



RANCHO MURIETA COMMUNITY SERVICES DISTRICT

15160 JACKSON ROAD
RANCHO MURIETA, CALIFORNIA 95683
916-354-3700
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AGENDA

*“Your Independent Local Government Agency Providing
Water, Wastewater, Drainage, Security, and Solid Waste Services”*

REGULAR BOARD MEETING

SEPTEMBER 18, 2019

Call to Order/Open Session 5:00 p.m./Closed Session to follow Open Session
District Administration Building – Board Room
15160 Jackson Road
Rancho Murieta, CA 95683

BOARD MEMBERS

Les Clark	President
Randy Jenco	Vice President
Linda Butler	Director
Tim Maybee	Director
John Merchant	Director

STAFF

Mark Martin	General Manager
Richard Shanahan	District General Counsel
Suzanne Lindenfeld	District Secretary
Tom Hennig	Director of Administration
Jeff Werblun	Security Chief
Paul Siebensohn	Director of Field Operations

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

SEPTEMBER 18, 2019

REGULAR BOARD MEETING

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

All persons present at District meetings will place their cellular devices in silent and/or vibrate mode (no ringing of any kind). During meetings, these devices will be used only for emergency purposes and, if used, the party called/calling will exit the meeting room for conversation. Other electronic and internet enabled devices are to be used in the "silent" mode. Under no circumstances will recording devices or problems associated with them be permitted to interrupt or delay District meetings.

AGENDA

ESTIMATED RUNNING TIME

1. CALL TO ORDER - Determination of Quorum – President Clark **(Roll Call)**

5:00

2. CONSIDER ADOPTION OF AGENDA (Motion)

The Board will discuss items on this agenda, and may take action on those items, including informational items and continued items. No action or discussion will be undertaken on any item not appearing on the agenda, except that (1) directors or staff may briefly respond to statements made or questions posed during public comments on non-agenda items, (2) directors or staff may ask a question for clarification, make a brief announcement, or make a brief report on his or her own activities, (3) a director may request staff to report back to the Board at a subsequent meeting concerning any matter or request staff to place a matter on a future Board meeting agenda, and (4) the Board may add an item to the agenda by a two-thirds vote determining that there is a need to take immediate action and that the need for action came to the District's attention after posting the agenda.

*The running times listed on this agenda are only estimates and may be discussed earlier or later than shown. At the discretion of the Board, an item may be moved on the agenda and or taken out of order. **TIMED ITEMS** as specifically noted, such as Hearings or Formal Presentations of community-wide interest, will not be taken up earlier than listed.*

3. CONSENT CALENDAR (Motion) **(Roll Call Vote)** (5 min.) All items in Agenda Item 3 will be approved as one item if they are not excluded from the motion adopting the consent calendar.

A. Approval of Board Meeting and Committee Meeting Minutes

1. August 21, 2019 Regular Board Meeting Minutes
2. August 30, 2019 Special Board Meeting Minutes
3. September 5, 2019 Communications Committee Meeting Minutes
4. September 5, 2019 Security Committee Meeting Minutes
5. September 10, 2019 Personnel Committee Meeting Minutes
6. September 10, Improvements Committee Meeting Minutes
7. September 10, 2019 Finance Committee Meeting Minutes
8. September 13, 2019 Special Finance Committee Meeting Minutes

- B. Approval of Bills Paid Listing
4. **STAFF REPORTS** (Receive and File)
 - A. General Manager’s Report
 - B. Administration/Financial Report
 - C. Security Report
 - D. Utilities Report
 5. **CONSIDER CONFERENCE/EDUCATION OPPORTUNITIES** (Discussion/Action) (**Motion**)
 6. **EMPLOYEE ANNOUNCEMENTS, PROMOTIONS, COMMENDATIONS, AND KUDOS**
 7. **REVIEW DISTRICT MEETING DATES/TIMES FOR OCTOBER 2019**
 - A. Personnel – October 1, 2019 at 7:30 a.m.
 - B. Improvements – October 1, 2019 at 8:00 a.m.
 - C. Finance – October 1, 2019 at 10:00 a.m.
 - D. Communications – October 3, 2019 at 9:00 a.m.
 - E. Security – October 3, 2019 at 10:00 a.m.
 - F. Regular Board Meeting – October 16, 2019 - Open Session at 5:00 p.m.
 8. **CORRESPONDENCE**
 9. **COMMENTS FROM THE PUBLIC**

Members of the public may comment on any item of interest within the subject matter jurisdiction of the District and any item specifically agendized. Members of the public wishing to address a specific agendized item are encouraged to offer their public comment during consideration of that item. With certain exceptions, the Board may not discuss or take action on items that are not on the agenda.

If you wish to address the Board at this time or at the time of an agendized item, as a courtesy, please state your name and address. Speakers presenting individual opinions shall have 3 minutes to speak. Speakers presenting opinions of groups or organizations shall have 5 minutes per group.
 10. **CONSIDER APPROVAL OF WATER RIGHT PERMIT TIME EXTENSION PROPOSAL**
(Discussion/Action) (**Motion**) (**Roll Call Vote**) (10 min.)
 11. **CONSIDER APPROVAL OF PROPOSED ENVIRONMENTAL COMPLIANCE WORKER POSITION DESCRIPTION** Discussion/Action) (**Motion**) (**Roll Call Vote**) (10 min.)
 12. **CONSIDER APPROVAL OF REIMBURSEMENT PAYMENT TO COSUMNES RIVER LAND LLC RELATING TO THE CONSTRUCTION OF LEGACY LANE 12” RECYCLED WATER LINE**
(Discussion/Action) (**Motion**) (5 min.)

13. CONSIDER APPROVAL OF REIMBURSEMENT PAYMENT TO COSUMNES RIVER LAND LLC RELATING TO THE CONSTRUCTION OF SOBON LANE 6" RECYCLED WATER LINE
(Discussion/Action) **(Motion)** (5 min.)

14. INTRODUCE ORDINANCE O2019-04 AMENDING DISTRICT CODE CHAPTER 4 (PURCHASING AND BIDDING) APPROVING GENERAL MANAGER'S AUTHORITY TO EXPEND RESERVE FUNDS UP TO \$25,000 WITHOUT REQUIRING PRIOR BOARD APPROVAL AND AUTHORIZE THE GENERAL MANAGER TO EXPEND FUNDS UP TO \$50,000 ON BUDGET-PROCESS APPROVED CAPITAL IMPROVEMENT/REPLACEMENT PROJECTS (Discussion/Action) **(Motion) (Roll Call Vote)**
(10 min.)

15. CONSIDER APPROVAL OF AGREEMENT WITH PUN GROUP FOR FINANCIAL SERVICES
(Discussion/Action) **(Motion)** (5 min.)

16. DIRECTOR COMMENTS/SUGGESTIONS

In accordance with Government Code 54954.2(a), directors and staff may make brief announcements or brief reports of their own activities. They may ask questions for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda.

17. CLOSED SESSION

Under Government Code section 54957: Public employee discipline/dismissal/release.

Under Government Code 54957: Public Employee Performance Evaluation of the General Manager.

18. OPEN SESSION/REPORT ACTION FROM CLOSED SESSION

19. ADJOURNMENT (Motion)

"In accordance with California Government Code Section 54957.5, any writing or document that is a public record, relates to an open session agenda item and is distributed less than 72 hours prior to a regular meeting, will be made available for public inspection in the District offices during normal business hours. If, however, the document is not distributed until the regular meeting to which it relates, then the document or writing will be made available to the public at the location of the meeting."

Note: This agenda is posted pursuant to the provisions of the Government Code commencing at Section 54950. The date of this posting is September 13, 2019. Posting locations are: 1) District Office; 2) Rancho Murieta Post Office; 3) Rancho Murieta Association; 4) Murieta Village Association.



RANCHO MURIETA COMMUNITY SERVICES DISTRICT REGULAR BOARD MEETING MINUTES

August 21, 2019

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

1. CALL TO ORDER/ROLL CALL

President Clark called the Regular Board 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 Les Clark, Randy Jenco, and John Merchant. Also, present were Mark Martin, General Manager; Tom Hennig, Director of Administration; Jeff Werblun, Security Chief; Richard Shanahan, District General Counsel; and Amelia Wilder, Temporary District Secretary. Directors Linda Butler and Tim Maybee were absent.

2. CONSIDER ADOPTION OF AGENDA

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

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

Under Government Code section 54957: Public employee discipline/dismissal/release.

Under Government Code 54957: Public Employee Performance Evaluation of the General Manager.

4. BOARD RECONVENED TO OPEN SESSION AT 5:01 P.M.

Director Butler joined the Open Session Meeting at 5:00 P.M.

Under Government Code section 54957: Public employee discipline/dismissal/release. No action to report back.

Under Government Code 54957: Public Employee Performance Evaluation of the General Manager. No action to report back.

5. CONSENT CALENDAR

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

6. STAFF REPORTS

Under Agenda Item 6a, Mark Martin, General Manager, gave a brief summary of the District and Murieta Village Association (MVA), and Rancho Murieta Association (RMA) general managers' meetings, Regional Water Authority (RWA) monthly board meeting, and Sacramento Central Groundwater Authority (SCGA) Monthly Meeting, Strategic Planning Workshop Special Board Meeting and the Developer Monthly Meeting. He also gave a Legislative Update discussing Water Tax (SB 200), ADU Impact Fees (SB 13) and CSD's involvement in Community Outreach Improvements.

Under Agenda Item 4b, Tom Hennig, Director of Administration, commented on the updated financial report and answered questions about the procedures surrounding adding past due accounts to the Tax Roll, and line items on the report.

Director Merchant complemented the format of the new report and asked if a report could be generated to show a rolling 12-month detail so they could compare year to year detail.

Under Agenda Item 4c, Chief Werblun gave a brief overview of the operations updates and incidents of note, stating that staff trainings had been held for the Security Department and Front Office Staff. There will be two trainings held annually for Staff.

Under Agenda Item 4d, Mark Martin, General Manager, gave a brief summary of the utilities update including the progress on at Murieta Gardens and Murieta Gardens II. A discussion followed regarding the drainage basin, and the desire of the Board to remain informed of the progress of developments.

7. CONSIDER CONFERENCE/EDUCATION OPPORTUNITIES

Tom Hennig, Director of Administration, will be attending the Golden State Risk Management Annual Training Conference, and CALPELRA Conference.

8. EMPLOYEE ANNOUNCEMENTS, PROMOTIONS, COMMENDATIONS, AND KUDOS

Tom Hennig, Director of Administration, welcomed Cindy Chao, Controller to the staff.

9. REVIEW APRIL 2019 BOARD/COMMITTEE MEETING DATES/TIMES

No discussion.

10. CORRESPONDENCE

None

11. COMMENTS FROM THE PUBLIC

None.

12. CONSIDER ADOPTION OF ORDINANCE O2019-03 AMENDING DISTRICT CODE CHAPTER 14 RELATING TO INTEREST RATE ON DELINQUENT WATER SERVICE CHARGES; CHAPTER 15 RELATING TO INTEREST RATE ON DELINQUENT SEWER SERVICE CHARGES; CHAPTER 16 RELATING TO INTEREST RATE ON DELINQUENT DRAINAGE SPECIAL TAXES; CHAPTER 21 RELATING TO INTEREST RATE ON DELINQUENT SECURITY SPECIAL TAXES; AND CHAPTER 31 RELATING TO INTEREST RATE ON DELINQUENT SOLID WASTE COLLECTION AND DISPOSAL SERVICE CHARGES AND COLLECTION THROUGH THE COUNTY TAX ROLL

Tom Hennig, Director of Administration, gave a brief summary of the recommendation to adopt Ordinance O2019-03 amending District Code regarding the interest rate on delinquent Water, Sewer, Drainage, Security and Solid Waste Collection and collection through the County tax rolls.

Motion/Clark to adopt O2019-03 approving an interest rate increase on delinquent Water, Sewer, Drainage, Security and Solid Waste Collection and collection through the County tax rolls. Second/ Merchant. Ayes: Clark, Jenco, Butler, Merchant Noes: None. Absent: Maybee. Abstain: None.

13. CONSIDER ADOPTION OF DISTRICT RESOLUTION R2019-08, AMENDING FIXED EMPLOYER'S CONTRIBUTION FOR REPRESENTED PUBLIC EMPLOYEE MEDICAL AND HOSPITAL CARE ACT BENEFITS (GROUP 001)

Tom Hennig, Director of Administration, gave a brief summary of the recommendation to adopt Resolution R2019-08, amending fixed employer's contribution for represented public employee medical and hospital care act benefits (group 001).

President Clark asked if there was any budgetary impact. Mark Martin, General Manager, let him know there was not.

Motion/Jenco to adopt Resolution R2019-08, amending fixed employer's contribution for represented public employee medical and hospital care act benefits (group 001). **Second/Clark. Roll Call Vote: Ayes: Clark, Jenco, Butler, Merchant. Noes: None. Absent: Maybee. Abstain: None.**

14. CONSIDER ADOPTION OF DISTRICT RESOLUTION R2019-09, AMENDING FIXED EMPLOYER'S CONTRIBUTION FOR UNREPRESENTED PUBLIC EMPLOYEE MEDICAL AND HOSPITAL CARE ACT BENEFITS (GROUP 001)

Tom Hennig, Director of Administration, gave a brief summary of the recommendation to adopt Resolution R2019-09, amending fixed employer's contribution for unrepresented public employee medical and hospital care act benefits (group 002).

Motion to adopt Resolution R2019-09, amending fixed employer's contribution for unrepresented public employee medical and hospital care act benefits (group 002) was a joint adoption with Resolution R2019-08 amending fixed employer's contribution for represented public employee medical and hospital care act benefits (001).

15. CONSIDER SELECTION FOR SACRAMENTO LOCAL AGENCY FORMATION COMMISSION NOMINATIONS FOR SPECIAL DISTRICT REPRESENTATION FOR SPECIAL DISTRICT COMMISSIONER OFFICE NO. 6 AND ALTERNATE SPECIAL DISTRICT COMMISSIONER FOR OFFICE NO. 6 AND 7

Mark Martin, General Manager, gave a brief summary of the role of the Special District Commissioner and the nomination process.

The Board reached a consensus not to nominate anyone for this position.

16. DISCUSSION AND CONSIDERATION OF A POLICY REGARDING THE BOARD'S PERFORMANCE EVALUATION OF THE GENERAL MANAGER

Mark Martin, General Manager gave a brief summary of the lack of a current policy regarding the Board's performance evaluation of the General Manager. A discussion followed, including the practices being followed by other Special Districts. It was decided that the Board would have a Special Workshop to review the policies and practices in place at other Special Districts, and create a policy to evaluate the performance of the General Manager. The current review period ends September 30, 2019.

17. DIRECTOR COMMENTS/SUGGESTIONS

Director Jenco asked for a better explanation of the yellow water that was a product of the manganese issue in July. He wanted to know what the guarantees are on the new filtration system that was purchased. He also questioned what solutions are being worked on to ensure this will not be a recurring issue. President Clark commended Paul Siebensohn, Director of Field Operations for the research that he is doing to come up with an affordable long-term solution.

19. ADJOURNMENT

Motion/Butler to adjourn at 6:41 p.m. **Second/Clark. Ayes: Clark, Jenco, Butler, Merchant. Noes: None. Absent: Maybee. Abstain: None.**

Respectfully submitted,

DRAFT



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

August 30, 2019

Call to Order/ Open Session 8:00 a.m.

1. CALL TO ORDER/ROLL CALL

Vice President Randy Jenco called the August 30, 2019 Special Board Meeting of the Board of Directors of Rancho Murieta Community Services District to order at 8:00 a.m. in the District meeting room, 15160 Jackson Road, Rancho Murieta. Directors present were Randy Jenco, Linda Butler, and John Merchant. Also, present were Mark Martin, General Manager; Tom Hennig, Director of Administration; Jeff Werblun, Security Chief; Paul Siebensohn, Director of Field Operations; and Amelia Wilder, Temporary District Secretary. Directors Les Clark and Tim Maybee were absent.

2. CONSIDER ADOPTION OF AGENDA

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

3. COMMENTS FROM THE PUBLIC

None.

4. PUBLIC HEARING TO CONSIDER PLACING DELINQUENT ACCOUNTS ON TAX ROLL OF SACRAMENTO COUNTY FOR COLLECTION

Tom Hennig, Director of Administration, gave a brief summary of the recommendation to place any delinquent utility charges on the Sacramento County tax roll. The County purchases these delinquencies, using the Teeter Plan, and the District receives payment from the County dollar for dollar. This is done annually in August.

Director Jenco opened the public hearing at 8:03 a.m. and asked the public for comments. There were no comments.

Director Jenco closed the public hearing at 8:04 a.m.

Motion/Merchant to adopt Resolution R2019-07 placing delinquent Drainage and/or Security Services charges/taxes on the Sacramento County tax rolls to be purchased by Sacramento County under the Teeter Plan. Second/Butler. Ayes: Jenco, Butler, Merchant. Noes: None. Absent: Clark and Maybee. Abstain: None.

5. DIRECTOR COMMENTS/SUGGESTIONS

Director Butler asked how long the debt would remain on the Teeter Plan. A brief discussion followed.

6. ADJOURNMENT

Motion/Merchant to adjourn at 8:07 a.m. Second/Butler. Ayes: Jenco, Butler. Noes: None. Absent: Clark and Maybee. Abstain: None.

Respectfully submitted,

Amelia Wilder
Temporary District Secretary

MEMORANDUM

Date: September 5, 2019
To: Board of Directors
From: Communication & Technology Committee Staff
Subject: September 5, 2019 Communication & Technology Committee Meeting Minutes

1. CALL TO ORDER

Director Butler called the meeting to order at 9:04 a.m. Present was Director Butler. Present from District staff were Mark Martin, General Manager; Jeff Werblun, Security Chief; Paul Siebensohn, Director of Field Operations and Amelia Wilder, Temporary District Secretary. Director Merchant was absent.

2. COMMENTS FROM THE PUBLIC

None.

3. COMMUNICATION AND TECHNOLOGY ITEMS ACCOMPLISHED AND TO BE ACCOMPLISHED

Mark Martin, General Manager, gave a detailed summary of the items on the spreadsheet attached to the meeting's packet. Director Butler suggested having more detail in the spreadsheet including the dates projects were started and completed.

4. DISTRICT NETWORK SECURITY

Mark Martin gave an overview of the District's current network security stating that our information is backed up in the cloud.

5. DRAFT COMMUNICATION PLAN UPDATE

Mark Martin gave a brief overview of the Draft Communications Plan. A discussion followed.

6. RIVER VALLEY TIMES – SPECIAL SECTION INQUIRY

Mark Martin stated that the River Valley Times responded to his inquiry regarding the District having a special column in the publication letting him know that they would continue to report RMCSO matters as news in its regular content.

7. QUICK LINKS ON WEBSITE

Mark Martin discussed the addition of a "Quick Links" bullet on the right side of the carousel. This will give residents easier access to the items that they need frequent access to. Richard Gehr, a member of the public, commented that he liked the new banner that was added to the website.

8. DIRECTOR AND STAFF COMMENTS/SUGGESTIONS

Director Butler asked that we add the purchase of Magnetic Signs for the trucks to the October 3rd Agenda.

Mark Martin asked that an Item be placed on the Agenda for the Board of Director's Meeting September 18th with a Resolution for Ralph and Karen, thanking them for their service and dedication on the RanchoMurieta.com website.

6. ADJOURNMENT

The meeting was adjourned at 9:50 a.m.

DRAFT

MEMORANDUM

Date: September 5, 2019
To: Board of Directors
From: Security Committee Staff
Subject: September 5, 2019, Security Committee Meeting Minutes

1. CALL TO ORDER

Director Clark called the meeting to order at 10:00 a.m. Present was Director Clark. Present from District staff were Mark Martin, General Manager; Jeff Werblun, Security Chief; and Amelia Wilder, Temporary District Secretary. Director Maybee was absent.

2. COMMENTS FROM THE PUBLIC

None.

3. MONTHLY UPDATES

Jeff Werblun, Security Chief, gave a brief overview of the operations updates and incidents of note.

Director Clark asked for clarification regarding the resident who struck the LPR camera pole on July 29 at 11:09 p.m. and if the replacement cost of the camera was submitted as a claim to her insurance. Chief Werblun commented that the claim has been submitted.

Chief Werblun responded to Director Clark's question regarding the peak in parking citations during the months of March and April that is cyclical and there is communication between RMA and CSD night officers.

A discussion proceeded regarding stop sign violations led by RMA Compliance Committee member Ken Poole and Chief Werblun.

4. BODY CAMERA POLICY UPDATE

Chief Werblun presented the Committee with a Draft Policy. It was decided that this item would be moved to the October 3rd Security Committee Meeting to give members of the Committee adequate time to review the policy.

5. ABDI PATROL SOFTWARE UPDATE

Chief Werblun stated that the Software Implementation is moving along. The check has been sent. There is no set completion date as of now. Once the project is underway we expect to get an estimated completion date.

6. JOINT SECURITY COMMITTEE UPDATE

Chief Werblun stated that the Joint Security Committee is on hold. Director Clark reviewed the discussion held previously in this meeting calling for the need for communication, collaboration and cooperation between CSD and RMA.

7. DIRECTOR & STAFF COMMENTS

Chief Werblun gave an update on Summerfest, stating that off duty Sherriff's Deputies have been hired to add security at the event.

Mark Martin, General Manager, thanked members of the community for attending and participation in today's meeting.

6. ADJOURNMENT

The meeting adjourned at 11:20 a.m.

DRAFT

MEMORANDUM

Date: September 10, 2019
To: Board of Directors
From: Personnel Committee Staff
Subject: September 10, 2019 Personnel Committee Meeting Minutes

1. CALL TO ORDER

Director Merchant called the meeting to order at 7:32 a.m. Present were Directors Merchant and Jenco. Present from District staff was Mark Martin, General Manager; Tom Hennig, Director of Administration; Paul Siebensohn, Director of Field Operations; and Amelia Wilder, Temporary District Secretary.

2. COMMENTS FROM THE PUBLIC

None.

3. Review Environmental Compliance Worker Position Description

Paul Siebensohn, Director of Field Operations, gave a brief summary of job description and necessity for the position of Environmental Compliance Worker. ***The Committee recommends this item be added to the September 18, 2019 Regular Board Meeting agenda.***

4. DIRECTOR & STAFF COMMENTS/SUGGESTIONS

None.

5. ADJOURNMENT

The meeting was adjourned at 7:26 a.m.

MEMORANDUM

Date: September 10, 2019
To: Board of Directors
From: Improvements Committee Staff
Subject: September 10, 2019 Improvements Committee Meeting Minutes

1. CALL TO ORDER

Director Clark called the meeting to order at 8:02 a.m. Present were Directors Clark and Jenco. Present from District staff were Mark Martin, General Manager; Tom Hennig, Director of Administration; Paul Siebensohn, Director of Field Operations; and Amelia Wilder, Temporary District Secretary. Also, in attendance was Laurie Loaiza, Coastland Engineering, the District's Engineer.

2. PUBLIC COMMENT

None.

3. MONTHLY UPDATES

Paul Siebensohn, Director of Field Operations, gave a brief overview of the project updates. The design for the Murieta Gardens project change in the basin size has been approved by Coastland Engineering and Sacramento County. The developer continues to work on to project. There was a discussion about the vegetation that will go in with the 6" French drain.

4. DISCUSS IDEAS TO DEAL WITH AND PREVENT FUTURE MANGANESE ISSUES

Paul Siebensohn gave a brief summary of the Manganese issues, stating that they seem to be under control, noting that staff is researching cost-effective long term solutions to the problem, including requesting quotes from companies to increase aeration of Lake Chesbro water.

Director Clark recommended a Public Outreach Program letting residents know what is being done.

5. LEGACY LANE REIMBURSEMENT UPDATE

Mark Martin, General Manager gave a brief overview of the Legacy Lane 12-inch recycled water reimbursement agreement with Cosumnes River LLC. The necessary documents have been provided to the District to proceed with the reimbursement. ***The Committee recommends this item be added to the September 18, 2019 Regular Board Meeting agenda.***

6. SOBON LANE REIMBURSEMENT UPDATE

Mark Martin, General Manager gave a brief overview of the Sobon Lane to Murieta Drive 6-inch recycled water reimbursement agreement with Cosumnes River LLC. The necessary documents have been provided to the District to proceed with the reimbursement. ***The Committee recommends this item be added to the September 18, 2019 Regular Board Meeting agenda.***

7. WATER PERMIT RENEWAL PROPOSAL

Paul Siebensohn gave a brief summary of the Master Water Right Permit Renewal and the steps necessary to petition to file for a new extension. ***The Committee recommends this item be added to the September 18, 2019 Regular Board Meeting agenda.***

8. DIRECTORS & STAFF COMMENTS/SUGGESTIONS

None.

9. ADJOURNMENT

The meeting was adjourned at 9:01 a.m.

DRAFT

MEMORANDUM

Date: September 10, 2019
To: Board of Directors
From: Finance Committee Staff
Subject: September 10, 2019 Finance Committee Meeting Minutes

1. CALL TO ORDER

Director Merchant called the meeting to order at 10:02 a.m. Present were Directors Merchant and Maybee. Present from District staff were Mark Martin, General Manager; Tom Hennig, Director of Administration; Paul Siebensohn, Director of Field Operations; Jeff Werblun, Security Chief; and Amelia Wilder, Temporary District Secretary.

2. COMMENTS FROM THE PUBLIC

None.

3. PUN GROUP FINANCIAL SERVICES UPDATE

Tom Hennig, Director of Administration, gave an update on the recommendations of The Pun Group, including what has already been implemented by staff and what still needs to be done.

Director Maybee said he would like to see Payroll updated sooner than later.

4. PUN GROUP FINANCE AND ACCOUNTING SERVICES PROPOSAL

Tom Hennig gave a summary of the items that the Pun Group has offered their services to complete, and the order in which items should be completed. He is waiting for a final proposal on the costs associated with each item. ***The Committee has called for a Special Committee Meeting on September 13, 2019 to continue discussion of this item.***

5. CFD 2014-1 TECHNICAL FINANCIAL REVIEW

Tom Hennig gave a status update on CFD 2014-1. A discussion followed.

6. FINANCIAL SYSTEM UPGRADE

Tom Hennig spoke about the current financial system that the District is using and the need to upgrade purchasing system so it integrates with Great Plains, the general ledger software, making the process less time consuming for Staff. He informed the Board this project was currently underway.

7. GENERAL MANAGER'S RESERVES SPENDING AUTHORITY

Tom Hennig, Director of Administration, gave a summary of the recommendation to authorize the General Manager to expend reserve funds up to \$25,000 without requiring prior Board approval. Over the last six years, approximately 83 requests were sent to the Board for approval with the dollar amount under \$25,000. Mr. Hennig also suggested Capital Improvement/Replacement Projects that are approved by the Board through the budget process not come back to the Board for a second time and approval. After a discussion, the Committee agreed to recommend authorizing the General Manager to expend of up to \$25,000 of reserve funds without Board approval and up to \$50,000 on previously approved Capital Improvement/Replacement Projects. ***This item will be on the September 18, 2019 Regular Board meeting agenda.***

8. DIRECTORS & STAFF COMMENTS/SUGGESTIONS

Director Merchant stated he was concerned about the amount of money the District is receiving versus future needs and that we need to increase our reserves. A discussion followed.

9. ADJOURNMENT

The meeting was adjourned at 10:37 a.m.

DRAFT

MEMORANDUM

Date: September 16, 2019
To: Board of Directors
From: Finance Committee Staff
Subject: September 13, 2019 Special Finance Committee Meeting Minutes

1. CALL TO ORDER

Director Merchant called the meeting to order at 1:05 p.m. Present were Directors Merchant and Maybee. Present from District staff were Mark Martin, General Manager; Tom Hennig, Director of Administration; Jeff Werblun, Security Chief; and Amelia Wilder, Temporary District Secretary.

2. COMMENTS FROM THE PUBLIC

None.

3. PUN GROUP FINANCE AND ACCOUNTING SERVICES PROPOSAL

Tom Hennig, Director of Administration, gave a brief presentation on the Proposal for Services the District requested from the PUN Group.

A discussion followed, including Director Merchant requesting a thorough presentation to the full Board justifying the money being spent on the proposal and finance software integrations, plus a discussion on the integrations and if they will solve our accounting systems deficiencies long term. Director Maybee said he would like to see a timeline of the anticipated completion of the proposed services.

The Committee recommends this item be added to the September 18, 2019 Regular Board Meeting agenda.

4. DIRECTORS & STAFF COMMENTS/SUGGESTIONS

None

5. ADJOURNMENT

The meeting was adjourned at 1:34 p.m.

MEMORANDUM


Date: September 16, 2019
To: Board of Directors
From: Tom Hennig, Director of Administration
Subject: Bills Paid Listing

Enclosed is the Bills Paid Listing Report for August 2019. Please feel free to call me before the Board meeting regarding any questions you may have relating to this report. This information is provided to the Board to assist in answering possible questions regarding large expenditures.

The following major expense items for August:

<u>Vendor</u>	<u>Project / Purpose</u>	<u>Amount</u>	<u>Funding</u>
Cosumnes River Land, LLC	Prop 84 1A & 1B partial payment	\$58,562	Water Augmentation Prop #84
California Waste Recovery Systems	Solid Waste Contract	\$49,378	Operating Expense
Coastland Civil Engineering	Engineering	\$17,799	Various Engineering Projects
California Laboratory Services	Monthly Lab Tests	\$14,848	Operating Expense
Domino Solar LTD	Solar - WTP & WWTP	\$14,443	Operating Expense
S. M. U. D.	Utilities	\$12,904	Operating Expense
Ferguson Enterprises	Repairs & Maintenance	\$9,681	Operating Expense
County of Sacramento	Off Duty Sheriff	\$8,052	Operating Expense

PREPARED BY: Tom Hennig, Director of Administration

REVIEWED BY:  District Treasurer


Rancho Murieta Community Services District
Bills Paid Listing for August 2019

CHECK	Date	Vendor	Amount	Purpose
EFT	8/5/2019	CalPERS - PR	12,383.81	Payroll - PERS PR
EFT	8/5/2019	CalPERS - UAL	18,349.75	Payroll - PERS Unfunded
EFT	8/5/2019	CalPERS - MED	41,469.02	Payroll - PERS Medical
CHK	8/6/2019	Chrysler Capital	156.80	Jeep Payment
CHK	8/6/2019	Guardian Life Insurance	6,379.33	Life Insurance
CHK	8/6/2019	Vision Service Plan (CA)	510.68	Payroll - Vision
CHK	8/9/2019	American Family Life Assurance Co.	841.35	Life Insurance
CHK	8/9/2019	Apple One Employment Service	901.75	Contract Staffing - Admin
CHK	8/9/2019	Applications By Design, Inc.	4,595.00	Security Barcodes
CHK	8/9/2019	Aramark Uniform & Career Apparel, LLC	523.41	Uniforms
CHK	8/9/2019	Ayala, Barbara	168.83	OPAY Refund
CHK	8/9/2019	Borges & Mahoney	489.99	Repairs & Maintenance
CHK	8/9/2019	California State Disbursement Unit	79.26	Payroll
CHK	8/9/2019	California Waste Recovery Systems	49,378.42	Solid Waste Contract
CHK	8/9/2019	Cell Energy Inc.	219.46	Vehicle Service
CHK	8/9/2019	County of Sacramento	8,052.00	Off Duty Sheriff
CHK	8/9/2019	County of Sacramento	3,767.62	Off Duty Sheriff
CHK	8/9/2019	Ditch Witch West	642.43	Repairs & Maintenance
CHK	8/9/2019	Ferguson Enterprises	9,680.60	Repairs & Maintenance
CHK	8/9/2019	Fisher Scientific	191.76	Water testing unit
CHK	8/9/2019	Galls/Quartermaster	280.29	Uniform - Security
CHK	8/9/2019	Government Finance Officers Assoc.	160.00	Job Ads
CHK	8/9/2019	Hach Company	854.92	Repairs & Maintenance
CHK	8/9/2019	Hastie's Capitol Sand and Gravel Co.	628.90	Repairs & Maintenance
CHK	8/9/2019	Legal Shield	11.95	Payroll - Legal
CHK	8/9/2019	Manco	872.78	Repairs & Maintenance
CHK	8/9/2019	Monoprice	726.33	Workstations
CHK	8/9/2019	Nationwide Retirement Solution	2,614.00	Payroll
CHK	8/9/2019	Operating Engineers Local Union No. 3	581.49	Payroll - Union Dues
CHK	8/9/2019	Pitney Bowes	265.59	Postage
CHK	8/9/2019	Rancho Murieta Ace Hardware	224.50	Repairs & Maintenance
CHK	8/9/2019	Romo Landscaping	385.00	Landscaping
CHK	8/9/2019	Roto Rooter Service & Plumbing	605.00	Repairs & Maintenance
CHK	8/9/2019	Santander Leasing	240.00	Security Vehicle Lease
CHK	8/9/2019	State Water Resources Control Board	90.00	Certifications
CHK	8/9/2019	TASC	98.07	Payroll - Beneflex
CHK	8/9/2019	Thatcher Company of California, Inc	2,475.45	Repairs & Maintenance
CHK	8/9/2019	U. S. Bank Corp. Payment System	7,689.54	Monthly Gasoline Bill
CHK	8/9/2019	Underground Service Alert of N. Cal and Nev	463.81	Repairs & Maintenance
CHK	8/9/2019	UPS	35.78	Postage
CHK	8/9/2019	USA Blue Book	3,217.57	Supplies
CHK	8/9/2019	Walker's Office Supplies, Inc	411.43	Office Supplies
CHK	8/9/2019	A Leap Ahead IT	4,699.91	IT Support
CHK	8/9/2019	Accountemps	6,743.90	Contract Staffing
EFT	8/9/2019	EDD	3,221.51	Payroll - Taxes - State
EFT	8/12/2019	EFTPS - IRS	10,807.84	Payroll - Taxes - Fed
EFT	8/12/2019	EFTPS - IRS	43.44	Payroll - Taxes - Fed
EFT	8/12/2019	EDD	14.98	Payroll - Taxes - State
CHK	8/15/2019	Costco Membership	833.56	Supplies
CHK	8/23/2019	Accounting & Association Software Group	1,773.75	GP Support
CHK	8/23/2019	Action Cleaning Systems Inc	1,445.00	Janitorial
CHK	8/23/2019	American Family Life Assurance Co.	753.74	Life Insurance
CHK	8/23/2019	Apple One Employment Service	4,158.73	Contract Staffing - Admin
CHK	8/23/2019	Applications By Design, Inc.	2,525.00	Security Barcodes
CHK	8/23/2019	Aramark Uniform & Career Apparel, LLC	314.81	Uniforms
CHK	8/23/2019	Arnolds For Awards	21.89	Administration
CHK	8/23/2019	AT&T	932.68	Telephone
CHK	8/23/2019	Bartkiewicz, Kronick & Shanahan	4,783.84	Legal
CHK	8/23/2019	Brower Mechanical, Inc	880.00	Repairs & Maintenance
CHK	8/23/2019	California Laboratory Services	14,848.37	Monthly Lab Tests
CHK	8/23/2019	California State Disbursement Unit	73.84	Payroll
CHK	8/23/2019	Caltronics Business Systems	1,431.77	Office Supplies
CHK	8/23/2019	Chemtrade Chemicals US LLC	3,126.78	Chemicals
CHK	8/23/2019	Clark Pest Control	723.66	District Facilities Pest Control
CHK	8/23/2019	Coastland Civil Engineering	17,798.70	Engineering
CHK	8/23/2019	Concentra DBA Occupational Health Centers of CA, A Medical Corp	260.50	Pre Employment Screening
CHK	8/23/2019	Cosumnes River Land, LLC	58,561.80	Prop 84 1A & 1B partial payment
CHK	8/23/2019	Domino Solar LTD	14,443.35	Solar - WTP & WWTP
CHK	8/23/2019	EDCO Enterprises	1,710.00	Repairs & Maintenance
CHK	8/23/2019	Ferguson Enterprises	485.72	Repairs & Maintenance
CHK	8/23/2019	Gloria J. Lawrence DBA Lawrence Notary Service	50.00	Notarization of Forms
CHK	8/23/2019	GM Crane Services, Inc	450.00	Quarterly Crane Inspection
CHK	8/23/2019	Government Finance Officers Assoc.	150.00	Membership
CHK	8/23/2019	Greenfield Communications	448.99	Internet/TV
CHK	8/23/2019	Hach Company	3,027.93	Repairs & Maintenance

Rancho Murieta Community Services District
Bills Paid Listing for August 2019

CHECK	Date	Vendor	Amount	Purpose
CHK	8/23/2019	Home Depot	386.77	Supplies
CHK	8/23/2019	Howe It's Done	339.10	BOD Meetings
CHK	8/23/2019	Industrial Door Compay	327.25	Door Repair
CHK	8/23/2019	Johnson Controls Fire Protection LP	550.00	Repairs & Maintenance
CHK	8/23/2019	Legal Shield	11.95	Payroll - Legal
CHK	8/23/2019	Marion Leasing	526.90	Equipment Rental
CHK	8/23/2019	National Business Furniture	109.25	Office Furniture
CHK	8/23/2019	Nationwide Retirement Solution	2,314.00	Payroll
CHK	8/23/2019	Operating Engineers Local Union No. 3	581.49	Payroll - Union Dues
CHK	8/23/2019	PDF Tactical	552.00	Contract Staffing - Security
CHK	8/23/2019	Pesticide Applicators Professional Assoc., Inc.	255.00	PAPA Conference and Membership
CHK	8/23/2019	Pirtek Power Inn	895.02	Repairs & Maintenance
CHK	8/23/2019	Prodigy Electric & Controls Inc.	5,437.50	Repairs & Maintenance
CHK	8/23/2019	Public Agency Retirement Services	416.68	OPEB Trust
CHK	8/23/2019	River City Rentals	152.68	Equipment Rental
CHK	8/23/2019	S. M. U. D.	12,904.11	Utilities
CHK	8/23/2019	Sprint	189.95	Telephone
CHK	8/23/2019	State of California	32.00	Right of Way permit Prop 84 bore project
CHK	8/23/2019	Streamline	300.00	Monthly Website Hosting
CHK	8/23/2019	TASC	70.82	Payroll - Beneflex
CHK	8/23/2019	TASC	98.07	Payroll - Beneflex
CHK	8/23/2019	Thatcher Company of California, Inc	2,475.45	Repairs & Maintenance
CHK	8/23/2019	The Pun Group, LLC	7,500.00	Accounting Consulting Services
CHK	8/23/2019	Tongtuntai, Dorothy	100.00	Drip System Rebate
CHK	8/23/2019	Univar USA Inc.	5,702.46	Repairs & Maintenance
CHK	8/23/2019	USA Blue Book	1,312.13	Supplies
CHK	8/23/2019	Walker's Office Supplies, Inc	481.83	Office Supplies
CHK	8/23/2019	Watchdogs Surveillance	1,834.65	Camera Repair
CHK	8/23/2019	Wilbur-Ellis Company	4,046.44	Chemicals
CHK	8/23/2019	A Leap Ahead IT	8,042.39	IT Support
CHK	8/23/2019	Accountemps	3,697.50	Contract Staffing
CHK	8/23/2019	Rancho Murieta Association	150.00	Landscaping
CHK	8/23/2019	Rancho Murieta Association	335.19	North Gate Electricity
EFT	8/26/2019	EFTPS - IRS	10,523.08	Payroll - Taxes - Fed
EFT	8/26/2019	EDD	3,066.21	Payroll - Taxes - State
EFT	8/26/2019	PITNEY BOWES POSTAGE	1,500.00	Postage
EFT	8/26/2019	CalPERS	12,525.31	Payroll - PERS PR
CHK	8/28/2019	Fastsigns	968.63	Signage
CHK	8/28/2019	State Water Resources Control Board	105.00	Certifications
		Total	\$ 434,076.47	
		CFD 2014-1 Bank of America Checking		
CM2090	8/9/2019	Corelogic Solutions, LLC	206.00	CFD 2014-1 Admin Cost
CM2091	8/23/2019	Bartkiewicz, Kronick & Shanahan	320.00	CFD 2014-1 Legal Cost
			\$ 526.00	
		EL DORADO PAYROLL		
		Checks: CM12077 to CM112089 and Direct Deposits: DD11387 to DD11444	130,793.69	Payroll
			\$ 130,793.69	

PREPARED BY: Tom Hennig, Director of Administration

REVIEWED BY: , District Treasurer

MEMORANDUM

Date: September 13, 2019
To: Board of Directors
From: Mark Martin, General Manager
Subject: General Manager's Report

OUTREACH/ADVOCACY

August 27, 2019 – **CSD/RMCC General Manager's Meeting** – General Manager Svein and I met to discuss coordination of repair of a culvert at the North 14th hole. A follow-up coordination meeting was scheduled for September 6. We discussed RMCC's responsibility under its lease agreement to maintain and rehabilitate the Yellow Bridge upon which three RMCCSD pipelines lie. RMCCSD has a 40-year agreement with originally the RMPI to allow RMCCSD a lease of the bridge to allow for the utility lines and access for maintenance/repair/replacement. It is our understanding that the owners of the RMCC conveyed that responsibility to the RMCC entity itself as part of the RMCC's lease agreement with the owner. I forwarded a copy of the Yellow Bridge agreement to Mr. Svein for his records. We discussed Security matters for the Gold Rush Classic scheduled September 14 & 15.

