



## RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Board of Directors Meeting

MINUTES

August 17, 2016

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

### **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, Betty Ferraro, Morrison Graf, and Michael Martel. Also present were Darlene J. Thiel Gillum, General Manager; Paul Wagner, Security Chief; Paul Siebensohn, Director of Field Operations; Eric Thompson, Controller; Suzanne Lindenfeld, District Secretary; and Richard Shanahan, District General Counsel. Director Mark Pecotich was absent.

### **2. ADOPT AGENDA**

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

### **3. CLOSED SESSION**

*Under Government Code Section 54956.9(d)(2): Conference with Legal Counsel Regarding Anticipated Litigation – Significant Exposure to Litigation Involving one Potential Case, M & R Investment One Company Demand to Extend 1995 SHF Acquisition Corporation Reimbursement Agreement.*

### **4. OPEN SESSION/REPORT ACTION FROM CLOSED SESSION**

No action to report back.

### **5. SPECIAL ANNOUNCEMENTS AND ACTIVITIES**

None.

### **6. COMMENTS FROM THE PUBLIC**

None.

### **7. CONSENT CALENDAR**

**Motion/Ferraro to adopt the consent calendar with the change in wording to Agenda Item 7a1. Second/Graf. Roll Call Vote: Ayes: Pasek, Ferraro, Graf, Martel. Noes: None. Absent: Pecotich. Abstain: None.**

### **8. STAFF REPORTS**

No discussion.

### **9. CORRESPONDENCE**

None.

### **10. CONSIDER EXTENSION OF 1995 SHF ACQUISITION CORPORATION REIMBURSEMENT AGREEMENT AS REQUESTED BY M&R INVESTMENT ONE CORPORATION**

Darlene J. Thiel Gillum gave a brief summary of the recommendation to deny the request to extend the 1995 Reimbursement Agreement with SHF Acquisition Corporation and allow the Agreement to expire.

Randall Block, legal counsel for M&R Investment One Corporation, commented on the District having previously extended the exact same language extension and that he feels granting the extension now is the right thing to do. Extending the Agreement does not cost the District anything.

Director Martel commented that he feels the District has acted in good faith.

President Pasek commented on when the District granted the extension last year, it was with the understanding that all parties would get together and work out a resolution, which was not done.

Mr. Block stated that they have tried, unsuccessfully, to work with the District.

**Motion/Martel to deny the request to extend the 1995 Reimbursement Agreement with SHF Acquisition Corporation and allow the Agreement to expire according to its terms on September 20, 2016. Second/Ferraro. Roll Call Vote: Ayes: Pasek, Ferraro, Graf, Martel. Noes: None. Absent: Pecotich. Abstain: None.**

**11. CONSIDER APPROVAL OF REIMBURSEMENT TO M&R INVESTMENT ONE CORPORATION FOR FOURTEEN (14) RETREATS WEST LOTS**

**Motion/Martel to approve reimbursement to M&R Investment One Corporation for fourteen (14) Retreats West lots in the amount of \$32,018. Funding to come from Developer Deposit – Retreats. Second/Ferraro. Roll Call Vote: Ayes: Pasek, Ferraro, Graf, Martel. Noes: None. Absent: Pecotich. Abstain: None.**

**12. CONSIDER REQUEST FROM ROEBBELEN CONSTRUCTION, CONSTRUCTION MANAGER AT RISK, FOR AN ADJUSTMENT TO THE GUARANTEED MAXIMUM BUDGET FOR THE WATER TREATMENT PLANT EXPANSION PROJECT**

Darlene J. Thiel Gillum gave a brief summary of the recommendation to increase the Guaranteed Maximum Budget for the Water Treatment Plant Expansion Project. Roebbelen is in the process of closing out the project with GE. All other trades have closed the project. Staff will continue to evaluate these and other change orders for possible deficiencies in the project plans and drawings.

**Motion/Graf to approve the negotiated increase to the Guaranteed Maximum Budget of \$150,243 for the Water Treatment Plant Expansion Project. Funding to come from Water Capital Replacement Reserves. Second/Ferraro. Roll Call Vote: Ayes: Pasek, Ferraro, Graf, Martel. Noes: None. Absent: Pecotich. Abstain: None.**

**13. PUBLIC HEARING TO CONSIDER PLACING DELINQUENT ACCOUNTS ON TAX ROLLS OF SACRAMENTO COUNTY FOR COLLECTION**

Darlene J. Thiel Gillum gave a brief summary of the recommendation to place delinquent accounts 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. This is done annually.

