



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

June 21, 2017

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

1. CALL TO ORDER/ROLL CALL

President Mark Pecotich called the Regular Board Meeting of the Board of Directors of Rancho Murieta Community Services District to order at 4:03 p.m. in the District meeting room, 15160 Jackson Road, Rancho Murieta. Directors present were Mark Pecotich, Morrison Graf, and Gerald Pasek. Director John Merchant participated in the closed session by teleconference from Two Jack Lake Campground, Lake Louise Alberta, Canada. Director Lester Clark participated in the closed session by teleconference from 1627 US Highway 395N, Minden, Nevada, 89423. Also, present were Darlene J. Thiel, General Manager; Edward. R. Crouse, Interim General Manager; Paul Siebensohn, Director of Field Operations; Eric Thompson, Controller; Suzanne Lindenfeld, District Secretary; and Richard Shanahan, District General Counsel.

2. ADOPT AGENDA

Motion/Pasek to adopt the agenda with Agenda Items 15, 17, and 18 moved to come between Agenda Items 9 and 10. Second/Graf. Ayes: Pecotich, Graf, Clark, Merchant, Pasek. Noes: None. Absent: None. Abstain: None.

3. SPECIAL ANNOUNCEMENTS AND ACTIVITIES

Mario Moreno promoted to Utility Worker II.

4. BOARD ADJOURNED TO CLOSED SESSION AT 4:06 P.M. TO DISCUSS THE FOLLOWING ITEM:

Closed session conference with legal counsel regarding anticipated litigation - significant exposure to litigation involving one potential case concerning barcode access through the North Gate (Government Code section 54956.9(d)(2)).

5. BOARD RECONVENED TO OPEN SESSION AT 5:03 P.M. AND REPORTED THE FOLLOWING:

Closed session conference with legal counsel regarding anticipated litigation - significant exposure to litigation involving one potential case concerning barcode access through the North Gate (Government Code section 54956.9(d)(2)). **Nothing to report.**

6. COMMENTS FROM THE PUBLIC

None.

7. CONSENT CALENDAR

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

8. STAFF REPORTS

Under Agenda Item 8C, Darlene J. Thiel stated that the Rancho Murieta Association citation total is 14 not 12 as noted on the report.

Under Agenda Item 8d, Director Graf asked if it is normal for Chesbro Reservoir to have had two (2) treatments already by this time of the year. Paul Siebensohn stated yes, it is.

Darlene J. Thiel stated that she wanted it on the record that Rancho Murieta Association (RMA) has had no discussion regarding changing the Basin 5 into a park as stated by District staff at the May 17, 2017 District Board Meeting.

9. CORRESPONDENCE

None.

15. CONSIDER APPROVAL OF PROPOSAL FOR ADMINISTRATION PARKING LOT ASPHALT SEALING AND STRIPING (TAKEN OUT OF ORDER)

Paul Siebensohn gave a brief summary of the recommendation to approve the proposal from Dave Bunfill Blacktop Services and Protective Coatings for asphalt sealing and striping of the existing roadway and parking lot at the District's Administration Building.

Motion/Graf to approve the proposal from Dave Bunfill Blacktop Services & Protective Coatings for asphalt sealing and striping of the existing roadway and parking lot at the District Administration Building, in an amount not to exceed \$7,542.50. Funding to come from Administration Capital Replacement Reserves. Second/Pasek. ROLL CALL VOTE: Ayes: Pecotich, Graf, Pasek. Noes: None. Absent: Clark, Merchant. Abstain: None.

17. CONSIDER APPROVAL OF PAYMENT OF INVOICE FROM TESCO CONTROLS FOR SCADA MONITORING SYSTEM (TAKEN OUT OF ORDER)

Paul Siebensohn gave a brief summary of the recommendation to approve the invoice from Tesco Controls for the existing monitoring system. The system has been experiencing multiple failures, which expedited the need for this project. The work was already completed under an authorized purchase order.

Since the existing monitoring system was a TESCO system, TESCO provided the new system replacement and upgrade for the cost of their professional services only. The SCADA software licenses and hardware have a value of \$22,565, which brings the total value of this project to \$41,505.

Motion/Pasek to approve payment of invoice from Tesco Controls for a SCADA monitoring system in an amount of \$18,940. Funding to come from Sewer Capital Replacement Reserves. Second/Graf. ROLL CALL VOTE: Ayes: Pecotich, Graf, Pasek. Noes: None. Absent: Clark, Merchant. Abstain: None.

18. CONSIDER APPROVAL OF THREE PROJECTS BEING ADDED TO THE CAPITAL IMPROVEMENT TECHNICAL MEMORANDUM FOR FEE DEVELOPMENT

Paul Siebensohn gave a brief summary of the recommendation to add three (3) projects to the Capital Improvement Technical Memorandum for Fee Development. These projects are to contend with the future needs of the District. They were identified after the Board approved the CIP Technical Memorandum on May 17, 2017.

