



**RANCHO MURIETA COMMUNITY SERVICES DISTRICT
REGULAR BOARD MEETING MINUTES**

May 20, 2020

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

1. CALL TO ORDER/ROLL CALL

Vice President Jenco called the Regular Board Meeting of the Board of Directors of Rancho Murieta Community Services District to order at 4:00 p.m. via ZOOM conference per Governor Newsom Executive Order N-29-20. Directors present were Randy Jenco, Linda Butler, Tim Maybee and John Merchant. Also, present were Mark Martin, General Manager; Tom Hennig, Director of Administration; Paul Siebensohn, Director of Field Operations; Jeff Werblun, Security Chief; Richard Shanahan, District General Counsel; Amelia Wilder, District Secretary; Larry Bain, CPA, An Accounting Corporation; Jeanette Hahn, ClearSource Financial, Todd Eising, Sacramento Central Groundwater Authority (SCGA) Chair; John Woodling, SCGA Interim Executive Director.

2. CONSIDER ADOPTION OF AGENDA

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

3. BOARD ADJOURNED TO CLOSED SESSION AT 4:03 P.M. TO DISCUSS THE FOLLOWING ITEMS:

Closed session for public employee appointment or employment of the General Manager position.

Closed session conference with Directors Maybee and Merchant as designated labor negotiators regarding the unrepresented General Manager position.

Closed session conference with legal counsel for anticipated litigation (Government Code section 54956.9(d)(2)) - significant exposure to litigation involving one potential case relating to special tax refund claim filed by MRK Development, Inc.

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

Nothing to report.

5. SPECIAL ANNOUNCEMENTS

Mark Martin, General Manager, discussed with the Board the vacant seat on the Board of Directors with Mr. Les Clark's resignation. The Board decided to accept letters of interest from residents and appoint a new Board Member. The Notice of Vacancy and additional questions will be posted to www.rmcsd.com on May 22, 2020, and the Board will hold a special meeting to

appoint the new Board member June 9, 2020 at 5:00 p.m. Richard Gehrs asked if we had any reason why President Clark resigned. None was given.

6. ELECTION OF BOARD OFFICERS

Les Clark was formerly the President of the Board. His recent resignation left that position open. John Merchant nominated Tim Maybee to be the President. Tim Maybee was assigned Board president. **Second/Butler. Ayes: Jenco, Merchant, Butler, Maybee. Noes: None. Absent: None. Abstain: None.**

7. APPOINTMENT OF BOARD MEMBER(S) TO SERVE AS ALTERNATE TO GENERAL MANAGER ON REGIONAL WATER AUTHORITY (RWA) AND SACRAMENTO GROUNDWATER AUTHORITY (SCGA) BOARDS

After a brief discussion, the Board decided to discuss this item at the June Board meeting.

8. APPOINT RESERVOIR SIGNAGE AND EDUCATION AD HOC COMMITTEE MEMBERS

Directors Linda Butler and John Merchant volunteered to be on this Committee, along with CSD Director of Field Operations, Paul Siebensohn and resident John Sullivan. Vice President Jenco appointed Directors Butler and Merchant to the Committee. He will leave who is invited to serve on the Committee to the discretion of the appointed Committee members.

9. CONSENT CALENDAR

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

10. STAFF REPORTS

Under Agenda Item 6a, Mark Martin, General Manager, gave a brief summary of activities during the previous month, including an update on the current COVID -19 situation and Administrative Staff continuing to work off site. He continued with an update on the Regional Water Authority (RWA) Water Efficiency Plan (WEP) sponsorship of rebates on Rachio Irrigation Controllers. More information is available at www.rmcsd.com. Mr. Martin also reported to the Board the events of the meeting with Sacramento Central Ground Authority (SCGA) and Sloughhouse Resource Conservation District GSA Boundary MOU Working Group and the District's desire to remain with SCGA. He finished with an update on the 670 FSA.

Under Agenda Item 4b, Tom Hennig, Director of Administration, updated the Board on the status of the District's finances, noting that we have zero lock offs and we are prepared to enter into Pay Agreements with residents who may be affected by COVID-19, although none have been requested by residents. He commented the District's preparations to reopen once the Stay at Home Orders have been lifted, and the sneeze guards the District will be purchasing for the front counter.

Under Agenda Item 4c, Chief Werblun gave a brief overview of the operations updates and incidents of note, stating that there had been several calls last month about juvenile activities and COVID-19 restrictions. He noted that Mario Moreno and James Colas were working in the community when they saw a man in cardiac arrest. Mr. Moreno began CPR and was able to revive the resident and continued CPR until the Fire Department arrived. He thanked Amador Dry Diggins Distillery in El Dorado Hills for the five gallons of hand sanitizer they provided to the District at cost, without being on a long waiting list.

Director Butler brought up the rumors she had heard about a dead swan. Chief Werblun said that the Department had no evidence of this dead swan.

