



RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Board of Directors Regular Meeting

MINUTES

September 16, 2015

4:30 p.m. Closed Session ~ 5:00 p.m. Open Session

1. CALL TO ORDER/ROLL CALL

President Gerald Pasek called the special meeting of the Board of Directors of Rancho Murieta Community Services District to order at 4:30 p.m. in the District meeting room, 15160 Jackson Road, Rancho Murieta. Directors present were Gerald Pasek, Betty Ferraro, and Mark Pecotich. Also present were Darlene J. Gillum, General Manager; Greg Remson, Security Chief; Eric Thompson, Controller; Suzanne Lindenfeld, District Secretary; and Richard Shanahan, General Counsel. Director Michael Martel was absent.

2. ADOPT AGENDA

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

3. SPECIAL ANNOUNCEMENTS AND ACTIVITIES

None.

4. BOARD ADJOURNED TO CLOSED SESSION AT 4:31 P.M. TO DISCUSS THE FOLLOWING ITEMS

Under Government Code 54956.9(d)(2): conference with legal counsel regarding anticipated litigation - significant exposure to litigation involving one potential case.

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

Under Government Code 54956.9(d)(2): conference with legal counsel regarding anticipated litigation - significant exposure to litigation involving one potential case. Nothing to report back.

6. COMMENTS FROM THE PUBLIC

Lew Parkinson, Murieta Village, commented on the concern of the residents regarding the District and Rancho Murieta Association not issuing barcodes to Murieta Village residents. President Pasek stated that is a discussion the Security Ad Hoc Committee is having and that nothing has been decided at this point. Mr. Parkinson asked that Murieta Village be included in this discussion. President Pasek asked that Chief Remson update Murieta Village as to what has transpired to date.

John Merchant asked about the status of the hiring of an independent consultant to review the development planning documents and the impact of the new development on the District's water supply. Darlene Gillum stated that the Request for Proposal has not gone out yet.

7. CONSENT CALENDAR

Director Pecotich asked about the status of the midge flies. Darlene stated that Paul Siebensohn is looking into the mosquito fish and getting feedback from the community. Development and coordination of a plan to achieve consensus and resolve concerns to be accomplished soon. Implementation will not be done until next spring.

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

8. STAFF REPORTS

Under Agenda Item 8d, Director Ferraro asked about the status of the drilling of the new well. Darlene stated that staff has not heard back from the potential driller yet.

9. CORRESPONDENCE

None.

10. PUBLIC HEARING - CONSIDER ADOPTING RESOLUTION APPROVING SOLAR POWER PURCHASE AGREEMENTS AND PERFORMANCE GUARANTEE AGREEMENTS WITH SOLARCITY CORPORATION AND MAKING RELATED FINDINGS REQUIRED BY GOVERNMENT CODE SECTION 4217.12 REGARDING THE INSTALLATION OF SOLAR GENERATING FACILITIES AT CERTAIN DISTRICT SITES

a. Presentation by Michael Carpol, SolarCity and District Staff

Michael Carpol, SolarCity, gave a brief PowerPoint presentation regarding the proposed solar projects in the District. Since the last presentation, SolarCity has done a more thorough analysis of the District's historical usage data from years 2011 to 2014.

Based on this analysis, the cost to the District for the wastewater treatment plant project is estimated at \$0.073/kWh, a savings of \$34,818 the first year, 24% cost reduction and an estimated savings of \$1,461,049 over the 20 year contract. The estimated cost to the District for the water treatment plant project is \$0.078/kWh, a savings of \$14,998 the first year, and an estimated savings of \$658,447 over the 20 year contract. These rates for the District will not increase. A question and answer period followed.

b. President Pasek opened the public hearing at 5:40 p.m.

John Merchant commented on the calculated savings.

Les Clark asked if the savings was based on hourly use/rates. Mr. Carpol stated yes. Mr. Clark also commented on his concern regarding having a glare study done due to the location of the airport. Mr. Carpol stated that one will be done.

Kathy Cline asked about the rates being increased. Mr. Carpol stated that the contract has the District locked into a set rate that will not increase or decrease for the contract term.

c. President Pasek closed the public hearing at 5:48 p.m.

d. Darlene Gillum stated that there are a few minor items in the contract that are being worked out. Richard Shanahan, District General Counsel, stated he approves the contract as to form. President Pasek asked Darlene Gillum and Richard Shanahan if they had any concerns with the contract and they both stated no. Mr. Shanahan recommended the Board adopt the Resolution.

Director Pecotich commented on his concern regarding SMUD excluding the District from using solar power. Darlene stated she was not aware of any such exclusion but will double check. Director Pecotich asked about Purchase Agreement Item 5. Mr. Carpool stated that if

for some reason SolarCity is unable to complete the project, the District is guaranteed to be paid whatever amount needed to complete the project.

