFD 1 and there was available capacity at the time, and Reynen & Bardis agreed to reimburse the District \$300,000, accommodation of Reynen & Bardis' request was reasonable.

Director Martel suggested the District demand payment from Reynen & Bardis for the full \$300,000. President Pasek agreed and directed this matter be put on the March Improvements Committee meeting agenda and then brought to the March 20, 2013 Board meeting for discussion.

Ed commented on the construction costs. The \$10 million was a plug number back from 2005. Due to the current economy, most public work construction costs are off 2005 costs by 30-40%, hence the plug number of \$6 million.

24. APPROVE JB BOSTICK COMPANY INVOICE FOR 6B LIFT PAVING – RESERVES

Paul Siebensohn gave a brief summary of the recommendation to approve the invoice for 6Blift paving.

Motion/Gumbinger to approve the invoice from JB Bostick Company for 6B lift paving, in an amount of \$1,700. Funding to come from Sewer Replacement Reserves, 6B Generator Replacement Project, CIP 12-07-2. **Second/Martel. Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

25. APPROVE ATKINS NORTH AMERICAN INVOICE – WELL AUGMENTATION

Ed Crouse gave a brief summary of the recommendation to approve the invoice from Atkins North American for well augmentation. Due to the weather, this project will continue into the spring.

Motion/Gumbinger to approve funding of Atkins North America, Inc., for the Well Augmentation Biological Resources Survey, in the amount of \$2,494.41. Funding to come from Water Augmentation Supply Reserves. **Second/Pasek. Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

26. APPROVE TASK ORDER 13-02, DROUGHT TRACKER MODEL

Ed Crouse gave a brief summary of the recommendation to approve Task Order 13-02, Drought Tracker Model. Lisa Maddaus, Maddaus Water Management, will be giving a presentation at the March 20, 2013 Board meeting.

Director Martel stated he did not understand why this was not included in the original Task Order. Ed Crouse stated that this model is for future use.

Motion/Gumbinger to approve Task Order 13-02, Drought Tracker Model, in an amount not to exceed \$14,795. This Task Order is an amendment to Task Order 12-01. Funding to come from Water Supply Augmentation Reserves. **Second/Belton. Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

27. APPROVE IT SUPPORT SERVICES CONTRACT AWARD

Ed Crouse gave a brief summary of the recommendation to approve the contract with A Leap Ahead IT for IT services. The contract includes a fixed price per month for general maintenance, fixed price per unit for laptops, desktops, servers, setup and delivery. This is a one (1) year contract. The contract also includes an evaluation and recommendation on upgrading the District's network to support future growth, which includes the use of video camera.

Motion/Ferraro to approve the contract with A Leap Ahead IT for IT Services at a monthly fee of \$3,482.00 for a twelve (12) month period commencing March 1, 2013. The contract will renew annually, with price increases as reasonably required not to exceed the CPI-U for the previous twelve (12) month period, unless terminated with a sixty (60) days notice. Funding to come from General Fund Operating Budget. Second/Belton. **Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

28. REAFFIRM ANNUAL GOALS FOR 2013

Ed Crouse gave a brief summary of the annual Board goals for 2013. Director Gumbinger requested each goal be assigned to a Committee. President Pasek requested a staff member also be assigned to each goal.

29. REVIEW AND SELECT CONFERENCE/EDUCATION OPPORTUNITIES

Directors Ferraro and Gumbinger stated they are interested in going to the CSDA annual conference in September.

Ed Crouse stated that with the Security Committee looking into surveillance cameras for the community, the Security Conference would be an excellent place for Chief Remson to go to get information on what is available and what to expect cost wise. Director Belton stated that a Security Committee member usually goes also. President Pasek stated that approval be deferred to the March Board meeting.

30. MEETING DATES/TIMES

Director Martel stated that he and Director Ferraro agreed to change the March 1, 2013 Communications & Technology Committee meeting start time to 8:00 a.m.

John Sullivan requested copies of the reports that Lisa Maddaus and Kevin Kennedy are working on. President Pasek stated that they are currently in draft form and will be made available to the public when they go to Committee for review.

31. COMMENTS/SUGGESTIONS – BOARD MEMBERS AND STAFF

Paul Siebensohn stated that staff is working on a bypass at Main Lift 1 North.

President Pasek requested the reimbursement from Reynen & Bardis for \$300,000 be sent to the Improvements Committee in March.

Director Belton stated Ed did an excellent job on his presentation on the water plant history. Director Belton commented on the need to have a time keeper for Board meetings, as was done in the past. President Pasek stated that Director Belton is the official time keeper.

Director Ferraro asked if any response has been received from the County regarding the park area by the river. Ed Crouse stated that he has not contacted them yet.

Ed Crouse gave a brief summary of the President's meeting. Items discussed included RMA's new General Manager, Greg Vorster; Pac Bay transferring ownership to the District and RMCC will continue to use; the golf expo in February; RMCC's upcoming open house; discussion of holding a home and garden show in Rancho Murieta; and RMCC having a booth at the 4th of July carnival; Murieta Gardens update; DUI policy update; painting the entry sign – District and RMA to pay for the paint and RMCC provide the labor; river access; surveillance cameras, Highway 50 signage for Rancho Murieta; and creating a Rancho Murieta Chamber of Commerce.


Ed stated that he will be on vacation the third week in April. The District is providing CPR training for staff and if any Directors are interested, to please contact Debby.

President Pasek asked each Director to review the Governance Ad Hoc Committee binder they each received.

32. ADJOURNMENT

Motion/Belton to adjourn at 8:07 p.m. **Second/Gumbinger**. **Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

Respectfully submitted,


Suzanne Lindenfeld
District Secretary