Under Agenda Item 4d, Paul Siebensohn, Director of Field Operations, gave a brief summary of the utilities update including an update that the District's reservoirs are at 99.7% full. He updated the Board with a report that he had submitted a list of District projects as potential projects for possible COVID-19 stimulus funding. He also updated the Board on the addition of a Developments page to the website which will keep residents informed about current projects in Rancho Murieta.

11. CONSIDER CONFERENCE/EDUCATION OPPORTUNITIES

No Updates

12. EMPLOYEE ANNOUNCEMENTS, PROMOTIONS, COMMENDATIONS, AND KUDOS

Mr. Siebensohn recognized Mario Moreno for his excellent job resuscitating the resident with CPR.

13. REVIEW APRIL 2020 BOARD/COMMITTEE MEETING DATES/TIMES

Director Jenco will not be able to attend the Improvements Committee Meeting June 2, 2020 and asked that the meeting be rescheduled to June 3, 2020. Director Maybee is not able to attend the Finance Committee Meeting June 2, 2020.

14. CORRESPONDENCE

None.

15. COMMENTS FROM THE PUBLIC

Richard Gehrs asked about the details concerning Mr. Ansari's settlement with the District. Mr. Martin and Mr. Shanahan reported they are not at liberty to discuss confidential employee matters.

Diana Weber mentioned there is a discrepancy in tonight's Agenda. The first reading of the Budget will actually be tonight, and it will possibly be adopted at the June 17, 2020 Regular Board Meeting.

16. RECEIVE AND FILE THE 2018-2019 ANNUAL RANCHO MURIETA COMMUNITY SERVICES DISTRICT AUDIT REPORT AND THE COMMUNITY FACILITIES DISTRICT #2014-1 AUDIT REPORT

Tom Hennig introduced Larry Bain, CPA, An Accounting Corporation, the District's auditor, who gave a brief report on the findings of the Audit. Director's Maybee and Merchant thanked Mr. Bain and Staff for their diligent work preparing these documents.

17. DISCUSS RAW WATER RATE STUDY

Mr. Siebensohn introduced Jeanette Hahn, ClearSource Financial, who prepared the Raw Water Rate Study, stating that the information contained therein will be used to help determine the raw water rates introduced in the 2021-2022 Fiscal Year. John Sullivan discussed the end users of the water receiving it through the CIA ditch. Vice President Jenco asked that this item be taken up at the Improvements Committee Meeting. ***This item will be on the June 3, 2020 Special Improvements Committee Meeting agenda.***

18. CONSIDER CLAIM FOR REFUND OF SPECIAL TAXES FILED BY MRK DEVELOPMENT, INC.

Tom Hennig gave a brief review of the claim from MRK Development, stating that when the land located at Residences of Murieta Hills East was subdivided 16 years ago the lot lines were not properly recorded, and the previous owner had been paying Security and Drainage tax on an additional 15 acres of land. Bob Keil recently purchased the land and asked RMCS D to return the entirety of the overpayment. Richard Shanahan, District Legal Counsel advised the District that the statute of limitations was four years. **Motion/Maybee to pay the monies due for four years to Mr. Keil. Second/Butler. Roll Call Vote: Ayes: Jenco, Merchant, Butler, Maybee. Noes: None. Absent: None. Abstain: None.**

19. CONSIDER APPROVAL OF AMENDMENT NO. 2 TO GENERAL MANAGER EMPLOYMENT AGREEMENT WITH MARK MARTIN

Richard Shanahan read the description of the Amended Employment Agreement with Mr. Martin. **Motion/Merchant to approve the amendment per Mr. Shanahan's description. Second/Maybee. Roll Call Vote: Ayes: Jenco, Merchant, Butler, Maybee. Noes: None. Absent: None. Abstain: None.**

20. CONSIDER APPROVAL OF GENERAL MANAGER EMPLOYMENT AGREEMENT WITH TOM HENNIG

Richard Shanahan read the Employment Agreement highlights. President Maybee stated that this isn't intended to be a long-term position, that the Job Description of the General Manager is

a work in progress. **Motion/Merchant to approve the agreement as read by Mr. Shanahan. Second/Butler. Roll Call Vote: Ayes: Jenco, Butler, Merchant, Maybee. Noes: None. Absent: None. Abstain: None.**

21. CONSIDER APPROVAL OF DISTRICT APPOINTMENTS

Mr. Martin discussed the appropriateness of and recommended Mr. Hennig be appointed as District Treasurer with his new position as General Manager. **Motion/Merchant to appoint Tom Hennig as District Treasurer. Second/Jenco. Roll Call Vote: Ayes: Jenco, Butler, Merchant, Maybee. Noes: None. Absent: None. Abstain: None.**

22. CONSIDER INTRODUCTION OF RESOLUTION R2020-03 APPROVING THE PROPOSED BUDGET FOR FISCAL YEAR 2020-21, INCLUDING CAPITAL PROJECTS