Motion/Ferraro to Adopt Resolution R2015-13, a resolution approving Solar Power Purchase Agreements and Performance Guarantee Agreements with SolarCity Corporation and making related findings required by Government Code Section 4217.12 regarding the installation of solar generating facilities at certain District sites. **Second/Pecotich. Roll Call Vote: Ayes: Pasek, Ferraro, Pecotich. Noes: None. Absent: Martel. Abstain: None.**

11. CONSIDER APPROVAL OF EXTENSION OF TERM OF THE 1995 REIMBURSEMENT AGREEMENT BETWEEN RANCHO MURIETA COMMUNITY SERVICES DISTRICT AND SHF ACQUISITION CORPORATION

Richard Shanahan, District General Counsel, stated that the original agreement is not clear and poorly written and, therefore, recommended that the Board approve a one (1) year extension from the date of expiration, allowing staff and legal counsel more time to research and resolve liability concerns. Affected parties were encouraged to negotiate a settlement in the one (1) year period.

Motion/Ferraro to authorize a one (1) year extension, from the date of expiration, to allow time for further research and resolution of liability concerns. **Second/Pecotich. Roll Call Vote: Ayes: Pasek, Ferraro, Pecotich. Noes: None. Absent: Martel. Abstain: None.**

Jim Wiley thanked the Board.

12. CONSIDER APPROVAL OF RECYCLED WATER PROGRAM IMPLEMENTATION PLAN PROPOSAL
Darlene Gillum and gave a brief summary of the recommendation to approve the proposal for the Recycled Water Program Implementation Plan. Kevin Kennedy, AECOM, gave an overview of the plan and the purpose of the plan. A question and answer period followed.

Director Ferraro requested that the item be continued to the October 7, 2015 Special Board meeting since Director Martel was not present. By consensus, the Board agreed. Kevin Kennedy will present a short PowerPoint presentation, including triggers as to what has to happen when.

13. CONSIDER SACRAMENTO LAFCO AGENCY FORMATION COMMISSION NOMINATIONS FOR SPECIAL DISTRICT REPRESENTATION FOR SPECIAL DISTRICT COMMISSIONER OFFICE NO. 6.

There was no nomination.

14. RECEIVE WATER TREATMENT PLANT EXPANSION PROJECT UPDATE

Darlene Gillum gave a brief update on the Water Treatment Plant Expansion Project. Recent work includes: ongoing wire pulling and terminations for power and control systems; installation of the pneumatic control system; installation of the disinfection control system; completion of the membrane tank coating; completion of Plant #1 canopy; siding replacement; painting of equipment and siding; high speed internet installation to accommodate GE's requirements and for SCADA system; delivery and set up of the computer server system; etc. As of this update, there has been no change to the schedule from Roebelen Construction Management, showing that production of water from the new facility should occur during the week of November 6, 2015.

Director Pecotich commented on the District sending out a postcard announcing the completion of the project. President Pasek suggested staff make a video tour of the plant to post to the District's website.

15. RECEIVE WATER CONSERVATION UPDATE

Darlene Gillum gave a brief update on water conservation in the community.

16. RECEIVE 2015 BOARD GOALS UPDATE

Darlene Gillum gave a brief update on the 2015 Board Goals.

17. RECEIVE BRIEFING ON RANCHO MURIETA PARKS COMMITTEE MEETING

Director Pecotich stated that the items discussed at the September 8, 2015 Parks Committee meeting included: developing an MOU regarding the operating policy of the Committee; LAFCo authority over Parks; potential for creating a CFD to pay for a community center; the 130 acre park by the river that is a County park; and Escuela Park being part of Stonehouse Park. The next Parks Committee meeting is tentatively set for October 22, 2015.

18. REVIEW MEETING DATES AND TIMES

No comments.

19. COMMENTS FROM THE PUBLIC

Director Ferraro requested the Security Department review the community evacuation plans and suggested posting the plan on the District's website. Chief Remson stated he will work on developing one.

Director Pecotich stated he is working on developing ad hoc committees regarding reducing the home density proposed by developers.

Darlene Gillum stated that four (4) Letters of Interest were received for the vacant Director position. The candidates are: Les Clark, Stephen Murphy, Morrison Graf, and Larry Shelton. Appointment of the new Director will occur at the October 7, 2015 Special Board meeting.

Darlene also commented on staff meeting with ProWave Audio, a local company, regarding providing services for District meetings, including videotaping.

20. ADJOURNMENT

Motion/Ferraro to adjourn at 7:30 p.m. **Second/Pecotich. Ayes: Pasek, Ferraro, Pecotich. Noes: None. Absent: Martel. Abstain: None.**

Respectfully submitted,



Suzanne Lindenfeld
District Secretary