

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Board of Directors Meeting

MINUTES

August 21, 2013

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/Pasek to adopt the agenda with Agenda Item #3 moved to after Agenda Item #6. **Second/Belton. Ayes: Pasek, Belton, Ferraro, Gumbinger, and Martel. Noes: None.**

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

Under Government Code section 54956.8: Conference with Real Property Negotiators - 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. Under Negotiation: Price and Terms.

Conference with Legal Counsel – Anticipated Litigation. Initiation of litigation pursuant to Government Code Section 54956.9(c): (One Potential Case).

Conference with Legal Counsel – Anticipated Litigation. Significant Exposure to Litigation Pursuant to 54956.9(b): (One Potential Case).

Under Government Code 54957: Public Employee Performance Review: Title: General Manager.

Under Government Code 54957.6: Conference with Labor Negotiator. Agency Designated Representative: Gerald Pasek. Unrepresented Employee: District General Manager.

5/6. BOARD RECONVENED TO OPEN SESSION AT 5:03 P.M. AND REPORTED THE FOLLOWING:

Under Government Code section 54956.8: Conference with Real Property Negotiators - 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. Under Negotiation: Price and Terms. Nothing to report.

Conference with Legal Counsel – Anticipated Litigation. Initiation of litigation pursuant to Government Code Section 54956.9(c): (One Potential Case). Nothing to report.

Conference with Legal Counsel – Anticipated Litigation. Significant Exposure to Litigation Pursuant to 54956.9(b): (One Potential Case). Nothing to report.

Under Government Code 54957: Public Employee Performance Review: Title: General Manager. Nothing to report.

Under Government Code 54957.6: Conference with Labor Negotiator. Agency Designated Representative: Gerald Pasek. Unrepresented Employee: District General Manager. Nothing to report.

3. SPECIAL ANNOUNCEMENTS AND ACTIVITIES

President Pasek announced that The District received the District Transparency Certificate of Excellence from California Special Districts Association (CSDA).

7. COMMENTS FROM THE PUBLIC

Lincoln Leaman, BBC, commented on how happy he is with the progress being made on the Finance and Services Agreement (FSA) and look forward to signing the FSA soon. President Pasek stated that the FSA should be going to the Board for approval in September or October.

8. CONSENT CALENDAR

On Agenda Item 8 b 1, Director Belton asked about the status of retiring the CFD #1 Mello Roos bonds early. Darlene Gillum stated that the request has been sent in for an early bond call. Response is due back by September 1, 2013. Once received, notice will go out to the residents.

On Agenda Item 8b2, President Pasek asked about the river beach gates. Chief Remson stated that Rancho Murieta Association (RMA) is going to repair the gate at the east end of Bass Lake and District Patrol Officers will lock and unlock the gate daily.

President Pasek asked about the alternative vehicles. Chief Remson stated that due to the terrain in the back area, an SUV is best suited as the patrol vehicle. President Pasek requested staff look into using a combination of SUVs and alternative vehicles. Director Gumbinger commented on his understanding that the vehicle is the Patrol Officers office and needs to be equipped as such.

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

9. STAFF REPORTS

Under Agenda Item 9c, Director Belton commented on her concerns about the recent golf cart accidents and asked if RMA has a non-arch rule regarding overloaded golf carts. Chief Remson stated that the injured party in the most recent accident went home today with two (2) skull fractures and a tear in one of his eardrums. President Pasek requested golf cart safety be an item on the next Joint Security Committee meeting agenda. Director Gumbinger suggested informal discussions with teens regarding golf cart safety in general. Chief Remson stated that he will put it on the agenda.

President Pasek asked about the break-in at the airport. Chief Remson stated that someone broke into one of the hangars and took some tools. There were no surveillance cameras in use in the area.

Under Agenda Item 9d, President Pasek asked about the Notice of Intent. Paul Siebensohn stated the District received a Notice of Intent to Comply with the new statewide general order regarding our storm water system. The District also received two (2) Notices of Intent to Comply regarding the aquatic pesticide application plan so the reservoirs can be treated for algae. Staff has also filed a Vector Control Plan for the treatment of midge flies. Everything has been filed as required.

