

**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
RAINBOW MUNICIPAL WATER DISTRICT
MARCH 24, 2020**

1. **CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on March 24, 2020 was called to order by President Brazier at 12:00 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. President Brazier presiding.

2. **ROLL CALL**

Present: Director Brazier, Director Gasca (*via video teleconference*), Director Hamilton (*via video teleconference*), Director Mack, and Director Rindfleisch.

Also Present: General Manager Kennedy, Legal Counsel Smith (*via video teleconference*).

No members of the public were present for Closed Session.

3. **ADDITIONS/DELETIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)**

This item was discussed, and a report was provided under Item #9.

The meeting adjourned to Closed Session at 12:00 p.m.

4. **CLOSED SESSION**

A. Conference with Legal Counsel-Anticipated Litigation (Government Code §54956.9(d)(2))
* Three Items

B. Conference with Legal Counsel-Existing Litigation Pursuant to Government Code Section 54956.9(d)(1)
Otay Water District v. Rainbow Municipal Water District

C. Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(d)(1)
Kessner et al., v. Rainbow Municipal Water District, et al.

The meeting reconvened at 1:00 p.m.

Time Certain: 1:00 p.m.

5. **REPEAT CALL TO ORDER**

The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on March 24, 2020 was called to order again by President Brazier at 1:00 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. President Brazier presiding.

6. **PLEDGE OF ALLEGIANCE**

(*) - Asterisk indicates a report is attached.

7. REPEAT ROLL CALL

President Brazier stated for the record although the format of this meeting is different, the material covered will be no different than that which would have been dealt with had RMWD had a regular open meeting and how nothing has been deleted or changed.

Present: Director Brazier, Director Gasca (*via video teleconference*), Director Hamilton (*via video teleconference*), Director Mack, Director Rindfleisch.

Also Present: General Manager Kennedy, Executive Assistant Washburn, Information and Technology Manager Khattab.

Present via video teleconference:

Legal Counsel Smith, Legal Counsel Pellman, District Engineer Strapac, Operations Manager Gutierrez, Finance Manager Largent, Human Resources Manager Harp, Associate Engineer Powers, Customer Service and Communications Supervisor Gray, District Services Representative Holtz, Senior Accountant Rubio, and Engineering Technician Rubio.

Eight members of the public attended the Open Session via video teleconference.

Mr. Khattab explained to those attending the meeting from offsite wanting to comment or ask a question during the meeting they need to click on “raise hand” button at the bottom of their screen at which time the Board will be notified someone would like to speak. He said once acknowledged by the Board, the participant will need to unmute their microphone to ask their question or make a comment.

8. REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

Legal Counsel reported the met in Closed Session to discuss three items for potential litigation on which the Board took unanimous action to approve a claim submitted by the Arthur family related to property damage due to a pipeline break. He noted the Board also discussed an existing litigation with Otay Water District vs. RMWD on which the Board unanimously approved a settlement stipulation which has been filed with the San Diego Superior Court to resolve the matter. He stated the Board also discussed another existing litigation item on which there was no reportable action.

9. REPEAT ADDITIONS/DELETIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)

President Brazier reported Item #14 was expanded to include discussion of Resolution No. 20-04 granting the District emergency and Items #18 and #19 were both deferred to a later date.

**10. ORAL/WRITTEN COMMUNICATIONS FROM THE PUBLIC
OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD REGARDING
ITEMS NOT ON THIS AGENDA (Government Code § 54954.2).**

Jimmy Ayala notified the Board that Pardee was working closely with RMWD staff in hopes of having the Out of Agency and future Annexation Agreement documented well to the extent of Pardee's and RMWD's approval. He asked if the withdrawal of the two items would be added to a time certain agenda future agenda for next month. Mr. Kennedy stated it was his intent to have these items presented at the next available Board meeting.

***11. APPROVAL OF MINUTES**

A. February 25, 2020 - Regular Board Meeting

Motion:

To approve the minutes.

Action: Approve, Moved by Director Mack, Seconded by Director Hamilton.

Vote: Motion carried by unanimous roll call vote (Summary: Ayes = 5).

Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.