Motion/Graf to approve the addition of three (3) projects (14" Motor Actuated Valve, Yellow Bridge Sewer Force Main Improvements, and Trash Containment Structures) in a total amount of \$328,000 to the Capital Improvement Technical Memorandum for Fee Development. Second/Pasek. ROLL CALL VOTE: Ayes: Pecotich, Graf, Pasek. Noes: None. Absent: Clark, Merchant. Abstain: None.

10. CONSIDER ADOPTION OF RESOLUTION R2017-06, IN HONOR OF DARLENE J. THIEL, GENERAL MANAGER

Motion/Graf to adopt Resolution R2017-06 in honor of Darlene J. Thiel, General Manager. Second/Pasek. ROLL CALL VOTE: Ayes: Pecotich, Graf, Pasek. Noes: None. Absent: Clark, Merchant. Abstain: None.

11. CONSIDER ADOPTION OF RESOLUTION R2017-04 APPROVING FISCAL YEAR 2017-2018 BUDGET INCLUDING CAPITAL PROJECTS

Darlene J. Thiel stated that the actual increases to the California Waste Recovery Systems contract rates and the Sac County Administration Fee came in slightly higher than projected in the May budget draft. However, that cost increase has been absorbed in the amount collected for a future Household Hazardous Waste Collection event; therefore no effect on the proposed budget or rate increase.

Motion/Graf to adopt Resolution R2017-04, a Resolution adopting the proposed budget for fiscal year 2017-2018, including Capital Projects. Second/Pasek. ROLL CALL VOTE: Ayes: Pecotich, Graf, Pasek. Noes: None. Absent: Clark, Merchant. Abstain: None.

12. CONSIDER ADOPTION OF ORDINANCE O2017-01, AN ORDINANCE AMENDING CHAPTER 14 OF THE DISTRICT CODE, RELATING TO WATER SERVICE CHARGES; AMENDING CHAPTER 15 OF THE DISTRICT CODE RELATING TO SEWER SERVICE CHARGES; AMENDING CHAPTER 16A OF THE DISTRICT CODE RELATING TO DRAINAGE SPECIAL TAX; AMENDING CHAPTER 21 OF THE DISTRICT CODE RELATING TO SECURITY SPECIAL TAX; AND AMENDING CHAPTER 31 OF THE DISTRICT CODE RELATING TO SOLID WASTE COLLECTION AND DISPOSAL SERVICE CHARGES

Motion/Graf to acknowledge the Second Reading of Ordinance O2017-01 and adopt Ordinance O2017-01, an Ordinance adopting the proposed service charge increase and Special Tax adjustments. Second/Pasek. ROLL CALL VOTE: Ayes: Pecotich, Graf, Pasek. Noes: None. Absent: Clark, Merchant. Abstain: None.

13. CONSIDER APPROVAL OF CALIFORNIA WASTE RECOVERY SYSTEMS FOURTH AMENDMENT TO THE 2013 CONTRACT

Darlene J. Thiel gave a brief summary of the recommendation to approve the California Waste Recovery Systems (CalWaste) fourth (4th) amendment to the 2013 contract. The current contract expires on June 30, 2017. The rate adjustment for the 2017-2018 fiscal year is a slight increase of .3%. The amended contract between Rancho Murieta Community Services District (District) and CalWaste will be effective July 1, 2017 through June 30, 2018.

Motion/Pasek to approve the Fourth Amendment to the 2013 Contract between Rancho Murieta Community Services District and California Waste Recovery Systems for solid waste collection and disposal services. Second/Graf. ROLL CALL VOTE: Ayes: Pecotich, Graf, Pasek. Noes: None. Absent: Clark, Merchant. Abstain: None.

14. CONSIDER APPROVAL OF ANNUAL AUDIT ENGAGEMENT LETTER

Darlene J. Thiel gave a brief summary of the recommendation to approve the annual audit engagement letter with Larry Bain, CPA. The audit covers the District wide Financial Statements and Community Facilities District 2014-1 (CFD 2014-1) Financial Statements.

Motion/Pasek to approve the annual audit engagement letter with Larry Bain, CPA for the 2016-2017 financial audit and authorize the General Manager to sign the engagement letter. Second/Graf. Ayes: Pecotich, Graf, Pasek. Noes: None. Absent: Clark, Merchant. Abstain: None.

16. CONSIDER APPROVAL OF THE PROPOSAL FOR ELECTRONIC DOCUMENT MANAGEMENT SYSTEM

Darlene J. Thiel gave a brief summary of the recommendation to approve the proposal from Caltronics for an electronic document management system PSICapture. The key features include: industry standard PDF files from scanner or PC applications that can print, ensure document security by controlling viewing, printing, and modifications, collaborate on documents using a wide range of commenting tools, convert, edit, and assemble

documents with ease, authenticate documents with digital signatures, prepare sensitive documents for sharing with redaction tools, create fillable forms, share and collect data from multiple forms, batch convert documents into editable and searchable formats, integrates with current software and hardware environment.