Director Ferraro commented on the County Vector Control having been in the area. Paul Siebensohn stated that Vector Control comes here to harvest their mosquito fish from our reservoirs because our mosquito fish population is thriving. The West Nile Virus had been detected in some birds found in Rancho Murieta as well as other areas in Sacramento County. Paul stated that staff has not received any complaints regarding midge flies.

Director Ferraro stated that the raccoons are using the storm drains as avenues.

10. CORRESPONDENCE

None.

11. AUTHORIZE NEGOTIATION OF A CONTRACT WITH ROEBBELEN CONSTRUCTION MANAGEMENT SERVICES, INC., FOR CONSTRUCTION MANAGER AT RISK SERVICES

Ed Crouse gave a brief summary of the recommendation to authorize staff to negotiate a contract with Roebbelen Construction Management Services, Inc., for a Construction Manager at Risk Services contract for the Water Treatment Plant Expansion Project.

Director Belton commented on her concern and the concern of some residents that Roebbelen Construction Management Services, Inc. was part of the team that John Sullivan had put together for this project and that the developers will be giving input directly to Roebbelen on the project. Robert Kjome, Roebbelen Construction Management Services, Inc., stated that the contract is with the District and that is who gives direction. Any contact/comments from developers will be forwarded to the District.

Director Ferraro asked if Roebbelen Construction Management Services, Inc. will be providing the District with written status reports as the project proceeds. Mr. Kjome stated regular progress meetings will be set up during pre-construction and construction portion of the project, either weekly or bi-weekly. These meetings will have agendas and minutes for distribution. During the project, a monthly project status update will be provided to the District. This will include pictures. The Board will still be approving all work as the project moves along. President Pasek suggested updates be posted on the District's website.

Director Martel commented on his understanding that the District not being able to sole source this project, his feeling that Director Belton was questioning integrity of the parties involved, and asked if he can ask questions of Roebbelen Construction Services, Inc., as they come up. Mr. Kjome

stated that he can contact him any time he has a question. Director Belton stated that she did not question the integrity of anyone.

Director Gumbinger commented on the built-in safeguards that are in place by using a Contract Manager at Risk service.

Motion/Gumbinger to authorize negotiations of a contract with Roebbelen Construction Management Services, Inc., for Construction Manager at Risk Services for the Water Treatment Plant Expansion Project. **Second/Belton. Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

12. APPROVE AGREEMENT WITH ATKINS FOR CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) SERVICES FOR AUGMENTATION WELL AND PIPELINE PROJECT

Ed Crouse gave a brief summary of the recommendation to approve the agreement with Atkins for California Environmental Quality Act (CEQA) services related to the augmentation wells and conveyance pipeline. The drilling of the test holes began on Monday, August 19, 2013. Water was found at 120 feet, 240 feet and at 300 feet.

Director Martel commented on an agreement the District has with Anderson Properties regarding access to their property. Ed Crouse stated that the 1991 Agreement has expired but a Right to Entry Agreement is in place. The purpose of the wells is for augmentation during drought times. Director Martel commented on his not having seen the current agreement and was only aware of the agreement that has expired.

John Sullivan commented on the need for the augmentation well, the developers being responsible for bringing water and that there is a right of entry agreement between the District and Anderson Properties.

Motion/Gumbinger to approve the proposal from Atkins for California Environmental Quality Act (CEQA) services related to the augmentation wells and conveyance pipeline, in an amount not to exceed \$38,310. Funding to come from Water Supply Augmentation Reserves. **Second/Pasek. Ayes: Pasek, Belton, Ferraro, Gumbinger. Noes: Martel.**

13. DISCUSS HIRING ADDITIONAL SECURITY OFFICERS AS DESIGNATED DRIVERS FOR SUMMERFEST

Ed Crouse gave a brief summary of the request to have Security Patrol Officers act as designated drivers for the Summerfest attendees this weekend and the District's recommendation to not act as designated drivers for any entity or event in the community.