August 27, 2019 – **CSD/MVA General Manager's Meeting** – Canceled at request of MVA GM. We expect to meet on September 24.

August 28, 2019 – **CSD/Sac Co. Sheriff (SSD) VIPs Coordination meeting** – Postponed at the request of SSD.

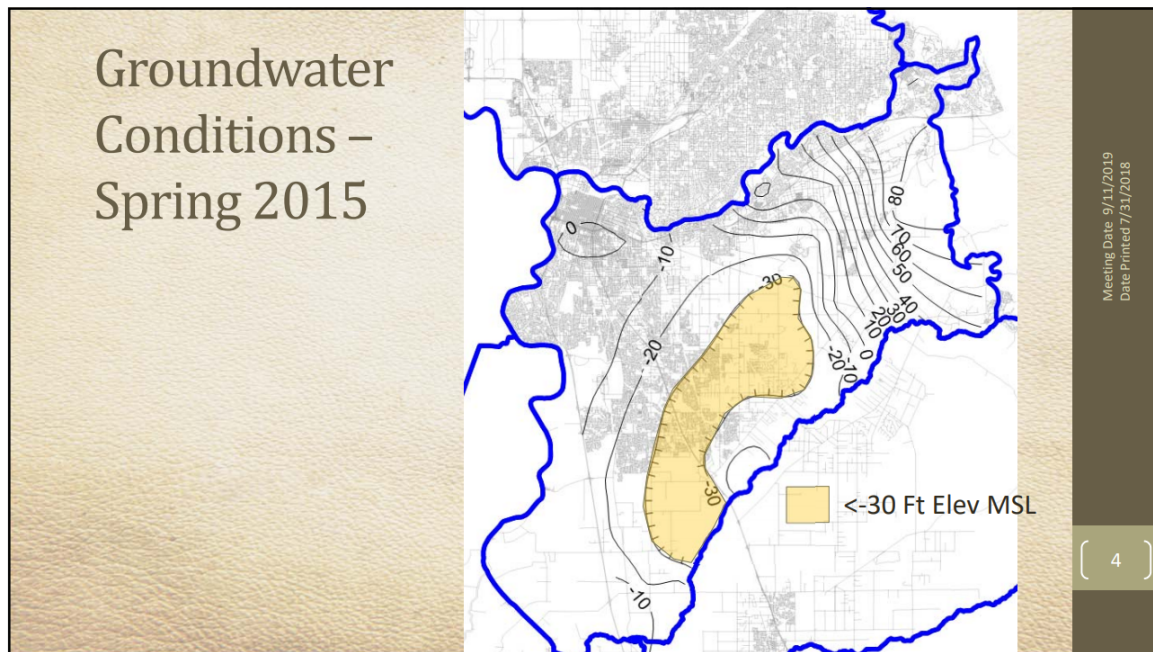
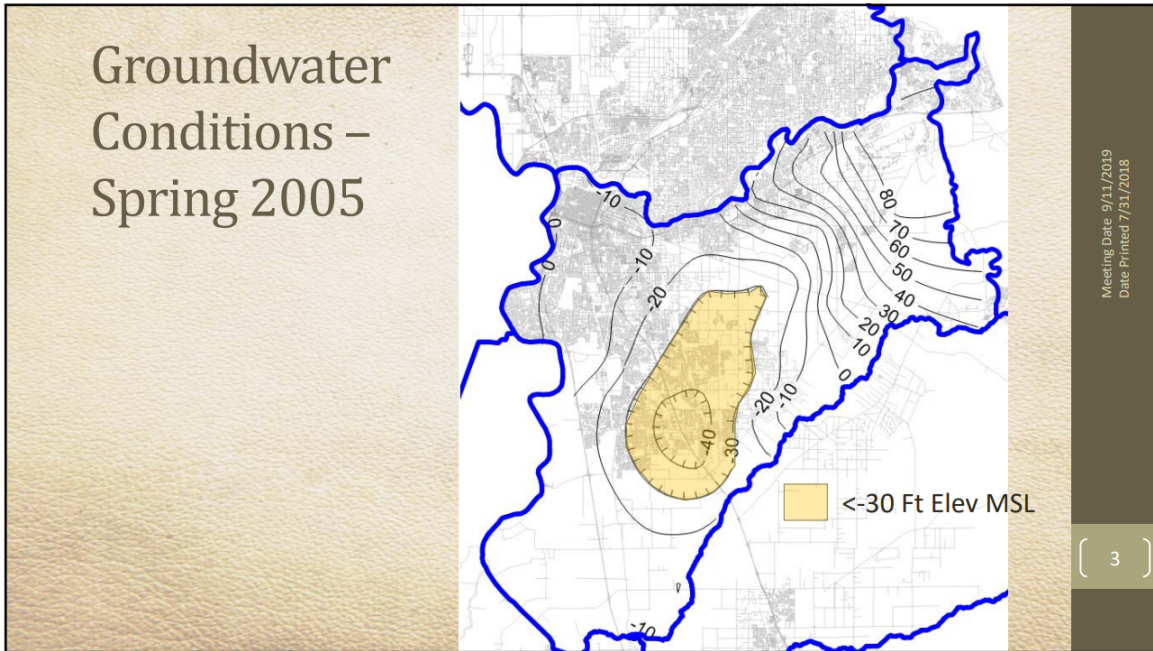
August 29, 2019 – **CSD/RMA General Manager's Meeting** – Discussed Security coordination, timing of the RMA survey release and open period, development, and request to improve road to the water treatment plant (WTP). The RMA survey is expected to be released in a couple of weeks with the survey open for response for about a month.

September 6, 2019 – **Cosumnes Coalition/SAFCA** – Met with representatives of Sacramento Area Flood Control Agency (SAFCA), the Sacramento Valley Conservancy, and Cosumnes Coalition for discussion on creative conjunctive uses of Rancho Murieta water rights for downstream habitat and groundwater recharge interests. One early proposal is possible funding tied to a possible pipeline to serve American River water to Rancho Murieta from the Folsom South Canal to Calero in exchange for reductions to Cosumnes River extractions.

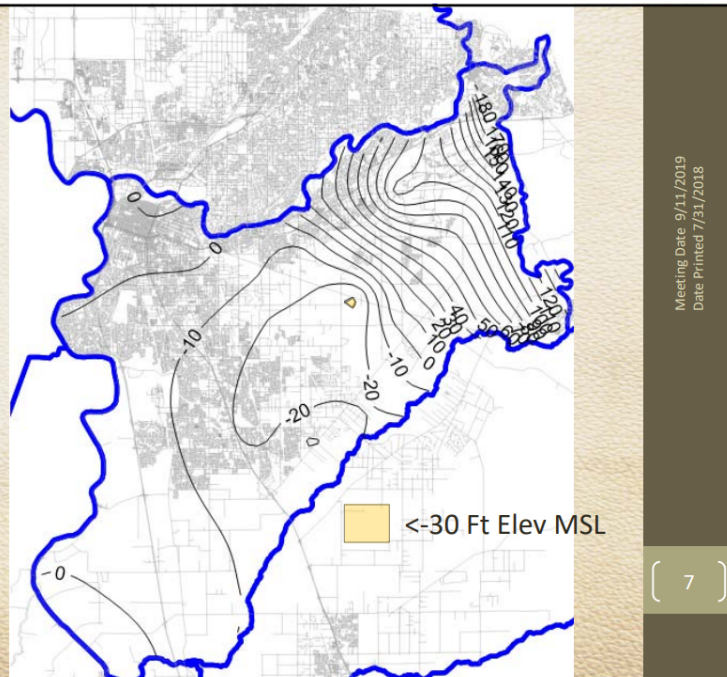
September 10, 2019 – **Presidents Meeting** – Canceled.

September 11, 2019 - **Sacramento Central Groundwater Authority (SCGA): Monthly Meeting** – The Board voted unanimously to have the SCGA chair ask the Regional Water Authority (RWA) chair to present to the SCGA Board on the potential opportunity to move management of the SCGA out from under Sacramento County staff management to the RWA. The RWA, a joint powers agreement agency, in addition to its role as regional water coordinator, also already staffs the Sacramento Groundwater Authority (SGA). The benefit of this move would be to put the SCGA under a more independent body since Sacramento County also happens to sit as an interested party on the SCGA Board, a potential conflict of interest.

A presentation on the SCGA groundwater basin status was provided comparing recent groundwater levels to 2005 and 2015's drought. The results show a significant improvement. The following are isometric maps of groundwater levels in 2005 (base year), 2015 (drought), and 2019. Rancho Murieta is found in center-right of the maps.



Groundwater Conditions – Spring 2019



September 12, 2019 – **Regional Water Authority (RWA) Board Meeting** – Discussion about an RWA subcommittee on voluntary agreements related to Phase I Bay Delta Plan unimpaired flows relating to improving salmonid habitat. Agreements have been formed to require lesser unimpaired flows in combination with restored habitat. The first phase of the Bay-Delta water quality plan approved in December relied heavily on February-through-June flow measures in an attempt to double the salmon population in the lower San Joaquin tributaries. The Cosumnes River is included in Phase II of the Bay Delta Planning efforts. The exact potential impacts of the Phase II effort related to the Cosumnes basin is unknown due to the fact the source of a majority of the water in the Cosumnes stems from contributing watersheds and is not controlled by dams with water to release at will.

A further discussion was had about the State's ballooning of data collection and reporting requirements which is expected to further balloon. When one water district representative queried State Water Board staff about the escalation of data collection, and the State's authority to collect the data if not mandated by law, the staff stated they are "Collecting information because they can." From others' observations, it has become clear that the "Water as a Human Right" agenda being advanced by State leadership has emboldened State agencies to pursue carte blanche data collection as long as it loosely supports the mission of that agenda.

Elk Grove Water District is meeting with their local Assembly member to discuss increasing penalties for water theft.

Related to the SCGA discussion above, a representative from SCGA's Board who sits as Vice Chair of the RWA, brought forward the proposal to start the dialog on potential RWA staffing of SCGA.

LEGISLATIVE UPDATE

SB 13 – ADU Impact Fees - SB 13 would restrict or place limits on fees local agencies could charge for infrastructure related impacts from new Accessory Dwelling Units (ADUs). Passed out of Appropriations Committee on August 30. Third reading on September 6. The current bill, as it reads, would still require we

charge no fees for ADUs less than 750 square feet, and provides for fees to be charged proportionately in relation to the square footage of the primary dwelling unit. So, in this case if the ADU is 1,000 square feet and the primary residential structure is 2,000 square feet, we would be able to charge fees equivalent to 50% of what we would charge for the primary structure. The following is the exact language from the bill.

“A local agency, special district, or water corporation shall not impose any impact fee upon the development of an accessory dwelling unit less than 750 square feet. Any impact fees charged for an accessory dwelling unit of 750 square feet or more shall be charged proportionately in relation to the square footage of the primary dwelling unit.....”Impact fee” does not include any connection fee or capacity charge charged by a local agency, special district, or water corporation.”

MANDATES

Governor Newsom Executive Order (April 29, 2019) – Water Resiliency - Three different departments involved to identify new opportunities for water resiliency: CA Natural Resources Agency, Cal EPA, and CA Dept of Food and Ag. Likely additional new regulations/programs and reporting requirements related to this effort. More info as it is made available.

MEMORANDUM

Date: August 30, 2019
To: Board of Directors
From: Jeffery Werblun, Security Chief
Subject: Security Update Report for the Month of August 2019

OPERATIONS UPDATES

The last week of July, I traveled to Pahrump, NV, where I attended a four-day handgun course. The last day of the class, we were put through different qualification courses and graded on a point scale. To move to the next level up in training, a student must qualify at a certain point level. Out of 25 students, only I and three others qualified to move on to the next level. I also made it to the semi-finals of the class competition in shooting speed and accuracy drill which involved three targets total; a hostage-suspect target at ten yards and two other targets at 30 yards. If you hit the hostage, it was considered an immediate fail. I fired both times with three shots-three hits. I lost by a fraction of a second in time. I will be attending another training course the first part of next year. (When it is much cooler outside.)

Volunteers have spent approximately 44 hours year to date on graffiti clean-up around the community. This number has been static for some time due to a lack of recent incidents.

INCIDENTS OF NOTE

July 29, 2019, at 11:09 pm, an elderly resident driving home fell asleep at the wheel as she entered the middle bar code lane. She struck the LPR camera and pole then struck the bollard pole in front of the barcode reader. Her car came to rest against the bollard. The camera and pole sustained damage and had to be replaced. The vehicle sustained major front end damage and the driver was not injured. The camera and pole were replaced the next day by Watchdogs Surveillance.

August 6, 2019, at 6:00 p.m., Stonehouse Park for National Night Out. We had a booth along with several other partner agencies. CSD Security, Metro Fire, SSD, CHP, and Sac PD were all present. Two Sheriff K-9s were also there. The event was well planned and organized. The attendance by the community was great, with well over 300 people there throughout. Sgt. Tompkins, Patrol Officer Arino, Gate Officer Dias and I attended the event. Off Duty Gate Officer Hessler (a resident) came to the event and hung out with us. We received many thanks and appreciation for the service we provide.

August 6, 2019, at 11:30 p.m., behind Camino Del Lago, shots heard call. Patrol and SSD responded to multiple reports of gunshots heard, or explosions heard. Patrol checked the area and did not locate anything. Upon further checking, patrol and SSD found some juveniles in the area. SSD handled and patrol cleared. Supposedly the juveniles had a potato gun and were firing it off — unknown final disposition from SSD.

August 10, 2019 at 11:28 p.m., Patrol responded to the Backyard BBQ regarding two subjects who were involved in a fight. One subject was gone. The one that called Security did not want to press charges. He was advised to call SSD if he changed his mind. Later on, the other half involved in this called Security from his home. Patrol responded and spoke to him. He was advised to call SSD for a report.

August 11, 2019 at 11:20 p.m., Officer Tyer was on patrol checking the South Beach area. He came across several vehicles parked in the area. He went to the beach area and could hear several people running away. He found several alcoholic beverage bottles scattered in the area and a bonfire. He called for Metro Fire to respond and extinguish the fire. The fire was contained to the fire pit area. Officer Tyer locked the vehicles for security reasons and issued six citations for bonfire and park hours. The vehicles belonged to residents and guests.

August 29, 2019, at 11:15 a.m., grass fire at the Country Club. We received a report of a grass fire burning on Country Club property near the Yellow Bridge. Sgt. Tompkins and I responded. The fire burned approximately 2 acres between the cart path, grass and Jackson Rd. No structures were in danger. Metro Fire and Cal Fire responded with four engines and a bulldozer. At this time, the cause of the fire is unknown.

RANCHO MURIETA ASSOCIATION COMPLIANCE MEETING

My appearance was canceled this month by the Chairperson.

MONTHLY MEETING WITH RMA COMPLIANCE STAFF

The meeting was overlooked by RMA staff. It was not rescheduled.

CONTRACT SECURITY

We are still using PDF on a limited basis for the gate.

JOINT SECURITY MEETING

No meeting has been requested by the other parties of the Joint Security Committee. We are prepared to release a summary report of the responses we received from the community on their top security concerns and are awaiting the results of RMA's pending survey of residents to combine the results as they relate to security.

2019 RMA Rule Violations Enforcement by CSD

Violation	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Back Area w/o Resident				1	2	1	1						5
Basketball Standard													
Barking Dog	14	10	9	12	6	5	11	10					77
Open Garage Doors		1	6	8	8	8	1	12					44
Curfew							1	1					2
Driveway Parking													
Fishing License/Fish & Wildlife				2									2
Guest Parking								1					1
Loose/Off Leash Dog	8	4	13	2	3	7	4	6					47
Motorcycle North Streets				1									1
Overloaded Golf Cart													
Overnight Street Parking			3					1					4
Park Hours	1			3	16	8	4	2					34
Speeding	12		5	4	3	1	1	4					30
Stop Sign	3	1	1										5
Unauthorized Vehicle													
Unlicensed Driver	1	2	1	1		2		1					8
Unsafe Driving	5	2	5	2	1	4	5						24
Intereference													
Gate Refusals	16	47	29	43	66	59	75	39					374
Total	60	67	72	79	105	95	103	77					658

2019 RMA Rule Violation Citations by CSD

Violation	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Back Area w/o Resident				1			1						2
Basketball Standard								8					8
Commercial Vehicle Signage								2					2
Construction Hours/Days													
Curfew						1							1
Driveway Parking	30	5	2		20	24	8	60					149
Fishing License/Fish & Wildlife													
Guest Parking													
Loose/Off Leash Dog		1						1					2
Motorcycle North Streets													
Overloaded Golf Cart													
Overnight Street Parking	7	9			4	19	5	29					73
Park Hours					2	6	6	8					22
Speeding	39	39	5	4	7	16	17						127
Stop Sign	6	7	1	1	1			2					18
Unauthorized Vehicle								1					1
Unlicensed Driver							1	1					2
Unsafe Driving	1				2	2							5
Intereference													
Parking Citations			12	13	3		1						29
Warning Notice							2						2
Total	83	61	20	19	39	68	41	112					443



Rancho Murieta Community Services District

RMA Rule Violation Sections Enforced by RMCS Security Department

RULE I SECTION 5: IDENTIFICATION

RULE I SECTION 6: INTERFERENCE WITH CSD/RMA EMPLOYEE

RULE II SECTION 1: USE OF STREETS

RULE II SECTION 2: UNLICENSED DRIVER

RULE II SECTION 3: SPEED LIMIT VIOLATION

RULE II SECTION 4: ENHANCED SPEED

RULE II SECTION 5: STOP SIGN VIOLATION

RULE II SECTION 6: BUS STOP

RULE II SECTION 8: NO BARCODE

RULE II SECTION 9: TRAILERS AND COMMERCIAL VEHICLE PARKING

RULE II SECTION 10: OVERNIGHT STREET PARKING

RULE II SECTION 11: STORING OF VEHICLES

RULE II SECTION 12: MOTOR VEHICLE REPAIRS

RULE II SECTION 14: CARRYING OF PASSENGERS

RULE II SECTION 15: UNAUTHORIZED VEHICLES, NO 24 HR. PASS

RULE III SECTION 2: UNLEASHED PETS

RULE III SECTION 5: PET NOISE

RULE VI SECTION 1: COMMERCIAL SIGNAGE

RULE VII SECTION 6: BASKET BALL STANDARDS

RULE VII SECTION 9: NOXIOUS ACTIVITIES

RULE IX SECTION 1: GUEST WITHOUT RESIDENT

RULE IX SECTION 2: SWIMMING IN CHESBRO/CALERO

RULE IX SECTION 3: PARK HOURS

RULE IX SECTION 5: FISHING VIOLATIONS

RULE IX SECTION 6: FIREWORKS

RULE IX SECTION 8: SKATEBOARDING/SCOOTERS

RULE IX SECTION 9: CURFEW

RULE IX SECTION 10: VANDALISM

RULE XIII SECTION 1: DRIVEWAY PARKING

ARTICLE VII SECTION 12(B): GUEST PARKING

ARTICLE VII SECTION 13: BON FIRE



Rancho Murieta Association Memorandum

To: RMCS D Security Committee Members Tim Maybee and Les Clark;
Mark Martin, General Manager and Jeff Werblun, Security Chief
From: Tom Reimers, Compliance Committee Chair
Date: September 4, 2019
Subject: Materials and Information from September 3, 2019 Meeting

Attached is the spreadsheet showing the dispensations of violation citations written by RMCS D Security personnel after the Compliance Committee's review at yesterday's meeting, with attachments.

Also included is the Violation Summary Report for August 2019.

RMCS D Security Written Violations 2019

February 2019 Security Violations

Reviewed at the March Compliance Comm Meeting Total Cites

Violation	Upheld	Dismissed	Abeyance	Written	Notes
Speeding	25	1		26	*stop sign citation was dismissed because it appeared to the compliance comm that the officer followed the resident to his home. The citation was also written for interference.
Stop Signs	6	1*		7	
Overnight Street Parking	4			4	
Driveway Parking	7			7	
Total Citations	42	2		44	

March 2019 Security Violations

Reviewed at the April Compliance Comm Meeting Total Cites

Violation	Upheld	Dismissed	Abeyance	Written	Notes
Speeding	10		1	11	* 3 cites dismissed - no video
Stop Signs	3	3*		6	
Overnight Street Parking	2	1		3	
Driveway Parking	7			7	
No Drivers License	2**			2	**will be appealed next month
Unauthorized Vehicle	1			1	The comm didn't process the 'no bar code' cite or the subsequent & driveway parking cites that were issued to the same resident, as the comm believes the cites issued were targeted & retaliatory
Total Citations	25	4	1	30	

April 2019 Security Violations

Reviewed at the May Compliance Comm Meeting Total Cites

Violation	Upheld	Dismissed	Abeyance	Written	Notes
Speeding	4			4	
Stop Signs					
Overnight Street Parking	2			2	
Driveway Parking	4			4	
No Drivers License					
Unauthorized Vehicle			1	1	
Guest without Resident	1			1	
Total Citations	11	0	1	12	

May 2019 Security Violations

Reviewed at the June Compliance Comm Meeting Total Cites

Violation	Upheld	Dismissed	Abeyance	Written	Notes
Speeding	3			3	
Stop Signs & Bus Stop	1			1	
Overnight Street Parking	5			5	
Driveway Parking	13	2*		15	*cite 1-gate officer listed incorrect dates RNC;
No Drivers License					**cite 2- resident had foundation issues in garage
Park Hours	1			1	
Unauthorized Vehicle					
Guest without Resident					
Total Citations	23	0	0	25	

June 2019 Security Violations

Reviewed at the July Compliance Comm Meeting

Violation	Upheld	Dismissed	Abeyance	Written	Notes
Speeding	20	1		21	
Stop Signs & Bus Stop					
Overnight Street Parking	6	2*	1	9	* gate officer recorded incorrect date for RNC
Driveway Parking	7	2*		9	* gate officer recorded incorrect date for RNC
Guest Parking	1			1	
No Drivers License					
Park Hours/Bon fires	8			8	
Unauthorized Vehicle					
Guest without Resident					
Total Citations	42	5	1	48	
Written Advisory Notices				12	

July 2019 Security Violations

Reviewed at the August Compliance Comm Meeting

Violation	Upheld	Dismissed	Abeyance	Written	Notes
Speeding	13			13	
Stop Signs & Bus Stop					
Overnight Street Parking	6			6	
Driveway Parking	12	3		15	
Guest Parking					
No Drivers License					
Park Hours/Bon fires	6			6	
Unauthorized Vehicle		1*		1	*gate issued guest pass, should have issued 24-hr unauthorized pass
Guest without Resident					
Total Citations	37	3	0	41	
Written Advisory Notices				5	

Trends and concerns:

1. Compliance has been concerned about the lack of stop sign enforcement.
There have been no stop sign violations written in the last 4 months
2. The Comm reviewed a resident complaint regarding the gate refusing a delivery even though the resident had obtained permission from the gate the day before (see attached).
3. The video of the July 3rd motorcyclist coming thru the North gate to the RMA office still has not been provided even though it has been repeatedly requested.
4. The gate is not consistently issuing 24-hr unauthorized vehicle passes when appropriate and are issuing yellow guest passes instead.

August 2019 Security Violations

Reviewed at the Sept. Compliance Comm Meeting Total Cites

Violation	Upheld	Dismissed	Abeyance	Written	Notes
Speeding	5			5	
Stop Signs & Bus Stop					
Overnight Street Parking	5	1*		6	*dismissed due to error
Driveway Parking	26	4		30	*2 dismissed due to error
Guest Parking					
No Drivers License					
Park Hours/Bon fires	6			6	
Unauthorized Vehicle	2			2	
Guest without Resident					
Pet Restraint	1			1	
Basketball Standards	6	1		7	*one cite dismissed. See note 3 below.
Total Citations	<u>51</u>	<u>6</u>	<u>0</u>	<u>57</u>	

Written Advisory Notices

2

Citations Unable to be Processed:

Citation incomplete	3
Citation incorrectly written	13
Vehicle not entered in system	<u>7</u>
	23

Trends and Concerns:

1. Compliance has been concerned about the lack of stop sign enforcement.
There have been no stop sign violations written in the last 5 months
2. The video of the July 3rd motorcyclist coming thru the North gate to the RMA office still has not been provided even though it has been repeatedly requested.
3. Cite dismissed due to targeting of resident by CSD officers. No citations were written for basketball standards by Security from Jan - July 2019. In August, 9 citations were written -- 4 citations to one address.
See attached sheet for details.
4. There were several complaints of patrol officers parking in handicap parking stalls.

Rancho Murieta Association

Violation Item Summary Report -- 2019

(This report includes RMA and CSD issued violations)

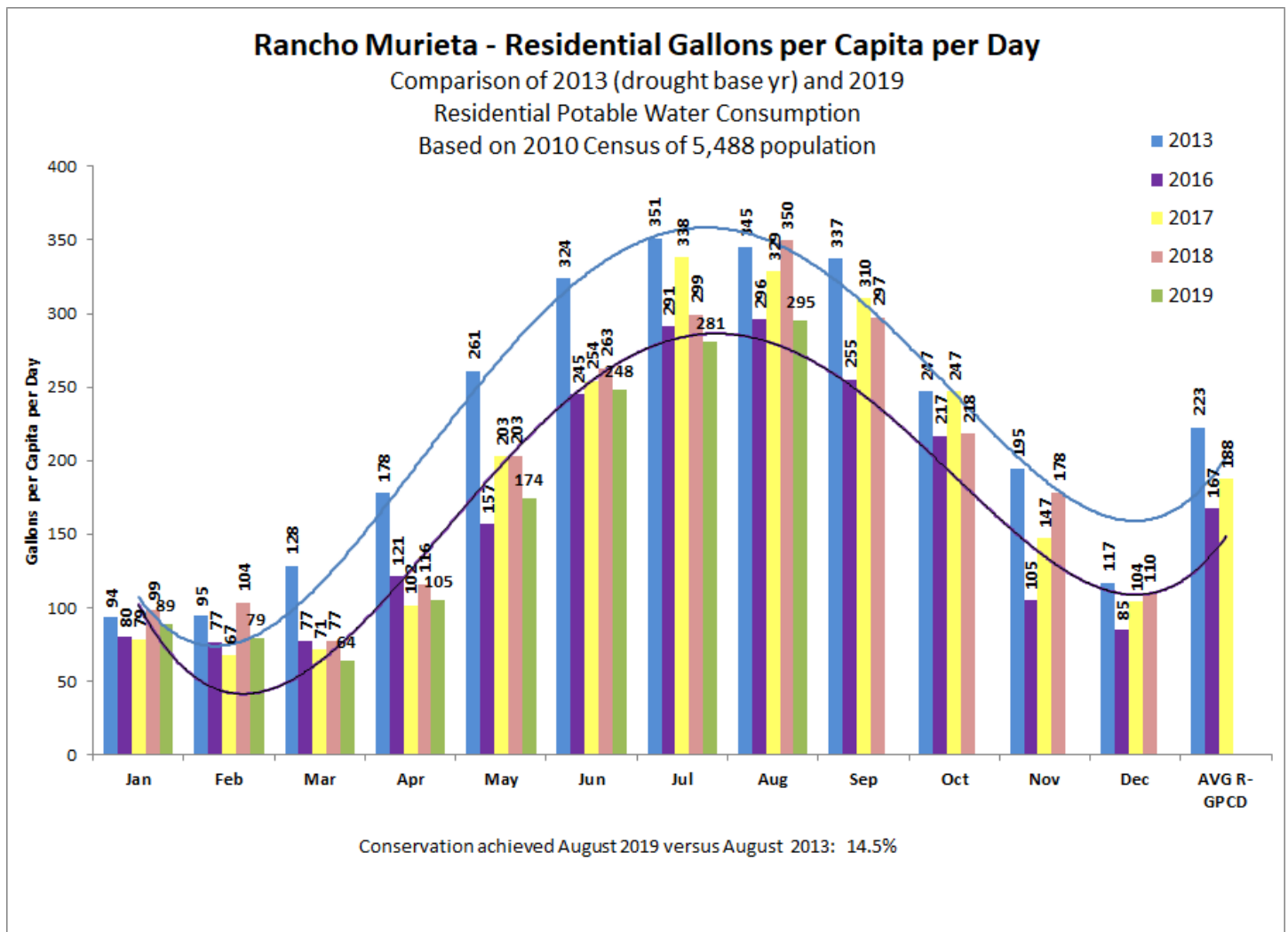
Violation Item Summary Report	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Motor vehicle violations:													
Motorcycle							1						1
No drivers license			2										2
Speeding	38	32	28	27	7	26	13	30					201
Speeding - twice speed limit						1		2					3
Stop signs	19	7	7										33
Bus stop signs					1								1
Use of streets													0
Parking:													
Driveway parking	36	16	18	8	53	20	15	30					196
Guest parking	6	7	1	9	4	4							31
Overnight street parking	2	6	7	13	20	13	6	6					73
Unauthorized Vehicle (24 hr pass)			2	5	5	3	1	4					20
Accumulation/dumping of debris													0
Advertising signs													0
Barbeques, open fires, bonfires						2		3					5
Carrying passengers/overloaded cart													0
Clothes lines													0
Commercial vehicle lettering							1	2					3
Construction overnight parking													0
Park hours / curfew					1	6	6	3					16
Decorative lights													0
Discharge of firearm													0
Dog park investigations													0
Dwelling exterior alterations													0
Failure to identify													0
Fences, screens & enclosures													0
Guest w/o resident in comm areas				1									1
Home business activities		1											1
Noxious activities													0
Open garage doors													0
Pets - off leash / teathered / noise								1					1
Property maintenance				22			1						23
Sign rules													0
Skating in common area													0
Sports equip/trampoline/basketball						1		7					8
Storage of building materials													0
Stored vehicles	1	5		2			1						9
Trash containers													0
Use of common areas & facilities								1					1
Vandalism													0
Vehicle repair or maintenance													0
Village/Villas violations													0
Working days & hours													0
Total Violations	102	74	65	87	91	76	45	89	0	0	0	0	629
Citations written by RMCSD	81	44	30	12	25	48	41	57					338
Citations written by RMA	21	30	35	75	66	28	4	32					291
Total Violations	102	74	65	87	91	76	45	89	0	0	0	0	629

MEMORANDUM

Date: September 13, 2019
To: Board of Directors
From: Paul Siebensohn, Director of Field Operations
Subject: Utilities Monthly Update

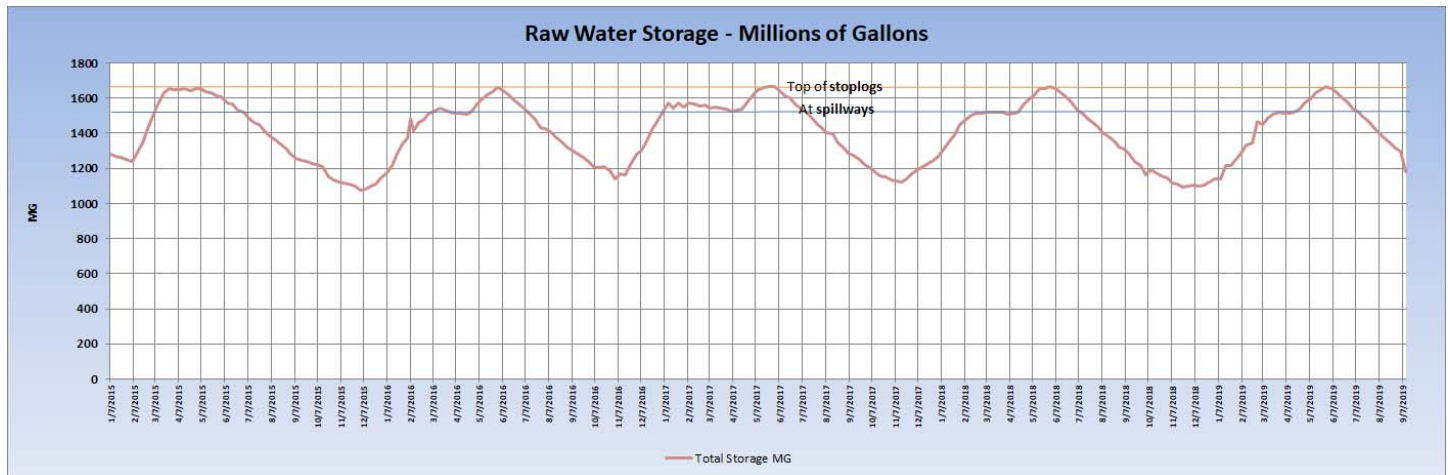
WATER TREATMENT

Water Treatment Plant (WTP) #1 is in operation at 1.0 million gallons per day (mgd), producing an average of 0.62 mgd and WTP #2 is online at 2.0 mgd and producing an average of 1.49 mgd, for a total of 2.11 mgd to meet the community's current water demand. Total water production for August 2019 was 65.55 million gallons (201.2 acre-feet). Gallons of production per connection was 821 and gallons per capita per day for August was 295 vs 345 in 2013, a 14.5% reduction as shown in the graph below.



WATER SOURCE OF SUPPLY

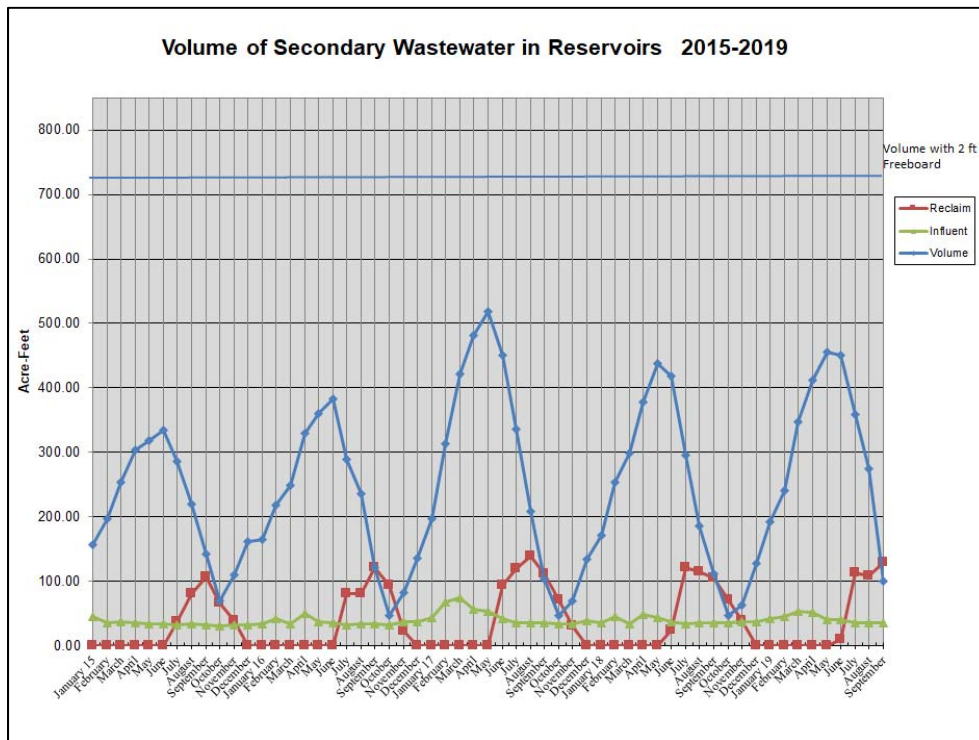
On September 11, 2019, all raw water storage for Calero, Chesbro, and Clementia Reservoirs volume measured 1,181.6 million gallons (3,626.4 acre-feet). The volume for Calero and Chesbro alone totaled 899.4 million gallons (2,730 acre-feet). A graph of the water storage volumes is shown below. Additional aeration systems have been installed in the Chesbro reservoir in an effort to keep manganese from dissolving into solution and keep the reservoir mixed, as manganese tends to dissolve into solution if the dissolved oxygen drops below 1 part per million.