***12. BOARD OF DIRECTORS' COMMENTS/REPORTS**

Directors' comments are comments by Directors concerning District business, which may be of interest to the Board. This is placed on the agenda to enable individual Board members to convey information to the Board and to the public. There is to be no discussion or action taken by the Board of Directors unless the item is noticed as part of the meeting agenda.

A. President's Report (Director Brazier)

There was no report given.

B. Representative Report (Appointed Representative)

1. SDCWA

A. Summary of February 27, 2020 Meeting

Mr. Kennedy pointed out at the February 27, 2020 SDCWA Board meeting there was a report provided on the Moosa Creek Pipeline that had a leak and in turn necessitated the SDCWA emergency shutdown. He said as part of this situation, SDCWA staff correctly decided to conduct internal inspections on the other two pipelines in the same area that carries over two-thirds of the water to San Diego County which resulted in discovering Pipeline 5 (a raw water pipeline) had started to show signs of degradation and was subject to potential failure. He said SDCWA de-rated the pipeline in terms of how much water would flow through and scheduled an emergency shutdown currently in progress to fiber wrap the inside of that pipeline as well. He point out the most importantly was that SDCWA staff after three years finally acknowledge erosion could be part of the problem which is something SDCWA did not acknowledge in 2017 when SDCWA tried to claim a big storm that damaged all of the pipeline facilities in the area and how RMWD somehow caused the erosion. He stated this was the first time he saw this at SDCWA's engineering level that they have acknowledged erosion was a problem in that area. He said he

(*) - Asterisk indicates a report is attached.

commended SDCWA staff for their acknowledgement in hopes all parties can move forward on this issue.

Mr. Kennedy also referenced the handout provided on a presentation shared with the SDCWA Board from the March 12, 2020 Imported Water Committee meeting which was the first formal presentation to the SDCWA Board on the Regional Conveyance System Study. He pointed out Slides 25 and 26 were pertinent to RMWD. He stated one of the challenges RMWD asked SDCWA to address was their wanting to spend several billion dollars on this pipeline which will still not allow RMWD to receive water from the south which does nothing for RMWD, FPUD, Valley Center Municipal Water District, and Yuima. He noted the most challenging part of this, which was made extremely clear to SDCWA staff as well as at their Board level, can be found on Page 39 of the handout. He elaborated on three conclusions made in the study.

2. CSDA

It was confirmed CSDA has not yet cancelled their upcoming conferences.

Director Mack reported he was interviewed as part of his nomination for Seat B and how the recommendation will be made to the CSDA Board on Thursday. He stated the candidates will be notified of the results on March 30, 2020.

3. LAFCO

Mr. Kennedy noted RMWD has filed its application to LAFCO for the reorganization detaching RMWD from SDCWA and annexing into EMWD. He pointed out the highest priority project is the Municipal Service Review for the Fallbrook-Rainbow region which has been pushed into next fiscal year. He said this was not specifically related to the Pardee situation which may come along concurrently.

Mr. Kennedy explained one main topic is the CSA135 which may result in LAFCO and the County creating its own dependent special fire protection district with the Board of Supervisors serving as the Board of Directors. He stated this matter was not well supported by independent special districts. He mentioned another item LAFCO brought forward was a land use planning policy related to conversion of agricultural lands to other uses and how LAFCO was considering expanding the language to include the conversion of any agricultural lands.

4. San Luis Rey Watershed Council

There was no report given.

5. Santa Margarita River Watershed Watermaster Steering Committee

Director Hamilton noted the next meeting is scheduled for April 17, 2020 should the lockdown be lifted.

6. ACWA

Director Mack reported the ACWA Spring Conference has been rescheduled to July 28-31, 2020 due to the COVID-19 situation.

Mr. Kennedy added ACWA was also working today to get some clarifications in the process going on at the Federal level in regards to water agencies.

- C. Meeting, Workshop, Committee, Seminar, Etc. Reports by Directors (AB1234)
 - 1. Board Seminar/Conference/Workshop Training Attendance Reports

There were no reports given.

- D. Directors Comments

There were no comments.