Director Martel commented on how this is at no cost to the District, up to 1998, Chief Noller used to provide this services for residents and stated that the District wants to arrest people for drinking and driving instead of trying to prevent it. Director Martel feels this would be a good will gesture to the residents.

Ed Crouse stated that both the District's Legal Counsel and insurance carrier agreed that this is not a core function of the Security Department and due to liability concerns, recommended against providing this service.

Motion/Martel to hire District Security Officers to act as designated drivers for the Summerfest Event this weekend. **The Motion died due to lack of a Second.**

Director Ferraro stated that the Board does not want to go against the advice from both our Legal Counsel and our insurance carrier and put the District at risk.

14. PUBLIC HEARING – PLACING DELINQUENT ACCOUNTS ON THE TAX ROLLS OF SACRAMENTO COUNTY FOR COLLECTION

Darlene Gillum gave a brief background and stated that the Board adopts this resolution annually in order to place delinquent special taxes/charges on the Sacramento County tax rolls. The County purchases these delinquencies, using the Teeter Plan, and the District receives payment from the County dollar for dollar.

Director Martel commented on his concern with some of the developers involved in the FSA that are on the delinquent tax/charges list. Director Gumbinger suggested the District not sign the FSA until all the developers are current on their bills.

Director Martel commented on his concern with Rancho Murieta Airport not paying their Security Tax but the District still provides security services to them. Darlene Gillum stated that the airport has been receiving service even though he has been short paying his bill, the money that he pays is not really short paying, it flows with the oldest amount owed based on date not type of service.

President Pasek opened the public hearing at 6:23 p.m. and asked for public comments. There were no comments.

President Pasek closed the public hearing at 6:24 p.m.

Motion/Martel to adopt Resolution 2013-03 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. **Second/Belton. Roll Call Vote; Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

15. ADOPT DISTRICT ORDINANCE 2013-02, AMENDING DISTRICT CODE CHAPTER 8, THE COMMUNITY FACILITIES FEE CODE, SECTION 3.00

Darlene Gillum gave a brief summary of the recommendation to adopt Ordinance 2013-02. These adjustments are done annually. The first reading of the Ordinance was conducted at the July Board meeting.

President Pasek asked about updating the Water Supply Augmentation Fee, Exhibit A. Ed Crouse stated that the Water Supply Augmentation Fee and Exhibit A will be updated next year, and will include recycled water information.

Ed also commented on the Parks Fees that Director Martel had asked about at the July Board meeting. Per the agreement, the Villas site was excluded from the fee because it was a lodge at the time the agreement was made. It could be argued that once they changed the use to residential, that they could be charged that fee. But that site is excluded from the Parks Agreement. RMA's agreement with the Villas as part of their development agreement is silent to the Parks Fee.

Jonathan Hobbs, District Legal Counsel, stated that it is a development impact fee and can be charged at the permit application time. The District could adopt a fee to go forward, but it would require an AB1600 Nexus report. As to existing developments, since they already have their entitlements and buildings are built, it may be possible to impose the fee through a Prop 218 process, which would require a vote of the people affected.

Ed stated there are three (3) sources of park funds. There is a Community Park Fee of which RMA and District have the ability to collect, a Neighborhood Park Fee that is only collected by RMA, and an existing resident contribution which RMA is collecting. The District only has the ability to collect the Community Park Fees but RMA has been collecting Neighborhood and Community Park Fees as part of annexation into their homeowners association (HOA). The District is here only to collect the fee in case RMA does not collect the fee. Mr. Crouse stated the parks are RMA's responsibility and the District should not tell RMA how to collect the fee.

Director Gumbinger stated that since the Parks are RMA's responsibility, not the District's, the District should stay out of it unless asked by RMA.

Motion/Gumbinger to adopt Ordinance 2013-02, an Ordinance amending District Code Chapter 8, the Community Facilities Fees Code, Section 3.00, to increase the Water Supply Augmentation and the Community Parks fees. **Second/Belton. Roll Call Vote; Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

16. APPROVE PROPOSAL FOR PIPE PURCHASE FOR HOLE #13 CULVERT REPLACEMENT

Paul Siebensohn gave a summary of the recommendation to approve the proposal from Groeniger & Company for pipe purchase for Hole #13 culvert replacement. This project will be completed in July of 2014.