WASTEWATER COLLECTION, TREATMENT, AND RECLAMATION

In August 2019, influent wastewater flow averaged 365,472 gallons a day, for a total of 11.33 MG, (34.77 acre-feet). This is approximately 141 gpd per sewer connection. On September 11, 2019, secondary wastewater storage measured 32.5 MG (99.8 AF), of which 27.6 MG (84.8 AF) is usable for reclamation due to dead storage. The Wastewater Reclamation Plant continues to be in operation to supply the Rancho Murieta Country Club (RMCC) needs for recycled water and has begun to supply recycled water to the Van Vleck Ranch as part of the easement agreement.

Below is a graph of the secondary wastewater storage volumes.



SEWER COLLECTION

In the month of August staff had several calls for service, with most issues due to root intrusion into sewer lines. One at the Villas was the District’s responsibility and was fixed and 250 feet of sewer line cleaned. One was the report of a strong sewer smell, which staff discovered was the homeowner’s sewer cleanout with the cap off of it.

DRAINAGE / STORMWATER

Utilities staff spent approximately 140 hours in weed abatement in the drainage system in August, cutting weeds in basin 14 & 15 in the South community, along with cutting weeds in drainage channels in Zone #1 Sec. D & I, Zone #2 Sec. F & G, Zone #3 Sec. A, C, D, G, H in the North community.

The Laguna Joaquin drainage detention was treated for midge flies on August 21 for the fourth time this season, completing the budgeted treatments for this summer. Despite conducting the treatments as we have in the past, beginning with a pelletized treatment and following up with three liquid applications, residents around Laguna have been experiencing large amounts of midge flies. Staff and I have also noticed a lot of midge flies around the wastewater facility versus in the past, despite the abundance of mosquito fish we have present to control them and other hatching insects. In discussions with the Vector Control District, who will not treat for midge flies as they are not a vector carrying insect here, they were saying that there’s a major abundance of all types of insects due to wet weather we had and the fairly mild summer we’ve had. Another possibility may be that the midge flies that are hatching may be becoming resistant to the product BTI (*Bacillus thuringiensis* subsp. *israelensis*) that we are adding. We use BTI as it is an environmentally safe product. The use of pesticides are not an option due to organic farming on the ranch and the possibility of runoff into the river.

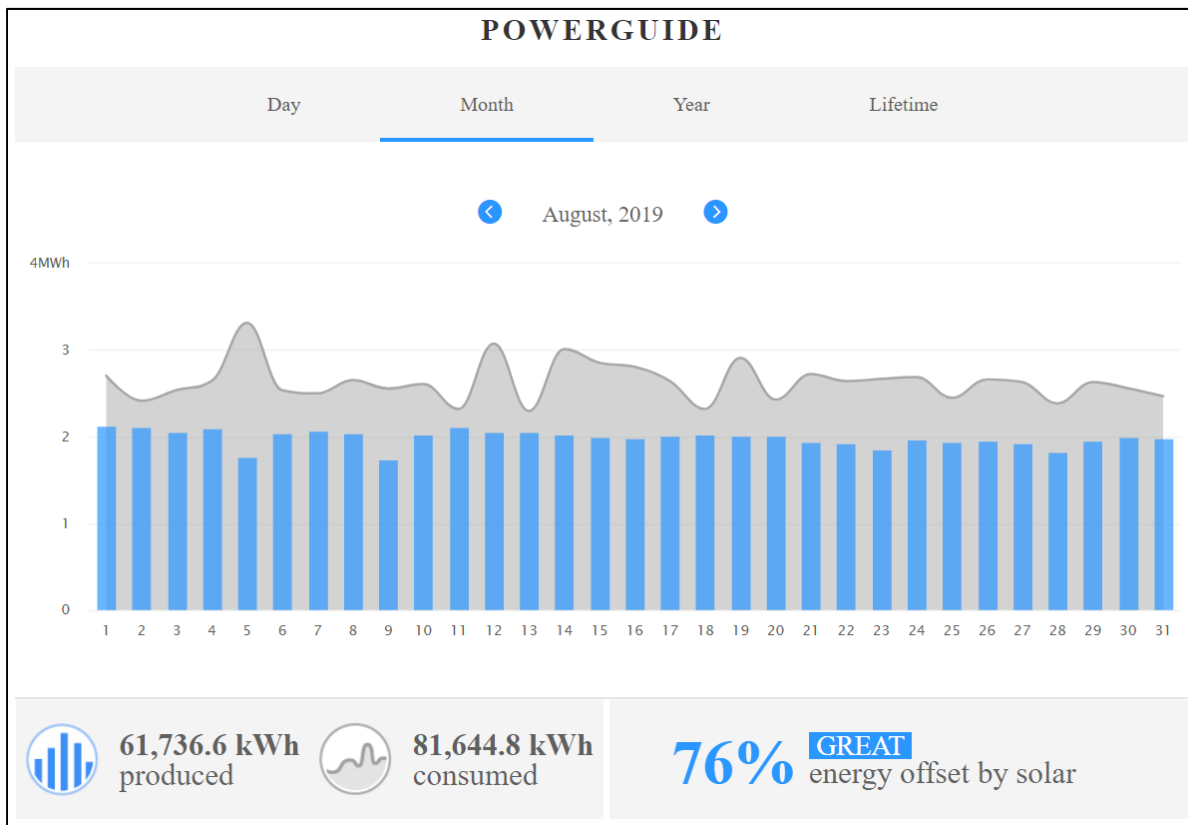
The nominal 0.28 cubic feet per second (cfs) supply allocation from the CIA ditch stopped at the end of August per that water right for it. Water from the Clementia reservoir is being fed into Laguna through the CIA ditch to keep the level fairly well maintained at this point.

WATER METERING AND UTILITY STAFF WORK

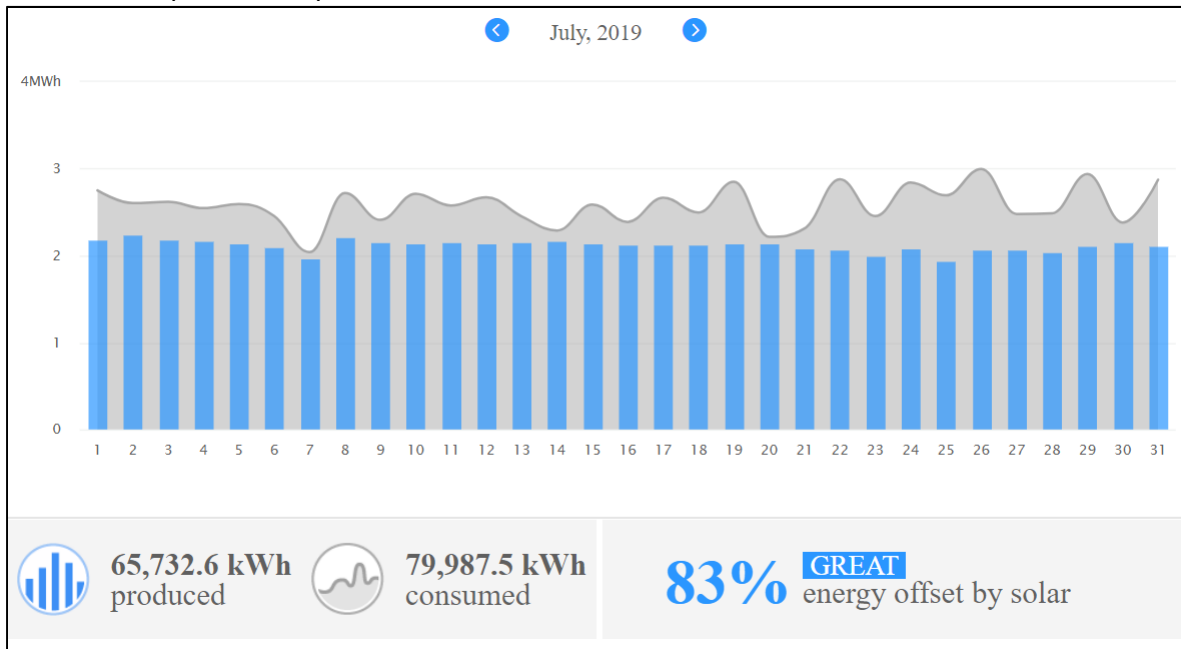
In August 2019, five (5) ¾ inch, one (1) one-inch meter, and two (2) MXU (radio read transmitter) units were replaced as part of metering maintenance. Twenty five (25) new meters and MXU radio read units were installed by staff this past month at the Murieta Gardens II development. Twenty six (26) utility star service orders, eight (8) Underground Service Alert (USA) locates and one (1) rebate inspection were also completed. Utilities staff repaired five (5) service line leaks. Utilities staff also cleaned two drying beds at the water treatment plant located on the right side front and back. This took several days to complete. Utilities staff painted the big sign as you come off Jackson Rd. at the front of the administration office. Utilities staff replaced plumbing and sinks in the men's and ladies' restrooms located in the administration office after the sinks were found to be rusted through at points where the porcelain had chipped.

Below are screenshots of the online metering information for Water and Wastewater Plant solar projects, continuing to show excellent offset of power costs for the past month.

Water Plant Solar Production:



Wastewater plant solar production:



PROJECTS

Development

The Retreats East and North

No new update.

The Murieta Gardens (MG)

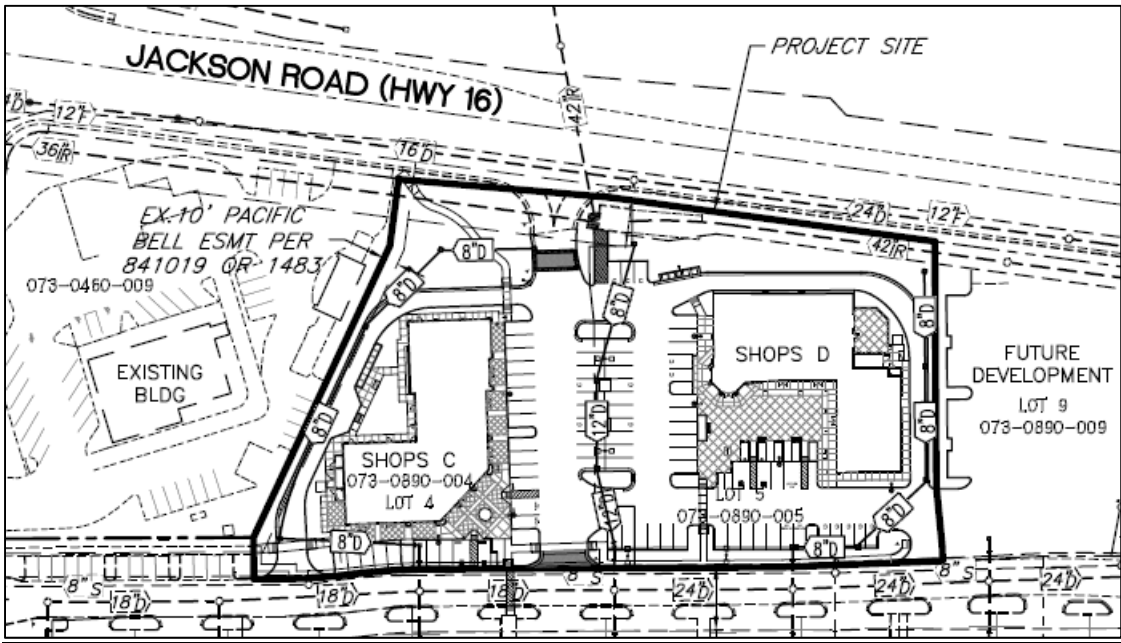
MG - Murieta Marketplace

Work continues at the project on the private side of the utilities at the Bel Air, not requiring District inspection at this time. The developers engineer has submitted their revised plans and study to Coastland and Sacramento County for review of the detention basin change to a smaller sized basin. Review comments have been provided back to the engineer from Coastland Engineering. Another item that was included in this project was the development of Lot D which is a landscaping lot that extends north and south along the east side of Murieta Drive. Items left to be completed at lot D include installation of recycled water signage per District standards, installation of a pressure reduction valve, and completion of accessibility around a manhole per Coastland Engineering's direction as shown in the photo on the right.



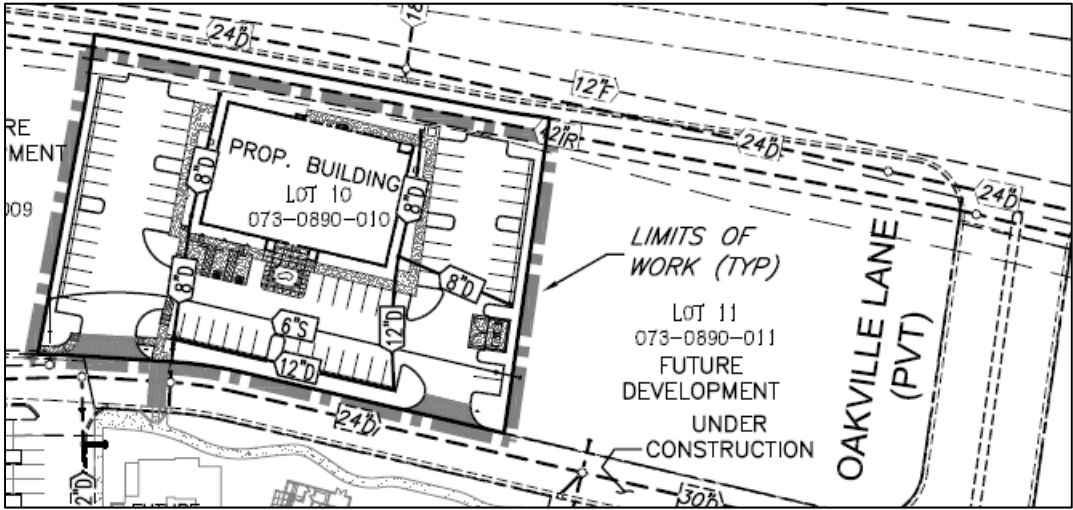
MG-Lot 4 & 5

A developer deposit has been received for this project and Coastland is currently reviewing an updated set of plans from August 8, 2019. These lots are directly east of the Rancho Murieta Country store.



MG -Lot 10 (PDF Office)

A developer deposit and partially completed application package was received for this project on August 14, 2019. Coastland will be reviewing the plans submitted and providing comments back to the project engineer.



The Murieta Gardens – Highway 16 Off-Site Improvements

No new update with work on this project. The CIA ditch is clearly leaking water from the diversion box into Murieta Gardens Lot 4, which was claimed to be groundwater from the contractors that graded the area. The whole stretch of the CIA piping was never pressure tested as requested before the project began, subsequent cuts into the new 42 inch piping were made by the developers to allow Highway 16 drainage to run winter drainage into it, modifications were made to the diversion box, and the recent grading excavation took place next to it where an excavator scratched up the side of the diversion box and a leak can clearly be seen, giving the District major concerns of liability if they were to accept it. I recommended at a developer meeting that the District does not accept the CIA ditch portion of this project, but that the developer which is also the 2/3 owner of the CIA ditch, solely accept it and any future maintenance of it. We have yet to hear a response.



The Murieta Gardens II – Infrastructure at “Utility A”

No new update.

The Murieta Gardens II – Subdivision

This project has generally been wrapped up with the District issuing a letter of acceptance to the owner, Cosumnes River Land, LLC, and receiving copies of the performance and material bonds. Outstanding items are the resolution of fees owed and one punch list item left to complete. The home developer has been busy working on building new homes and has paid for 26 new service permits. District utility staff has been providing inspection services for compliance with District standards for the water, sewer, and recycled water connections for the new homes being built.

Rancho Murieta North – Development Project

A deposit for review has been received by the developer to support District review and the developer has requested that review begin with the drainage plans. However, Coastland is waiting on Sacramento County’s review to avoid duplicate reviews for drainage. The issue is that Sacramento County has not begun their review as they are saying their fee has not been received. Coastland is beginning reviews of sewer and water.

FAA Business Park

The project finally received comments back from Sacramento County and is resubmitting this week. They hope to begin work soon.

District Projects

Prop 84

I spent quite a bit of time this past month working with the labor compliance company, The DCM Group, and compiling information into a master spreadsheet with invoices for submittal to the Regional Water Authority (RWA) for the grant reimbursement. Invoicing has been submitted and the RWA is reviewing it.

Chesbro Aeration System

To prevent issues with iron and manganese dissolving and becoming issues through our water treatment process, staff has worked to repair, replace, and add, additional aeration systems in the Chesbro reservoir to increase dissolved oxygen and to help keep the water stratified. A consultant gave us information that manganese and iron may go into solution if the dissolved oxygen is below 1 ppm, causing the pH of the water to be too low. We found that some of our existing aeration lines had been damaged and were not providing

efficient aeration around the water plant's intake. It's believed some of the damage may have occurred from fishermen snagging the aeration lines with fishing hooks. At the Improvements Committee it was briefly discussed that possibly a buoy system may need to be placed around the water plant's intake and the aeration systems there to prevent future damage.



Dam Inundation Mapping

The inundation maps for Calero, Chesbro, Clementia, and Michigan Bar No.1 were submitted to the Department of Safety of Dams (DSOD) on November 15, 2018.

A response from the DSOD was received January 17, 2019 responding to the submittal of Calero and Clementia. They approved Calero's inundation maps. The inundation map submittal for Clementia was also approved and based on their re-evaluation the classification of the dam changed from "high" to "significant" which lowers its hazard classification. (see table below) Both responses also noted that it needs to be updated every ten (10) years or sooner if there is any change to the dam.

Chesbro and Michigan Bar Dams are classified as Significant Hazard and have yet to be reviewed by DSOD due to their backlog of reviewing and that significant hazard dam inundation maps were only due by January 1, 2021. The DSOD design branch is reviewing the High Hazard Dams first and the already submitted Significant Dams will be reviewed after.

In the meantime we are working on the Emergency Action Plans for Calero and Clementia which is next in the process.

Effective July 1, 2017

Criteria for DSOD's Downstream Hazard Potential Classification

Downstream Hazard Potential Classification	Loss of Human Life	Economic, Environmental, and Lifeline Losses
Low*	None expected	Low and principally limited to dam owner's property
Significant*	None expected	Yes
High*	Probable (One or more expected)	Yes (but not necessary for this classification)
Extremely High	Considerable	Yes – major impacts to critical infrastructure or property

*Reference FEMA P-946, July 2013, Federal Guidelines for Inundation Mapping of Flood Risks Associated with Dam Incidents and Failures

CONFERENCE/EDUCATION SCHEDULE

Date: September 12, 2019
To: Board of Directors
From: Amelia Wilder, Temporary District Secretary
Subject: Review Upcoming Conference/Education Opportunities

This report is prepared in order to notify Directors of upcoming educational opportunities. Directors interested in attending specific events or conferences should contact me to confirm attendance for reservation purposes. The Board will discuss any requests from Board members desiring to attend upcoming conferences and approve those requests as deemed appropriate.

Board members must provide brief reports on meetings that they have attended at the District's expense. (AB 1234). The upcoming conferences/educational opportunities include the following:

CALIFORNIA SPECIAL DISTRICT ASSOCIATION (CSDA)

So You Want to be a General Manager	October 23, 2019	Sacramento
2019 Board Secretary/Clerk Conference	November 12, 2019	Seaside

GOLDEN STATE RISK MANAGEMENT ASSOCIATION (GSRMA)

Golden State Risk Management Annual Training Conference	October 23 – 24, 2019	Colusa, CA
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AMERICAN WATER WORKS ASSOCIATION (AWWA)

No Information Currently Available on Upcoming Conferences.

ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA)

2019 ACWA Regulatory Summit	October 17, 2019	Sacramento
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Rancho Murieta Community Services District

OCTOBER 2019

Board/Committee Meeting Schedule

October 1, 2019

Personnel	7:30 a.m.
Improvements	8:00 a.m.
Finance	10:00 a.m.

October 3, 2019

Communications/Technology	9:00 a.m.
Security	10:00 a.m.

October 16, 2019

Regular Board Meeting - Open Session @ 5:00 p.m.



MEMORANDUM

Date: September 13, 2019
To: Board of Directors
From: Paul Siebensohn, Director of Field Operations
Subject: Master Water Right Permit Renewal Proposal

RECOMMENDED ACTION

Approve proposal from Wagner & Bonsinore – Consulting Civil Engineers in an amount of up to \$45,000. Funding to come from Water Operations budget.

COSTS

Work would include the items listed in phase I and II of the proposal as noted:

Phase I (\$5,000)

- 1) Prepare Petition for Extension of Time forms for Permit 16762 to be filed with the State Water Resources Control Board (SWRCB);
- 2) Update District's previous Initial Study/Mitigated Negative Declaration used for its last Extension;
- 3) Teleconference and/or meeting with California Department of Fish & Wildlife and SWRCB staff regarding Petition prior to filing;
- 4) Review the Public Notice of the Petition when prepared by SWRCB.

Phase II (\$27,000)

- 1) Coordinate with District to respond to any protests received on Petition;
- 2) Coordinate with District to respond to any comments on Initial Study/Mitigated Negative Declaration;
- 3) Revise Petition and/or Initial Study/Mitigation Negative Declaration if necessary;
- 4) Review draft order issued by the SWRCB granting extension of time;
- 5) Assist District with compliance with terms and conditions of Order.

Phase III (cost not listed as its not known if it will be necessary)

- 1) Coordinate with District to respond to any protests received on Petition;
- 2) Coordinate with District to respond to any comments on Initial Study/Mitigated Negative Declaration;
- 3) Revise Petition and/or Initial Study/Mitigation Negative Declaration if necessary;
- 4) Review draft order issued by the SWRCB granting extension of time;
- 5) Assist District with compliance with terms and conditions of Order.

I added an estimate of \$13,000 to cover phase III items. Any work needed from our water rights attorney, Jesse Barton is estimated to be minimal and covered through water operations funding.

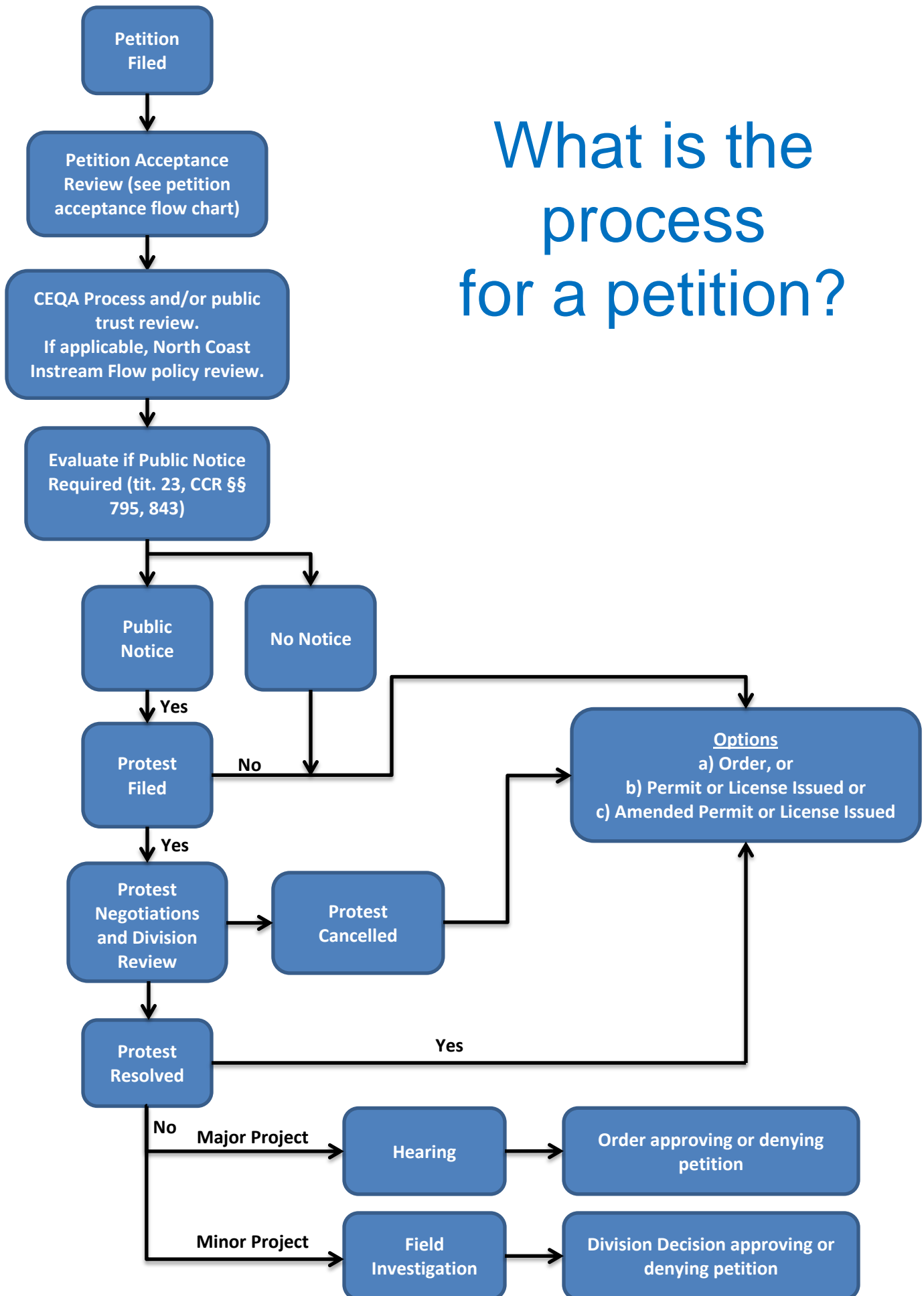
BACKGROUND

As the District cannot convey the "full beneficial use" of water within its master water rights permit by the year 2020, we must file a petition to renew this water right with an extension until some point in the future where we believe it will be used. As the December 1, 2020 deadline to file a new extension approaches, we are requesting assistance with the process required to file for a new extension.

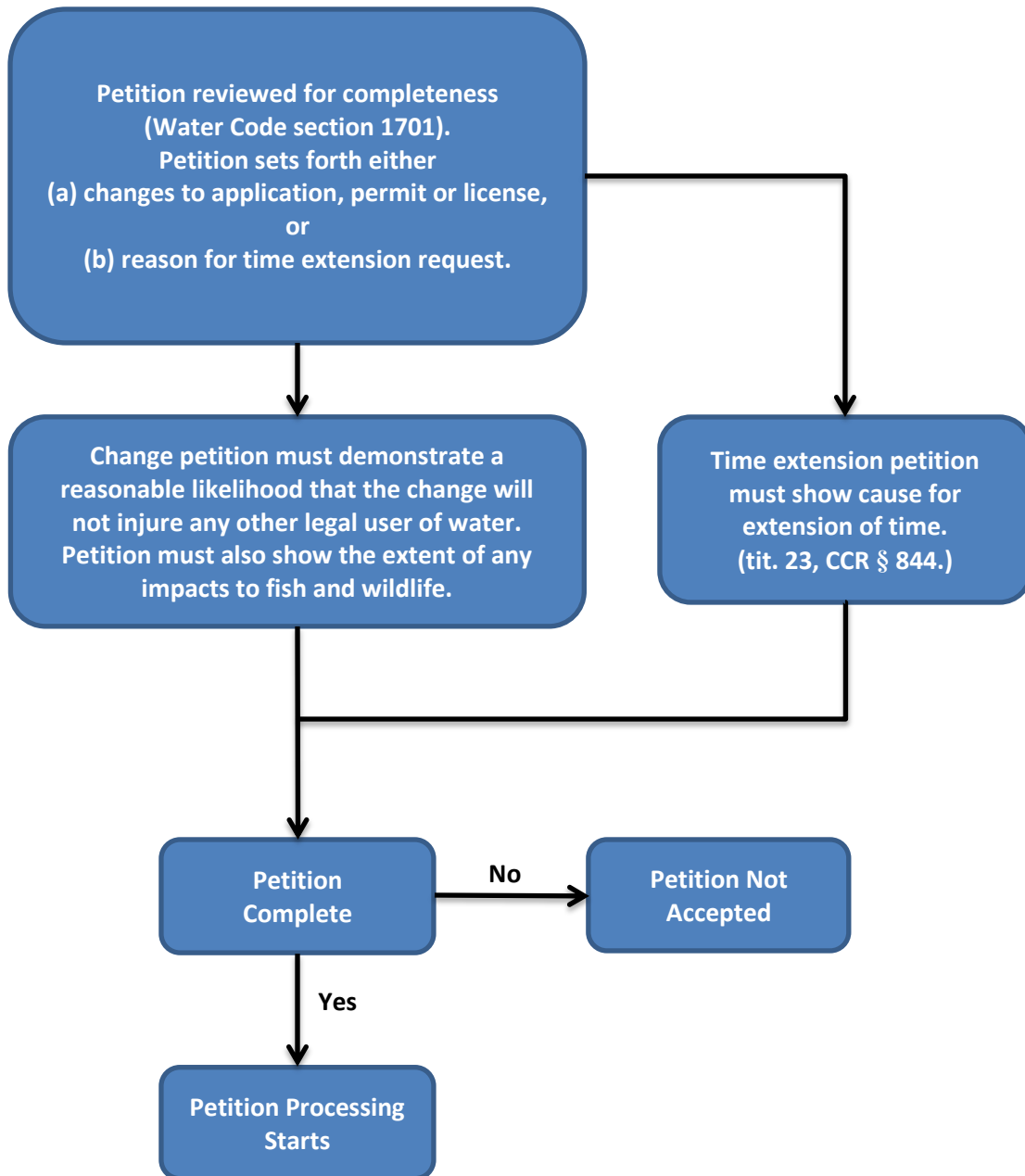
The District's primary water permit which allows diversion of water from the Cosumnes River to our storage reservoirs originated in 1969 and was assigned to the District in 1988. It originally required full beneficial use to be completed by December 1, 1990. As the community had not built out in that time where the District could portray the full beneficial use of water, a petition for extension was filed and the SWRCB and they granted an extension to complete diversion works construction to December 1, 1990, and the time to complete beneficial use to December 1, 2000. The same issue arose and again on November 29, 2000, the District filed a second petition to extend time to complete construction and beneficial use by another ten years. On September 20, 2006, the District filed an amended petition to drop the portion of the petition seeking to extend the time to complete construction and add another ten (10) years to the time to complete beneficial use until 2020. Because the District dropped the portion of the petition seeking to extend the time to complete construction, there is some question as to whether new diversion works may be constructed (i.e. new diversion or storage facilities may be constructed) under this Permit. When the last extension was granted, the time to complete beneficial use was extended to December 1, 2020 (10 years from the first petition plus 10 more years from the amended petition). On November 15, 2006, the SWRCB granted the petition for extension and thereby extended the time to complete beneficial use to December 1, 2020.

Their proposal is attached. The process is outlined on the Department of Water Resources website in flow charts as follow:

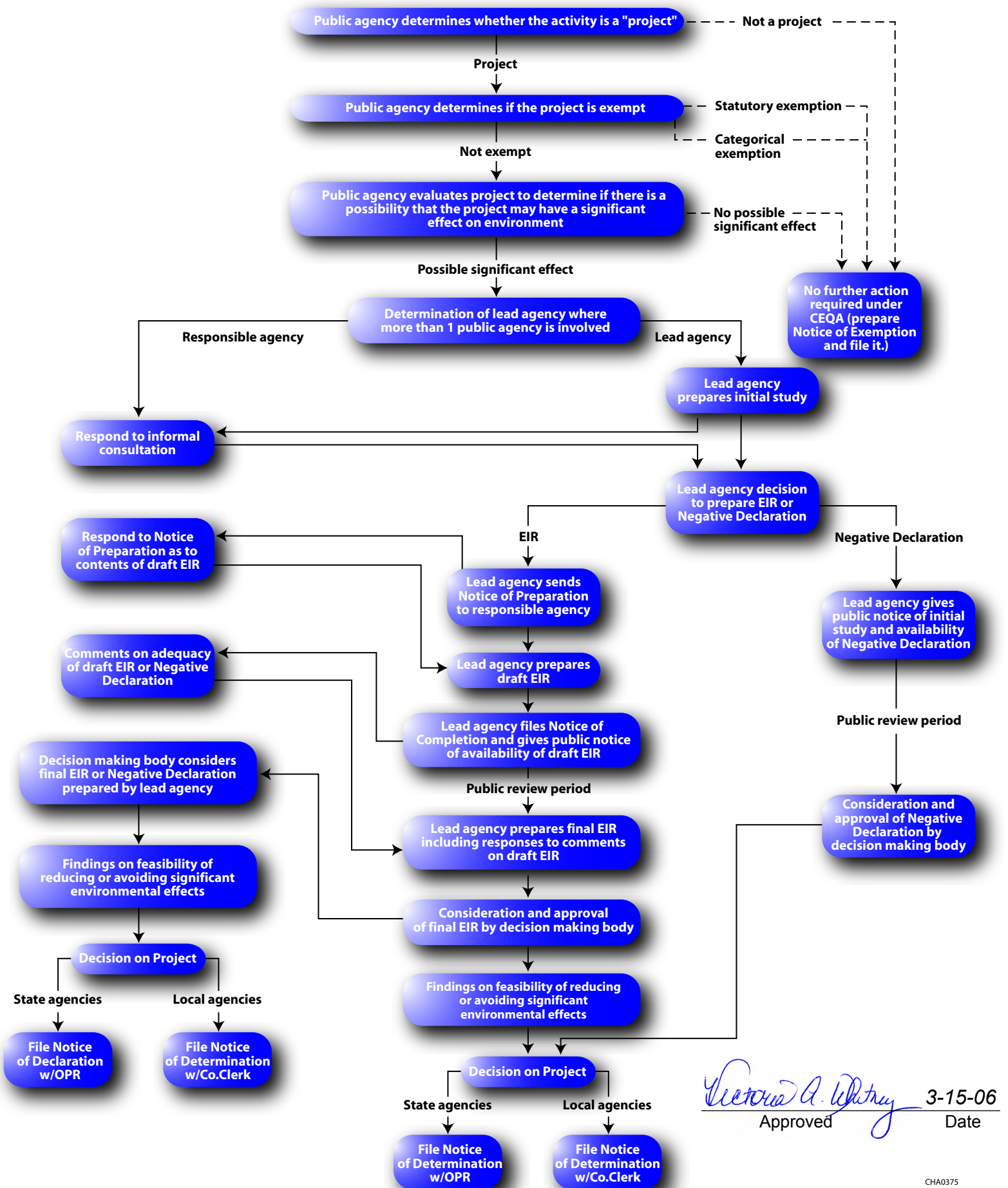
What is the process for a petition?



Petition acceptance review process



CEQA Process



Victoria A. Whitney 3-15-06
 Approved Date

Wagner & Bonsignore

Consulting Civil Engineers, A Corporation

Nicholas F. Bonsignore, P.E.
Robert C. Wagner, P.E.
Paula J. Whealen

David H. Peterson, CEG, CHG
David P. Lounsbury, P.E.
Vincent Maples, P.E.
Patrick W. Ervin, P.E.
Martin Berber, P.E.
Ryan E. Stolfus

James C. Hanson, P.E.
Henry S. Matsunaga

August 20, 2019

Mr. Jesse W. Barton
Gallery & Barton, a Professional Law Corporation
1112 I Street, Suite 240
Sacramento, CA 95814
Via email: JBarton@GalleyBartonLaw.com

Re: Rancho Murieta Community Services District – Water Rights

Dear Mr. Barton:

This is to provide you with a brief scope of work and estimate of costs associated with Rancho Murieta Community Services District (“District”) located in Sacramento County. We understand that the District desires to obtain an Extension of Time from the State Water Resources Control Board (“SWRCB”) for its water right Permit 16762 (A023416). We understand that the Permit expires at the end of 2020. Such extension, if granted, would allow additional time beyond that date for development of the community to make full beneficial use of the water authorized by the Permit. We suggest that this work be completed in phases. The suggested tasks for the first two phases would include the following:

Phase I

- 1) Review documents provided by District and its representatives;
- 2) Obtain and review scanned copy of SWRCB file for Permit 16762;
- 3) Communication with District and/or representatives regarding project background and objectives and scope of work to be performed.

Phase II

- 1) Prepare Petition for Extension of Time forms for Permit 16762 to be filed with the SWRCB;
- 2) Update District’s previous Initial Study/Mitigated Negative Declaration used for its last Extension;
- 3) Teleconference and/or meeting with California Department of Fish & Wildlife and SWRCB staff regarding Petition prior to filing;
- 4) Review the Public Notice of the Petition when prepared by SWRCB.

Phase III

- 1) Coordinate with District to respond to any protests received on Petition;
- 2) Coordinate with District to respond to any comments on Initial Study/Mitigated Negative Declaration;

2151 River Plaza Drive • Suite 100 • Sacramento, CA 95833-4133
Ph: 916-441-6850 or 916-448-2821 • Fax: 916-779-3120

Mr. Jesse W. Barton

August 20, 2019

Page 2

- 3) Revise Petition and/or Initial Study/Mitigation Negative Declaration if necessary;
- 4) Review draft order issued by the SWRCB granting extension of time;
- 5) Assist District with compliance with terms and conditions of Order.