- E. Legal Counsel Comments
 - 1. Attorney Report: Clean Water Act (501668-0002)

Legal Counsel summarized the information provided in his report as well as briefed the Board on the new rule significantly narrowing the scope of Federal jurisdiction under the Clean Water Act, limits the jurisdiction to four categories of water, and specifically excludes twelve categories of water which repeals the Obama administration.

President Brazier asked if this would impact RMWD. Legal Counsel explained how the groundwater exclusion may be significant to RMWD and that he would keep the District up to date.

13. COMMITTEE REPORTS

- A. Budget and Finance Committee

Mr. Nelson reported the committee met on March 10, 2020 at which time they covered several issues including the revised purchasing policy which was being presented to the Board today which include committee comments and suggestions. He stated the committee fully endorses Item #20.

- B. Communications and Customer Service Committee

Director Hamilton mentioned the committee met on March 5, 2020 at which time the History of the District video was viewed in the presence of Bill Hitt who participated in the video. He mentioned the committee discussed the strategic plan objectives, WSUP progress, customer issue tracking capabilities, as well as community outreach programs. He announced the Avocado Festival has been cancelled and how the Vintage Car Show was still on the calendar at this time.

- C. Engineering and Operations Committee

Mr. Nelson reported the committee met on March 4, 2020 where they considered several items, specifically the variance request before the Board today for consideration under Item #15 for which they recommended Board approval. He added Item #19 was reviewed by the committee in November and agree it makes good sense. President Brazier pointed out Item #19 has been deferred to a later meeting at which time the committee's comments will be heard and taken into consideration.

BOARD ACTION ITEMS

14. COVID-19 (CORONAVIRUS) UPDATE

Ms. Harp shared a presentation on the District Enacted Pandemic Response Plan and spoke on some of the actions taken by RMWD.

Mr. Kennedy commended Mr. Khattab for getting RMWD operating remotely within 48 hours. He asked if the Board has received any feedback from members of the public related to the actions taken. President Brazier stated she has not received any comments.

Ms. Harp continued with the presentation. She explained the implementation of various work schedules to meet the social distancing requirements. Mr. Kennedy added having great employees able to work independently has been instrumental in assisting reducing the spread of the virus throughout the organization.

Director Mack asked about how employees are dispatched in a truck. Mr. Gutierrez indicated that staff has been isolated to one person in a truck; however, due to the size of the construction vehicles, two trucks have been rented from Enterprise to assist with that department's needs. He mentioned contact has been made with other agencies to offer assistance in the event of an emergency. He confirmed RMWD already had masks, respirators, gloves and white suits in stock and readily available for use. He also mentioned there were automatic soap, hand sanitizer, and paper towel dispensers were already installed around the District offices.

Ms. Harp continued with the presentation noting Mr. Kennedy declared an emergency for the District on March 16, 2020 which will enable RMWD to apply for FEMA grants. She pointed out staff started tracking labor and expenses related to the COVID-19 situation. Mr. Kennedy explained in this situation and trying to protect employees who are trying to work and having to tell them to stay home, his intention right now, unless directed otherwise by the Board, was to continue paying staff utilizing safety hours whenever efficiencies are low rather than forcing employees to utilize their PTO which could run low which could in turn force employees to come to office and not keep socially distanced. He anticipated there would be reimbursement for these types of expenses. Ms. Harp added since a national emergency has been declared, there will be reimbursement; however, it was unknown how granular the government will get, what expenses will be reimbursed and how long the process will take. Mr. Kennedy pointed out there was no real budgetary impact because safety hours have already been budgeted and it will not increase any cost but rather protecting it by making sure that all times RMWD has enough employees available to keep the water and wastewater system moving as opposed to getting a little productivity at the risk of having things go south and having to bring in mutual aid.

President Brazier stated she agreed with proceeding in this manner. She solicited the Board for input. Director Gasca proposed utilizing the same tracking template used for the Lilac Fires as a checklist for reference. Ms. Harp confirmed all expenses related to this situation were being tracked as closely as possible.

Mr. Kennedy pointed out some of the challenges with obtaining supplies. He said although the District has a supply of hand sanitizer, gloves, and Tyvek apparel, it was unclear when more supplies will be available. Ms. Harp added RMWD has a stock of routine PPE right now and staff members were doing everything possible to try to keep that stock replenished.