President Pasek opened the public hearing at 5:22 p.m. and asked for public comments. There were no comments.

President Pasek closed the public hearing at 5:23 p.m.

**Motion/Ferraro** to adopt Resolution R2016-10 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/Graf. Roll Call Vote; Ayes: Pasek, Ferraro, Graf, Martel. Noes: None. Absent: Pecotich. Abstain: None.**

**14. CONSIDER ADOPTION OF DISTRICT RESOLUTION R2016-11 COMMUNITY FACILITIES DISTRICT NO 2014-1 ANNUAL SPECIAL TAX LEVIES**

Darlene J. Thiel Gillum gave a brief summary of the recommendation to adopt Resolution R2016-11 placing CFD #2014-1 annual bond levies on the Sacramento County Tax Rolls. This levy will be submitted annually to Sacramento County to be collected.

**Motion/Ferraro** to adopt Resolution R2016-11 for Community Facilities District No. 2014-1 placing the annual bond levies on the Sacramento County Tax Rolls for the 2016-2017 fiscal year. **Second/Graf. Roll Call Vote; Ayes: Pasek, Ferraro, Graf, Martel. Noes: None. Absent: Pecotich. Abstain: None.**

**15. CONSIDER APPROVAL OF FUNDING OF ADMINISTRATION COMPUTER SERVER FROM RESERVE FUNDS**

Darlene J. Thiel Gillum gave a brief summary of the recommendation to approve funding of the administration server from reserve funds. The replacement server was purchased on February 8, 2016 and has since been put into service. Once all of the associated costs were identified, the total exceeded the \$5,000 Capital Asset threshold. Staff then realized that the old server was recorded as a Fixed Asset and is thereby eligible for use of Capital Replacement Reserve funding.

**Motion/Graf** Approve Administration Capital Replacement Reserve funding in the amount of \$6,212.69 for the purchase and installation of a new data server from A Leap Ahead IT. **Second/Ferraro. Roll Call Vote; Ayes: Pasek, Ferraro, Graf, Martel. Noes: None. Absent: Pecotich. Abstain: None.**

**16. CONSIDER APPROVAL OF CLOSING OF 1991 COMMUNITY FACILITIES DISTRICT #1 (CFD #1) BANK OF AMERICA AND CAMP ACCOUNTS**

Darlene J. Thiel Gillum gave a brief summary of the recommendation to approve the closing of 1991 CFD#1 accounts and transfer the remaining monies to the Water and Sewer Capital Replacement Reserve accounts.

**Motion/Graf** to declare the funds held in the Bank of America Community Facilities District No. 1 redemption checking account and the funds held in the California Asset Management Program (CAMP) Community Facilities District No. 1 Special Tax Fund as surplus and approve the transfer of these surplus funds on a 50/50 basis to the Water and Sewer Capital Replacement Reserve accounts as allowed under the Mello-Roos Community Facilities Act of 1982, Section 53317 (j). **Second/Ferraro.**

Director Martel stated that he feels the funds should be refunded to the residents that contributed instead of reserves. The estimated amount would be \$24.00 each. Darlene J. Thiel Gillum stated that it would cost more than that amount to process and issue checks and recommended the remaining monies go into reserves to support the facilities and infrastructure constructed with the CFD funds.

**Roll Call Vote; Ayes: Pasek, Ferraro, Graf. Noes: Martel. Absent: Pecotich. Abstain: None.**

**17. CONSIDER APPROVAL OF RESERVE FUNDS FOR NEW SECURITY VEHICLE PURCHASE**

Chief Wagner gave a brief summary of the recommendation to approve funding from Security Capital Reserves to pay for a new security vehicle. The new patrol vehicle will replace Vehicle #517 which is a 2006 Ford Escape with 174,024 miles. The engine in this vehicle no longer runs.

**Motion/Martel** to approve up to \$20,400 for the purchase of a new Security patrol vehicle, which includes the cost of the vehicle, striping, signs, radio(s) etc. Funding to come from Security Capital Replacement Reserves.  
**Second/Ferraro. Roll Call Vote; Ayes: Pasek, Ferraro, Graf, Martel. Noes: None. Absent: Pecotich. Abstain: None.**

#### **18. CONSIDER ADOPTION OF DISTRICT PERSONNEL MANUAL UPDATES**

Darlene J. Thiel Gillum gave a brief summary of the recommendation to approve the proposed updates to the District Personnel Manual. The changes made are primarily for clarification of existing language and practice.