Motion/Pecotich to approve the proposal from Caltronics for an electronic document management system, in an amount not to exceed \$58,000. Funding of \$20,000 to come from Capital Improvement Reserves and \$38,000 to come from Unrestricted Cash. **Second/Pasek. ROLL CALL VOTE: Ayes: Pecotich, Graf, Pasek. Noes: None. Absent: Clark, Merchant. Abstain: None.**

President Pecotich suggested hiring temporary staff and/or interns to help with the entering of the documents and initial set up of the program. The Board agreed.

19. CONSIDER APPROVAL OF DISTRICT APPOINTMENTS

Darlene J. Thiel stated that due to her retiring, it is recommended that the Board appoint Edward R. Crouse as the Interim District Treasurer, Interim Regional Water Authority Board Member Representative, and the Interim Sacramento Central Groundwater Authority Representative.

Motion/Pasek to appoint Edward R. Crouse as interim District Treasurer; appoint Edward R. Crouse as interim Regional Water Authority Board member representative; and appoint Edward R. Crouse as interim Sacramento Central Groundwater Authority Board member representative. **Second/Graf. ROLL CALL VOTE: Ayes: Pecotich, Graf, Pasek. Noes: None. Absent: Clark, Merchant. Abstain: None.**

20. CONSIDER CALIFORNIA SPECIAL DISTRICTS ASSOCIATION 2017 BOARD ELECTIONS REPRESENTATIVE SEAT

Motion/Graf for the District to vote for Peter Kampa. **Second/Pasek. Ayes: Pecotich, Graf, Pasek. Noes: None. Absent: Clark, Merchant. Abstain: None.**

21. RECEIVE WATER TREATMENT PLANT EXPANSION PROJECT COST OVER-RUN AND REIMBURSEMENT ANALYSIS

Darlene J. Thiel gave a brief summary of the Water Treatment Plant Expansion Project cost over-run and reimbursement analysis. The total project cost for 4.0 mgd of treated water capacity came in at \$13,244,310. Of that amount, \$12,312,344 was funded by the District's share of \$4,358,000, the R&B Letters of Credit (R&B LOC) share of \$4,136,099, and the CFD 2014-1 share of \$3,818,245; resulting in a Project over-run of \$931,966. Of that amount, the District commissioned work of \$229,232 that was strictly related to existing plant and customer needs and therefore not chargeable to the CFD 2014-1 or R&B LOC. The FSA also agreed to cap the amount of District labor, Administration, and legal fees related to the Project at \$50,000 for the Rancho North Owners, which resulted in a District only cost of \$68,008, which is the amount above \$50,000, for these charges. After these adjustments are made to the Project over-run, the amount that is subject to cost sharing is \$634,726. Rancho North's share is 50% of that amount or \$317,363.

22. RECEIVE QUARTERLY UPDATE ON 2017 BOARD GOALS

Darlene J. Thiel gave an update on the 2017 Board goals.

23. RECEIVE PARKS COMMITTEE UPDATE

President Pecotich stated that no Parks Committee Meeting has been scheduled. The Greens Park is moving forward, including a ribbon cutting ceremony on Monday, June 26, 2017 at 10:00 a.m.

24. CONSIDER CONFERENCE/EDUCATION OPPORTUNITIES

Darlene J. Thiel stated that Director Graf and Paul Siebensohn would be attending the CSDA Special District Leadership Academy in July.

Suzanne will be attending the Art of the Message training on August 15, 2017.

25. REVIEW APRIL BOARD/COMMITTEE MEETING DATES/TIMES

Director Graf will not be able to attend the July Improvements and Personnel Committee meetings.

26. DIRECTOR COMMENTS AND SUGGESTIONS

Edward R. Crouse thanked Darlene Thiel, the Board of Directors and staff for welcoming him back as interim General Manager.

Director Graf thanked Security Patrol Officers for their efforts in locating the person(s) responsible for the doorbell ditching that has been going on.

Director Pasek stated that he asked Ed Crouse to discuss the Rancho Murieta Association Parks Fee at the July 2017 Board Meeting.

President Pecotich stated that Supervisor Sue Frost would be contacting the District in regards to holding some developer meetings in the community.

Darlene J. Thiel stated the hiring of the new Security Chief would move forward after the Security Department Assessment is completed. The General Manager recruitment closed June 19, 2017. CPS will be conducting the first round of screening with recommendations to the Personnel ad hoc Committee to review and schedule interviews around July 17, 2017. The goal is to have a candidate selected by July 24, 2017.

The District received \$13,436 reimbursement from Golden State Risk Management Authority for the District's outstanding loss prevention efforts and participation in the LPIP.

27. ADJOURNMENT

Motion/Pasek to adjourn at 6:05 p.m. Second/Graf Ayes: Pecotich, Graf, Pasek. Noes: None. Absent: Clark, Merchant. Abstain: None.

Respectfully submitted,


Suzanne Lindenfeld
District Secretary