We expect our cost for services associated with Phases I and II work will not exceed \$5,000 and \$27,000, respectively. These costs do not include filing fees or the cost of any special studies that are required during the environmental review. Billing is done on a time and materials basis in accordance with the attached fee schedule. A more complete task list and a cost estimate for Phase III work will be provided after Phases I and II are complete.

Upon your approval of this scope, we will provide our standard service agreement for execution. We look forward to having an opportunity to work with you on this project. Please contact me if you have any questions.

Very truly yours,

WAGNER & BONSIGNORE
CONSULTING CIVIL ENGINEERS



Paula J. Whealen, Principal

Encl.

Wagner & Bonsignore

Consulting Civil Engineers, A Corporation

Nicholas F. Bonsignore, P.E.
Robert C. Wagner, P.E.
Paula J. Whealen

David H. Peterson, CEG, CHG
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David Houston, P.E.
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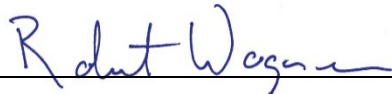
FEE SCHEDULE EFFECTIVE JULY 1, 2019

1. Personal Services of Principals & Supporting Services
 - a) Principals including Registered Civil Engineers and Water Right Analyst billed on an hourly rate in accordance with the Schedule of Fees attached hereto; for public hearings and court appearances requiring qualifications and services as expert witness and for assistance to attorneys during course of such hearings and depositions, to be billed at 1.5 times the regular hourly rate, plus transportation and subsistence expenses set forth under (2); Eight hour minimum to be billed for depositions, court appearances and administrative hearings.
 - b) Registered Civil Engineers, Sub-professional Engineers, Specialists, Technicians and Drafters billed on an hourly rate in accordance with the Schedule of Fees attached hereto, plus transportation and subsistence expenses set forth under (2);
 - c) Special engineering, geotechnical services, testing, surveying and other similar services employed specifically for performance of work at direct invoice cost plus 15 percent.
2. Reimbursable Expenses
 - a) Transportation, direct out-of-pocket expense for public transportation, 75¢ per mile for private auto.
 - b) Subsistence, direct out-of-pocket expense.

The foregoing compensation will include compensation for all general office secretarial services, supplies and overhead including office space required for performance of personal and supporting engineering services. Invoices for Personal and Supporting Services and Reimbursable Expenses will be submitted on a calendar month basis and are due and payable upon receipt.

All work performed will be considered as personal professional engineering and supporting services and will be performed and furnished as an independent contractor.

WAGNER & BONSIGNORE
CONSULTING CIVIL ENGINEERS
A CORPORATION



Robert C. Wagner, President

2151 River Plaza Drive • Suite 100 • Sacramento, CA 95833-4133
Ph: 916-441-6850 or 916-448-2821 • Fax: 916-779-3120

SCHEDULE OF FEES

EFFECTIVE JULY 1, 2019

Principal Engineer Water Right Analyst	\$225 - \$275/hr.
Scientist Geology Hydrology Geoscience	\$150 - \$215/hr.
Water Resources Program Manager	\$150 - \$195/hr.
Project Engineer – Registered	\$140 - \$225/hr.
Staff Engineer	\$105 - \$140/hr.
Water Resources Assistant	\$95 - \$135/hr.
Senior Technician	\$95 - \$155/hr.
CAD Design/Graphics	\$95 - \$135/hr.
Engineering Assistant	\$85 - \$95/hr.
Clerical	\$65 - \$75/hr.

MEMORANDUM

Date: September 13, 2019
To: Board of Directors
From: Paul Siebensohn, Director of Field Operations
Subject: Review and adopt Environmental Compliance Worker position description

RECOMMENDATION:

Adopt Environmental Compliance Worker job description.

DISCUSSION:

A new position was budgeted for under the Utility worker III payscale and this is the draft job description developed to fill it. This newly created position is needed to fill in to cover increased demands from expanding regulations and staffing demands for:

- Water Quality Sampling and reporting for all District utilities
- Municipal Separate Stormwater Sewer System (MS4) program compliance
- Sanitary Sewer Management Plan (SSMP) program compliance
- Underground Service Alerts response and marking
- Backflow Testing & Cross Connection inspections
- Water conservation program
- Recycled Water Standards compliance
- Assists with implementing and enforcement of water conservation program
- Filling in for Utility staff support as needed

Information for building this job description was pulled from various local businesses having a similar position such as the City of Roseville's – Environment Specialist, Sacramento Suburban Water District's - Environmental Compliance Technician, El Dorado Irrigation District's – Environmental Compliance Inspector.

Required certifications would be:

- Qualified SWPPP practitioner (QSP) certification within 18 months of hire;
- Possession and maintenance of a Backflow and Tester Certificate issued by the State of California or AWWA within 18 months of entering this position is required, registered for testing in Sacramento County.
- Water Distribution 1 Certificate issued by the State Water Resources Control Board within 18 months of entering this position.

A bonus for additional certification would be available for these certifications, at 2.5% each to a maximum of 5%.

- CWEA collections certification
- AWWA conservation coordinator certification
- Distribution 2 certification or higher

This position would be a represented position and eligible for OE-3 Union Representation, therefore the draft job description should be reviewed by OE-3. In my preliminary discussion with Daren Semore, District staff's OE3 representative, he requested to review the job description. We do not anticipate any issues with their approval of the description.

The job description was also reviewed by District staff. Personnel staff noted that we do not include the potential bonus certifications as it is considered a benefit and an item that is typically negotiated in the Memorandum of Understanding with the Union.

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Environmental Compliance Worker

DEPARTMENT: FIELD OPERATIONS (WATER/WASTEWATER/RECYCLED WATER/DRAINAGE)

FLSA OVERTIME STATUS: NON-EXEMPT

BARGAINING UNIT: OPERATING ENGINEERS LOCAL 3

APPROVED BY BOARD OF DIRECTORS - XXXX

SUMMARY: Position will keep informed of and completes required testing and reporting duties for: Municipal Separate Stormwater Sewer System (MS4) program compliance; Sanitary Sewer Management Plan (SSMP), Fats, Oils, & Grease program for sewer collection system; water system sampling; assist with implementing and enforcement of water conservation program; ensures District customers maintain compliance; maintain historical data for tracking and reporting purposes; may also fill in as necessary to perform a variety of skilled and semiskilled routine duties in the construction, repair, and maintenance of distribution and collection systems; drainage system maintenance; buildings and grounds maintenance; installation, maintenance and repair of water services; operate a variety of equipment; and to perform other related duties as required.

SUPERVISION: Receives direct supervision from the Director of Field Operations or their designee.

ESSENTIAL DUTIES AND RESPONSIBILITIES include the following. Other duties may be assigned.

- Inspect and test stormwater and other sources for MS4 program stormwater compliance; inspect and ensure Best Management Practices (BMPs) for stormwater compliance.
- Inspect on-site recycled water systems; review and provide approvals on recycled water applications; ensure compliance with various regulatory and District standards for use of recycled water; maintain logs and required documentation of activities; prepare regular and periodic reports and studies to meet compliance requirements.
- Conduct periodic water use surveys of residential, commercial, irrigation, industrial, multi-residential properties or accounts; identifies cross connection and/or backflow hazards that may impact the safety of the public water supply.
- Performs field investigations regarding discrepancies/inconsistencies on existing

backflow prevention assemblies; tests backflow prevention assemblies as necessary. Ensure compliance with regulatory and required annual testing of backflow assemblies; set up schedules for testing and maintains related records and databases.

- Collect water samples from treatment plants, distribution system, facilities, drainage system, and others as needed; perform a variety of tests in the field.
- Perform and document industrial pretreatment inspection of food service enterprises, commercial and industrial wastewater customers to identify the wastewater generating processes and wastewater pretreatment equipment.
- Provide information to facilitate public outreach programs for systems utilities; conduct training as necessary for program compliance.
- Use and care for instruments, tools, equipment, and software related to area of assignment.
- Use a personal computer and software programs to enter, maintain and analyze data; prepare reports and correspondence; track work activities on District's systems.
- Communicate clearly and concisely, both orally and in writing.
- Establish and maintain effective working relationships with those contacted in the course of work.
- Read and interpret engineering plans and mark out District utilities for Underground Services Alerts (USAs).
- Respond to customer complaints and or service requests.
- Ensure compliance with the District's utility regulations.
- Conduct sampling of industrial, commercial, and domestic wastewater in collection and treatment systems to ensure wastewater discharge complies with all applicable standards.
- Perform minor repairs and maintenance activities on monitoring equipment as necessary; test and calibrate sampling equipment; maintain inventory supply of materials and parts.
- Prepare chain of custody documents; prepare sample bottles with proper

preservatives; identify and label bottles; maintain records of tests and test results; prepare samples for shipment to outside laboratories; reviews invoicing for laboratory sampling; operate and maintain sampling and testing equipment.

- Review construction plans for and inspect required pretreatment devices to ensure devices are installed according to District design and construction standards and administrative regulations.
- Develop, initiate, and prepare non-compliance letters and enclosures in accordance with District policy and procedures.
- Confer with contractors, business owners and the general public on District's Pre-treatment and Pollution Prevention Program; explain and interpret requirements and restrictions.
- Assist with implementing and enforcement of water conservation program.
- Perform a wide variety of work according to District needs.

DISTINGUISHING CHARACTERISTICS:

Incumbents are expected to perform at a high level in carrying out technical assignments with minimum guidance and supervision and provide reports and information and assist the Director of Field Operations; to have daily responsibility for District compliance; provide information and submit it as necessary for regulatory reporting.

QUALIFICATION REQUIREMENTS:

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and ability required.

Must have the ability to perform a variety of tasks for the benefit of the District.

Ability to know and understand all aspects of the job, intermittently analyze data, work papers, reports and conduct special projects; operate sampling equipment; know and apply techniques and terminology; communicate clearly both in writing and verbally.

On a continuous basis, sit at desk for long periods of time; intermittently bend, squat, climb, kneel or twist while performing field sampling work; intermittently twist to reach equipment surrounding desk; perform simple grasping and fine manipulation; use telephone, and write or use keyboard or other means to communicate through written means; perform duties in collection and testing of stormwater and other related sample sources. Interpret and effectively apply federal, state and local laws, standards and regulations as they relate to National Pollutant Discharge Elimination Systems (NPDES) and Waste Discharge Requirement (WDR) compliance. Read and interpret infrastructure

plans and diagrams. Compile and analyze technical information and prepare technical documents and reports related to the area of assignment. Read and evaluate laboratory analytical results in order to detect errors and determine compliance with state and federal regulations. Prepare and conduct effective training presentations regarding regulatory compliance. Provide outreach and training for compliance of District's and regulatory requirements.

Read and interpret sewer, recycled water, drainage and water system maps and engineering drawings. Keep records and prepare reports as needed. Skillfully use hand and power tools. Safely operate equipment in and around other utilities. Use computer equipment and related peripheral equipment to enter and extract information. Perform strenuous manual labor in a variety of conditions. Insure proper use and maintenance of Personal Protective Equipment. Read and write at the level required for successful job performance. Follow and give written and oral instructions. Oversee the completion of tasks and projects independently and as a team. Work unusual shifts, weekends, evenings, and holidays when required, as well as potential to work standby and respond to emergency calls. Establish and maintain cooperative working relationships. Fill in for District Utility position and duties as necessary.

EDUCATION AND/OR EXPERIENCE:

Any combination of training and experience, which would likely provide the required knowledge and ability, is qualifying;

Minimum Education: High School diploma and/or equivalent.

Preference is given to those with College or Associates Degree in Biological Sciences, Chemistry, Environmental Science or related studies.

Candidates must be 18 years of age prior to appointment because of the hazards of the job, as defined by the Fair Labor Standards Act.

CERTIFICATES, LICENSES, REGISTRATIONS:

Possession of the category of California Driver's license required by the State Department of Motor Vehicles to perform the essential duties of the position. Continued maintenance of a valid driver's license, insurability, and compliance with established District vehicle operation standards are a condition of continuing employment.

Possession and maintenance of:

- Qualified Stormwater Pollution Prevention Program (SWPPP) practitioner (QSP) certification within 18 months of hire;
- Water Distribution 1 Certificate issued by the State Water Resources Control Board within 18 months of hire;

- Possession and maintenance of a Backflow and Tester Certificate issued by the State of California or AWWA within 18 months of entering this position is required, registered for testing in Sacramento County.

Possession of California Water Environment Association (CWEA) collection system operator I certification is highly desired and will be mandatory should the system change and require it.

Incumbent must complete the appropriate amount of continuing education hours as required by the State of California to maintain the certification.

Failure to obtain and maintain the appropriate credentials may constitute a cause for termination from this appointment.

PHYSICAL DEMANDS:

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job.

While performing the duties of this job, the employee is frequently required to stand; walk; sit; use hands to handle or feel objects, tools, or controls; reach with hands and arms; climb or balance; stoop, kneel, crouch, or crawl; and talk or hear.

The employee must frequently lift and/or move up to 75 pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception, and the ability to adjust focus. Must meet the rating capacity of equipment in order to perform duties of the position; frequently bend, stoop, squat, kneel, crouch and reach above the shoulder; wear personal protective equipment as needed to perform work.

WORK ENVIRONMENT:

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee frequently works in outside weather conditions and is frequently exposed to wet and/or hot, cold, humid conditions. The employee occasionally works near moving mechanical parts and in high, precarious places and is occasionally exposed to toxic or caustic chemicals and vibration, risk of electrical shock. The noise level in the work environment may be loud.

COMMENTS:

Employees appointed to positions in this class are required to be neatly groomed.

Appointment to this position falls under a one year probationary period with the District.

Utility III Wage Schedule

Steps

A B C D F G H
(See Utility III scale from MOU)

DRAFT

MEMORANDUM

Date: September 13, 2019
To: Board of Directors
From: Mark Martin, General Manager
Subject: Murieta Gardens - Legacy Lane 12-inch Recycled Water Line Reimbursement Agreement with Cosumnes River Land LLC

RECOMMENDED ACTION

Approve reimbursement agreement with Cosumnes River Land LLC for construction of Murieta Gardens Legacy Lane 12-inch recycled water line in the amount of \$173,606.98. The funds will come from the Water Supply Augmentation reserves, which as of August 16, 2019 reflected a balance of \$1,245,000.

BACKGROUND

From 2015 into 2016, Cosumnes River Land constructed a 12-inch recycled water main line as part of their Murieta Gardens development project. The line extends largely along the north side of Legacy Lane from near Highway 16 to a terminus just west of the southwest corner of Murieta Drive and Lone Pine. In early 2018, the Developer requested reimbursement for the project. Unfortunately, no formal reimbursement agreement was in place ahead of construction. In January 2018, staff researched but could not find proof of an agreement binding the District to reimburse the Developer. Such an agreement and supporting documents were necessary for the District to reimburse the Developer and at the same time meet legal requirements and survive an audit.

In late 2018, staff working with legal counsel prepared a draft reimbursement agreement to serve as the instrument under which the District could reimburse the Developer. This draft agreement was forwarded to the Developer around that same time.

As of the January 2019 Improvements Committee, staff had not received the level of detail from developer necessary for the District to proceed with reimbursement. At that meeting, staff made clear that it is the fiduciary responsibility of the District to obtain cost information from the Developer that will survive an audit in the same way as if the District constructed the line.

Staff inquired, and the District's legal counsel and auditor provided the following independent guidance respectively:

"The developer should be asked to substantiate that each cost item was actually incurred and paid by providing appropriate documentation of each incurred and paid expense (e.g., copies of invoices, bills, canceled checks, credit card statements, timesheets, expense reports, receipts, or other proof of payment). Reimbursement should be based on actual costs and not a developer cost estimate or the [contractor] bid amount. The Baker-Williams letter is an engineer cost estimate and not proof of actual expenditures. The District should not proceed with reimbursement based on an engineer cost estimate."

"The District should require a copy of the contract and any change orders and a copy of the invoices and cancelled checks to verify that the payment matches the invoiced amounts. From an audit perspective, I will need the same


type of support for the payments made to the Developer as I would for a contractor performing the work. It would also make sense to have the District engineer come up with and expected contract amount and compare that to the Developer information, to verify that the District is saving money versus contracting the work separate from the Developer.”

During summer 2019, staff received proof of progress payments, that according to legal counsel, combined with other provided documents gives enough backup for the District to reimburse the developer under these unusual circumstances.

Included with this memo are the supporting documents including the agreement signed by the Developer, along with a “Certificate” which describes the type and amount of all costs, the process used by the Developer to obtain prices for the work, substantiation of costs that were incurred for the project, and a statement by the Developer certifying the costs were incurred and paid by the Developer.

With the proper documents now provided, staff supports approving reimbursement for the project.

**RANCHO MURIETA COMMUNITY SERVICES DISTRICT
FEE REIMBURSEMENT AGREEMENT**

THIS AGREEMENT is made and entered into this 9TH day of SEPTEMBER, 2018 by 2019  and between Rancho Murieta Community Services District, a California special district (“**District**”), and Cosumnes River Land, LLC, a Delaware limited liability company, a property owner in the District (“**Developer**”), who agree as follows:

1. Recitals. This Agreement is made with reference to the following recitals:

1.1. Developer is the owner and developer of the Murieta Inn and Murieta Gardens subdivision project (the “**Project**”) located on portions of the real property shown on the attached Exhibit A (the “**Property**”). District has required that the Project be served with recycled water pipelines for outside irrigation with recycled water. As part of the development and construction of the Project, Developer previously installed a recycled water pipeline extending across the Property from a point near Lone Pine Drive and Murieta Drive to a point on Lot 14 of the Project near Highway 16, as shown on Exhibit A (the “**Recycled Water Line**”).

1.2. The Recycled Water Line is one of the capital improvement projects described in the Coastland technical memoranda described in the District ordinance amending the District community facilities fees, including the water supply augmentation fee. Developer therefore has requested reimbursement from the District of the costs to design and construct the Recycled Water Line.

1.3. District has inspected the completed Recycled Water Line and has determined that it was designed and constructed in accordance with applicable District ordinances, resolutions, standards, and policies.

2. Easements and Bill of Sale. For any portion of the Recycled Water Line not located within a recorded public utility easement, Developer shall convey to District an easement or easements authorizing the construction, installation, operation, maintenance, repair, removal, replacement and improvement of the Recycled Water Line. Developer shall deliver a bill of sale to District transferring unencumbered ownership of the completed Recycled Water Line to District. The bill of sale and all easements must be in a form and content approved by District. Title to the completed Recycled Water Line and the easement interests must be good, clear and marketable title and free and clear of all encumbrances, liens or charges.

3. Maintenance Guarantee

3.1. Prior to District’s acceptance of the easements and bill of sale, Developer shall provide District with a maintenance bond, letter of credit or other financial security satisfactory to District (“**Maintenance Guarantee**”) in a sum equal to 50% of the cost of the Recycled Water Line to be transferred to District. The Maintenance Guarantee is for the purpose of warranting the Recycled Water Line materials and workmanship for one year from the date of District’s acceptance of the Recycled Water Line bill of sale.

3.2. Developer or its surety under the Maintenance Guarantee must repair or replace to the satisfaction of District all or any portion of the Recycled Water Line that may prove

defective in workmanship or materials, ordinary wear and tear excepted, together with any other Recycled Water Line or facilities which may be damaged or displaced in so doing.

3.3. In the event of failure to comply with the above-stated conditions within a reasonable time, District is authorized to have the defect repaired and made good. Developer and its surety under the Maintenance Guarantee will be jointly and severally liable to District for the costs of repair, including, but not limited to, management and administrative costs, and engineering, legal and other costs incurred relating to the repair. District will bill Developer and the surety for the costs, which bill must be paid within 30 days of its date. Interest will accrue on any late payment at the legal rate then prevailing.

4. As-Built Drawings. Developer shall provide to District as-built (also known as record) drawings of the completed Recycled Water Line, satisfactory to District in form and content, together with a copy of the specifications and any contract documents used for the construction of the Recycled Water Line.

5. District Acceptance. Upon receipt by District of the easements, bill of sale, Maintenance Guarantee, and as-built drawings in accordance with sections 2 to 4, District will accept the easements and bill of sale and provide notice of acceptance to Developer. After acceptance of the easements and bill of sale by District, the Recycled Water Line shall become the property of District on the date that the bill of sale is accepted by District. Upon such date, Developer will be deemed to have conveyed and transferred all of its right, title and interest in and to the completed Recycled Water Line to District. District thereafter will own and be free in every respect to operate, maintain, repair, replace, manage, expand, and improve the Recycled Water Line, as it deems appropriate. District assumes no obligation as to operation and maintenance of the Recycled Water Line until such time as it accepts the Recycled Water Line bill of sale.

6. Risk of Loss. Until the date of District's acceptance of the Recycled Water Line bill of sale, all risk of loss or injury, damage or destruction to the Recycled Water Line shall be upon Developer. After the date of the District's acceptance, and except as provided by the Maintenance Guarantee, all risk of loss or injury or destruction to the Recycled Water Line shall be upon District.

7. Fee Reimbursement

7.1. Development of the Project is and will be subject to payment of the District Water Supply Augmentation Fee (the "**Fee**"). Developer shall pay the Fee and other applicable District development-related fees for each Project building and structure in accordance with the requirements of the District Code and other applicable District ordinances and rules. The Fee amount shall be at the then-prevailing applicable rate at the time of payment.

7.2. The Recycled Water Line is one of the public improvements listed in the District Water Supply Augmentation Fee and Facilities Capital Improvement Fee Study Update dated November 8, 2017 as referred to in District Code Chapter 8 and planned to be funded by revenue from the Fee. Within the Fee Study Update, the Project is identified as a component of the "Northwest Recycled Water Transmission Main (CIP 17-5-05)." As such, since Developer has designed and constructed the Recycled Water Line at its cost, the parties agree that Developer will be entitled to reimbursement from the Fee fund in the amount of the cost to design and construct the Recycled Water Line as calculated and applied under this section.

7.3. The Fee reimbursement will be calculated based on (and limited to) Developer's actual, direct, necessary, reasonable and substantiated costs to design, procure materials for, and construct the Recycled Water Line. Developer will verify and substantiate its costs of construction by preparing a cost substantiation certificate (the "**Certificate**") and providing it to District. The Certificate must (a) describe the type and amount of all costs, (b) describe the competitive or other process utilized by Developer to obtain the prices, (c) substantiate that each cost item was actually incurred and paid by including appropriate documentation of each expense (e.g., copies of invoices, bills, canceled checks, credit card statements, timesheets, expense reports, receipts or other proof of payment), and (d) certify that the costs were actually and directly incurred and paid by Developer in the design and construction of the Recycled Water Line. The documentation must be in a format reasonably acceptable to District and include reasonably detailed information supporting each expense. Developer's costs for Fee reimbursement purposes will not include any mark-up for profit, administration, overhead, or other reason. Developer shall not request reimbursement until after District has accepted the bill of sale pursuant to section 5.

7.4. Upon receipt of a complete Certificate, District will evaluate it and determine whether Developer's costs are actual, direct, necessary, reasonable and substantiated. The actual, direct, necessary, reasonable and substantiated costs of the Recycled Water Line as approved by District in writing will be the "**Fee Reimbursement Amount.**" The Fee Reimbursement Amount shall not exceed \$173,606⁷⁸. District shall pay the Fee Reimbursement Amount to developer within 30 days after District's approval of the Fee Reimbursement Amount.

8. Indemnification and Hold Harmless. Developer shall indemnify, protect, defend and hold harmless District and its officers, employees, engineers, and agents, from any and all claims, demands or charges and from any loss or liability, including all costs, expenses, attorney's fees, litigation costs, penalties, and other fees arising out of or in any way connected with the construction of the Recycled Water Line or the performance or failure to perform under this Agreement by Developer or its officers, employees, contractors, subcontractors or agents. The parties agree and acknowledge that Developer's duties under this section extend to claims, lawsuits and liability of or against District resulting from the alleged failure to comply with any provision of California Labor Code division 2, part 7, chapter 1 (sections 1720-1861) in connection with the construction of the Recycled Water Line by Developer's contractor.

9. General Provisions

9.1. Integration. This Agreement constitutes the sole, final, complete, exclusive and integrated expression and statement of the terms of this contract among the parties concerning the subject matter addressed herein, and supersedes all prior negotiations, representations or agreements, either oral or written, that may be related to the subject matter of this Agreement, except those other documents that are expressly referenced in this Agreement.

9.2. Construction and Interpretation. The parties agree and acknowledge that this Agreement has been arrived at through negotiation, and that each party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party will not apply in construing or interpreting this Agreement.

9.3. Waiver. The waiver at any time by any party of its rights with respect to a default or other matter arising in connection with this Agreement will not be deemed a waiver with respect to any subsequent default or matter.

9.4. Remedies Not Exclusive. The remedies provided in this Agreement are cumulative and not exclusive, and are in addition to any other remedies that may be provided by law or equity. The exercise by either party of any remedy under this Agreement will be without prejudice to the enforcement of any other remedy.

9.5. Severability. The invalidity, illegality or unenforceability of any provision of this Agreement will not render the other provisions unenforceable, invalid or illegal.

9.6. Personal Obligation; Successors and Assigns. Developer's rights and obligations under this Agreement are personal rights and obligations of Developer and they do not automatically "run with" the Property owned by Developer. Developer cannot assign its rights and obligations under this Agreement to any transferee of all or any part of the Property or any other third party without the express written consent of District, which consent will not be withheld unreasonably.

9.7. Amendment. This Agreement may be modified or amended only by a subsequent written agreement approved and executed by both parties.

9.8. Governing Law and Venue. Except as otherwise required by law, (a) this Agreement will be interpreted, governed by, and construed under the laws of the State of California, and (b) Sacramento County shall be venue for any state court lawsuit and the Eastern District of California shall be venue for any federal court lawsuit seeking to enforce or construe this Agreement.

9.9. Notices. Any notice, invoice or other communication required or permitted to be given under this Agreement must be in writing and either served personally or sent by prepaid, first class U.S. mail and addressed as follows:

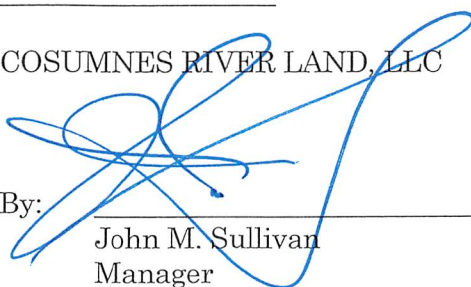
District: General Manager Rancho Murieta Community Services District P.O. Box 1050 Rancho Murieta, CA 95683	Developer: Manager Cosumnes River Land, LLC 14670 Cantova Way, Ste. 220 Rancho Murieta, CA 95683
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Any party may change its address by notifying the other parties in writing of the change of address.

RANCHO MURIETA COMMUNITY
SERVICES DISTRICT

By: _____
Mark Martin
General Manager

COSUMNES RIVER LAND, LLC

By: _____

John M. Sullivan
Manager

INVOICE Summary - 2019-615-1

Cosumnes River Land LLC

14670 Cantova Way Suite 220
P O Box 1280 -Rancho Murieta CA 95683-1280

Murieta Gardens Infrastructure

Date: Revised RW Backbone Infrastructure Invoice

REVISED REIMBURSEMENT:

BILL TO

Rancho Murieta CSD
15160 Jackson Road P.O.Box 1050
Rancho Murieta, CA 95683-1050

FOR

REVISED REIMBURSEMENT;
BACKBONE INFRASTRUCTURE

Attn: Tom Hennig Director of Administration

BUDGET \$180,000

Description	Amount
12" Recycle Water Main - Purple pipe @ \$65.90	\$142,212.20
12" Recycle Water Valves 5 ea.	\$12,515.00
Recycle Water blow off Valve 1 ea.	\$2,558.00
1" Recycle Water Air relief valve	\$3,642.00
Subtotal	\$160,747.20
Engineering and Staking @8% BWE	\$12,859.78
Project TOTAL	\$173,606.98

Certification by Michael R. Book of J.D. Pasquetti

Cindy Moreno @ Cosumnes River Land (916)919-6673

April 2016 - Invoices and Check Copies Provided



JD Pasquetti Engineering, Inc.
3032 Thunder Valley Court
Lincoln, Ca. 95648
Phone 916-543-9401 ... Fax 916-543-9426

Bid Item Breakdown

To **John M. Sullivan**
Cosumnes River Land, LLC
P.O. Box 1230
Rancho Murieta, CA 95683

February 14, 2018

Job **Murieta Gardens - Infrastructure Recycled Water Main Line Cost Estimate**

Item	Description	Quantity	Unit		Total
Recycled Water System					
1	12" Recycled Water Main	2,158	lf	65.90 \$	142,212.20
2	12" Recycled Water Valve	5	ea	2,503.00 \$	12,515.00
3	Recycled Water Blow Off Valve	1	ea	2,558.00 \$	2,558.00
4	1" Recycled Water Air Valve	1	ea	3,462.00 \$	3,462.00
SUB TOTAL:					160,747.20
Engineering and Staking soft cost at 8%					12,859.78
TOTAL:					173,606.98

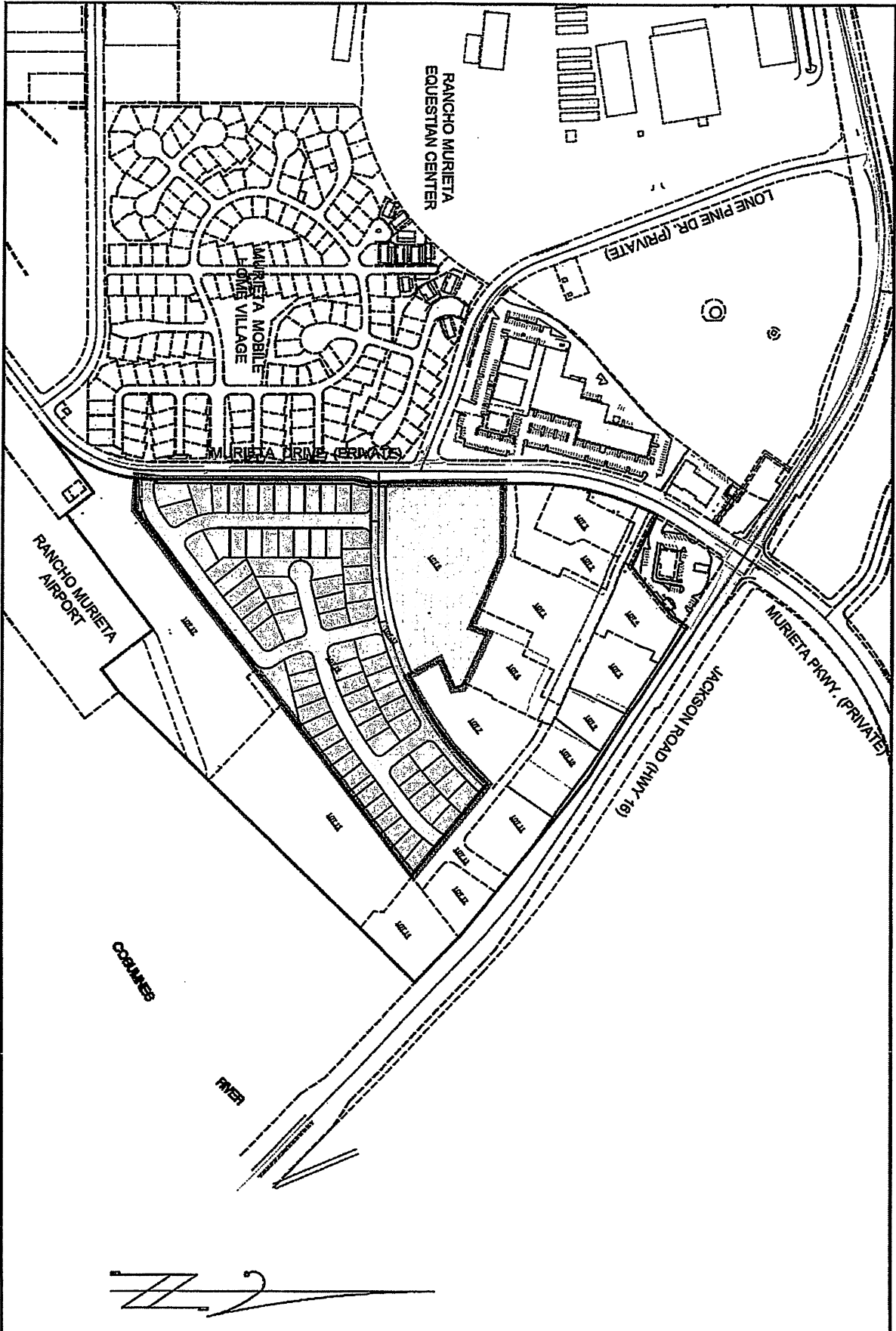
These cost above have been paid in full to JD Pasquetti in referenced to Baker Williams Engineering Group letter dated April 11, 2016

Michael R Book

JD Pasquetti

2-14-18

EXHIBIT A
Developer Project and Recycled Water Line



BW BAKER-WILLIAMS ENGINEERING GROUP
 Engineering / Surveying / Land Planning / Estimation / Construction / GIS Services
 8000 RIVERSIDE DRIVE, SUITE 100 - COLLETON, CA 95226
 (916) 382-4228 - Fax (916) 382-4229 - www.bakerwilliams.com

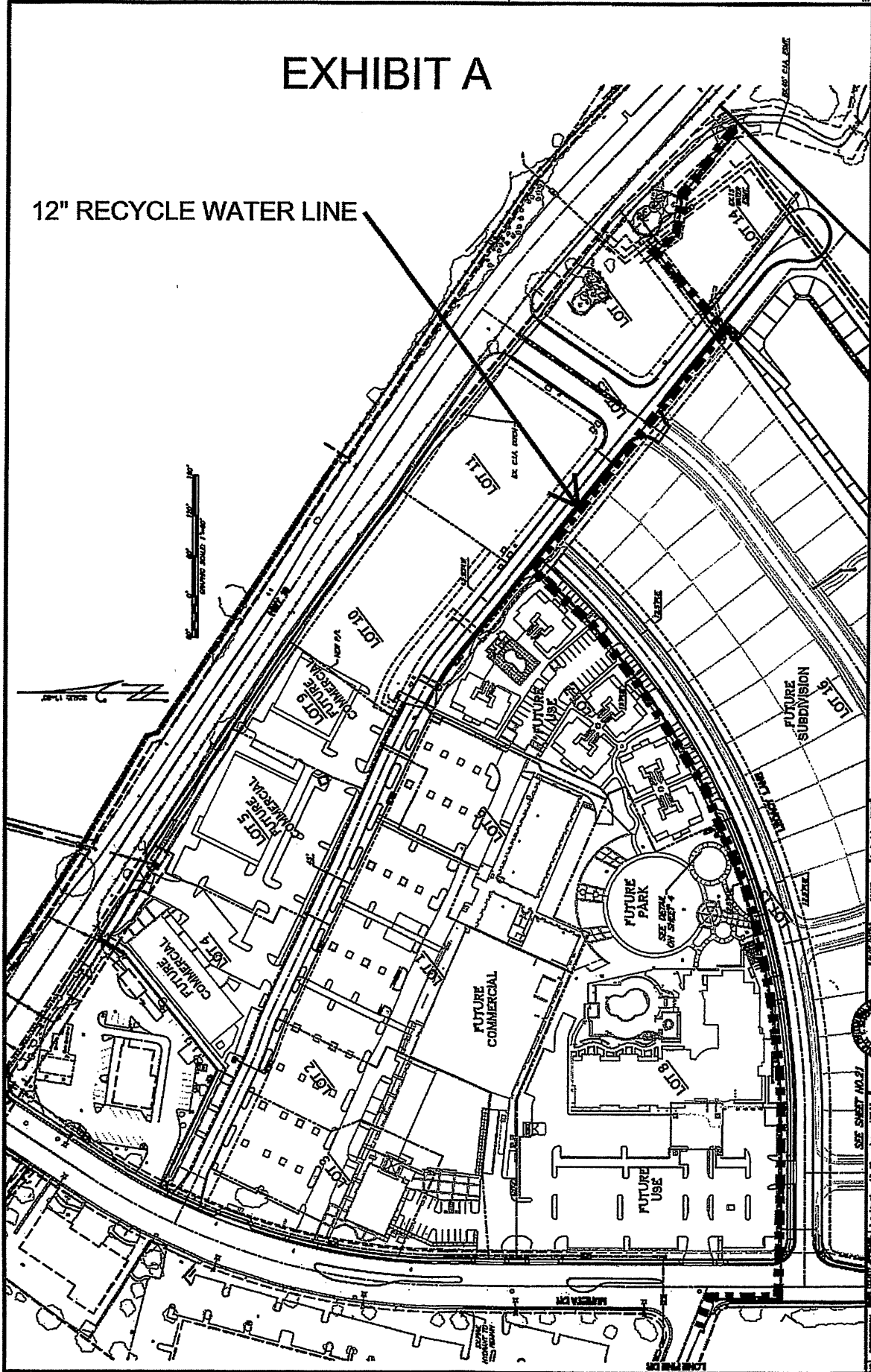
SCALE: 1"=300'
 JOB #: 11-01-001
 DATE: Nov, 2018

EXHIBIT A

MURIETA GARDENS II & MURIETA INN
 SACRAMENTO COUNTY, CALIFORNIA

EXHIBIT A

12" RECYCLE WATER LINE



UTILITY PLAN
MURIETA GARDENS I & 2 -- INFRASTRUCTURE
 RANCHO MURIETA, 7337 MURIETA DRIVE, SACRAMENTO COUNTY, CALIFORNIA

Baker-Williams Engineering Group
 Engineers/Architects/Interior Designers/Construction Managers/CFR Services
 2201 Alhambra Drive, Suite 100 - Sacramento, CA, 95834
 916.481.2000 - Fax 916.481.2001 - www.bakerwilliams.com

DATE	07/2013
SCALE	AS SHOWN
PROJECT NO.	502
DRAWN BY	...
CHECKED BY	...
DATE	07/2013

SEE SHEET AN.21
 (SEE SHEET AN.1)

Legacy Lane Recycle Infrastructure Reimbursement Agreement

Developer Substantiation Certificate

7.3 CERTIFICATE

This Certificate provides:

(a) describe the type and amount of all costs;

1. Baker Williams Engineering initiated the overall infrastructure plans necessary for the Legacy Lane infrastructure improvements for the Hotel and Extended stay (the improvements along to the north side of Legacy lane) and extended to the west side of Murieta Drive to a point along Lone Pine Dr. west of Murieta Drive. The extension of the (Legacy Lane Infrastructure) improvement work, extended the recycle line east along the drive isle and to parcel 12.
2. The final connections to the Recycle backflow preventor on Parcel 12 to the Box north of highway 16 were separately reimbursed in 2019.
3. The Recycle line costs were bundled in the Infrastructure contract with Poelman/Pasquetti (a copy of which has been provided previously to the District).