Motion/Gumbinger to approve proposal from Groeniger & Company for pipe purchase for Hole #13 Culvert Replacement, in an amount not to exceed \$18,921.60. Funding to come from Drainage Replacement Reserves, CIP No. 13-01-2. **Second/Belton. Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

17. ACCEPT BID FOR MAIN LIFT NORTH REHABILITATION PROJECT

Paul Siebensohn gave a brief summary of the recommendation to approve the bid from TNT Industrial Contractors, Inc., for the Main Lift North Rehabilitation Project.

Director Martel asked about HDR engineering services for the project. Paul Siebensohn stated that is the next agenda item. President Pasek requested the Board finish this item before moving to the next item.

Motion/Ferraro to accept bid proposal from TNT Industrial Contractors, Inc., for the Main Lift North Rehabilitation Project, in an amount not to exceed \$458,391. Funding to come from Sewer Replacement Reserves, CIP #12-04-2. **Second/Belton. Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

18. APPROVE PROPOSAL FOR CONSTRUCTION INSPECTION SERVICES AND PROPOSAL FOR CONSTRUCTION ENGINEERING SERVICES FOR MAIN LIFT NORTH REHABILITATION PROJECT

Paul Siebensohn gave a summary of the recommendation to approve the proposal from Bay Area Coatings for wet well lining inspection for the Main Lift North Rehabilitation Project and the proposal from HDR for Construction Engineering Services for the Main Lift North Rehabilitation Project.

Director Martel commented on his concerns over the amount of money the District has spent over the years for engineering services and feels that the General Manager/District Engineer should be doing more of this type work instead of contracting out.

Motion/Ferraro to approve the proposal from Bay Area Coatings for wet well lining inspection for the Main Lift North Rehabilitation Project, in an amount not to exceed \$6,400, as part of CIP #12-04-2, funding to come from Sewer Replacement Reserves; and

To approve the proposal from HDR for Construction Engineering Services for the Main Lift North Rehabilitation Project, in an amount not to exceed \$10,722, as part of CIP#12-04-2, funding to come from Sewer Replacement Reserves. **Second/Gumbinger. Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

19. APPROVE AGREEMENT WITH HDR FOR CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) SERVICES FOR THE PROPOSED WATER TREATMENT PLANT EXPANSION

Ed Crouse gave a brief summary of the recommendation to approve the proposal from HDR for California Environmental Quality Act (CEQA) services related to the proposed water treatment plant expansion and approval of additional tasks, if needed, related to the completion of the CEQA document.

Motion/Belton to approve the proposal from HDR for California Environmental Quality Act (CEQA) services related to proposed water treatment plant expansion, in an amount not to exceed \$46,292.

Approve additional tasks, if needed, related to the completion of the CEQA document. Air Quality Technical Memo, in an amount not to exceed \$7,471; Cultural Resources Technical Memo, in an amount not to exceed \$7,312; and Streambed Alteration Agreement Permit Application, in an amount not to exceed \$9,995.

Funding to come from Water Replacement Reserves, with the bill being submitted to Reynen & Bardis for payment. If payment not received, payment to be made through the letter of credit. **Second/Ferraro. Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

20. REPORT BACK ON FINANCING AND SERVICES AGREEMENT

Ed Crouse gave a status report of the Financing and Services Agreement (FSA). Two (2) comments letters from the public were received, Richard Brandt and John Sullivan. Staff has met with both parties individually to review their comment letters. The letters have been forwarded to Les Hock and his legal counsel for review and comment. Due to Director absences for the Regular September Board meeting, a Special Board meeting will be held for review and approval of the final FSA.

John Sullivan commented on his meeting with the District and receiving clarification on items of concern. Mr. Sullivan stated the meeting went well.

21. ADOPT DISTRICT POLICY 2013-04, USE OF PERSONAL ELECTRONIC COMMUNICATION DEVICES DURING DISTRICT MEETINGS

Ed Crouse gave a brief summary of the recommendation to adopt District Policy 2013-04, Use of Personal Electronic Communication Devices During District Meetings.