Mr. Hennig reviewed the proposed Budget in detail, clarifying this is the first reading of the Resolution. He continued with a look at the proposed CRP/CIP projects. There was a discussion about the new proposed Budget and the Rate increase being minimal. Diana Weber asked for clarification of some of the numbers. Mr. Hennig will follow up. Ms. Weber also commented on the deficit of the Security Budget, that it costs the community more to fund the Security Department than the Security tax brings in. Mr. Jenco commented that this is being discussed, and it is being resolved. Richard Gehrs commented that he disagrees with the use of property tax to fund Security. A discussion followed, and Mr. Merchant assured him that this is being reviewed and will be resolved. Mr. Hennig noted that the practice of using property taxes to fund the Security Department started in FY 2015-16. The District is in the research phase, which is the first step in finding a resolution to the situation. Mr. Jenco continued that we will be taking money from Reserves to make up the loss of revenue that will be suffered due to the reduction of the Budget. He questioned how taking money out of Reserves met the Board's highest goal of funding reserves. If Security was paying for itself, the reserves would be bolstered. **Motion/Merchant to introduce the Budget as proposed by Staff. Second/Maybee. Roll Call Vote: Ayes: Jenco, Butler, Merchant, Maybee. Noes: None. Absent: None. Abstain: None.**

23. PUBLIC HEARING TO INTRODUCE THE PROPOSED SERVICE CHARGE INCREASES AND SPECIAL TAX ADJUSTMENT

Tom Hennig, Director of Administration gave a brief overview of the proposed rate changes. Only twenty five (26) letters objecting to the rate increase were received.

Vice President Jenco opened the public hearing at 7:57 p.m.

There was one comment from Diana Weber asking if this was attached to the Budget, and if the Budget changes would this change. Mr. Jenco confirmed.

Vice President Jenco closed the public hearing at 7:59 p.m.

Motion/Maybee to introduce Ordinance O2020-02, and waive the full reading and introduce it by title only. **Second/Merchant. Roll Call Vote: Ayes: Jenco, Maybee, Merchant. Noes: None. Absent: Butler. Abstain: None.**

24. CONFIRM DISTRICT'S PREFERRED GROUNDWATER SUSTAINABILITY AGENCY (GSA) PREFERENCE FOR SOUTH AMERICAN SUB-BASIN

Mark Martin gave a review of the decision before the Board of its preferred GSA. He continued with his recommendation that RMCS D remain with the Sacramento Central Groundwater Authority (SCGA). Todd Eising, Chair of SCGA gave background on the SCGA. He mentioned the South American Sub-basin's required Groundwater Sustainability Plan (GSP) that must be completed in 18 months. John Woodling (Interim Executive Director of SCGA) also commented that he thought remaining with SCGA was a good fit. Jay Schneider, Sloughhouse Resource Conservation District (SRC D), recommended that RMCS D form its own GSA, which Mr. Martin advised against. Vice President Jenco stated that the Board would like more time to consider this. ***This item will be on the June 17, 2020 Regular Board Meeting agenda.***

25. CONSIDER ADOPTION OF ORDINANCE 2020-01 AMENDING DISTRICT CODE CHAPTER 21 (SECURITY SERVICES) REGARDING UPDATES AND REVISIONS TO VARIOUS PROVISIONS

Jeff Werblun reviewed the amendments to District Code, Chapter 21, cleaning up old changes that were made in the Code. **Motion/Maybee** to adopt the Code as written. **Second/Merchant. Roll Call Vote: Ayes: Jenco, Butler, Merchant, Maybee. Noes: None. Absent: None. Abstain: None.**

26. CONSIDER APPROVAL OF ENVIRONMENTAL COMPLIANCE COUNSULTING SERVICES

Paul Siebensohn gave a brief summary of the need for these services. The Board had approved an Environmental Compliance Worker position. Due to a lack of qualified candidates applying for the position, Mr. Siebensohn prepared a Request for Bids packet to solicit for Environmental compliance services, and the lowest qualified bidder was Stratus Environmental, Inc. Funding to support these services would come from the removal of the Environmental Compliance Worker position for the next two years. This contract was approved by the Finance Committee. **Motion/Maybee** to approve the contract with Stratus. **Second/Merchant Roll Call Vote: Ayes: Jenco, Butler, Merchant, Maybee. Noes: None. Absent: None. Abstain: None.**

27. DIRECTOR COMMENTS/SUGGESTIONS

Director Maybee thanked Mark Martin for everything he has done, to bring the District to where it is, and specifically with what he has done with implantation of technologies to allow for work to continue during COVID-19.

28. ADJOURNMENT

Motion/Maybee to adjourn at 8:53 p.m. **Second/Jenco. Ayes: Jenco, Butler, Merchant, Maybee. Noes: None. Absent: None. Abstain: None.**

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Respectfully submitted,

Amelia Wilder
District Secretary

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