(b) describe the competitive or other process utilized by Developer to obtain the prices;

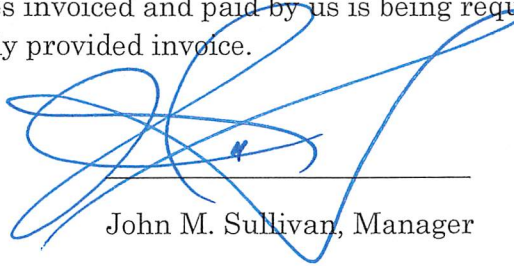
1. All contracts were either bid through Poelman construction (Grading and Legacy Lane Infrastructure) or bid directly to CRL (Highway 16, Legacy Lane extension, and On-site Raley's and MGII) by various general engineering contractors. All work was bid per the Engineered plans and Specs provided by Baker Williams Engineering. All soils work was conducted and certified by Youngdahl and Associates.
2. J.D. Pasquetti was selected by CRL (owner) and Poelman (General) for cost and schedule for the Legacy Lane Infrastructure (including the majority of Recycle line and what is being requested for reimbursement here. Pasquetti has continued to be the most competitive bidder for the rest of the site work, as they have had crews available to meet our schedules continuously since 2016. NOTE: [As demonstrated on the 1(a) and 1(b) bore, casing and pipeline job issued to them on May 15th, they have provided sufficient manpower to complete work on schedule and on budget.]

(c)substantiate that each cost item was actually incurred and paid by including appropriate documentation of each expense (e.g., copies of invoices, bills, canceled checks, credit card statements, expense reports, receipts or other proof of payment); and

1. As to the Legacy lane recycle water line reimbursement, we have provided all of the contract schedule of values, and copies of the checks issued to Poeman/JDP for the contract (We also provided a signed copy of our contract).

(d) certify that the costs were actually and directly incurred and paid by Developer in the design and construction of the Recycled Water Line.

I certify that the costs shown on the invoices were paid to Poelman and Pasquetti by Cosumnes River Land, and that the values invoiced and paid by us is being requested for reimbursement as shown on the previously provided invoice.

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

John M. Sullivan, Manager

Cosumnes River Land, LLC

Murieta Gardens II Developer/

MEMORANDUM

Date: September 13, 2019
To: Board of Directors
From: Mark Martin, General Manager
Subject: Murieta Gardens – Sobon Lane to Murieta Drive 6-inch Recycled Water Line Reimbursement Agreement with Cosumnes River Land, LLC

RECOMMENDED ACTION

Approve reimbursement agreement with Cosumnes River Land LLC for construction of Murieta Gardens Sobon Lane to Murieta Drive 6-inch recycled water line in the amount of \$12,679. The funds will come from the Water Supply Augmentation reserves, which as of August 16, 2019 reflected a balance of \$1,245,000.

BACKGROUND

In 2018, Cosumnes River Land constructed a 6-inch recycled water main line as part of their Murieta Gardens development project. The line extends from the south side of the southwest bend of Sobon Lane west to the east side of Murieta Drive. In early 2018 the Developer requested reimbursement for the project. Unfortunately, the project was constructed during a mix-up by the contractor who proceeded without a reimbursement agreement in place ahead of construction. In light of this mix-up, the Developer is seeking only to be reimbursed for materials and engineering costs.

In late 2018, staff working with legal counsel prepared a draft reimbursement agreement to serve as the instrument under which the District could reimburse the Developer. This draft agreement was forwarded to the Developer around that same time.

In September 2019, staff received proof of progress payments which along with other documents give enough backup for the District to reimburse the developer under these unusual circumstances.

Included with this memo are the supporting documents including the agreement signed by the Developer, along with a "Certificate" which describes the type and amount of all costs, the process used by the Developer to obtain prices for the work, substantiation of costs that were incurred for the project, and a statement by the Developer certifying the costs were incurred and paid by the Developer.

With the documents now provided, staff supports approving reimbursement for the project.

**RANCHO MURIETA COMMUNITY SERVICES DISTRICT
FEE REIMBURSEMENT AGREEMENT**

THIS AGREEMENT is made and entered into this 9th day of September, ²⁰¹⁹~~2018~~ by and between Rancho Murieta Community Services District, a California special district (“**District**”), and Cosumnes River Land, LLC, a Delaware limited liability company, a property owner in the District (“**Developer**”), who agree as follows:

1. Recitals. This Agreement is made with reference to the following recitals:

1.1. Developer is the former owner and present residential pad developer of the Murieta Gardens II subdivision project (the “**Project**”) located on portions of the real property shown on the attached Exhibit A (the “**Property**”). District has required that the Project be served with recycled water pipelines for outside irrigation with recycled water. As part of the development and construction of the Project, Developer previously installed a recycled water pipeline extending across the Property from a point at the east side of Murieta Drive along the south side of residential parcel ‘66’ to a point at the south side of the southwest elbow of Sobon Lane, as shown on Exhibit A (the “**Recycled Water Line**”).

1.2. The Recycled Water Line is one of the capital improvement projects described in the Coastland technical memoranda described in the District ordinance amending the District community facilities fees, including the water supply augmentation fee. Developer therefore has requested reimbursement from the District of the costs to design and construct the Recycled Water Line.

1.3. District has inspected the completed Recycled Water Line and has determined that it was designed and constructed in accordance with applicable District ordinances, resolutions, standards, and policies.

2. Easements and Bill of Sale. For any portion of the Recycled Water Line not located within a recorded public utility easement, Developer shall convey to District an easement or easements authorizing the construction, installation, operation, maintenance, repair, removal, replacement and improvement of the Recycled Water Line. Developer shall deliver a bill of sale to District transferring unencumbered ownership of the completed Recycled Water Line to District. The bill of sale and all easements must be in a form and content approved by District. Title to the completed Recycled Water Line and the easement interests must be good, clear and marketable title and free and clear of all encumbrances, liens or charges.

3. Maintenance Guarantee

3.1. Prior to District’s acceptance of the easements and bill of sale, Developer shall provide District with a maintenance bond, letter of credit or other financial security satisfactory to District (“**Maintenance Guarantee**”) in a sum equal to 50% of the cost of the Recycled Water Line to be transferred to District. The Maintenance Guarantee is for the purpose of warranting the Recycled Water Line materials and workmanship for one year from the date of District’s acceptance of the Recycled Water Line bill of sale.

3.2. Developer or its surety under the Maintenance Guarantee must repair or replace to the satisfaction of District all or any portion of the Recycled Water Line that may prove

defective in workmanship or materials, ordinary wear and tear excepted, together with any other Recycled Water Line or facilities which may be damaged or displaced in so doing.

3.3. In the event of failure to comply with the above-stated conditions within a reasonable time, District is authorized to have the defect repaired and made good. Developer and its surety under the Maintenance Guarantee will be jointly and severally liable to District for the costs of repair, including, but not limited to, management and administrative costs, and engineering, legal and other costs incurred relating to the repair. District will bill Developer and the surety for the costs, which bill must be paid within 30 days of its date. Interest will accrue on any late payment at the legal rate then prevailing.

4. As-Built Drawings. Developer shall provide to District as-built (also known as record) drawings of the completed Recycled Water Line, satisfactory to District in form and content, together with a copy of the specifications and any contract documents used for the construction of the Recycled Water Line.

5. District Acceptance. Upon receipt by District of the easements, bill of sale, Maintenance Guarantee, and as-built drawings in accordance with sections 2 to 4, District will accept the easements and bill of sale and provide notice of acceptance to Developer. After acceptance of the easements and bill of sale by District, the Recycled Water Line shall become the property of District on the date that the bill of sale is accepted by District. Upon such date, Developer will be deemed to have conveyed and transferred all of its right, title and interest in and to the completed Recycled Water Line to District. District thereafter will own and be free in every respect to operate, maintain, repair, replace, manage, expand, and improve the Recycled Water Line, as it deems appropriate. District assumes no obligation as to operation and maintenance of the Recycled Water Line until such time as it accepts the Recycled Water Line bill of sale.

6. Risk of Loss. Until the date of District's acceptance of the Recycled Water Line bill of sale, all risk of loss or injury, damage or destruction to the Recycled Water Line shall be upon Developer. After the date of the District's acceptance, and except as provided by the Maintenance Guarantee, all risk of loss or injury or destruction to the Recycled Water Line shall be upon District.

7. Fee Reimbursement

7.1. Development of the Project is and will be subject to payment of the District Water Supply Augmentation Fee (the "Fee"). Developer shall pay the Fee and other applicable District development-related fees for each Project building and structure in accordance with the requirements of the District Code and other applicable District ordinances and rules. The Fee amount shall be at the then-prevailing applicable rate at the time of payment.

7.2. The Recycled Water Line is one of the public improvements listed in the District Water Supply Augmentation Fee and Facilities Capital Improvement Fee Study Update dated November 8, 2017 as referred to in District Code Chapter 8 and planned to be funded by revenue from the Fee. Within the Fee Study Update, the Recycled Water Line is identified as a component of the "Commercial Loop Conversion (CIP 17-5-11)." As such, since Developer has designed and constructed the Recycled Water Line at its cost, the parties agree that Developer will be entitled to reimbursement from the Fee fund in the amount of the cost to design and construct the Recycled Water Line as calculated and applied under this section.

7.3. The Fee reimbursement will be calculated based on (and limited to) Developer's actual, direct, necessary, reasonable and substantiated costs to design, procure materials for, and cover the cost of equipment rental or use to construct the Recycled Water Line. Developer will verify and substantiate its costs of construction by preparing a cost substantiation certificate (the "Certificate") and providing it to District. The Certificate must (a) describe the type and amount of all costs, (b) describe the competitive or other process utilized by Developer to obtain the prices, (c) substantiate that each cost item was actually incurred and paid by including appropriate documentation of each expense (e.g., copies of invoices, bills, canceled checks, credit card statements, expense reports, receipts or other proof of payment), and (d) certify that the costs were actually and directly incurred and paid by Developer in the design and construction of the Recycled Water Line. The documentation must be in a format reasonably acceptable to District and include reasonably detailed information supporting each expense. Developer's costs for Fee reimbursement purposes will not include any mark-up for profit, administration, overhead, or other reason. Developer shall not request reimbursement until after District has accepted the bill of sale pursuant to section 5.

7.4. Upon receipt of a complete Certificate, District will evaluate it and determine whether Developer's costs are actual, direct, necessary, reasonable and substantiated. The actual, direct, necessary, reasonable and substantiated costs of the Recycled Water Line as approved by District in writing will be the "Fee Reimbursement Amount." The Fee Reimbursement Amount shall not exceed \$12,679.00. District shall pay the Fee Reimbursement Amount to developer within 30 days after District's approval of the Fee Reimbursement Amount.

8. Indemnification and Hold Harmless. Developer shall indemnify, protect, defend and hold harmless District and its officers, employees, engineers, and agents, from any and all claims, demands or charges and from any loss or liability, including all costs, expenses, attorney's fees, litigation costs, penalties, and other fees arising out of or in any way connected with the construction of the Recycled Water Line or the performance or failure to perform under this Agreement by Developer or its officers, employees, contractors, subcontractors or agents. The parties agree and acknowledge that Developer's duties under this section extend to claims, lawsuits and liability of or against District resulting from the alleged failure to comply with any provision of California Labor Code division 2, part 7, chapter 1 (sections 1720-1861) in connection with the construction of the Recycled Water Line by Developer's contractor.

9. General Provisions

9.1. Integration. This Agreement constitutes the sole, final, complete, exclusive and integrated expression and statement of the terms of this contract among the parties concerning the subject matter addressed herein, and supersedes all prior negotiations, representations or agreements, either oral or written, that may be related to the subject matter of this Agreement, except those other documents that are expressly referenced in this Agreement.

9.2. Construction and Interpretation. The parties agree and acknowledge that this Agreement has been arrived at through negotiation, and that each party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party will not apply in construing or interpreting this Agreement.

9.3. Waiver. The waiver at any time by any party of its rights with respect to a default or other matter arising in connection with this Agreement will not be deemed a waiver with respect to any subsequent default or matter.

9.4. Remedies Not Exclusive. The remedies provided in this Agreement are cumulative and not exclusive, and are in addition to any other remedies that may be provided by law or equity. The exercise by either party of any remedy under this Agreement will be without prejudice to the enforcement of any other remedy.

9.5. Severability. The invalidity, illegality or unenforceability of any provision of this Agreement will not render the other provisions unenforceable, invalid or illegal.

9.6. Personal Obligation; Successors and Assigns. Developer's rights and obligations under this Agreement are personal rights and obligations of Developer and they do not automatically "run with" the Property owned by Developer. Developer cannot assign its rights and obligations under this Agreement to any transferee of all or any part of the Property or any other third party without the express written consent of District, which consent will not be withheld unreasonably.

9.7. Amendment. This Agreement may be modified or amended only by a subsequent written agreement approved and executed by both parties.

9.8. Governing Law and Venue. Except as otherwise required by law, (a) this Agreement will be interpreted, governed by, and construed under the laws of the State of California, and (b) Sacramento County shall be venue for any state court lawsuit and the Eastern District of California shall be venue for any federal court lawsuit seeking to enforce or construe this Agreement.

9.9. Notices. Any notice, invoice or other communication required or permitted to be given under this Agreement must be in writing and either served personally or sent by prepaid, first class U.S. mail and addressed as follows:

District: General Manager Rancho Murieta Community Services District P.O. Box 1050 Rancho Murieta, CA 95683	Developer: Manager Cosumnes River Land, LLC 14670 Cantova Way, Ste. 220 Rancho Murieta, CA 95683
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Any party may change its address by notifying the other parties in writing of the change of address.

RANCHO MURIETA COMMUNITY
SERVICES DISTRICT

By: _____
Mark Martin
General Manager

COSUMNES RIVER LAND, LLC

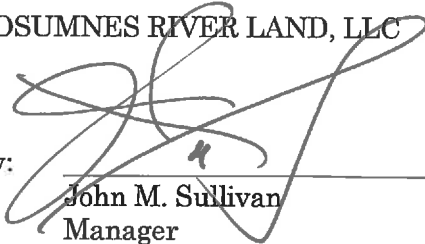
By: _____

John M. Sullivan
Manager

EXHIBIT A
Developer Project and Recycled Water Line

2561

UTILITY A

SOBON LANE (PVT) (NORTHEAST)

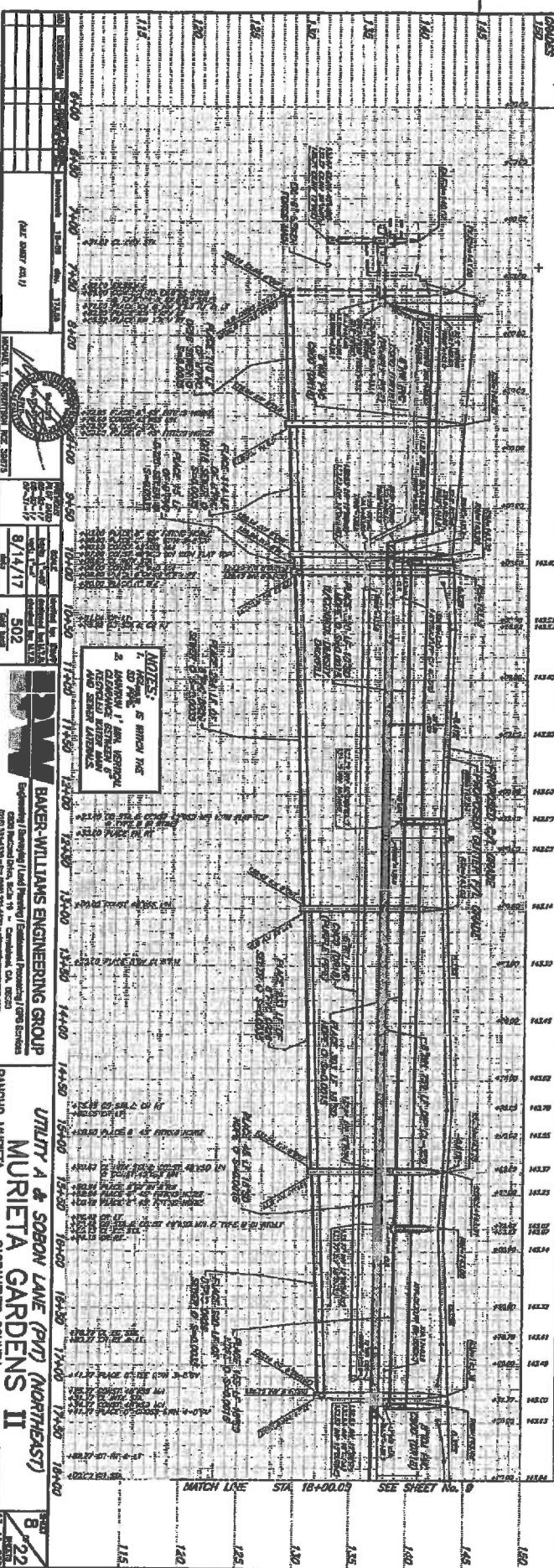
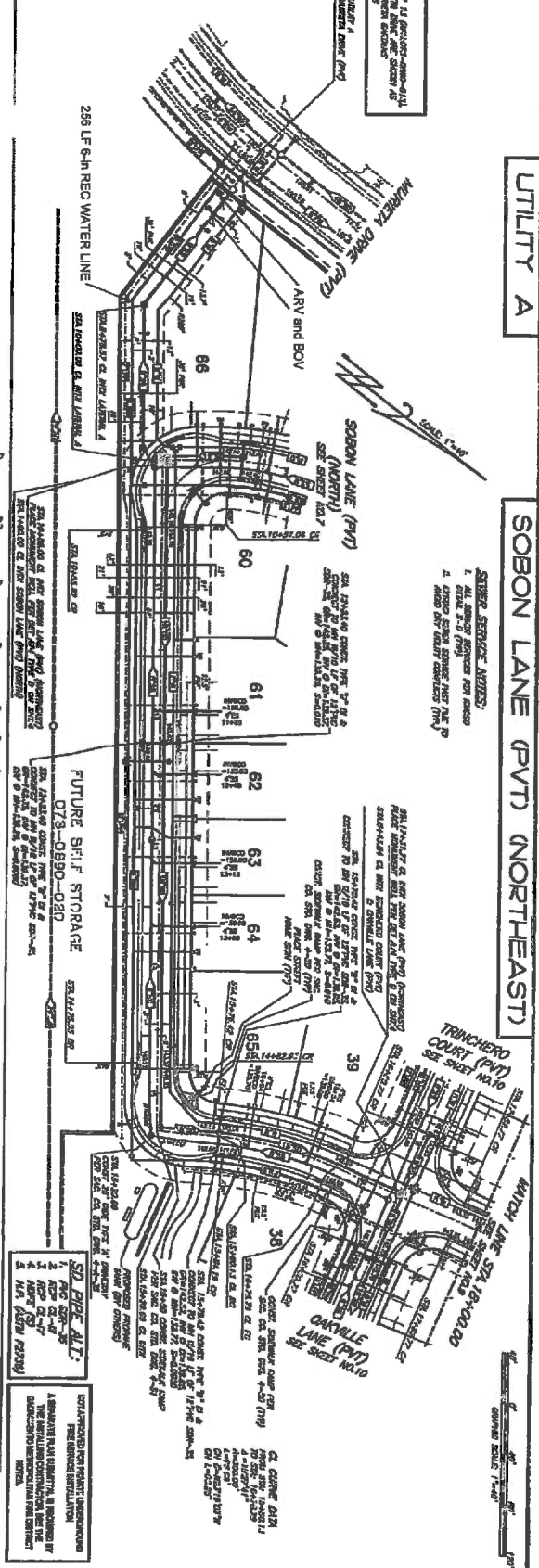
- SUBMITTAL SERVICE NOTES:**
1. ALL SERVICE RECORDS FOR CONDUIT
 2. SEE SHEET 8/14/17 FOR CONDUIT AND RCP P
 3. ALSO SEE SHEET 8/14/17 FOR RCP

NOTES:

1. ALL SERVICE RECORDS FOR CONDUIT

2. SEE SHEET 8/14/17 FOR CONDUIT AND RCP P

3. ALSO SEE SHEET 8/14/17 FOR RCP



NO.	DESCRIPTION	DATE	BY	CHECKED	SCALE
1	DESIGNED	8/14/17	[Signature]	[Signature]	AS SHOWN
2	CHECKED	8/14/17	[Signature]	[Signature]	AS SHOWN
3	APPROVED	8/14/17	[Signature]	[Signature]	AS SHOWN

BAKER-WILLIAMS ENGINEERING GROUP

Engineering / Surveying / Land Planning / Environmental / Construction / Construction Management

502

8/14/17

UTILITY A & SOBON LANE (PVT) (NORTHEAST)
MURIETA GARDENS II
SACRAMENTO COUNTY, CALIFORNIA

8/22/17

INVOICE Summary - 2019-615-1

Cosumnes River Land LLC

14670 Cantova Way Suite 220
P O Box 1280 -Rancho Murieta CA 95683-1280

Murieta Gardens Infrastructure

Date: Revised RW Backbone Infrastructure Invoice

SOBON LANE EXTENSION

BILL TO

**Rancho Murieta CSD
15160 Jackson Road P.O.Box 1050
Rancho Murieta, CA 95683-1050**

FOR

**SOBON LANE EXTENSION OF
RECYCLE WATER FACILITIES TO
MURIETA DRIVE (TNT)**

Attn: Tom Hennig Director of Administration

BUDGET \$22,500.00

<u>Description</u>	<u>Amount</u>
<u>256' 6" C-900 Class 200 purple water pipe</u>	<u>\$1,561.00</u>
<u>ARV</u>	<u>\$3,500.00</u>
<u>Recycle Water blow off Valve 1.ea.</u>	<u>\$2,558.00</u>
<u>Subtotal</u>	<u>\$7,619.00</u>
<u>Labor, Equipment and Bedding</u>	<u>No Charge</u>
<u>Engineering and Staking - Baker Williams Engineering Group</u>	<u>\$5,060.00</u>
<u>Project TOTAL</u>	<u>\$12,679.00</u>

Work performed for Cosumnes River Land (MG II Contract)

Cindy Moreno @ Cosumnes River Land (916)919-6673

2019 Recycle Water line to Lot 66

BAKER-WILLIAMS ENGINEERING GROUP

6020 Rutland Drive Suite 19

Carmichael , Ca 95628

(916)-331-4336 Fax (916-331-4430

July 15, 2019

John M. Sullivan
Cosumnes River Land, LLC
P.O. Box 1230
Rancho Murieta, CA 95683

Subject: Murieta Gardens II - Soft Cost for Recycle Water Line through Lot 66
Recycle Water Line from Sabon Ln through to 66 to Murieta Drive
Our File No. 13-08-062

Dear John

The following is the estimated engineering soft cost of the 256 LF of Recycled Water Line between Sobon Ln to Murieta Drive through lot 66.

RECYCLE WATER LINE ALONG SOBON LANE TO MURIETA DRIVE				
ITEM	DESCRIPTION	QUANTITY	UNIT PRICE	AMOUNT
1	Partial Topography Survey Estimate	1 JOB	\$725.00	\$725.00
2	Engineering, Processing, Mapping Easement	1 JOB	\$3,085.00	\$3,085.00
3	Construction Staking Estimate	1 JOB	\$1,250.00	\$1,250.00
			TOTAL	\$5,060.00

Note:

- 1 This estimate is for soft cost associated with the design, permitting for the 6-inch Recycle Water Line through Lot 66
- 2 Agency inspection and plan check fees are excluded

If you have any questions or need additional information, please call.

BAKER-WILLIAMS ENGINEERING GROUP



Michael Robertson

Sobon Lane Reimbursement Agreement

Developer Substantiation Certificate

7.3 CERTIFICATE

This Certificate provides:

(a) describe the type and amount of all costs;

1. Once the County approvals were obtained for Murieta Gardens, Baker Williams Engineering initiated the overall grading plans for the initial over-excavation and re-compaction of certain portions of the 53 acres. This work provided Pads for the Hotel and Extended Stay portion of the property.

This work was followed by infrastructure improvements for the Hotel (Hotel onsite) and improvements to the north side of Legacy lane (Legacy Lane Infrastructure), along with the grading of the in-line pads for Raley's and the shops to be constructed in the future. Once infrastructure improvements for Legacy lane were installed, the Hotel was permitted and then constructed (2015)

2. Extensions of the initial Legacy lane infrastructure and drive isle up to parcel 10 was next along with the issuance by CalTrans, SacCounty and CSD of the permit to construct the irrigation work, highway improvements and second entry. (This work was necessary to open the Raley's store or sell lots in the Murieta Gardens II subdivision, but included through infrastructure extension and Highway 16 the final connections for the RW backbone from the yellow bridge area to South of Highway 16 [Commercial loop and 78])

2. The CalTrans project was then bid and let.

3. Improvement plans for MG II were approved and those lots were blue-topped (no improvements but streets and lot pads graded within 2/10th of an inch. (2016)

4. A further amendment to the Infrastructure was approved for utilities to Murieta Drive and drainage connections to the basin.

5. Water, Sewer, Drainage, etc. were installed in Gardens II in 2018-19

(b) describe the competitive or other process utilized by Developer to obtain the prices;

1. All contracts were either bid directly through Poelman construction or bid directly to CRL by various contractors. In addition to a competitive bid, job schedules were considered in selecting the general engineering contractor for CRL work.

2. The original dirt work (over-excavation and re-compaction of hotel, extended stay and in-line store pads) was contracted to Veer Kamp construction. (Other bidders were JDPasquetti, Teichert and Granite Construction)

3. The low bidder for the Infrastructure was Veer Kamp, but they were unable to provide a job schedule acceptable as to the original Hotel opening schedule. JDPasquetti was

selected for cost and schedule for Infrastructure Off-sites, Highway 16 and the original On-site Shopping Center work. JDPasquetti has continued to be the most competitive bidder for the rest of the site work, as they have had crews available to meet our schedules continuously since 2016. [As demonstrated on the 1(a) and 1(b) bore, casing and pipeline job issued to them on May 15th, they have provided sufficient manpower to complete work on schedule.]

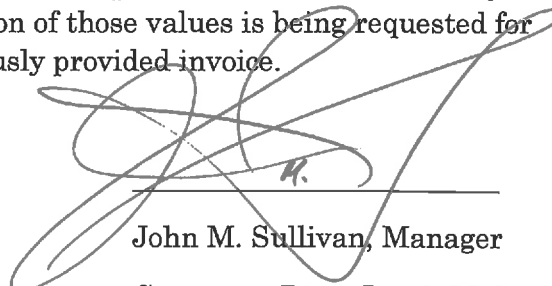
(c)substantiate that each cost item was actually incurred and paid by including appropriate documentation of each expense (e.g., copies of invoices, bills, canceled checks, credit card statements, expense reports, receipts or other proof of payment);

1. As to the Sobon Lan reimbursement, we have only asked to have the direct costs for materials and equipment. We did not segregate the costs for “prevailing wage”, nor did we bid the short portion of the 6” recycle water line separately from the larger job. We are providing copies of the checks issued to J.D.Pasquetti for the portion of Sobon Lane as shown on the diagram.

Attached are all checks issued to J.D. Pasquetti for all 6” C-900 /2” blow off and ARV, from each pay request.

and (d) certify that the costs were actually and directly incurred and paid by Developer in the design and construction of the Recycled Water Line.

I certify that the costs shown on the schedule of values for MGII (6” Recycle Water Line- Purple Pipe) were actually completed by JDPasquetti under contract directly with Cosumnes River Land, and that a portion of those values is being requested for reimbursement as shown on the previously provided invoice.



John M. Sullivan, Manager
Cosumnes River Land, LLC
Murieta Gardens II Developer/

Cosumnes River Land, LLC

PO Box 1280
Rancho Murietta, CA 95683

American River Bank
Bradshaw Plaza 916-368-3400
Sacramento, CA

90-4026/1211

10169

8/14/2019

PAY
TO THE
ORDER OF

J.D. Pasquetti Inc.

\$ **208,055.70

Two Hundred Eight Thousand Fifty-Five and 70/100*****

DOLLARS

J.D. Pasquetti Inc
3032 Thunder Valley Ct., Suite 200
Lincoln, CA 95648



AUTHORIZED SIGNATURE

Security features included. Details on back.

MEMO

Application 10



Cosumnes River Land, LLC

10169

J.D. Pasquetti Inc.

8/14/2019

Date	Type	Reference
6/25/2019	Bill	3335

Original Amt.
208,055.70

Balance Due
208,055.70

Discount

Payment
208,055.70

Check Amount

208,055.70

American River Bank- Application 10

208,055.70

Cosumnes River Land, LLC

10169

J.D. Pasquetti Inc.

8/14/2019

Date	Type	Reference
6/25/2019	Bill	3335

Original Amt.
208,055.70

Balance Due
208,055.70

Discount

Payment
208,055.70

Check Amount

208,055.70

American River Bank- Application 10

208,055.70



JUN 28 2019

Application No: 10
 Invoice No: 3335
 Invoice Date: 6/25/2019
 Period To: 6/30/2019
 Project No:
 Contract Date: 5/18/2018

Project: Murfeta Gardens II
 Murfeta Drive & Legacy Lane
 Rancho Murfeta, CA 95683

Via (Architect/
 Engineer)

POSTED

To (OWNER): Cosumnes River Land, LLC
 c/o Rancho Murfeta Prop., LLC
 14670 Caintova Way, Suite 220
 Rancho Murfeta, CA 95683
 From: J.D. Pasquetti, Inc.
 3032 Thunder Valley Court
 Suite 200
 Lincoln, CA 95648
 (916) 543-9401

For: Site Prep/Grading/Sewer/Storm/Water/Paving/Concrete

Original Contract sum	2,524,935.00
Change Orders	362,773.00
Contract sum	2,887,708.00
Completed to date	2,877,388.00
Retainage	287,738.80
Total earned less retainage	2,589,649.20
Previous billings	2,381,593.50
Current payment due	208,055.70
Sales tax	0.00
Total due	208,055.70

APPROVED
[Signature]
 Arturo L. Velazquez

Pay from Cal

> PD COSTS

> M&E - RESIDENT

> SITE WORK

RET. PAY. - JDR

231,173.-
 (23,117.30)
 208,055.70

Invoice Total 231,173.00
 Less 10% Retention 23,117.30
 Total Due 208,055.70

Kenneth A. Metz
 Administrative Analyst
 6/25/19



To(OWNER): Cosumnes River Land, LLC
 c/o Rancho Murleta Prop., LLC
 14670 Canbya Way, Suite 220
 Rancho Murleta, CA 95683

From: J D Pasquetti, Inc.
 3032 Thunder Valley Court
 Suite 200
 Lincoln, CA 95648
 (916) 543-9401

Via(Architect/
 Engineer)

Application No: 10
 Invoice No: 3335
 Invoice Date: 6/25/2019
 Period To: 6/30/2019
 Project No:
 Contract Date: 5/18/2018

For: Site Prep/Grading/Sewer/Storm/Water/Paving/Concrete

No.	Description	Total Quantity	Unit Cost	Total Cost	Completed Units	Current Value	Prior Value	Due This Request	
E1	RAW WATER SYSTEM	1 LS	14,000.00	14,000.00	1	14,000.00	2,800.00	11,200.00	
E2	Raw Water Connection (No Valving) 6" C900 Class 150 Water Line (Purple Pipe)	1 LS	165,377.00	165,377.00	1	165,377.00	165,377.00	0.00	
E3	1" Raw Water Services w/Meter Box	1 LS	130,900.00	130,900.00	1	130,900.00	117,810.00	13,090.00	
E4	1" Raw Irrigation Services w/Meter Box	1 LS	5,100.00	5,100.00	1	5,100.00	4,590.00	510.00	
E5	6" Gate Valve w/Box	1 LS	21,780.00	21,780.00	1	21,780.00	21,780.00	0.00	
E6	2" Blow Off	1 LS	9,930.00	9,930.00	1	9,930.00	9,433.50	496.50	
E7	1" ARV	1 LS	9,600.00	9,600.00	1	9,600.00	9,120.00	480.00	
E8	Raw Water Mobilization	1 LS	4,300.00	4,300.00	1	4,300.00	4,300.00	0.00	
				<u>360,987.00</u>		<u>360,987.00</u>	<u>335,210.50</u>	<u>25,776.50</u>	
AC PAVING & CONCRETE									
F1	Place & Compact Wet Utility Spoils	1 LS	24,100.00	24,100.00	1	24,100.00	24,100.00	0.00	
F2	Traffic Control & Saw Cutting	1 LS	4,000.00	4,000.00	1	4,000.00	4,000.00	0.00	
F3	Finish Grade, AB & Curb & Gutter	1 LS	192,700.00	192,700.00	1	192,700.00	192,700.00	0.00	
F4	Finish Grade, AB & Concrete Sidewalks	1 LS	242,400.00	242,400.00	1	242,400.00	242,400.00	0.00	
F5	Concrete ADA Handicap Ramps	1 LS	16,300.00	16,300.00	1	16,300.00	16,300.00	0.00	
F6	Finish Grade & Pave 3" AC on 8" AB	1 LS	303,800.00	303,800.00	1	303,800.00	303,800.00	0.00	
F7	1" AC Overlay on Legacy Lane	1 LS	30,250.00	30,250.00	1	30,250.00	3,025.00	27,225.00	
F8	Patch Pave Wet Utility Trenches on Legacy Lane	1 LS	15,100.00	15,100.00	1	15,100.00	15,100.00	0.00	
F9	Striping & Signage per Plan	1 LS	7,500.00	7,500.00	1	7,500.00	0.00	7,500.00	
				<u>836,150.00</u>		<u>836,150.00</u>	<u>801,425.00</u>	<u>34,725.00</u>	

Change Order #1

Cosumnes River Land, LLC

PO Box 1280
Rancho Muneta, CA 95683

American River Bank
Bradshaw Plaza 916-368-3400
Sacramento, CA

10045

90-4028/1211

2/26/2019

PAY
TO THE
ORDER OF

J.D. Pasquetti Inc.

\$ **305,000.10

Three Hundred Five Thousand and 10/100***** DOLLARS

J.D. Pasquetti Inc
3032 Thunder Valley Ct., Suite 200
Lincoln, CA 95648

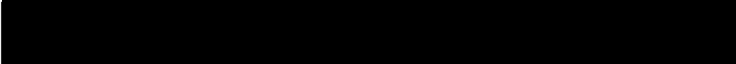


AUTHORIZED SIGNATURE

Security features included. Details on back.

MEMO

Application 7



Cosumnes River Land, LLC

10045

J.D. Pasquetti Inc.

2/26/2019

Date Type Reference
1/31/2019 Bill 3311

Original Amt.
305,000.10

Balance Due
305,000.10

Discount
Check Amount

Payment
305,000.10
305,000.10

American River Bank- Application 7

305,000.10

Cosumnes River Land, LLC

10045

J.D. Pasquetti Inc.