**Motion/Ferraro** to adopt the proposed District Personnel Manual updates. **Second/Graf. Roll Call Vote; Ayes: Pasek, Ferraro, Graf, Martel. Noes: None. Absent: Pecotich. Abstain: None.**

#### **19. CONSIDER APPROVAL OF DISTRICT APPOINTMENT TO SACRAMENTO CENTRAL GROUNDWATER AUTHORITY BOARD**

Darlene J. Thiel Gillum gave a brief summary of the recommendation to appoint a Director to the Sacramento Central Groundwater Authority Governing Board (SCGA). Although the District submitted a notice of non-participation, the SCGA has requested the District appoint a representative to their Governing Board, per the terms of the current SCGA Joint Powers Agreement until the JPA is modified.

**Motion/Martel** to appoint President Pasek as the District representative. **Second/Ferraro. Ayes: Pasek, Ferraro, Graf, Martel. Noes: None. Absent: Pecotich. Abstain: None.**

#### **20. RECEIVE AND CONSIDER UPDATES**

##### **Parks Committee**

Director Pecotich has requested that Rancho Murieta Association (RMA) schedule a Parks Committee meeting to discuss and review the revised Parks Operating Guidelines. The Greens Park bids should be received soon as well. A date has not yet been scheduled.

##### **Pending Proposed Land Development Projects**

On August 8, 2016, the Letter of Agreement regarding the Water Supply Augmentation Fees and Capital Improvement Fees study and payment of fees was sent to John Sullivan. The District received the fully executed Letter of Agreement back today.

##### **Escuela Gate**

Sacramento County will begin the Stonehouse Road at Escuela Drive Intersection Improvement Project in September 2016, with the estimated completion in October 2016. Stonehouse Road will be closed during construction for approximately four (4) weeks.

##### **Solar Power Installations**

###### **Wastewater Treatment Plant Site**

The photovoltaic (PV) panels were installed and all wiring completed between the panels and power inverters. The underground boring and pulling of five (5) three inch (3") conduits between the PV site and the point of

interconnection at the wastewater control building was also completed without incident, avoiding numerous water, sewer, and power lines.

The next step is to install the electrical conduits for the power runs between the switchgear panels and transformers and then pour concrete pads for the panels and to pull and terminate wiring. SMUD has not provided a date for the delivery of the new transformer or running of the new power feed yet. At this point it is anticipated that the project may be online by the end of October 2016.

#### Water Treatment Plant Site

Solar City anticipates receiving a permit from Sacramento County to allow them to proceed at the Water Treatment Plant Site beginning next week. The District has notified Aspen Environmental of the possible construction start as it may be necessary to conduct a nesting bird and Swainson hawk survey prior to beginning construction activity.

#### **Midge Fly Ad Hoc Committee**

Director Ferraro gave a brief update on the Midge Fly Ad Hoc Committee. The Committee wishes to continue meeting through the end of next year. Director Ferraro recommended the Committee end at this time as originally agreed and if needed next season, the Committee can meet again. By consensus, the Board agreed.

Director Martel commented on his feeling that the District needs to be applying the same type treatments to all the areas in the community, not just Laguna Joaquin. Director Martel also commented on how he feels that the District is not following the Reclaimed Water Regulations and wants the Board to review those regulations at the September Board meeting.

#### **21. CONSIDER CONFERENCE/EDUCATION OPPORTUNITIES**

No discussion.

#### **22. REVIEW MEETING DATES/TIMES**

Director Graf will be out of town the beginning of September.

Director Ferraro will be out of town the beginning of October.

#### **23. COMMENTS/SUGGESTIONS – BOARD MEMBERS AND STAFF**

Director Ferraro thanked Paul Siebensohn for all the work his staff does and thanked Chief Wagner for his service to the community.

Darlene J. Thiel Gillum stated she will be on vacation August 18 – 22, 2016. Paul Siebensohn will be Acting General Manager while she is gone.

#### **24. ADJOURNMENT**

**Motion/Ferraro to adjourn at 6:20 p.m. Second/Graf. Ayes: Pasek, Ferraro, Graf, Martel. Noes: None. Absent: Pecotich. Abstain: None.**

Respectfully submitted,

  
Suzanne Lindenfeld

District Secretary