Director Martel stated that if this policy is approved, he wants to be taken off the District Internet and asked how the District is going to enforce this policy with the public. Ed stated that staff will ask anyone whose device is interrupting the meeting to please turn the device off or leave the room while using it.

Director Ferraro suggested a notice be added to the agenda and a notice put on the District meeting room doors. Ed agreed.

Motion/Belton to adopt District Policy 2013-04, Use of Personal Electronic Communication Devices During District Meetings. **Second/Pasek. Roll Call Vote: Ayes: Pasek, Belton, Gumbinger. Noes: Ferraro, Martel.**

22. APPROVE ASSISTANT GENERAL MANAGER JOB DESCRIPTION

Ed Crouse gave a brief summary of the recommendation to approve the Assistant General Manager job description and salary range. The goal for this position is to gain insight and knowledge of the District and operations so that in time this person can be moved into the General Manager position, if approved by the Board. Once the person has moved in to the General Manager position, this position will be unfunded.

Motion/Belton to approve the Assistant General Manager job description and salary range. **Second/Gumbinger. Roll Call Vote: Ayes: Pasek, Belton, Ferraro, Gumbinger, Martel. Noes: None.**

23. NOMINATIONS FOR LAFCO SPECIAL DISTRICT COMMISSIONER OFFICE NO. 7 AND ALTERNATE SPECIAL DISTRICT COMMISSIONER FOR OFFICE NO. 6 & 7

No nominations.

24. REVIEW AND SELECT CONFERENCE/EDUCATION OPPORTUNITIES

Director Ferraro is going to the California Special District Association (CSDA) Annual Conference in September.

25. MEETING DATES/TIMES

No changes.

Directors Martel and Ferraro will not be at the September Board meeting.

Director Belton stated that she will not be able to attend the October Security Committee meeting and asked Director Martel if he would be agreeable to change the meeting date. Director Martel said he has asked for the Committee meeting to be changed to Fridays so he can attend and has been told no. Director Martel is not agreeable to changing the October Security Committee meeting and suggested the meeting be cancelled.

26. COMMENTS/SUGGESTIONS – BOARD MEMBERS AND STAFF

Director Martel commented on his concern regarding raising rates and having excess money from the 2012-2013 budget. Darlene Gillum stated that she will not have a final amount until after the audit is done. Once that has been completed, the Board will vote on where the funds will go. Director Martel stated that if there is an excess at the end of the budget year, then staff has not done a good job on calculating the budget and suggested the Board vote to suspend the rate increase next month.

Director Gumbinger commented on how the Reserve Funds are underfunded and that the rate increase was for reserves and the water treatment plant project, not for raises for staff.

Director Gumbinger commented on how nice the new billing statement looks. Darlene Gillum stated that Debby Bradberry is the one to thank.

President Pasek stated that RMA wants to get together with John Sullivan and two (2) of the District Directors. Director Ferraro and Belton volunteered.

President Pasek stated the water chart in the Board room needs to be updated. Ed Crouse stated that staff is in the process of getting that done.

Director Belton stated that Sacramento County Supervisor Roberta MacGlashan will be having a meet and greet at the Local Bean on September 28, 2013. Director Ferraro stated she asked that Supervisor MacGlashan put the Escuela Gate on the agenda.

Director Ferraro will be out of the country from October 6 to October 19, 2013.

Ed Crouse stated that at the August 6, 2013 Presidents meeting, Jim Moore was the only one not in attendance. Items discussed included: North Gate update, recycled water feasibility study, FSA, Hotel Service Agreement, RMCC wanting to put lights on the Pedestrian Bridge, the scheduling of hole #13 culvert replacement, County putting in Rancho Murieta signage on Highway 50, and

Sacramento Metro Fire having emergency training for RMCC. Ed stated he will be out of the office on September 6, 2013.

27. ADJOURNMENT

Motion/Gumbinger to adjourn at 7:42 p.m. **Second/Ferraro. Ayes: Pasek, Belton, Ferraro, Gumbinger, and Martel. Noes: None.**

Respectfully submitted,



Suzanne Lindenfeld
District Secretary