2/26/2019

Date Type Reference
1/31/2019 Bill 3311

Original Amt.
305,000.10

Balance Due
305,000.10

Discount
Check Amount

Payment
305,000.10
305,000.10

American River Bank- Application 7

305,000.10

FEB 12 2019



Project: Murietta Gardens II
Murietta Drive & Legacy Lane
Rancho Murietta, CA 95683

Via (Architect/
Engineer)

To (OWNER): Cosumnes River Land, LLC
c/o Rancho Murietta Prop., LLC
14670 Cantova Way, Suite 220
Rancho Murietta, CA 95683
From: J D Pasquetti, Inc.
3832 Thunder Valley Court
Suite 200
Lincoln, CA 95648
(916) 543-9401

For: Site Prep/Grading/Sewer/Storm/Water/Paving/Concrete

Original Contract sum	2,524,935.00
Change Orders.....	72,937.00
Contract sum	2,597,872.00
Completed to date.....	2,438,296.00
Retainage.....	243,829.60
Total earned less retainage.....	2,194,466.40
Previous billings.....	1,889,466.30
Current payment due.....	305,000.10
Sales tax.....	0.00
Total due.....	305,000.10

POSTED

Application No: 7
Invoice No: 3311
Invoice Date: 1/31/2019
Period To: 1/31/2019
Project No:
Contract Date: 5/18/2018

Approved
[Signature] 2/11/19
ANTONIO I. VECERZ, CPO

OKL
SPD COSTS
> MURIELLA GARDENS II
78 RES LOTS
> SITE WORK JDP
> Retention payable
> HG II RES LOTS JDP

Invoice Total: 338,889
Less 10% Ret: 33,888.90
Total Due = 305,000.10
Elizabeth Strueman
OFFICE MANAGER
02/11/2019



To(OWNER): Cosumnes River Land, LLC
 c/o Rancho Murleta Prop., LLC
 14670 Cantova Way, Suite 220
 Rancho Murleta, CA 95683
 From: J D Pasquetti, Inc.
 3032 Thunder Valley Court
 Suite 200
 Lincoln, CA 95648
 (916) 543-9401

Via (Architect/
 Engineer)

Project: Murleta Gardens II
 Murleta Drive & Legacy Lane
 Rancho Murleta, CA 95683
 Application No: 7
 Invoice No: 3311
 Invoice Date: 1/31/2019
 Period To: 1/31/2019
 Project No:
 Contract Date: 5/18/2018

For: Site Prep/Grading/Sewer/Storm/Water/Paving/Concrete

No.	Description	Total Quantity	Unit Cost	Total Cost	Completed Units	Current Value	Prior Value	Due This Request
RAW WATER SYSTEM								
E1	Raw Water Connection (No Valving)	1 LS	14,000.00	14,000.00	0.2	2,800.00	0.00	2,800.00
E2	6" C900 Class 150 Water Line (Purple Pipe)	1 LS	165,377.00	165,377.00	1	165,377.00	165,377.00	0.00
E3	1" Raw Water Services w/Meter Box	1 LS	130,900.00	130,900.00	0.9	117,810.00	117,810.00	0.00
E4	1" Raw Irrigation Services w/Meter Box	1 LS	5,100.00	5,100.00	0.9	4,590.00	4,590.00	0.00
E5	6" Gate Valve w/Box	1 LS	21,780.00	21,780.00	1	21,780.00	21,780.00	0.00
E6	2" Blow Off	1 LS	9,930.00	9,930.00	0.95	9,433.50	9,433.50	0.00
E7	1" ARV	1 LS	9,600.00	9,600.00	0.95	9,120.00	9,120.00	0.00
E8	Raw Water Mobilization	1 LS	4,300.00	4,300.00	1	4,300.00	4,300.00	0.00
				<u>360,987.00</u>		<u>335,210.50</u>	<u>332,410.50</u>	<u>2,800.00</u>
AC PAVING & CONCRETE								
F1	Place & Compact Wet Utility Spalls	1 LS	24,100.00	24,100.00	1	24,100.00	24,100.00	0.00
F2	Traffic Control & Saw Cutting	1 LS	4,000.00	4,000.00	0.25	1,000.00	1,000.00	0.00
F3	Finish Grade, AB & Curb & Gutter	1 LS	192,700.00	192,700.00	1	192,700.00	134,890.00	57,810.00
F4	Finish Grade, AB & Concrete Sidewalks	1 LS	242,400.00	242,400.00	0.7	169,680.00	121,200.00	48,480.00
F5	Concrete ADA Handicap Ramps	1 LS	16,300.00	16,300.00	0.7	11,410.00	8,150.00	3,260.00
F6	Finish Grade & Pave 3" AC on 8" AB	1 LS	303,800.00	303,800.00	1	303,800.00	182,280.00	121,520.00
F7	1" AC Overlay on Legacy Lane	1 LS	30,250.00	30,250.00	0	0.00	0.00	0.00
F8	Patch Pave Wet Utility Trenches on Legacy Lane	1 LS	15,100.00	15,100.00	1	15,100.00	0.00	15,100.00
F9	Striping & Signage, per Plan	1 LS	7,500.00	7,500.00	0	0.00	0.00	0.00
				<u>836,150.00</u>		<u>717,790.00</u>	<u>471,620.00</u>	<u>246,170.00</u>

Change Order #1

Cosumnes River Land, LLC

PO Box 1280
Rancho Murietta, CA 95683

American River Bank
Bradshaw Plaza 916-368-3400
Sacramento, CA

10032

90-4026/1211

1/7/2019

PAY
TO THE
ORDER OF

J.D. Pasquetti Inc.

\$ **369,942.03

Three Hundred Sixty-Nine Thousand Nine Hundred Forty-Two and 03/100***** DOLLARS

J.D. Pasquetti Inc
3032 Thunder Valley Ct., Suite 200
Lincoln, CA 95648



AUTHORIZED SIGNATURE

MP

MEMO



Security features include: Details on back.

Cosumnes River Land, LLC

10032

J.D. Pasquetti Inc.

1/7/2019

Date Type Reference
11/30/2018 Bill 3302

Original Amt.
369,942.03

Balance Due
369,942.03

Discount
Check Amount

Payment
369,942.03
369,942.03

American River Bank-

369,942.03

Cosumnes River Land, LLC

10032

J.D. Pasquetti Inc.

1/7/2019

Date Type Reference
11/30/2018 Bill 3302

Original Amt.
369,942.03

Balance Due
369,942.03

Discount
Check Amount

Payment
369,942.03
369,942.03

American River Bank-

369,942.03



Project: Murleta Gardens II
 Murleta Drive & Legacy Lane
 Rancho Murleta, CA 95683

To (OWNER): Cosumnes River Land, LLC

c/o Rancho Murleta Prop., LLC
 14670 Canbya Way, Suite 220
 Rancho Murleta, CA 95683

From: J.D. Pasquetti, Inc.
 3032 Thunder Valley Court
 Suite 200
 Lincoln, CA 95648
 (916) 543-9401

Via (Architect/
 Engineer)

For: Site Prep/Grading/Sewer/Storm/Water/Paving/Concrete

Original Contract sum	2,524,935.00
Change Orders	48,450.00
Contract sum	2,573,385.00
Completed to date	1,926,139.00
Retainage	192,613.90
Total earned less retainage	1,733,525.10
Previous billings	1,363,583.07
Current payment due	369,942.03
Sales tax	0.00
Total due	369,942.03

Pay you del

APPROVED

Antonio I. Velazquez

12/14/18

ANTONIO I. VELAZQUEZ, CFO

POSTED

Application No: 5
 Invoice No: 3302
 Invoice Date: 11/30/2018
 Period To: 11/30/2018
 Project No:
 Contract Date: 5/18/2018

(REVISAR)

*70%
 77% 0%
 74% II
 77% Red lots site work
 Retention payable
 7 MGII Red lots JDP*

Invoice Total: 411,046.70
 Less 10% Retain: 41,104.67
 Invoice Total: 369,942.03

Eligible Structures
 OFFICE MANAGER
 1204 201C



To(OWNER): Cosumnes River Land, LLC
 c/o Rancho Murleta Prop., LLC
 14670 Caribva Way, Suite 220
 Rancho Murleta, CA 95683

From: J.D. Pasquetti, Inc.
 3032 Thunder Valley Court
 Suite 200
 Lincoln, CA 95648
 (916) 543-9401

Project: Murleta Gardens II
 Murleta Drive & Legacy Lane
 Rancho Murleta, CA 95683

Via (Architect/
 Engineer)

Application No: 5
 Invoice No: 3302
 Invoice Date: 11/30/2018
 Period To: 11/30/2018
 Project No:
 Contract Date: 5/18/2018

For: Site Prep/Grading/Sewer/Storm/Water/Paving/Concrete

No.	Description:	Total Quantity	Unit Cost	Total Cost	Completed Units	Current Value	Prior Value	Due This Request
RAW WATER SYSTEM:								
E1	Raw Water Connection (No Valving)	1 LS	14,000.00	14,000.00	0	0.00	0.00	0.00
E2	6" C900 Class 150 Water Line (Purple Pipe)	1 LS	165,377.00	165,377.00	1	165,377.00	148,839.30	16,537.70
E3	1" Raw Water Services w/Meter Box	1 LS	130,900.00	130,900.00	0.9	117,810.00	117,810.00	0.00
E4	1" Raw Irrigation Services w/Meter Box	1 LS	5,100.00	5,100.00	0.9	4,590.00	4,080.00	510.00
E5	6" Gate Valve w/Box	1 LS	21,780.00	21,780.00	1	21,780.00	20,691.00	1,089.00
E6	2" Blow Off	1 LS	9,930.00	9,930.00	0.95	9,493.50	8,937.00	496.50
E7	1" ARV	1 LS	9,600.00	9,600.00	0.95	9,120.00	8,640.00	480.00
E8	Raw Water Mobilization	1 LS	4,300.00	4,300.00	1	4,300.00	4,300.00	0.00
				<u>360,987.00</u>		<u>332,410.50</u>	<u>313,297.30</u>	<u>19,113.20</u>
AC PAVING & CONCRETE								
F1	Place & Compact Wet Utility Spoils	1 LS	24,100.00	24,100.00	1	24,100.00	19,280.00	4,820.00
F2	Traffic Control & Saw Cutting	1 LS	4,000.00	4,000.00	0.25	1,000.00	0.00	1,000.00
F3	Finish Grade, AB & Curb & Gutter	1 LS	192,700.00	192,700.00	0.3	57,810.00	0.00	57,810.00
F4	Finish Grade, AB & Concrete Sidewalks	1 LS	242,400.00	242,400.00	0.3	72,720.00	0.00	72,720.00
F5	Concrete ADA Handicap Ramps	1 LS	16,300.00	16,300.00	0.3	4,890.00	0.00	4,890.00
F6	Finish Grade & Pave: 3" AC on 8" AB	1 LS	303,800.00	303,800.00	0.5	151,900.00	0.00	151,900.00
F7	1" AC Overlay on Legacy Lane	1 LS	30,250.00	30,250.00	0	0.00	0.00	0.00
F8	Patch Pave Wet Utility Trenches on Legacy Lane	1 LS	15,100.00	15,100.00	0	0.00	0.00	0.00
F9	Striping & Signage per Plan	1 LS	7,500.00	7,500.00	0	0.00	0.00	0.00
				<u>836,150.00</u>		<u>312,420.00</u>	<u>19,280.00</u>	<u>293,140.00</u>

Change Order #1

Cosumnes River Land, LLC

PO Box 1280
Rancho Murieta, CA 95683

American River Bank
Bradshaw Plaza 916-368-3400
Sacramento, CA

10022

90-4026/1211

11/5/2018

PAY
TO THE
ORDER OF

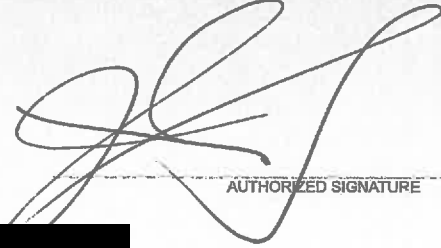
J.D. Pasquetti Inc.

\$ **658,634.13

Six Hundred Fifty-Eight Thousand Six Hundred Thirty-Four and 13/100*****

DOLLARS

J.D. Pasquetti Inc
3032 Thunder Valley Ct., Suite 200
Lincoln, CA 95648



AUTHORIZED SIGNATURE

Security features included. Details on back.

MEMO



Cosumnes River Land, LLC

10022

J.D. Pasquetti Inc.

Date	Type	Reference
9/30/2018	Bill	3278

Original Amt.
658,634.13

Balance Due
658,634.13

11/5/2018
Discount
Check Amount

Payment
658,634.13
658,634.13

American River Bank-

658,634.13

Cosumnes River Land, LLC

10022

J.D. Pasquetti Inc.

Date	Type	Reference
9/30/2018	Bill	3278

Original Amt.
658,634.13

Balance Due
658,634.13

11/5/2018
Discount
Check Amount

Payment
658,634.13
658,634.13

American River Bank-

658,634.13



OCT 3 0 2018

To(OWNER): Cosumes River Land, LLC
 c/o Rancho Murieta Prop., LLC
 14670 Cantova Way, Suite 220
 Rancho Murieta, CA 95683

Project: Murieta Gardens II
 Murieta Drive & Legacy Lane
 Rancho Murieta, CA 95683

Application No: 3
 Invoice No: 3278
 Invoice Date: 9/26/2018
 Period To: 9/30/2018
 Project No:
 Contract Date: 5/18/2018

From: J.D. Pasquetti, Inc.
 3032 Thunder Valley Court
 Suite 200
 Lincoln, CA 95648
 (916) 543-9401

Via(Architect/
 Engineer)

For: Site Prep/Grading/Sewer/Storm/Water/Paving/Concrete:

Original Contract sum	2,524,935.00
Change Orders	48,450.00
Contract sum	2,573,385.00
Completed to date	1,334,841.80
Retainage	133,484.18
Total earned less retainage	1,201,357.62
Previous billings	542,723.49
Current payment	658,634.13
Sales tax	0.00
Total due	658,634.13

Pay from
 CR

CR
 > PD costs
 > Murieta Gardens II
 78 Res. lots - site work
 > Retention payable
 > HGII 78 Res. lots JRP

Invoice Total: 731,815.10
 Less 10% Retention 73,181.51
 Total Due: 658,634.13

Elizabeth Stevenson
 OFFICE MANAGER
 09-26-2018

CR

POSTED



Project: Murietta Gardens II
 Murietta Drive & Legacy Lane
 Rancho Murietta, CA 95683

Tal(OWNER): Cosumnes River Land, LLC
 c/o Rancho Murietta Prop., LLC
 14670 Cantova Way, Suite 220
 Rancho Murietta, CA 95683
 From: J D Pasquetti, Inc.
 3032 Thunder Valley Court
 Suite 200
 Lincoln, CA 95648
 (916) 543-9401

Via/Architect/
 Engineer)

Application No: 3
 Invoice No: 3278
 Invoice Date: 9/26/2018
 Period To: 9/30/2018
 Project No:
 Contract Date: 5/18/2018

For: Site Prep/Grading/Sewer/Storm/Water/Paving/Concrete

No.	Description	Total Quantity	Unit Cost	Total Cost	Completed Units	Current Value	Prior Value	Due This Request
RAW WATER SYSTEM								
E1	Raw Water Connection (No Valving)	1 LS	14,000.00	14,000.00	0	0.00	0.00	0.00
E2	6" C900 Class 150 Water Line (Purple Pipe)	1 LS	165,377.00	165,377.00	0.9	148,839.30	49,613.10	99,226.20
E3	1" Raw Water Services w/Meter Box	1 LS	130,900.00	130,900.00	0.9	117,810.00	26,180.00	91,630.00
E4	1" Raw Irrigation Services w/Meter Box	1 LS	5,100.00	5,100.00	0.2	1,020.00	1,020.00	0.00
E5	6" Gate Valve w/Box	1 LS	21,780.00	21,780.00	0.9	19,602.00	4,356.00	15,246.00
E6	2" Blow Off	1 LS	9,930.00	9,930.00	0.9	8,937.00	1,986.00	6,951.00
E7	1" ARV	1 LS	9,600.00	9,600.00	0.9	8,640.00	1,920.00	6,720.00
E8	Raw Water Mobilization	1 LS	4,300.00	4,300.00	1	4,300.00	4,300.00	0.00
				<u>360,987.00</u>		<u>309,148.30</u>	<u>89,375.10</u>	<u>219,773.20</u>
AC PAVING & CONCRETE								
F1	Place & Compact Wet Utility Spoils	1 LS	24,100.00	24,100.00	0.6	14,460.00	9,640.00	4,820.00
F2	Traffic Control & Saw Cutting	1 LS	4,000.00	4,000.00	0	0.00	0.00	0.00
F3	Finish Grade, AB & Curb & Gutter	1 LS	192,700.00	192,700.00	0	0.00	0.00	0.00
F4	Finish Grade, AB & Concrete Sidewalks	1 LS	242,400.00	242,400.00	0	0.00	0.00	0.00
F5	Concrete ADA Handicap Ramps	1 LS	16,300.00	16,300.00	0	0.00	0.00	0.00
F6	Finish Grade & Pave 3" AC on 8" AB	1 LS	303,800.00	303,800.00	0	0.00	0.00	0.00
F7	1" AC Overlay on Legacy Lane	1 LS	30,250.00	30,250.00	0	0.00	0.00	0.00
F8	Patch Pave Wet Utility Trenches on Legacy Lane	1 LS	15,100.00	15,100.00	0	0.00	0.00	0.00
F9	Striping & Signage per Plan	1 LS	7,500.00	7,500.00	0	0.00	0.00	0.00
				<u>836,150.00</u>		<u>14,460.00</u>	<u>9,640.00</u>	<u>4,820.00</u>

Change Order #1

Cosumnes River Land, LLC

PO Box 1280
Rancho Murieta, CA 95683

American River Bank
Bradshaw Plaza 818-368-3400
Sacramento, CA

10017

90-4028/1211

10/4/2018

PAY
TO THE
ORDER OF

J.D. Pasquetti Inc.

\$ **297,612.99

Two Hundred Ninety-Seven Thousand Six Hundred Twelve and 99/100***** DOLLARS

J.D. Pasquetti Inc
3032 Thunder Valley Ct., Suite 200
Lincoln, CA 95648



AUTHORIZED SIGNATURE

MEMO



Security features included. Details on back.

Cosumnes River Land, LLC

10017

J.D. Pasquetti Inc.

10/4/2018

Date Type Reference
8/27/2018 Bill 3267 2

Original Amt.
297,612.99

Balance Due
297,612.99

Discount

Payment
297,612.99

Check Amount

297,612.99

American River Bank-

297,612.99

Cosumnes River Land, LLC

10017

J.D. Pasquetti Inc.

10/4/2018

Date Type Reference
8/27/2018 Bill 3267 2

Original Amt.
297,612.99

Balance Due
297,612.99

Discount

Payment
297,612.99

Check Amount

297,612.99

American River Bank-

297,612.99



SEP 12 2018

To(OWNER): Cosumnes River Land, LLC

c/o Rancho Murfeta Prop., LLC
14670 Cantoya Way, Suite 220
Rancho Murfeta, CA 95683

From: J D Pasquetti, Inc.
3032 Thunder Valley Court
Suite 200
Lincoln, CA 95648
(916) 543-9401

Project: Murfeta Gardens II
Murfeta Drive & Legacy Lane
Rancho Murfeta, CA 95683

Via(Architect)/
Engineer

Application No: 2
Invoice No: 3267
Invoice Date: 8/27/2018
Period To: 8/31/2018
Project No:
Contract Date: 5/18/2018

Page 1

For: Site Prep/Grading/Sewer/Storm/Water/Paving/Concrete

Original Contract sum	2,524,935.00
Change Orders.....	3,853.00
Contract sum	2,528,788.00
Completed to date.....	603,026.10
Retainage.....	60,302.61
Total earned less retainage	542,723.49
Previous billings.....	245,110.50
Current payment due.....	297,612.99
Sales tax.....	0.00
Total due.....	<u>297,612.99</u>

POSTED

APPROVED
Antoni P. J. [Signature] 9/3/18

✓ ALL
 ✓ PD Orders
 ✓ Murfeta Gardens II
 18 Residential Lots
 ✓ Site work IDP
 ✓ Retention payable
 ✓ MG II 18 Rod. Lots IDP

Invoice Total: 330,681.10
 Less 10% Ret: \$ 33,068.11
 TOTAL DUE: \$ 297,612.99
 Elizabeth Steverson
 08-27-2018
 OFFICE MANAGER



Project: Murietta Gardens II
 Murietta Drive & Legacy Lane
 Rancho Murietta, CA 95683

To(OWNER): Cosumnes River Land, LLC

c/o Rancho Murietta Prop, LLC

14670 Cantova Way, Suite 220

Rancho Murietta, CA 95683

From: J D Pasquetti, Inc.

3032 Thunder Valley Court

Suite 200

Lincoln, CA 95648

(916) 543-9401

Application No: 2

Invoice No: 3267

Invoice Date: 8/27/2018

Period To: 8/31/2018

Project No:

Contract Date: 5/18/2018

Page 5

For: Site Prep/Grading/Sewer/Storm/Water/Paving/Concrete

No.	Description	Total Quantity	Unit Cost	Total Cost	Completed Units	Current Value	Prior Value	Due This Request
RAW WATER SYSTEM								
E1	Raw Water Connection (No Valving)	1 LS	14,000.00	14,000.00	0	0.00	0.00	0.00
E2	6" C900 Class 150 Water Line (Purple Pipe)	1 LS	165,377.00	165,377.00	0.3	49,613.10	0.00	49,613.10
E3	1" Raw Water Services w/Meter Box	1 LS	130,900.00	130,900.00	0.2	26,180.00	0.00	26,180.00
E4	1" Raw Irrigation Services w/Meter Box	1 LS	5,100.00	5,100.00	0.2	1,020.00	0.00	1,020.00
E5	6" Gate Valve w/Box	1 LS	21,780.00	21,780.00	0.2	4,356.00	0.00	4,356.00
E6	2" Blow Off	1 LS	9,930.00	9,930.00	0.2	1,986.00	0.00	1,986.00
E7	1" ARV	1 LS	9,600.00	9,600.00	0.2	1,920.00	0.00	1,920.00
E8	Raw Water Mobilization	1 LS	4,300.00	4,300.00	1	4,300.00	0.00	0.00
				<u>360,987.00</u>		<u>89,375.10</u>	<u>4,300.00</u>	<u>85,075.10</u>
AC PAVING & CONCRETE								
F1	Place & Compact Wet Utility Spoils	1 LS	24,100.00	24,100.00	0.4	9,640.00	0.00	9,640.00
F2	Traffic Control & Saw Cutting	1 LS	4,000.00	4,000.00	0	0.00	0.00	0.00
F3	Finish Grade, AB & Curb & Gutter	1 LS	192,700.00	192,700.00	0	0.00	0.00	0.00
F4	Finish Grade, AB & Concrete Sidewalks	1 LS	242,400.00	242,400.00	0	0.00	0.00	0.00
F5	Concrete ADA Handicap Ramps	1 LS	16,300.00	16,300.00	0	0.00	0.00	0.00
F6	Finish Grade & Pave 3" AC on 8" AB	1 LS	303,800.00	303,800.00	0	0.00	0.00	0.00
F7	1" AC Overlay on Legacy Lane	1 LS	30,250.00	30,250.00	0	0.00	0.00	0.00
F8	Patch Pave Wet Utility Trenches on Legacy Lane	1 LS	15,100.00	15,100.00	0	0.00	0.00	0.00
F9	Striping & Signage per Plan	1 LS	7,500.00	7,500.00	0	0.00	0.00	0.00
				<u>836,150.00</u>		<u>9,640.00</u>	<u>0.00</u>	<u>9,640.00</u>

Change Order #1

Cosumnes River Land, LLC

PO Box 1280
Rancho Murieta, CA 95683

American River Bank
Bradshaw Plaza 916-368-3400
Sacramento, CA

10013

90-4026/1211

8/28/2018

PAY
TO THE
ORDER OF

J.D. Pasquetti

\$ **245,110.50

Two Hundred Forty-Five Thousand One Hundred Ten and 50/100***** DOLLARS

J.D. Pasquetti Inc
3032 Thunder Valley Ct., Suite 200
Lincoln, CA 95648



AUTHORIZED SIGNATURE

Security features included. Details on back.

MEMO



Cosumnes River Land, LLC

10013

J.D. Pasquetti

8/28/2018

Date Type Reference
7/31/2018 Bill 3262

Original Amt.
245,110.50

Balance Due
245,110.50

Discount

Payment
245,110.50

Check Amount

245,110.50

American River Bank-

245,110.50

Cosumnes River Land, LLC

10013

J.D. Pasquetti

8/28/2018

Date Type Reference
7/31/2018 Bill 3262

Original Amt.
245,110.50

Balance Due
245,110.50

Discount

Payment
245,110.50

Check Amount

245,110.50

American River Bank-

245,110.50



Project: Murieta Gardens II
Murieta Drive & Legacy Lane
Rancho Murieta, CA 95683

Application No: 1

Invoice No: 3262

Invoice Date: 7/31/2018

Period To: 7/31/2018

Project No:

Contract Date: 5/18/2018

To/OWNER: Cosumnes River Land, LLC
c/o Rancho Murieta Prop., LLC
14670 Cantova Way, Suite 220
Rancho Murieta, CA 95683
From: J D Pasquetti, Inc.
3032 Thunder Valley Court
Suite 200
Lincoln, CA 95648
(916) 543-9401

Via (Architect/
Engineer)

For: Site Prep/Grading/Sewer/Storm/Water/Paving/Concrete

AUG 03 2018

POSTED

Original Contract sum	2,524,935.00
Change Orders	3,853.00
Contract sum	2,528,788.00
Completed to date	272,345.00
Retainage	27,234.50
Total earned less retainage	245,110.50
Previous billings	0.00
Current payment due	245,110.50
Sales tax	0.00
Total due	245,110.50

212,345.00
245,110.50
245,110.50
OK Tony
Pay from OEL
OEL costs
MGII 78 Basis lots
Site work - JDP
Reten. payable
MGII 78 Basis lots



To(OWNER): Cosumnes River Land, LLC
 c/o Rancho Murleta Prop., LLC
 14670 Cantova Way, Suite 220
 Rancho Murleta, CA 95683

From: J D Pasquetti, Inc.
 3032 Thunder Valley Court
 Suite 200
 Lincoln, CA 95648
 (916) 543-9401

Project: Murleta Gardens II
 Murleta Drive & Legacy Lane
 Rancho Murleta, CA 95683

Via(Architect/
 Engineer)

Application No: 1.
 Invoice No: 3262
 Invoice Date: 7/31/2018
 Period To: 7/31/2018
 Project No:
 Contract Date: 5/18/2018

For: Site Prep/Grading/Sewer/Storm/Water/Paving/Concrete

No.	Description	Total Quantity	Unit Cost	Total Cost	Completed Units	Current Value	Prior Value	Due This Request
RAW WATER SYSTEM								
E1	Raw Water Connection (No Valving)	1 LS	14,000.00	14,000.00	0	0.00	0.00	0.00
E2	6" C900 Class 150 Water Line (Purple Pipe)	1 LS	165,377.00	165,377.00	0	0.00	0.00	0.00
E3	1" Raw Water Services w/Meter Box	1 LS	130,900.00	130,900.00	0	0.00	0.00	0.00
E4	1" Raw Irrigation Services w/Meter Box	1 LS	5,100.00	5,100.00	0	0.00	0.00	0.00
E5	6" Gate Valve w/Box	1 LS	21,780.00	21,780.00	0	0.00	0.00	0.00
E6	2" Blow Off	1 LS	9,930.00	9,930.00	0	0.00	0.00	0.00
E7	1" ARV	1 LS	9,600.00	9,600.00	0	0.00	0.00	0.00
E8	Raw Water Mobilization	1 LS	4,300.00	4,300.00	1	4,300.00	0.00	4,300.00
				<u>360,987.00</u>		<u>4,300.00</u>	<u>0.00</u>	<u>4,300.00</u>
AC PAVING & CONCRETE:								
F1	Place & Compact Wet Utility Spoils	1 LS	24,100.00	24,100.00	0	0.00	0.00	0.00
F2	Traffic Control & Saw Cutting	1 LS	4,000.00	4,000.00	0	0.00	0.00	0.00
F3	Finish Grade, AB: & Curb & Gutter	1 LS	192,700.00	192,700.00	0	0.00	0.00	0.00
F4	Finish Grade, AB: & Concrete Sidewalks	1 LS	242,400.00	242,400.00	0	0.00	0.00	0.00
F5	Concrete ADA Handicap Ramps	1 LS	16,300.00	16,300.00	0	0.00	0.00	0.00
F6	Finish Grade & Pave 3" AC on 8" AB	1 LS	303,800.00	303,800.00	0	0.00	0.00	0.00
F7	1" AC Overlay on Legacy Lane	1 LS	30,250.00	30,250.00	0	0.00	0.00	0.00
F8	Patch Pave Wet Utility Trenches on Legacy Lane	1 LS	15,100.00	15,100.00	0	0.00	0.00	0.00
F9	Striping & Signage per Plan	1 LS	7,500.00	7,500.00	0	0.00	0.00	0.00
RFC 1	Pump Water	1 LS	3,853.00	3,853.00	1	3,853.00	0.00	3,853.00
				<u>836,150.00</u>		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
				<u>3,853.00</u>		<u>3,853.00</u>	<u>0.00</u>	<u>3,853.00</u>

TOTAL: 272,345

MEMORANDUM

Date: September 6, 2019
To: Board of Directors
From: Mark Martin, General Manager
Subject: Introduction of Ordinance 2019-04 - Expansion of General Manager's Reserves Spending Authority

RECOMMENDED ACTION

Introduce Ordinance O2019-04 – Amending District Code Chapter 4 (Purchasing and Bidding) to adjust General Manager spending authorization on reserve fund expenditures and budget-approved capital projects up to \$25,000 and \$50,000 respectively. Waive the full reading of the Ordinance and continue to the October 16, 2019 Board Meeting for adoption.

BACKGROUND

At the July 2019 Finance Committee, Director of Administration Tom Hennig gave a summary of the recommendation to authorize the General Manager to expend reserve funds up to \$25,000 without requiring prior Board approval. Over the last six years, approximately 83 reserve expenditure requests were sent to the Board for approval with a dollar amount under \$25,000. After discussion, the Committee agreed to recommend authorizing the General Manager to expend up to \$25,000 of reserve funds without Board approval and up to \$50,000 on already budget-approved Capital Improvement/Replacement Projects. This is an amendment to District Code Chapter 4 (Purchasing and Bidding) which will have its first reading of the Ordinance at the September 18, 2019 Regular Board meeting.

At the September Finance Committee meeting, directors unanimously recommended advancing this ordinance to the Board for consideration.

ORDINANCE NO. 02019-04

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT AMENDING DISTRICT CODE CHAPTER 4 (PURCHASING AND BIDDING) TO ADJUST GENERAL MANAGER SPENDING AUTHORIZATION ON RESERVE FUND EXPENDITURES AND BUDGET-APPROVED CAPITAL PROJECTS

The Board of Directors of the Rancho Murieta Community Services District hereby ordains as follows:

SECTION 1. PURPOSE AND AUTHORITY. The purpose of this ordinance is to adjust the General Manager spending authority with regard to expenditures paid from the District reserve funds and expenditures on budget-approved capital improvement and replacement projects. This ordinance is adopted pursuant to Government Code sections 54202, 61060 and 61063, and other applicable law.

SECTION 2. CODE AMENDMENTS

Sections 3.03 and 3.04 are added to District Code Chapter 4 (Purchasing and Bidding) to read as follows:

Section 3.03. Expenditures from Reserve Funds. The General Manager spending authority under sections 5.00 (Commodities, General Services and Construction Contracts of \$25,000 or Less) and 7.02 (Professional Service Contracts of \$25,000 or Less) applies to any expenditure that will be funded from an existing District reserve fund. Any expenditure from a reserve fund in excess of \$25,000 requires Board approval (except as provided by section 3.04 for expenditures on budget-approved capital projects or section 4.00 for emergency purchases and contracting).

Section 3.04. Expenditures on Budget-Approved Capital Projects. The General Manager may approve a purchase of Commodities, General Services contract, Professional Services contract, or Construction Contract in an amount or estimated amount of \$50,000 or less if (a) the purchase or contract directly supports or furthers a particular capital improvement or replacement project, and (b) the costs of the particular project are included within the current year's Board-approved budget. For any such purchase of Commodities, General Services contract, Professional Services contract, or Construction Contract of \$25,000 or less, the General Manager may make the purchase or approve the contract on the Open Market by seeking the most favorable terms and price either through negotiation, comparative pricing, or informal Competitive Bidding, whichever method the General Manager deems most appropriate in the circumstances. For any such purchase of Commodities, General Services contract, or Construction Contract between \$25,000 and \$50,000, the General Manager shall follow the competitive bidding and award procedures set forth in section 6.00 (Commodities, General Services and Construction Contracts in Excess of \$25,000) and section 6.02(e) is modified to authorize the General Manager to award and approve the purchase or contract. For any such Professional Services contract between \$25,000 and \$50,000, the General Manager shall follow the RFP/Q, selection, and award procedures set forth in section 7.03 (Professional Service Contracts Exceeding \$25,000) and section 7.03(c) is modified to authorize the General Manager to award and approve the contract.

SECTION 4. EFFECTIVE DATE. This ordinance shall take effect 30 days after its final passage.

SECTION 5. SEVERABILITY. If any section or provision of this ordinance or the application of it to any person, transaction or circumstance is held invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions of this ordinance that can be given effect without the invalid or unenforceable provision, and to this end the provisions of this ordinance are declared to be severable.

SECTION 6. PUBLICATION. The District Secretary is directed to publish this ordinance once in a newspaper of general circulation published in the District within 15 days after the adoption of the ordinance.

INTRODUCED by the Board of Directors on the 18th day of September 2019.

PASSED AND ADOPTED by the Board of Directors of the Rancho Murieta Community Services District at a regular meeting on the 16th day of October 2019 by the following roll call vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Les Clark
President, Board of Directors

Attest:

Suzanne Lindenfeld, District Secretary

MEMORANDUM

Date: September 16, 2019
To: Board of Directors
From: Tom Hennig, Director of Administration
Subject: Financial Accounting Services Contract with The Pun Group

RECOMMENDED ACTION

Approve sole source contract with The Pun Group for providing additional specialized accounting services to reconcile accounting records and periods, assist with audit readiness and preparations, restructure the chart of accounts, evaluate fixed assets and provide on-call assistance with accounting and reporting, in an amount not to exceed \$60,000. Funding will come from the District's consulting budget.

BACKGROUND

Between April and June 2019, The Pun Group (TPG) conducted a thorough analysis of how the District's Financial Account Services are managed as well as the District's compliance with laws and regulations over the financial activities for Special Districts in California. Their work product was summarized in the form of a report to the Board of Directors (Board) at the Board Meeting on July 17, 2019. Based on the original scope and a mid-project scope expansion, they have developed a listing of Critical, Important and Good Practices in the areas of Human Resources and Payroll, Financial Processes and Policies, Financial System Integration, and Financial and Other Reporting. Finance staff agreed with the findings, have worked with TPG to prioritize the findings, and have implemented or are in the process of implementation of the specific recommendations.

CURRENT SITUATION

At the request of the Board, we requested TPG to propose a strategy for implementing the recommendations which are beyond the current capacity of staff and that are of the highest priority ranked by District staff. Their proposal, which is included with this memo, provides estimates for addressing the recommendations which are not currently being addressed by District staff due to limited resources. We are recommending to contract with TPG to address time sensitive tasks to assist with meeting our legally required audit requirements.

This contract would be considered the second phase of their work. This phase will include the services listed below and as further detailed in the attached Services Agreement. Staff will provide updates to the Board as part of the monthly finance reports as work progresses. The costs of the services below are expected to not exceed \$60,000 for the duration of the agreement.

- | |
|--|
| A. Monthly Close - Assist Controller with the current monthly closings through June 30, 2019 for the Proposed Tasks as identified in the Services Agreement. |
| B. Audit Readiness - Assist Controller in preparing required schedules and reconciliations to assist in readying the District for its FY 2018-19 audit. |

C. Chart of Accounts - Assist in restructuring of the District's Funds and Chart of Accounts to conform with the Minimum Audit Requirements and Reporting Guidelines for California Special Districts and pooled cash.
D. Capital Accounting - Evaluate the District's process for project accounting and capital assets/recommend improvements.
E. Provide monthly on-call assistance with needed financial accounting and reporting.

District staff believes it is in the best interest of the District to continue to utilize TPG as a sole source vendor in order to maintain continuity for the overhaul of the financial services. TPG has the existing knowledge of the District's financial operations, are considered experts in Special District accounting and auditing, and have available resources to fulfill the project needs. In addition, the audit for the District is required to be filed on or before March 15, 2020 in order to comply with the District's bond covenants. Due to the substantial learning curve needed, and the current workload, it would not be prudent to bring in another firm at this stage. According to District's General Counsel, the RFP/Q procedure for professional services is not required by state law, therefore, the Board may waive the requirement as to the Services Agreement for reasons specific to the work requested. In this instance, we would point out the following reasons for approving this contract as sole source.

- TPG has become knowledgeable and valuable in the most critical aspects of the Districts Financial operations, during a time of unprecedented turnover in accounting staff.
- TPG has direct working knowledge of our general ledger, Great Plains, and related financial systems.
- There is a critical need to accomplish the proposed tasks in an expedited manner to fulfill the annual close and annual audit.
- Current staff have not worked for the District long enough to properly support the overall needs of the audit.
- The services requested are a one-time need. Once completed, District staff will have the capability for completing this work without outside assistance.

SUMMARY

Upon approval of this contract, District staff will begin scheduling TPG to provide the above listed services and complete the necessary activities for closing previous accounting periods, prepare for the external audit, review options for updating and changing the Districts chart of accounts, and working with TPG to reconcile and make improvements to the District's project accounting and capital assets.

**RANCHO MURIETA COMMUNITY SERVICES DISTRICT
SERVICES AGREEMENT**

THIS AGREEMENT is entered into as of the date last signed and dated below between Rancho Murieta Community Services District, a local government agency (“District”), and The Pun Group, a Limited Liability Partnership (“Contractor”), who agree as follows:

1. **Scope of Work.** Contractor shall perform the work and render the services described in the attached Exhibit A (the “Work”). Contractor shall provide all labor, services, equipment, tools, material and supplies required or necessary to properly, competently and completely perform the Work. Contractor shall determine the method, details and means of doing the Work.

2. Payment

a. District shall pay to Contractor a fee based on *[check one]*:

Contractor’s time and expenses necessarily and actually expended or incurred on the Work in accordance with Contractor’s fee schedule on the attached Exhibit A.

The fee arrangement described on the attached Exhibit A, if fixed fee.

There shall be no compensation for extra or additional work or services by Contractor unless approved in advance in writing by District. Contractor’s fee includes all of Contractor’s costs and expenses related to the Work.

b. At the end of each month, Contractor shall submit to District an invoice for the Work performed during the preceding month. The invoice shall include a brief description of the Work performed, the dates of Work, number of hours worked and by whom (if payment is based on time), payment due, and an itemization of any reimbursable expenditures. If the Work is satisfactorily completed and the invoice is accurately computed, District shall pay the invoice within 30 days of its receipt.

3. Term

a. This Agreement shall take effect on the above date and continue in effect until June 30, 2020 or upon acceptance of completion of the Work, unless sooner terminated as provided below. Time is of the essence in this Agreement. If Exhibit A includes a Work schedule or deadline, then Contractor must complete the Work in accordance with the specified schedule or deadline, which may be extended by District for good cause shown by Contractor. If Exhibit A does not include a Work schedule or deadline, then Contractor must perform the Work diligently and as expeditiously as possible, consistent with the professional skill and care appropriate for the orderly progress of the Work.

b. This Agreement may be terminated at any time by District upon 10 days advance written notice to Contractor. In the event of such termination, Contractor shall be fairly compensated for all work performed to the date of termination as calculated by District based on the above fee and payment provisions. Compensation under this subsection shall not include any termination-related expenses, cancellation or demobilization charges, or lost profit associated with the expected completion of the Work or other such similar payments relating to Contractor’s claimed benefit of the bargain.

4. **Professional Ability of Contractor.** Contractor represents that it is specially trained and experienced, and possesses the skill, ability, knowledge and certification, to competently perform the

Work provided by this Agreement. District has relied upon Contractor's training, experience, skill, ability, knowledge and certification as a material inducement to enter into this Agreement. All Work performed by Contractor shall be in accordance with applicable legal requirements and meet the standard of care and quality ordinarily to be expected of competent professionals in Contractor's field.

5. Conflict of Interest. Contractor (including principals, associates and professional employees) represents and acknowledges that (a) it does not now have and shall not acquire any direct or indirect investment, interest in real property or source of income that would be affected in any manner or degree by the performance of Contractor's services under this agreement, and (b) no person having any such interest shall perform any portion of the Work. The parties agree that Contractor is not a designated employee within the meaning of the Political Reform Act and District's conflict of interest code because Contractor will perform the Work independent of the control and direction of the District or of any District official, other than normal contract monitoring, and Contractor possesses no authority with respect to any District decision beyond the rendition of information, advice, recommendation or counsel.

6. Contractor Records

a. Contractor shall keep and maintain all ledgers, books of account, invoices, vouchers, canceled checks, and other records and documents evidencing or relating to the Work and invoice preparation and support for a minimum period of three years (or for any longer period required by law) from the date of final payment to Contractor under this Agreement. District may inspect and audit such books and records, including source documents, to verify all charges, payments and reimbursable costs under this Agreement.

b. In accordance with California Government Code section 8546.7, the parties acknowledge that this Agreement, and performance and payments under it, are subject to examination and audit by the California State Auditor for three years following final payment under the Agreement.

7. Ownership of Documents. All works of authorship and every report, study, spreadsheet, worksheet, plan, design, blueprint, specification, drawing, map, photograph, computer model, computer disk, magnetic tape, CAD data file, computer software and any other document or thing prepared, developed or created by Contractor under this Agreement and provided to District ("Work Product") shall be the property of District, and District shall have the rights to use, modify, reuse, reproduce, publish, display, broadcast and distribute the Work Product and to prepare derivative and additional documents or works based on the Work Product without further compensation to Contractor or any other party. Contractor may retain a copy of any Work Product and use, reproduce, publish, display, broadcast and distribute any Work Product and prepare derivative and additional documents or works based on any Work Product; provided, however, that Contractor shall not provide any Work Product to any third party without District's prior written approval, unless compelled to do so by legal process. If any Work Product is copyrightable, Contractor may copyright the same, except that, as to any Work Product that is copyrighted by Contractor, District reserves a royalty-free, nonexclusive and irrevocable license to use, reuse, reproduce, publish, display, broadcast and distribute the Work Product and to prepare derivative and additional documents or works based on the Work Product. If District reuses or modifies any Work Product for a use or purpose other than that intended by the scope of work under this Agreement, then District shall hold Contractor harmless against all claims, damages, losses and expenses arising from such reuse or modification. For any Work Product provided to District in paper format, upon request by District at any time (including, but not limited to, at expiration or termination of this Agreement), Contractor agrees to provide the Work Product to District in a readable, transferable and usable electronic format generally acknowledged as being an industry-standard format for information exchange between computers (e.g., Word file, Excel spreadsheet file, AutoCAD file).

8. Compliance with Laws

a. General. Contractor shall perform the Work in compliance with all applicable federal, state and local laws and regulations. Contractor shall possess, maintain and comply with all federal, state and local permits, licenses and certificates that may be required for it to perform the Work. Contractor shall comply with all federal, state and local air pollution control laws and regulations applicable to the Contractor and its Work (as required by California Code of Regulations title 13, section 2022.1). Contractor shall be responsible for the safety of its workers and Contractor shall comply with applicable federal and state worker safety-related laws and regulations.

b. Pre- and Post-Construction Related Work

(1) Applicability. This subsection (b) applies if the Work includes labor performed during the design and pre-construction phases of construction, including, but not limited to, inspection and land surveying work, and labor performed during the post-construction phases of construction, including, but not limited to, cleanup work at the jobsite. (See California Labor Code section 1720(a).) If the Work includes some labor as described in the preceding sentence and other labor that is not, then this subsection (b) applies only to workers performing the pre-construction and post-construction work.

(2) Contractor shall comply with the California Labor Code provisions concerning payment of prevailing wage rates, penalties, employment of apprentices, hours of work and overtime, keeping and retention of payroll records, and other requirements applicable to public works as may be required by the Labor Code and applicable state regulations. (See California Labor Code division 2, part 7, chapter 1 (sections 1720-1861), which is incorporated in this Agreement by this reference.) The state-approved prevailing rates of per diem wages are available at <http://www.dir.ca.gov/oprl/DPreWageDetermination.htm>. Contractor also shall comply with Labor Code sections 1775 and 1813, including provisions that require Contractor to (a) forfeit as a penalty to District up to \$200 for each calendar day or portion thereof for each worker (whether employed by Contractor or any subcontractor) paid less than the applicable prevailing wage rates for any labor done under this Agreement in violation of the Labor Code, (b) pay to each worker the difference between the prevailing wage rate and the amount paid to each worker for each calendar day or portion thereof for which the worker was paid less than the prevailing wage, and (c) forfeit as a penalty to District the sum of \$25 for each worker (whether employed by Contractor or any subcontractor) for each calendar day during which the worker is required or permitted to work more than 8 hours in any one day and 40 hours in any one calendar week in violation of Labor Code sections 1810 through 1815.

c. Maintenance of Public Facility, Plant or Structure

(1) Applicability. This subsection (c) applies if the Work includes “maintenance” work. “Maintenance” means (a) routine, recurring and usual work for the preservation, protection and keeping of any District facility, plant, building, structure, utility system or other property (“District Facility”) in a safe and continually usable condition, (b) carpentry, electrical, plumbing, glazing, touchup painting, and other craft work designed to preserve any District Facility in a safe, efficient and continuously usable condition, including repairs, cleaning and other operations on District machinery and equipment, and (c) landscape maintenance. “Maintenance” excludes (a) janitorial or custodial services of a routine, recurring or usual nature, and (b) security, guard or other protection-related services. (See California Labor Code section 1771 and 8 California Code of Regulations section 16000.) If the Work includes some “maintenance” work and other work that is not “maintenance,” then this subsection (c) applies only to workers performing the “maintenance” work.

(2) Contractor shall comply with the California Labor Code provisions concerning payment of prevailing wage rates, penalties, keeping and retention of payroll records, and other prevailing wage and related requirements as may be required by the Labor Code section 1771 and applicable state regulations. The state-approved prevailing rates of per diem wages are available at <http://www.dir.ca.gov/oprl/DPreWageDetermination.htm>. Contractor also shall comply with Labor Code section 1775, including provisions that require Contractor to (a) forfeit as a penalty to District up to \$200 for each calendar day or portion thereof for each worker (whether employed by Contractor or any subcontractor) paid less than the applicable prevailing wage rates for any Work done under this Agreement in violation of the Labor Code, and (b) pay to each worker the difference between the prevailing wage rate and the amount paid to each worker for each calendar day or portion thereof for which the worker was paid less than the prevailing wage.

9. Indemnification. Contractor shall indemnify, defend, protect, and hold harmless District, and its officers, employees and agents from and against any claims, liability, losses, damages and expenses (including attorney, expert witness and Contractor fees, and litigation costs) that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Contractor or its employees, agents or subcontractors. The duty to indemnify, including the duty and the cost to defend, is limited as provided in this section. However, this indemnity provision will not apply to any claims, liability, losses, damages and expenses arising from the sole negligence or willful misconduct of District or its employees or agents. Contractor's obligations under this indemnification provision shall survive the termination of, or completion of Work under, this Agreement.

10. Insurance

a. Types & Limits. Contractor at its sole cost and expense shall procure and maintain for the duration of this Agreement the following types and limits of insurance:

<i>Type</i>	<i>Limits</i>	<i>Scope</i>
Commercial general liability	\$1,000,000 per occurrence & \$2,000,000 aggregate	at least as broad as ISO CG 0001
Automobile liability	\$1,000,000 per accident	at least as broad as ISO CA 0001, code 1 (any auto)
Workers' compensation	statutory limits	
Employers' liability	\$1,000,000 per accident	
Professional liability*	\$1,000,000 per claim	

*Required only if Contractor is a licensed engineer, land surveyor, geologist, architect, doctor or attorney.

b. Other Requirements. The general and automobile liability policy(ies) shall be endorsed to name District, its officers, employees, volunteers and agents as additional insureds regarding liability arising out of the Work. Contractor's coverage shall be primary and apply separately to each insurer against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. District's insurance or self-insurance, if any, shall be excess and shall not contribute with Contractor's insurance. Each insurance policy shall be endorsed to state that coverage shall not be canceled, except after 30 days (10 days for non-payment of premium) prior written notice to District. Insurance is to be placed with admitted insurers with a current A.M. Best's rating of A-VII or better unless otherwise acceptable to District. Workers' compensation insurance issued by the State Compensation Insurance Fund is acceptable. Contractor agrees to waive subrogation that any insurer may acquire from Contractor by virtue of the payment of any loss relating to the Work. Contractor agrees to obtain any endorsement that may be necessary to implement this subrogation waiver. The workers' compensation policy must be endorsed to contain a subrogation waiver in favor of District for the Work performed by Contractor.

c. Proof of Insurance. Upon request, Contractor shall provide to District the following proof of insurance: (a) certificate(s) of insurance evidencing this insurance; and (b) endorsement(s) on ISO Form CG 2010 (or insurer's equivalent), signed by a person authorized to bind coverage on behalf of the insurer(s), and certifying the additional insured coverage.

11. **Entire Agreement; Amendment.** The parties intend this writing to be the sole, final, complete, exclusive and integrated expression and statement of the terms of their contract concerning the Work. This Agreement supersedes all prior oral or written negotiations, representations, contracts or other documents that may be related to the Work, except those other documents (if any) that are expressly referenced in this Agreement. This Agreement may be amended only by a subsequent written contract approved and signed by both parties.

12. **Independent Contractor.** Contractor's relationship to District is that of an independent contractor. All persons hired by Contractor and performing the Work shall be Contractor's employees or agents. Contractor and its officers, employees and agents are not District employees, and they are not entitled to District employment salary, wages or benefits. Contractor shall pay, and District shall not be responsible in any way for, the salary, wages, workers' compensation, unemployment insurance, disability insurance, tax withholding, and benefits to and on behalf of Contractor's employees. Contractor shall, to the fullest extent permitted by law, indemnify District, and its officers, employees, volunteers and agents from and against any and all liability, penalties, expenses and costs resulting from any adverse determination by the federal Internal Revenue Service, California Franchise Tax Board, other federal or state agency, or court concerning Contractor's independent contractor status or employment-related liability.

13. **Assignment.** This Agreement and all rights and obligations under it are personal to the parties. The Agreement may not be transferred, assigned, delegated or subcontracted in whole or in part, whether by assignment, subcontract, merger, operation of law or otherwise, by either party without the prior written consent of the other party. Any transfer, assignment, delegation, or subcontract in violation of this provision is null and void and grounds for the other party to terminate the Agreement. District consents to Contractor's use of a subcontractor if that use is described in Exhibit A.

14. **No Waiver of Rights.** Any waiver at any time by either party of its rights as to a breach or default of this Agreement shall not be deemed to be a waiver as to any other breach or default. No payment by District to Contractor shall be considered or construed to be an approval or acceptance of any Work or a waiver of any breach or default.

15. **Severability.** If any part of this Agreement is held to be void, invalid, illegal or unenforceable, then the remaining parts will continue in full force and effect and be fully binding, provided that each party still receives the benefits of this Agreement.

16. **Governing Law and Venue.** This Agreement will be governed by and construed in accordance with the laws of the State of California. The county and federal district court where District's office is located shall be venue for any state and federal court litigation concerning the enforcement or construction of this Agreement.

17. **Notice.** Any notice, demand, invoice or other communication required or permitted to be given under this Agreement must be in writing and delivered either (a) in person, (b) by prepaid, first class U.S. mail, (c) by a nationally-recognized commercial overnight courier service that guarantees next day delivery and provides a receipt, or (d) by email with confirmed receipt. Such notices, etc. shall be addressed as follows:

District:
General Manager
Rancho Murieta Community Services District
P.O. Box 1050
15160 Jackson Road
Rancho Murieta, CA 95683

Contractor:
The Pun Group, LLP
2121 N. California Blvd., Suite 290
Walnut Creek, CA 94596

Notice given as above will be deemed given (a) when delivered in person, (b) three days after deposited in prepaid, first class U.S. mail, (c) on the date of delivery as shown on the overnight courier service receipt, or (d) upon the sender's receipt of an email from the other party confirming the delivery of the notice, etc. Any party may change its contact information by notifying the other party of the change in the manner provided above.

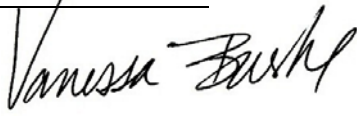
RANCHO MURIETA COMMUNITY
SERVICES DISTRICT

CONTRACTOR

Dated: _____

Dated: April 1, 2019

By: _____
Mark Martin
General Manager

By: 

Vanessa I. Burke, CPA

Partner

[name]
[title]

Exhibit A

Proposed Milestones	Project Team Lead	Est. Hours	Est. Fee	Timing
Financial Accounting and Reporting:				
A. Monthly Close - Assist Controller with the current monthly closings through June 30, 2019 for the Proposed Tasks as identified in the table below.	Amber Vitale	-	Billed Hourly	By 11/30
B. Audit Readiness - Assist Controller in preparing required schedules and reconciliations to assist in readying the District for its FY 2018-19 audit.*	Amber Vitale	-	Billed Hourly	By 11/30
C. Chart of Accounts - Assist in restructuring of the District's Funds and Chart of Accounts to conform with the Minimum Audit Requirements and Reporting Guidelines for California Special Districts and pooled cash.	Amber Vitale	10-30	\$1,750 - \$5,250	By 11/30
D. Capital Accounting - Evaluate the District's process for project accounting and capital assets/recommend improvements.	David Siris	25	\$5,000	By 11/30
*Assistance level will be determined once the external audit firm provides the list of required schedules.				
Ongoing Services:				
<ul style="list-style-type: none"> Provide monthly on-call assistance with needed financial accounting and reporting. 	All	-	Billed Hourly	Thru June 2020

Exhibit A

Milestone A - Financial Accounting and Reporting - Monthly CloseTasks:

Assist Controller with the current monthly closings through June 30, 2019 with the following accounts/reconciliations:

BS-4. Fund Balance True-Up

1. AR Adjustments

2. AR Replacement Reserve Liability

12. Payments Received

15. CFD Entries

16. Property tax revenue

20. Sacramento County Tax Distribution

23. Reserve Transfers #1-Water

24. Reserve Transfers #2-Sewer

25. Reserve Transfers #3-Security

26. Reserve Transfer #4-Admin Allocations

27. Reserve Transfer #5-Water Augmentation

28. Capital Improvement Transfer #1-Water

29. Bond Payments - CFD#2014-1

30. Depreciation Expense (FA Module)

31. Water/Sewer/Drainage Benefit Cash Allocation

35. CIA Ditch Invoice - AR Billing

36. Miscellaneous adjustment (OPAY Reallocation)



PROPOSAL

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

RANCHO MURIETA, CALIFORNIA

*Proposal to Perform Financial Accounting and Consulting
Services*

SEPTEMBER 9, 2019

Vanessa I. Burke, CPA, CPFO

Partner

2121 North California Boulevard, Suite 290, Walnut Creek, California 94596

Phone: (949) 777-8800 | **Fax:** (949) 777-8850 | **Email:** ken.pun@pungroup.com

California CPA License Number: PAR 7601

Federal Identification Number: 46-4016990



RANCHO MURIETA COMMUNITY SERVICES DISTRICT

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September 9, 2019

Rancho Murieta Community Services District
Attn: Mark Martin, General Manager
P.O. Box 1050
15160 Jackson Road
Rancho Murieta, CA 95683

Dear Mr. Martin:

We would like to take this opportunity to *thank you for the confidence and continued support* of The Pun Group, LLP ("Firm") and our services to the Rancho Murieta Community Services District ("District").

Previously our Firm responded to your initial request for proposal to perform selected accounting services limited to the following areas identified in the RFP:

- Reconciliation of District records to the general ledger and budget for certain financial statement accounts through February 28, 2019
- Analyze accrual and other adjusting entries and provide recommended processes
- Develop recommendations for a new process / migration to new processes in other areas of accounting
- Recommend improved / best practice accounting processes to include reporting out of Great Plains
- Assist staff to complete the 2019-20 budget report generated out of the Great Plains tool by May 1, 2019

The Firm initially began the project work in early April and has successfully completed closing the above records through February 28, 2019. Through this process, the District has restored its ability to produce monthly financial statements within the system and produced and adopted a budget for 2019-20. In conjunction with this project, the Firm identified several areas that we felt are opportunities for strengthening the District's internal controls over financial reporting, and improving other financial operating processes and procedures as further described in our report to you. These recommendations as presented were ranked in order of importance as: critical, important and good practice in terms of the District's ability to prevent, detect, or correct financial statement errors or fraud on a timely basis.

Upon further discussions with management on prioritization, and at the direction of the Board of Directors, we are pleased to submit our proposal to continue our assistance to the District in its efforts to remediate many of the areas of our report where the District desires additional outside assistance and resources.

We feel strongly that the Firm is the right choice for the District because:

Experience with the District. Through our last project with you, we were able to gain a deep understanding of the financial accounting processes and procedures in their current state. Having this experience is tantamount to understanding the shifts that are required to assist the District in the continued improvements of its fiscal transparency and accountability. Some of these shifts could be substantial and require a firm with expertise in Special Districts in California and knowledge of your operations to assure the transition occurs smoothly and that business is not interrupted. We believe we are that firm.

Strong Presence in California. Currently, we are the firm of choice for special districts and agencies such as Alameda County Water District, Arbutle Public Utility District, Casitas Municipal Water District, Central Basin Municipal Water District, Las Virgenes Municipal Water District, Marina Coast Water District, Twenty-Nine Palms Water District, Shasta Regional Transportation Agency, Valley Sanitary District, Water Replenishment District of Southern California, West County Agency, and several others. Accordingly, we have a deep understanding of the current demographic, economic environment, and local laws and regulations in which you operate.

2121 North California Blvd., Suite 290, Walnut Creek, California 94596
Tel: 925-974-3394 • Fax: 949-777-8850
www.pungroup.com

Rancho Murieta Community Services District
September 9, 2019

Recognized Leader in the Governmental Industry. The Pun Group is a proven leader in professional services to the government sector. Currently, The Pun Group is the firm of choice for over 35 cities, **40 special districts**, and 5 transportation agencies throughout California. Such experience is critical to address emerging accounting and auditing issues within the government environment.

Our Commitment to Quality. The Firm is committed to providing piece of mind to our clients by providing the highest quality of professional services. The Firm is a member of the AICPA Governmental Audit Quality Center and has demonstrated our commitment to quality, including our services performed under *Government Auditing Standards*.

I will serve as your primary contact for contract negotiations and stand steadfast to serve as your engagement partner.

Should you have any questions or wish to discuss this proposal, please do not hesitate to contact me, as the assigned engagement partner at Vanessa.burke@pungroup.com or (925) 974-3394. Thank you, and we look forward to the opportunity.

A handwritten signature in black ink that reads "Vanessa Burke". The signature is written in a cursive style with a large, sweeping initial "V".

Vanessa I. Burke, CPA, CPFO
Partner
The Pun Group, LLP

License to Practice in California

The Firm and all key professional staff are licensed by the State of California to practice as Certified Public Accountants, and meet the Continuing Professional Education requirements under U.S. GAO's Government Auditing Standards to perform the proposed audits.



Independence

When required, the Firm's employees adhere to strict independence standards in relation to the Firm's clients. These independence standards exceed, in many instances, the standards promulgated by the American Institute of Certified Public Accountants (AICPA). This project will be conducted under the AICPA Standards for Consulting Standards which requires Independence when performing consulting services for an attest (i.e. audit) client.

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Executive Summary

Firm Qualifications and Experience

The Pun Group, LLP, Certified Public Accountants and Business Advisors, founded in 2012, is a limited liability partnership. We are a full-service accounting firm comprised of forty (40) professionals providing auditing, accounting, and advisory services to our clients.

The Firm's headquarter is located in Orange County, California with four additional offices in San Diego (California), Walnut Creek (California), Las Vegas (Nevada), and Phoenix (Arizona).

The combination of our hands-on experience and practical knowledge exercised by our professionals make the Firm unique in our field. Our technical expertise and thorough understanding of current regulations and issues—along with the Firm's commitment to hard work, integrity, and teamwork on every engagement—enable us to help our clients succeed.

Our Partners' Group—which includes Kenneth H. Pun, Frances J. Kuo, John F. Georger, Jr., Gary M. Caporicci, Vanessa I. Burke, Coley Delaney, and Heidi K. Chow—provide auditing, accounting, and advisory services to numerous governmental entities throughout the United States. With more than one hundred (100) years of combined experience in the industry, we have become a trusted business partner, and are well-respected as leaders in the industry in one of the fastest growing firms. With nearly 100 government clients, and Partners who have a real passion for the industry, we believe we are unmatched regarding expertise.

All our partners actively participate in industry associations focused on state and local governments. By participating in industry associations and activities, we are always up to date on the latest industry changes and the impact they will have on your operations. We keep you, and our colleagues in the Firm, fully informed of these developments. Our team is committed to bringing the full breadth and depth of our expertise to the District offering outstanding value to you and your stakeholders. Our Managing Partner has published several thought leadership articles in the California State Municipal Finance Office magazine on auditing and other relevant topics.

A team of experienced accountants and financial professionals, The Pun Group, LLP seeks to provide dependable, tailored service to businesses across a wide spectrum.

Our *Walnut Creek* office, located at 2121 North California Boulevard, Suite 290, Walnut Creek, CA 94596 will perform the requested services for the District. However, we may assign additional staff from our other offices to the engagement based on the project requirements and expertise needed.

While many accounting Firms can perform the services requested, not all can build an excellent working relationship with their clients. The Pun Group, LLP prides itself on developing lasting, personal relationships with our clients. Our hands-on partner involvement and low personnel turnover are crucial tools to our success and highly beneficial to the District.

Affiliation with Allinial Global (Global Capabilities)



The Pun Group, LLP is an independent member of Allinial Global, an association of over 100 independent accounting and consulting firms. Based in North America, Allinial Global offers international support by connecting its member firms to providers and global networks of accounting firms worldwide.

Memberships

The Pun Group, LLP is a member of the following professional organizations:

- America Institute of Certified Public Accountants (AICPA)
- AICPA Government Audit Quality Center (GAQC)
- AICPA Employee Benefit Plan Audit Quality Center (EBPAQC)
- AICPA Private Companies Practice Section (PCPS)
- California Society of Certified Public Accountants (CalCPA)

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Executive Summary

Our Services

Our partners and seasoned professionals are always available, guiding clients through their periods of rapid growth as well as the difficult times. And we're able to do that by offering a portfolio of accounting services that is as diverse as the jurisdictions and agencies themselves. The Pun Group, LLP has successfully provided professional auditing, accounting, financial reporting and management advisory/consulting services to a broad spectrum of governmental entities.



ASSURANCE

- Financial statement audits
- Compliance audits
- Performance audits
- Internal audits
- Service organization controls audits



ADVISORY

- Operational reviews/risk advisory services
- Forensic investigation
- Financial condition analysis
- Organizational structure review
- Cash flow analysis
- Debt restructuring consultation
- Litigation support and expert witness services



OTHER SERVICES

- Assistance with the preparation and review of the Comprehensive Annual Financial Report (CAFR)
- Government property lease excise tax compliance review
- Subrecipient monitoring
- Implementation of new GASB pronouncements
- Audit readiness services
- Accounting / write-up services
- Contract Finance Director / Accountant services

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Executive Summary

Firm's Government Clients

The Pun Group, LLP has provided services to many governmental organizations. All of our audits are performed in accordance with auditing standards generally accepted in the United States, Government Auditing Standards, Uniform Guidance (formerly known as OMB Circular A-133) and its Compliance Supplement (when applicable), Office of the State Controller's Minimum Audit Requirements and Reporting Guidelines for California Special Districts. A representative list follows:

Municipalities	Dates	Financial Audit	Single Audit	GFOA Certificate	Total Hours
City of Arvin	2013 – Present	Yes	Yes	N/A	400
City of Bell	2018 – Present	Yes	Yes	Yes	520
City of Beaumont	2017 – Present	Yes	Yes	N/A	425
City of Bradbury	2012 – Present	Yes	N/A	N/A	150
City of Calexico	2007 – Present	Yes	Yes	N/A	750
City of Cerritos	2009 – Present	Yes	Yes	Yes	400
City of Clovis	2006 – Present	Yes	Yes	Yes	400
City of Coachella	2017 – Present	Yes	Yes	Yes	410
City of Cottonwood, AZ	2007 – Present	Yes	Yes	Yes	400
City of Culver City	2016 – Present	Yes	Yes	Yes	535
Town of Danville	1999 – Present	Yes	Yes	Yes	300
City of Desert Hot Springs	2013 – Present	Yes	N/A	N/A	500
City of Encinitas	2014 – Present	Yes	Yes	Yes	350
City of Escondido	2016 – Present	Yes	Yes	Yes	400
City of Gardena	2007 – Present	Yes	Yes	Yes	700
City of Glendora	2017 – Present	Yes	Yes	Yes	430
City of Gustine	2017 – Present	Yes	N/A	N/A	400
City of Hemet	2015 – Present	Yes	Yes	N/A	380
City of Hermosa Beach	2004 – Present	Yes	N/A	Yes	200
City of Huntington Park	2015 – Present	Yes	Yes	N/A	650
City of Industry	2015 – Present	Yes	Yes	Yes	600
City of Laguna Niguel	2016 – Present	Yes	Yes	Yes	390
City of Lakewood	2013 – Present	Yes	Yes	Yes	380

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Executive Summary

Municipalities	Dates	Financial Audit	Single Audit	GFOA Certificate	Total Hours
City of Lodi	2018 – Present	Yes	Yes	Yes	760
City of Lynwood	2016 – Present	Yes	Yes	Yes	585
City of Monterey	2016 – Present	Yes	Yes	Yes	620
City of Morro Bay	2015 – Present	Yes	Yes	N/A	400
City of National City	2013 – Present	Yes	Yes	Yes	600
City of Patterson	2017 – Present	Yes	Yes	Yes	450
City of Placentia	2016 – Present	Yes	Yes	Yes	620
City of Placerville	2008 – Present	Yes	Yes	N/A	350
City of Pomona	2016 – Present	Yes	Yes	Yes	650
City of Redding	2016 – Present	Yes	Yes	Yes	500
City of Ridgecrest	2009 – Present	Yes	Yes	Yes	300
City of San Bernardino	2015 – Present	Yes	Yes	N/A	3,000
City of Seal Beach	2017 – Present	Yes	Yes	Yes	410
City of Shafter	2017 – Present	Yes	Yes	Yes	400
City of South Gate	2016 – Present	Yes	Yes	Yes	480
City of Stockton	2012 – Present	Yes	Yes	N/A	2,500
Imperial County Transportation Authority	2018 – Present	Yes	Yes	N/A	750
San Diego Metropolitan Transit System	2005 – Present	Yes	Yes	Yes	1,850
Shasta Regional Transportation Agency	2015 – Present	Yes	N/A	N/A	200
Ventura County Railroad Company, LLC	2015 – Present	Yes	N/A	N/A	60
Ventura County Transportation Commission	2015 – Present	Yes	Yes	Yes	400
Adelanto Public Utility Authority	2018 – Present	Yes	N/A	N/A	165
Alameda County Water District	2018 – Present	Yes	Yes	N/A	585
Altadena Library District	2015 – Present	Yes	N/A	N/A	90
Antelope Valley State Water Contractors Association	2015 – Present	Yes	N/A	N/A	40
Barstow Heights Community Services District	2015 – Present	Yes	N/A	N/A	40
Big Bear City Community Services District	2015 – Present	Yes	N/A	N/A	200
Casitas Municipal Water District	2015 – Present	Yes	N/A	N/A	230

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Executive Summary

Municipalities	Dates	Financial Audit	Single Audit	GFOA Certificate	Total Hours
Central Basin Water District	2018 – Present	Yes	Yes	N/A	400
Coachella Valley Resource Conservation District	2016 – Present	Yes	N/A	N/A	50
Desert Recreation District	2015 – Present	Yes	N/A	N/A	150
Desert Recreation Foundation	2015 – Present	Yes	N/A	N/A	40
East Orange County Water District	2015 – Present	Yes	N/A	N/A	130
El Toro Water District	2015 – Present	Yes	N/A	N/A	270
Encinitas Ranch Golf Authority	2015 – Present	Yes	N/A	N/A	100
Fallbrook Healthcare District	2008 – Present	Yes	N/A	N/A	75
Golden Hills Community Services District	2016 – Present	Yes	N/A	N/A	180
Las Virgenes Municipal Water District	2014 – Present	Yes	N/A	N/A	300
Los Angeles Waterkeeper	2016 – Present	Yes	N/A	N/A	100
Marina Coast Water District	2012 – Present	Yes	N/A	Yes	240
Menlo Park Fire Protection District	2015 – Present	Yes	Yes	Yes	240
Newport Coast Elementary School Foundation	2010 – Present	Yes	N/A	N/A	20
North County Fire Protection District	2015 – Present	Yes	N/A	N/A	120
North County Dispatch JPA	2015 – Present	Yes	N/A	N/A	60
Orange County Coastkeeper	2015 – Present	Yes	N/A	N/A	60
Palmdale Water District	2015 – Present	Yes	N/A	N/A	180
Palos Verdes Library District	2015 – Present	Yes	N/A	N/A	110
Port of Hueneme - Oxnard Harbor District	2015 – Present	Yes	N/A	Yes	250
Rancho Santa Fe Fire Protection District	2015 – Present	Yes	N/A	N/A	120
Riverside County Flood Control and Water Conservation District	2015 – Present	Yes	N/A	Yes	250
San Bernardino County Fire Protection District	2016 – Present	Yes	N/A	N/A	200
San Diego Coastkeeper	2015 – Present	Yes	N/A	N/A	75
San Dieguito Water District	2014 – Present	Yes	N/A	N/A	75
San Elijo Joint Powers Authority	2016 – Present	Yes	N/A	N/A	146
South Orange County Water Authority	2017 – Present	Yes	Yes	Yes	240
South Bay Regional Public Communications Authority	2015 – Present	Yes	N/A	N/A	100

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Executive Summary

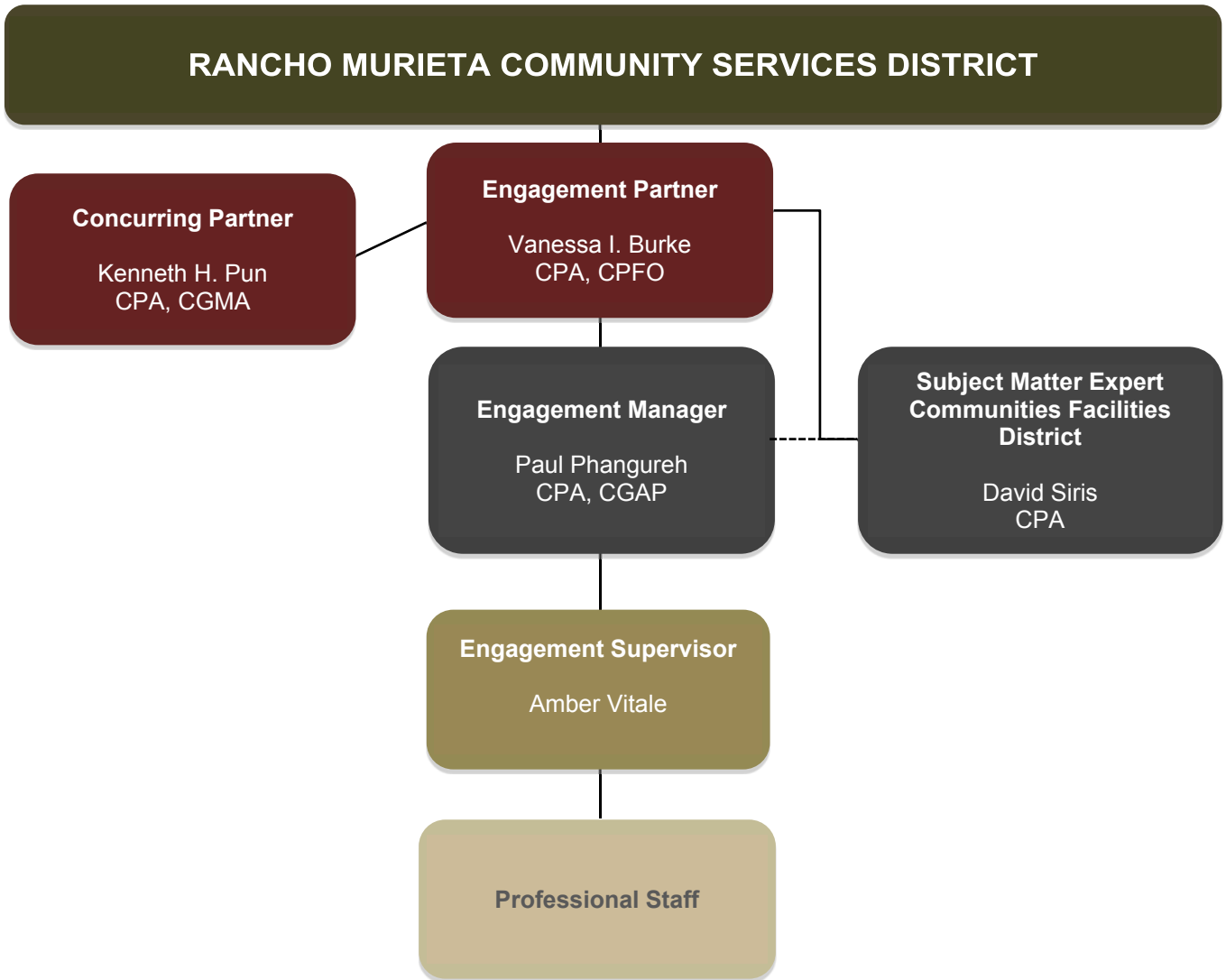
Municipalities	Dates	Financial Audit	Single Audit	GFOA Certificate	Total Hours
Southwestern Community College District	2009 – Present	Yes	Yes	N/A	720
Tehacapi Valley Recreation & Park District	2016 – Present	Yes	N/A	N/A	50
The Farm Mutual Water Company	2015 – Present	Yes	N/A	N/A	170
Trabuco Canyon Water District	2015 – Present	Yes	N/A	N/A	200
Twentynine Palms Water District	2016 – Present	Yes	N/A	N/A	160
Valley Sanitary District	2015 – Present	Yes	N/A	Yes	140
Water Replenishment District of Southern California	2019 – Present	Yes	N/A	N/A	400
West County Agency	2015 – Present	Yes	N/A	N/A	55
West County Wastewater District	2015 – Present	Yes	N/A	N/A	240
West Valley Mosquito And Vector Control District	2016 – Present	Yes	N/A	N/A	100
Alliance Medical Center	2013 – Present	Yes	N/A	N/A	300
Anderson Valley Health Clinic	2012 – Present	Yes	N/A	N/A	200
Desert Hot Springs Health and Wellness Foundation	2013 – Present	Yes	N/A	N/A	100
Family Health Centers of San Diego	2009 – Present	Yes	Yes	Yes	600
Industry Convalescent Hospital	2015 – Present	Yes	N/A	N/A	230
Marin City Health and Wellness Center	2010 – Present	Yes	Yes	N/A	110
Mountain Valleys Health Centers	2015 – Present	Yes	Yes	N/A	200
Redwood Coast Medical Services	2008 – Present	Yes	Yes	N/A	200
Shingletown Medical Center	2013 – Present	Yes	Yes	N/A	190
Tulare Community Health Clinic / Altura Centers	2008 – Present	Yes	Yes	N/A	200

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Our Professionals

Partner, Supervisory and Staff Qualifications and Experience

The Engagement Team has been carefully chosen to provide the District with all the services needed to successfully complete the scope of services. The personnel assigned to this engagement are fully qualified to perform financial accounting and consulting services to the District, and their extensive experience will be critical to the process. Our professionals are familiar with the complexities of governmental accounting, auditing, and financial reporting, including but not limited to, all GASB pronouncements, the Single Audit Act, Uniform Guidance (formerly known as OMB Circular A-133), and fund budgeting and operations. You can be assured that the Engagement and Concurring Partners will be personally involved.



RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Our Professionals

Vanessa I. Burke, CPA, CPFO | Engagement Partner

Vanessa Burke is an Assurance and Consulting Services Partner with over 30 years of extensive experience in providing audit and advisory services to federal, state and local government agencies including public pension plans, state departments, cities, community colleges, hospitals, school districts, county offices of education, special districts, and joint powers insurance authorities. She has previously held positions in government and the private sector as a Controller and CFO where she served on the leadership team and managed budgets and financial reporting for government organizations with budgets in excess of \$650 million and finance departments with over 100 employees. She will actively act as the Engagement Partner with the assigned task of directly overseeing the Engagement Team, engagement planning, project execution, review for quality, and approving any working papers and reports. She will be responsible for the timely delivery of all services for the Rancho Murieta Community Services District.

Kenneth H. Pun, CPA, CGMA | Concurring Partner

With over seventeen (17) years of public accounting experience, Kenneth Pun is the Assurance Partner and the Partner In-Charge of the Governmental and Not-for-Profit Practice at the Firm. Mr. Pun specializes in audits and management consulting for governmental organizations. Ken will provide Vanessa with a second partner review of significant high-risk areas, and in resolution of significant accounting, auditing, and reporting matters to ensure overall quality of our services.

Paul Phangureh, CPA | Engagement Manager

Paul Phangureh is an Assurance Services Manager in the Firm whose extensive auditing experience includes cities, counties, and special districts. Mr. Phangureh will work closely with partners to develop the final project work plan, direct the engagement team in its project activities and tasks, monitor and communicate the project status, review work and supervise staff and resolving technical issues that may arise.

David Siris, CPA | Subject Matter Expert – Community Facilities District (“CFD”) Accounting

David Siris is an Assurance Services Manager in the Firm whose extensive auditing experience includes cities, counties, special districts, and not-for-profit entities. Mr. Siris was also instrumental in the City of Beaumont’s CFD Accounting and Transaction study. The City of Beaumont has one CFD with many underlying Infrastructure Districts that were subject to a significant fraud in the State of California and SEC oversight. Mr. Siris worked as a consultant on the city-commissioned report which took more than six months in the making. It involved tracking down thousands of bond expenditures ostensibly made to pay for sewers, streets, sidewalks and other public works needed as the city’s population more than quadrupled and involved inspecting nearly 68,500 individual records. As a seasoned expert in bonds, Mr. Siris will lead and supervise the project team in the study of the District’s CFD 2014-01 Bond transactions.

Amber Vitale | Engagement Supervisor

Working as an Engagement Supervisor, Amber will assist the project team with primarily responsibility to perform accounting reconciliations, closing task, and preparing required schedules and reconciliations to assist in readying the District for its FY 2018-19 audit. This will include working with the District Controller to review and complete account reconciliations, evaluate and complete gaps in the month end/year end closing, perform general ledger reconciliations, prepare financial statement schedules and footnote support, business analysis and statistics. She also will be responsible for evaluating and recommending any further process improvement in financial accounting and reporting, including improved best practice accounting process to include the generation of reports out of the Great Plains tool. Last, Amber will assist the Partners on the policy project and organizational assessment.

Professional Staff

Professional staff will be assigned during the project planning phase to prepare supporting documentation, reconciliations, and data gathering. All our professional staff are qualified to perform financial and compliance services to governmental agencies with a focus on quality of the work and timeliness of delivery. Because we support both staff development and engagement continuity, we encourage senior and staff accountants to take increased responsibilities on their previous engagements as they advance professionally.

Quality-Control System

Our Firm meticulously monitors the quality and contents of our work and reports. The Pun Group LLP is 100% committed to providing only the highest grade of work possible for our clients. The Firm strives to exceed professional industry standards because of the continuing respect for our clients and our emphasis on creating long-lasting relationships. The Pun Group LLP works exclusively with those who share the same moral integrity and values.

Our quality-control system was crafted with excellence in mind. It not only meets AICPA standards, but also matches our own elevated standards, which includes the following professional-development activities.

Engagement Team Resumes

The District deserves experienced professionals who work as a team. The Pun Group, LLP will provide qualified employees to perform the financial accounting services. Resumes for key Engagement Team members follow.

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Our Professionals

Vanessa I. Burke, CPA*, CPFO
Engagement Partner



Vanessa I. Burke is an Engagement Partner with The Pun Group in their Northern California office. Vanessa brings to The Pun Group over 27 years of combined experience in auditing, consulting and finance. She has served clients in a variety of industries, including small to very large state and local governmental agencies, public pension plans, insurance companies, not-for-profits, healthcare, technology and manufacturing and distribution clients. Her career in public accounting was spent primarily with the National firms of Grant Thornton LLP, Moss Adams LLP, and PricewaterhouseCoopers LLP, and regional/local firms where she has specialized in government and not-for-profit auditing and accounting. Vanessa has also held executive leadership positions as both CFO and Controller in government and private industry where she has worked on financial restructurings, turnarounds, municipal bankruptcies, and distressed municipalities. In 2012, Vanessa was appointed as the Chief Financial Officer for the City of Stockton where she successfully navigated the finance and administrative services department through the City’s chapter 9 bankruptcy filing and testified on trial during the bankruptcy hearings.

Vanessa holds her CPA license in California and more recently achieved her certification as one of 650 Certified Public Finance Officer (CPFO) in the United States through the GFOA. The CPFO certification prepares individuals for financial leadership positions in local and state government and is designed to verify their knowledge in the disciplines of government finance including Governmental Accounting, Auditing and Financial Reporting, Treasury and Investment Management, Debt Management, Operating and Capital Budgeting, and Retirement & Benefits, Risk Management and Procurement.

Vanessa is a frequently sought-after speaker and has presented on a variety of technical and non-technical topics for the CalCPA, Women in Public Finance, American Society of Women Accountants, California State University San Francisco, Santa Clara University, California State Municipal Finance Officers, the League of California Cities, and Beta Alpha Psi.

EDUCATION

- Bachelors of Science, Business Administration, Accounting Concentration, from the California State University, Sacramento
- Licensed by the State of California (#67673) and Arizona (#18713)

PROFESSIONAL & CIVIC AFFILIATIONS

- Member, American Institute of Certified Public Accountants (AICPA)
- Member, California Society of Certified Public Accountants (CalCPA)
- Member, Association of Governmental Accountants (AGA)
- Member, Women in Public Finance (WPF)
- Co-Chair, CalCPA Education Foundation Annual Government Conference
- Member, CalCPA Governmental Accounting and Auditing Committee

RELEVANT PROJECT EXPERIENCE

• City of San Bernardino	• City of Oxnard
• City of Beaumont	• City of Patterson
• City of San Jose	• City of Folsom
• City of Clovis	• Presidio Trust
• California Public Employees Retirement System	• University of California, Single Audit
• University of California’s Pension Plans	• Nevada Public Employees Retirement Systems
• California Infrastructure Bank (iBank)	• California Energy Commission Energy Conservation Bonds

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Our Professionals

• Golden State Tobacco Securitization Corporation	• Ohlone College
• University of the Pacific, Single Audit	• Marin County Office of Education
• Sierra College	• Marysville Unified School District
• Cotati-Rohnert Park School District	• Various Joint Powers Authorities (CSAC-EIA, CAHLIF)

CONTINUING PROFESSIONAL EDUCATION

- ✓ Various courses offered by the Firm, online through Thompson Reuters, AICPA, CalCPA Education Foundation including:
 - 2017 Governmental Accounting and Auditing Conference (Chair)
 - 2016 Governmental Accounting and Auditing Conference (Co-Chair)
 - Ethics and Government Compliance
 - Advisory Growth & Quality Workshop
 - Ethics for California CPA's
 - Fraud I: Prevention
 - Independence Training for New Hires (SEC)
 - Independence Training, Ethics in Practice
 - Audit Evidence
 - Introduction to Auditing Standards
 - Management Representation Letters (SEC)
 - Understanding and Evaluating Management Representation Letters (SEC)
 - Information Technology General Control, Evaluating Deficiencies
 - Internal Control – Business Processes and Control Activities
 - 2016 State and Local Government Accounting and Auditing Update
 - Business Writing for Results
 - Personal Independence Compliance Training for Partners
 - Respect in the Workplace
- ✓ Has met the current CPE educational requirements to perform audits of governmental agencies.

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Our Professionals

Kenneth H. Pun, CPA*, CGMA
Engagement Partner



Kenneth H. Pun is the Managing Partner and the Director of the Governmental and Not-for-Profit Practice within The Pun Group, LLP's Assurance division.

Prior to founding his own practice, Ken was employed by Caporicci & Larson, a specialty CPA firm recognized as one of California's foremost experts in governmental and not-for-profit accounting, auditing, and advisory service. He started with the firm in 2001 and was promoted to Partner in 2008. Mr. Pun has performed numerous audits for cities, counties, transportation agencies, community college districts, other special districts, and not-for-profit healthcare entities of various sizes.

By leveraging more than seventeen years of public accounting experience with a high level of expertise, Ken is often engaged by clients as a result of premier level of service he provides, his commitment, and his innovative methods of increasing operational efficiencies and reducing costs. Mr. Pun is a trusted advisor and a leader of accounting services to governmental and not-for-profit organizations.

In addition to working with clients, Ken provides the audit teams with direction and technical guidance to ensure adherence to The Pun Group's quality controls, and he assists with the development of the Assurance Services practice. Mr. Pun also speaks on topics related to audits and quality control and shares his expertise with clients through annual educational seminars.

EDUCATION

- BS Degree in Business Administration, Emphasis in Accounting from the University of California, Riverside
**Licensed by the State of California*

PROFESSIONAL & CIVIC AFFILIATIONS

- Member, American Institute of Certified Public Accountants (AICPA)
- Member, California Society of Certified Public Accountants (CalCPA)
- Member, CalCPA Governmental Accounting and Auditing Committee
- Member, CalCPA Governmental Accounting and Auditing Conference Planning Committee
- Member, Government Finance Officers Association (GFOA)
- Member, California Society of Municipal Finance Officers (CSMFO)
- Speaker, CSMFO Conference (2014)
- Instructor, CalCPA Fall Series (2014) – Long Beach and Orange County Chapter

RELEVANT PROJECT EXPERIENCE

• City of Arvin	• City of Arcadia
• City of Bradbury	• City of Calexico
• City of Carpinteria	• City of Cerritos
• City of Chula Vista	• City of Clearlake
• City of Clovis	• Town of Danville
• City of Desert Hot Springs	• City of Encinitas
• City of Fairfield	• City of Gardena
• City of Hemet	• City of Hermosa Beach
• City of Huntington Park	• City of Industry
• City of Lakewood	• City of Monterey Park
• City of Morro Bay	• City of National City
• City of Ridgecrest	• City of San Bernardino

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Our Professionals

•	•
• City of Stockton	• Alliance Medical Center
• Anderson Valley Health Clinic	• Centro Medico Community Clinic
• Desert Hot Springs Health and Wellness Foundation	• Family Health Centers of San Diego
• Industry Convalescent Hospital	• Marin City Health and Wellness Center
• McCloud Healthcare Clinic	• Mountain Valleys Health Centers
• Redwood Coast Medical Services	• Shingletown Medical Center
• Tulare Community Health Clinic	• United Health Centers of San Joaquin Valley
• Gold Coast Transit	• North County Transit District
• San Diego Metropolitan Transit System	• Shasta Regional Transportation Agency
• SunLine Transit Agency	• Las Virgenes Municipal Water District
• Las Virgenes-Triunfo Joint Powers Authority	• Encinitas Ranch Golf Authority

OTHER RELEVANT EXPERIENCE

City of Desert Hot Springs | During the year ended June 30, 2013, the City entered into a very complicated financial arrangement, New Market Tax Credit financing, for the construction of the Desert Hot Springs Health and Wellness Center. Our firm has provided guidance to the City in addressing complex accounting issues and helped drafting the stand-alone financial statements to fulfill the addition reporting requirements under the New Market Tax Credit financing.

City of Stockton | The City of Stockton filed a petition for Chapter 9 bankruptcy protection with the United States Bankruptcy Court on June 28, 2012, the largest municipality bankruptcy at the time. The Firm was engaged as audit liaison and advisor in 2012 for the City's 2011 audit. The City also engaged the Firm to help drafting the Comprehensive Annual Financial Report in accordance with U.S. GAAP and in compliance with GFOA guidelines for the certificate of achievement for excellence in financial reporting program.

With the superb services provided, the City of Stockton also engaged the Firm to provide audit service for the years ending June 30, 2012 through 2015 due to the early termination of the contract from its predecessor firm. Mr. Kenneth H. Pun has been assigned as the engagement partner who facilitated the audit process since then. The engagement team completed the audit and issued the audit reports for the year ended June 30, 2012 and 2013 within the one year timeframe.

San Diego Metropolitan Transit System ("MTS") | On January 1, 2003, California Senate Bill 1703 (SB 1703) became effective. SB 1703 required the consolidation of the planning and programming functions of MTS and the North County Transit District (City) into the San Diego Association of Governments (SANDAG) in an initial transfer to take place prior to July 1, 2003. SB 1703 also required the consolidation of certain project development and construction functions of MTS and City into SANDAG in a subsequent transfer to take place prior to January 30, 2004. The initial transfer occurred on July 1, 2003, and the subsequent transfer occurred on October 13, 2003. With these actions, employees were transferred from MTS and City to SANDAG, and certain planning, development, and construction functions were also transferred.

After the enactment of SB 1703, Mr. Kenneth H. Pun was able to convert MTS financial model from general-purpose government to stand-alone business-type activities government under GASB Statement No. 34 in 2007. By doing so, MTS has significantly improved their financial reporting.

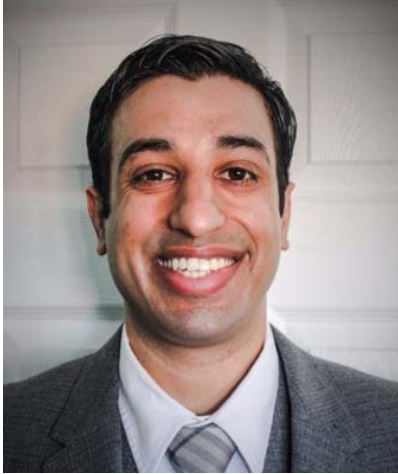
CONTINUING PROFESSIONAL EDUCATION

- ✓ Various municipal accounting courses offered by the AICPA, CalCPA Education Foundation and local universities including:
 - Governmental and Nonprofit Annual Update
 - Government Auditing Standards
 - GASB Basic Financial Statements for State and Local Governments
 - Single Audits: Uniform Guidance (formerly OMB Circular A-133)
 - Financial Accounting Standards Board Annual Updates
 - Statement on Standards for Accounting and Review Services Updates
- ✓ Has met the current CPE educational requirements to perform audits of governmental agencies.

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Our Professionals

Paul Phangureh, CPA, CGAP Engagement Manager



EXPERIENCE

Paul Phangureh is a Manager at The Pun group, LLP with nearly six (6) years of public accounting experience as an external financial auditor. His special expertise includes evaluating and testing internal controls over financial reporting; performing financial statement audits, including comprehensive annual financial reports (CAFR), and compliance audits, involving agreed on procedures (AUP) for Investment and GANN Limit reports.

Paul has a broad knowledge of performance and single audits, budgeting, and government accounting. His public accounting experience focuses on the public sector (i.e. municipalities, counties, and special districts).

Before joining the firm, Paul worked for regional and national firms specializing in public sector audits.

EDUCATION

MS Degree in Accountancy, emphasis in Financial Reporting, from the **San Diego State University**



EMAIL

paul.phangureh @pungroup.com



WEBSITE

www.pungroup.com



LEADERSHIP & AFFILIATIONS

- Member, American Institute of Certified Public Accountants (AICPA)
- Member, Association of Governmental Accountants (AGA)

RELEVANT EXPERIENCE

- City of San Jose
- City of Palo Alto
- City of Fremont
- City of Portola
- City of Hercules
- County of Santa Clara
- County of Contra Costa
- County of Monterey
- County of Marin
- County of Glenn

CONTINUING PROFESSIONAL EDUCATION

Various municipal accounting courses offered by the AICPA, CalCPA Education Foundation and local universities including:

- Governmental and Nonprofit Annual Update
- Government Auditing Standards
- GASB Basic Financial Statements for State and Local Governments
- Single Audits: Uniform Guidance (formerly OMB Circular A-133)
- Financial Accounting Standards Board Annual Updates
- Statement on Standards for Accounting and Review Services Updates
- Preparation of Tax Returns for Not-for-Profits

Has met the current CPE educational requirements to perform audits of governmental agencies.

Licensed by the State of California

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Our Professionals

David Siris, CPA

Subject Matter Expert – Community Facilities District Accounting



EXPERIENCE

David Siris, CPA, is a Manager at The Pun group, LLP with more than nine (9) years of experience in providing accounting and audit services, internal control and risk evaluation, and business consulting to privately held and public companies. Mr. Siris has worked with clients in a variety of industries including large not-for-profits entities, large employee benefits plan, residential mortgage lending, residential home-builders, manufacturing and distribution, and government entities.

David has been responsible for managing, planning and performing financial and regulatory external and internal audits and for developing and conducting internal control procedures and risk assessment evaluations. He has evaluated key processes within companies to determine areas of operating inefficiencies or potential internal control weaknesses and developed findings into recommended courses of actions and into report comments and recommendations for resolution.

Mr. Siris has provided accounting support services to local not-for-profit and governments including financial statement analysis and preparation.

EDUCATION

BS Degree in Finance from **Cal State University Fullerton**, California

LEADERSHIP & AFFILIATIONS

- Member, American Institute of Certified Public Accountants (AICPA)
- Member, California Society of Certified Public Accountants (CalCPA)

RELEVANT EXPERIENCE

- City of Stockton
- City of Beaumont
- City of Redding
- Valley Sanitary District
- San Diego Metropolitan Transit System
- City of Cottonwood, AZ
- City of Gardena
- City of Lakewood
- County of Santa Cruz
- Yuma Metropolitan Planning Organization

CONTINUING PROFESSIONAL EDUCATION

Various municipal accounting courses offered by the AICPA, CalCPA Education Foundation and local universities including:

- Governmental and Nonprofit Annual Update
- Government Auditing Standards
- GASB Basic Financial Statements for State and Local Governments
- Single Audits: Uniform Guidance (formerly OMB Circular A-133)
- Financial Accounting Standards Board Annual Updates
- Statement on Standards for Accounting and Review Services Updates
- Preparation of Tax Returns for Not-for-Profits

Has met the current CPE educational requirements to perform audits of governmental agencies.



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RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Our Professionals

Amber J. Vitale Engagement Supervisor

Amber J. Vitale has over fifteen (15) years with small to large organizations in a broad range of finance and audit roles from accounting manager, assistant controller, internal audit manager and cost analyst. She has had primary responsibility for delivering financial reports, cash flow analysis, budgets and forecasting and managed all aspects of the general ledger. Provide financial and custom reporting for two of the top ten clients using SQL and data warehouses, completed Semi-Annual and Annual Client Reviews while working directly with the clients and Account Executives listening to their needs and providing reports with graphs, data visualization and statistics to meet their requirements. She proactively created reports based on prior reports that would benefit their organization while thinking outside the box.

She has had primary responsibility in the following key finance functions:

- Financial reporting
- Journal entries
- Accounts payables
- Accounts receivables
- Expense reimbursements
- Billings and collections
- Voids, refunds, and rebates
- Credit card reconciliations
- Cost accounting
- Multiple system reconciliations for numerous business entities

Her experience has allowed her to work on and complete a high volume of transaction reconciliations, complete month end/year end closing processes according to GAAP, general ledger reconciliations, preparation of financial statements, business analysis and statistics, budgeting and forecasting. She also was responsible for overseeing and organizing the annual external audits and worked closely with outside CPA's.

Her roles have also encompassed HR and Payroll management where she oversaw all payroll for payroll compliance with federal and multiple state taxes, unemployment, garnishments, and commissions. She has worked with outside payroll service organization after finalizing the calculations to issue the paychecks. Amber has managed the entire organization's HR Department of over 30 employees including hiring, terminations, annual reviews, metrics, disciplinary actions, new hire orientation, PTO, compensation, profit sharing, 401k, defined benefit plan, insurance, analyzation of insurance policies and premiums, and the transition of the defined benefit plan. Oversaw and managed multiple clients while writing policy matrices, file setup instructions, and payroll calendars.

As an internal auditor, Amber was responsible for directing the execution of internal audits that include the utilization of data analytics, government services, SOX and Compliance efforts, and complex reconciliations of high transactions and identifying control weaknesses and process improvement recommendations.

As a project manager, she has managed, mentored and trained project teams in the planning and execution of concurrent and/or complex independent financial or operational audits/projects, performed detailed audit scoping, analytics, testing, financial analysis, validation of audit information, auditing financial statements to GAAP requirements, creating concise accurate work flows of business processes, testing results, and internal control weaknesses. In addition, she has implemented and rolled out training to the team, worked on special projects, assigned to a testing team for the migration of systems, and worked directly with clients to setup new policies and programs.

Amber's strength lies in her communication and ability to write formalized Audit Reports for delivery and presentation to Board of Directors, various levels of business management, including VPs of multiple business segments.

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Our Professionals

Amber J. Vitale
Engagement Supervisor

MAJOR ACCOMPLISHMENTS

- Automated manual reconciliations using SQL and data warehouses.
- Enhanced the Annual Audit Plan given to the Audit Board Executives by decreasing the amount of time by 50%.
- Completed Audit Reports in a 60-day turnaround instead of the assigned 90-day turnaround.
- Created Standard Operating Procedures for the department.
- Wrote custom reporting, including ad-hoc, using Business Objects and SQL.
- Implemented monthly department metrics.
- Migrated over 400 reports from a retired data warehouse to a new database.
- Created custom forms for clients.
- Converted four years of accounting books from cash to accrual.
- Partnered with IT to create an in-house accounting system which included SQL writing, testing, QA of data, and complex reconciliations from one system to the other to ensure data integrity.
- Created weekly Executive Financial Reporting, control documentation, policies and procedures, and collection processes.
- Decreased collections by 60%.

EDUCATION

- BS Degree of Science in Accounting, University of Phoenix, Phoenix, AZ
- Master of Business Administration, University of Phoenix, Phoenix, AZ

TECHNICAL SKILLS

Complex Reconciliation and Auditing	SQL
Advanced Excel	GAAP Reporting
Financial Planning & Analysis	Budgeting & Forecasting
Sarbanes-Oxley Compliance	Process Improvement
Great Plains General Ledger	

RELEVANT PROJECT EXPERIENCE

- Valley Metro
- AZ Heart Rhythm Center
- Aetna Insurance
- United Claims Insurance
- Brookfield GRS
(formally Prudential Relocation Division)

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Experience and Approach

Project Scope

The District is requesting the Firm to perform additional financial accounting and consulting services for the District as a result of several recommendations for improvement identified by the Firm during our initial scope of work. The Firm has encountered the following with respect to the District's fiscal accounting and records while reconciling the monthly amounts through February 28, 2019 (most current period).

- A significant portion of the District's accounting activities are reported via allocations and journal entries. This creates an environment that is highly complicated and requires a complex monthly closing process that lacks sufficient segregation of duties.
- Payroll records were not reconciled to the District's General Ledger and benefits and allocations were unposted. Almost all payroll amounts are allocated as opposed to being directly costed out to their Department and an appropriate indirect rate being applied.
- The District's time tracking system, SAGE, is the source system for limited posting of allocations of payroll and it also does not reconcile with payroll registers and/or GL. There is currently no reconciliation process in place.
- Year-end closing activities for FY 2018-19 were not completed.
- Computations of Other Payroll Costs revealed this account included misclassifications of actuarial services fees, bank fees not payroll related, fuel costs, and other costs as payroll and related costs.
- The Chart of Accounts does not conform to the Minimum Audit Requirements and Reporting Guidelines for California Special Districts.
- Property Taxes were not posted appropriately in accordance with generally accepted accounting principles. An accrual / deferral process was used monthly as opposed to following generally accepted accounting principles.
- Controller has been using the bank reconciliation module in order to post District transactions when the bank statement is received as opposed to posting transaction when they occur in the subsidiary ledger. This poses a significant lack of segregation of duties and exposes the District to risk of error or fraud.
- The District is lacking sufficient detailed standardized accounting policies that govern the day to day activity of the finance functions for the District making it very complicated to understand the closing process. Besides the Controller, no other individual possesses sufficient knowledge of the processes behind the complex entries.
- The District's utility billing system, Utility Star, system entries do not match up with the internally developed, Microsoft Access reporting tools used to record then manually transmit activity in the general ledger. There is no policy or procedure in place to reconcile the Utility Star Platinum transactions to the District's MS Access green bar report. The Firm has identified at least 19 codes which do not flow through correctly to the Microsoft Access database. This entire process lacks technical support and internal control for entering data manually into the financial systems.

These findings represent some of the most significant items. If selected for this proposal and as the project work progresses, the Firm anticipates more control weaknesses could be identified which will continue to be reported to management and in a final report to the Board.

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Experience and Approach

The District has requested additional assistance in the following areas:

- Financial Accounting and Reporting:
 - Monthly Close - Assist Controller with the current monthly closings through June 30, 2019.
 - Audit Readiness - Assist Controller in preparing required schedules and reconciliations to assist in readying the District for its FY 2018-19 audit.
 - Chart of Accounts - Assist in restructuring of the District's Funds and Chart of Accounts to conform with the Minimum Audit Requirements and Reporting Guidelines for California Special Districts and pooled cash to be effective by July 1, 2020.
 - Capital Accounting - Evaluate the District's process for posting project accounting and capital assets.

- System Integration / Validation:
 - Provide validation of the migration of accounts to the new proposed account code structure.
 - Provide oversight of the reconciliation between the Utility Billing system and the new system integration.
 - Assist with the evaluation of required data integration to replace the District's dependence on Microsoft Access.

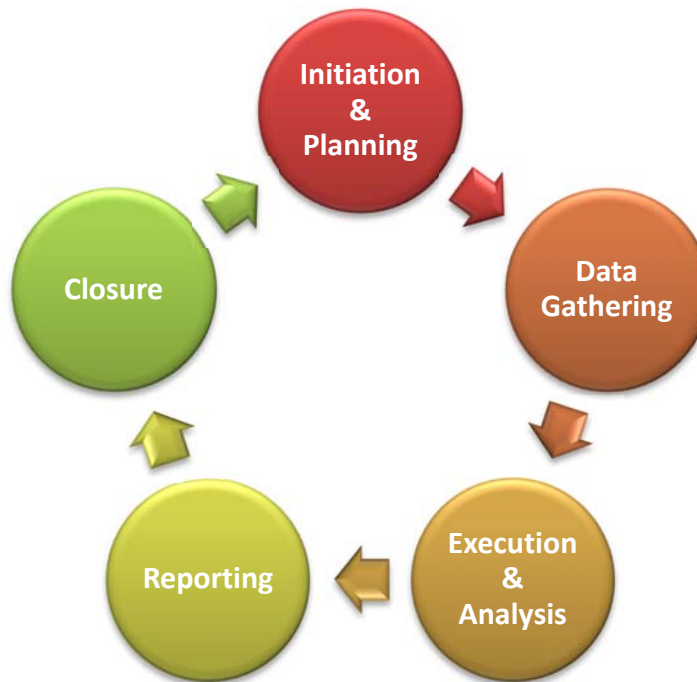
- Organizational Assessment and Improvement:
 - Prepare an organizational assessment of administrative services focused on organization structure and workload.
 - Provide facilitation services to amend and / or develop improved financial and administrative and Board policies and standard operating procedures structure for Finance.

- CFD Bond Reconciliation and Analysis:
 - Perform a study of the Sources and Uses of all Community Facilities District 2014-01 Bond funds including analysis of the payoff of the prior bond and any District costs funded through use of the Bonds.

- Ongoing Services:
 - Provide monthly on-call assistance with needed financial accounting and reporting.

Project Approach

The Firm's project approach consists of five phases of project initiation, data gathering, execution and analysis, reporting and project closure. Throughout the project we monitor the progress of the project, project milestones and deliverables through communication of our task plan with your designated liaison for the project. This reporting can be formal or informal depending on the needs of the project and the client. We anticipate using a less formal approach to include a standing weekly progress meeting with a review of open tasks, next tasks and any issues we have encountered during the project. You can expect that the Engagement Partner/Project Manager or Project Supervisor will be onsite for these meetings to ensure we successfully conclude the project on the proposed schedule.



During each of the project phases we will perform the following:

Initiation & Planning: During this phase we will hold our kick off meeting once the contract has been executed. We will interview your staff to ensure that we have a clear understanding of the project goals and outcomes. The expected deliverable at the end of this stage is a finalized project plan with deliverables, milestones and timelines as mutually established. Activities you can expect in this phase are:

- Evaluation of the District's Requests
- Establish our finalized scope and project work plans
- Establish an initial document request list
- Develop the deliverable schedules and type of deliverable required

Data Gathering: In this phase we will be working to gather data to facilitate our analysis of the District's financial close and reporting which will include access to your financial information, financial reports, general ledger, budget, budget amendments, and evaluation of changes to the system or key personnel, and recent external or internal factors affecting the District. We will provide the District with a document request list for document we will require. In addition, we will conduct interviews of your key staff in the areas with oversight and governance in the areas of policy development, budget and accounting, and human resources.

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Experience and Approach

Execution and Analysis: This phase will consist of a review and analysis of information gathered to ensure that we have a thorough understanding of the operating environment, the internal control objective and activities. This will consist of a number of activities and will require your time for interviews and assistance.

You can typically expect the following to occur in this phase:

- Allocation of project resources
- Execution of the project team on assigned tasks
- Supervision and review by the Engagement Partner of the work performed
- Review of any preliminary recommendations

Reporting: We will provide periodic ongoing monitoring reports during the project. Near the completion of the project we will provide a draft report of our recommendation for management's review. We will solicit your feedback and input into the recommendation and then finalize our report for delivery to management.

Closure: We feel a formal project closure is necessary to ensure you have received valuable advice, all deliverables, and that it has helped the District to achieve its goals. At this stage, we will update the prior report to you and assist in identifying further solutions and improvements. Our Firm will be there through this stage to aid in interpreting the recommendations and help you to develop your next steps.

Staff Consistency

The Firm is committed to maintaining staff continuity throughout the engagements. While we cannot guarantee that our staff members will stay with the Firm, we encourage loyalty by paying competitive wages, offering opportunities for promotion, using state-of-the-art equipment, and providing excellent working conditions. We also offer benefits including retirement plans, medical plans, profit-sharing programs, and continuing education. The Firm is an equal-opportunity employer and complies with all federal and state hiring requirements. The Firm also supports affirmative-action philosophies and works hard to provide opportunities for self-enhancement to members of disadvantaged groups.

The project team as proposed will be available to successfully staff the project through its completion. If for any reason beyond our control, the Firm requires a change in key personnel we will provide the District with a written notification. The staff will be replaced only by those with similar or better qualifications and experience and with express written permission by the District.

We guarantee that the Partners assigned to this audit will be involved throughout the entire engagement term, and that assigned staff members will return to the District in future years if requested.

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Costs of Services

Proposed Fees and Expenses

The proposed tasks, estimated hours (where possible), estimated fee and timing are based on our preliminary discussions with you during our scoping exercise. We have included all areas identified by you and have priced them separately, where practicable, based on our understanding of the nature and timing of the services needed. We are confident that our fees are realistic and competitive given anticipated service levels and complexities in your organization. However, in working within the District's constraints, the services may be purchased individually, in groups or in total based on your needs. In the event, the District was to purchase all services together, we would offer an additional 10% off of our proposed billing rates below.

Proposed Task	Project Team Lead	Est. Hours	Est. Fee	Timing
Contract Execution	Vanessa Burke	-	-	By 9/30
Financial Accounting and Reporting:				
<ul style="list-style-type: none"> Monthly Close - Assist Controller with the current monthly closings through June 30, 2019. 	Amber Vitale	-	Billed Hourly	By 11/30
<ul style="list-style-type: none"> Audit Readiness - Assist Controller in preparing required schedules and reconciliations to assist in readying the District for its FY 2018-19 audit. 	Amber Vitale	-	Billed Hourly	By 11/30
<ul style="list-style-type: none"> Chart of Accounts - Assist in restructuring of the District's Funds and Chart of Accounts to conform with the Minimum Audit Requirements and Reporting Guidelines for California Special Districts and pooled cash. 	Amber Vitale	10-30	\$1,750 - \$5,250	By 11/30
<ul style="list-style-type: none"> Capital Accounting - Evaluate the District's process for project accounting and capital assets/recommend improvements. 	David Siris	25	\$5,000	By 11/30
System Integration / Validation:				
<ul style="list-style-type: none"> Provide validation of the migration of accounts to the new proposed account code structure. 	Amber Vitale	16	\$2,800	By 12/31
<ul style="list-style-type: none"> Provide oversight of the reconciliation of the Utility Billing system under the new system integration. 	Paul Phangureh	-	Billed Hourly	By 12/31
<ul style="list-style-type: none"> Assist with the evaluation of required data integration to replace the District's dependence on Microsoft Access. 	Paul Phangureh	-	Billed Hourly	By 12/31

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Costs of Services

Proposed Task	Project Team Lead	Est. Hours	Est. Fee	Timing
Organizational Assessment and Improvement:				
<ul style="list-style-type: none"> Prepare an organizational assessment of administrative services focused on organization structure. 	Vanessa Burke/Manager	80	\$15,000-\$22,000	By March 2020
<ul style="list-style-type: none"> Provide facilitation services to amend and / or develop improved financial and administrative and Board policies and structure for standard operating procedures for Finance. 	Vanessa Burke/Manager	180	\$35,000-\$45,000	By June 2020
Bond Reconciliation and Analysis:				
<ul style="list-style-type: none"> Perform a study of the Sources and Uses of all Community Facilities District 2014-01 Bond funds including analysis of the payoff of the prior bond and any District costs funded through use of the Bonds. 	David Siris	80-100	\$14,000-\$17,500	By 12/31
Ongoing Services:				
<ul style="list-style-type: none"> Provide monthly on-call assistance with needed financial accounting and reporting. 	All	-	Billed Hourly	Thru June 2020
Total Fees**			\$73,550 - \$97,550	

***Includes the Community Facilities District study which is estimated to be \$14,000-\$17,500. Excludes tasks proposed to be billed on a time and materials basis which could not be estimated based on lack of known information at the date of this proposal. Also excludes travel and out-of-pocket expenses which may vary depending on the number of onsite days required.*

Our fee for these services will be billed at our proposed hourly rates where indicated based on the following table. Where fee estimates are provided for the requested financial accounting and consulting services, these amounts will be progress billed to the District.

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Costs of Services

Standard Hourly Billing Rates	
Position	FY 2019-20
Senior Partner(s)	\$ 275
Partner(s)	\$ 250
Senior Manager(s)	\$ 225
Manager	\$ 200
Supervisor	\$ 175
Senior Accountant(s)	\$ 150
Staff Accountant(s)	\$ 125
Clerical	\$ 75

Travel and out-of-pocket expenses (including lodging, airfare, transportation, per diem and other expenses such as photocopying, faxing, postage, etc.) will be billed and separately identified on the monthly invoice.

Cost for Additional Professional Services

Assistance in providing ongoing, professional consultation will be subject to a contract addendum as described below at the Firm's standard hourly billing rates, delineated by staffing levels, or as otherwise agreed to in advance. If extraordinary circumstances warrant an expansion of accounting services, a contract addendum, agreeable to both District and the Firm, must be completed prior to the performance of the work. Any supplemental reports or agreed-upon procedures not covered by this proposal may be added in a written agreement prior to commencing the work. The Firm and the District will discuss and approve the scope and associated costs of these tasks.

Assumptions

The pricing for this proposal is based on the preliminary scope of services outlined in this Proposal. Project events and decision that are not consistent with these assumptions may jeopardize our ability to deliver high-quality work products and services within the cost and schedule and may require a change order amendment to the pricing described herein. Please note the following assumptions on which our proposal pricing is based. We will reconfirm the project plan with management of the District upon award of the contract.

The project plan assumes a September 2019 start date. Project start date delays may impact the completion date and price. If the actual project start date is later, proposed individuals may not be available. In this event, we will work with the District to identify alternative personnel with appropriate skills and background.

District Responsibilities:

- The District is responsible for the documentation of the design and implementation of internal controls.
- The scope of services to be provided is defined as the tasks and activities contained within this Proposed Project Approach that is submitted within this proposal.
- The Scope of Services is dependent upon minimal changes to the District's system, control environment, and key personnel during the period of the contract. Any significant changes in any of these areas should be discussed with us in advance, or as soon as practicable, and its impact to the scope of the internal audit plan and fee.
- The fees for these additional services are limited to the scope of work identified previously. Other areas that may be identified during our engagement will be brought to the attention of management.
- Our price and timeline assume the District will schedule resources to actively participate in project initiation, planned meetings, periodic update meetings, review and approve deliverables and to provide required data and information in a timely manner. Delays in your resource availability, participation in activities, review of our work products, scheduling of meetings or delays in documentation, may require a modification to our price quote.

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Costs of Services

- All final deliverables will be approved and accepted in writing by the District.
- Work will be performed at the District's office and when possible at the offices of the The Pun Group team member offices.
- The District will provide adequate office space for the The Pun Group personnel working on site, including computer workstations, internet access, access to network resources and data systems necessary to perform tasks, desks, telephone service and associated equipment.
- The District will provide all relevant documentation to the project team in the timely manner on our Firm's document portal SuraLink™. The The Pun Group recognizes our obligation to safeguard any sensitive information considered proprietary to the District.
- The District representative will assist the project team with the resolution of action items, issues at the mitigation of risks to the project plan.
- The timeline prices and deliverables for this project are dependent upon the completeness, accuracy, and availability of necessary data. The Pun group is not responsible for project delays caused by incomplete, inaccurate, untimely or unavailable information.
- Work performed by The Pun group will be based upon information supplied by the District. The Pun group is not responsible for outcomes resulting from omissions, inaccuracies, or inconsistencies contained in such information.
- The District will be responsible for the quality and completeness of data extracted from the Districts financial system.

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Let's Start a Dialogue

Benefits of Choosing The Pun Group, LLP

The Pun Group, LLP is recognized for its professionalism, integrity, and providing clients with practical solutions unique to their circumstances and issues. Our Firm prides itself on being able to provide personalized client services, and with that sentiment in mind, we have carefully chosen our engagement teams. The Pun Group's primary objective is to give the Rancho Murieta Community Services District solutions and directions, led by highly experienced and capable partners who can successfully implement the work and produce the results you expect. This philosophy and mindset allow us to provide a superior level of service, and a quality of work that is unsurpassed.

We trust that this proposal has given you the information needed about the Firm, the Engagement Team members, overall accounting services approach, cost-saving measures, and accounting fees. We are committed to exceeding your expectations, and we look forward to bringing our experience and expertise to the Rancho Murieta Community Services District and providing you with the excellent level of service that you expect and deserve.

Thank You

Thank you for giving us the opportunity to introduce the Firm and submit our qualifications to provide you with professional financial accounting services. Please direct inquiries to:

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Sincerely,



The Pun Group, LLP
Certified Public Accountants and Business Advisors