(*) - Asterisk indicates a report is attached.

Ms. Harp reviewed an Emergency Succession Plan for RMWD for those positions made up of one person. Director Gasca stated this was what he was looking for and how people will need to really feel comfortable with the fact if people start falling ill, we have a means to respond. He suggested staff also touch base with those staff members who retired from RMWD or other agencies who may be available to assist in the event of an emergency such as the one we are facing now. Mr. Kennedy stated he would have Ms. Harp put together a list of retirees who may still reside in the area. Ms. Harp mentioned CalPERS has increased the number of hours retirees are permitted in response to the current situation.

Director Gasca asked about the tally SDCWA was keeping on the status of all the districts. Mr. Gutierrez explained there was a Situational Status Report compiled of information provided from all the districts to SDCWA who in turn shares the report with all the general managers. Director Gasca inquired as to the details provided in the report. Mr. Gutierrez explained the report is a spreadsheet for agencies to complete asking for staffing levels, if there are any needs and anything on how the systems operate. He said once all the agencies provide the information, SDCWA will compile the information into a report so everyone is updated on what is transpiring throughout the County.

Mr. Kennedy asked for the Board for direction on how staff should address payment deferrals, late payments, and lock offs during this emergency so a policy can be developed. He noted right now RMWD was not charging late fees, stopped accruing interest, and are not locking off meters for non-payment. He referenced the SDCWA letter provided as a handout asking the government to include agencies such as RMWD in the proposed stimulus package being discussed. He reiterated he needed Board consensus, for at least this month, that RMWD will suspend lock offs, late charges and interest fees until staff can come back to the Board with more information on whatever the process is going to be coming out of this situation. President Brazier polled each Board Member on their support of RMWD continuing in this manner. All Board Members confirmed their support to continue in the manner Mr. Kennedy proposed.

Mr. Kennedy said hopefully next month staff will have more clarity and develop a most robust policy. He noted he asked Ms. Largent to flag those charges believed to be in this category in RMWD's account so if a federal reimbursement goes directly to a customer how it would be brought back to the District to pay for their bills. Director Hamilton expressed the importance of making it abundantly clear RMWD was not forgiving the use, but only the charges involved with late payments.

President Brazier asked for this to be a recurring agenda item for Board consideration.

Mr. Kennedy pointed out the next matter would be Resolution No. 20-04 related to the emergency declaration. He noted he had already exercised his authority to declare an emergency seven days ago and how the Board would now need to consider declaring a longer state of emergency by adopting Resolution No. 20-04 due to COVID-19 pandemic. He reviewed the information and provisions contained in the resolution as well as noted this was also necessary to seek any potential state and federal disaster relief reimbursement.

Mr. Kennedy mentioned he was also in the process of preparing a letter clarifying all RMWD staff members are critical infrastructure sector employees to prevent staff from being prohibited from accessing the District should movement be restricted as it has in past emergency situations. He noted Ms. Harp will place employee photos on these letters so any employees traveling to the District in unmarked vehicles are able to show proof they are to be allowed to access the District premises. He explained although these letters may not be necessary, staff was trying to be proactive by preparing for anything that may come forward.

Mr. Kennedy explained by adopting Resolution No. 20-04, the Board will be indicating this is a state of emergency that will continue in full force until rescinded by the Board, the Board will meet every month at which time staff will make a report, the office will remain closed until deemed safe by state health officials, public meetings will be conducted as this one was today, and all relevant provisions contained in the Administrative Code and Memorandum of Understandings with the bargaining units related to emergency conditions shall be in effect (i.e., working hours, out-of-class pay, etc.).

Mr. Kennedy complimented all RMWD employees for stepping into action and adjusting without complaint and doing everything they could to get things done with very little notice. He added other agencies were reaching out to RMWD to find out what steps were taken to make the transition happen so quickly. He said without all the excellent people working at RMWD, we would not have been able to pull off what has been accomplished.

President Brazier asked for confirmation the intent of Resolution No. 20-04 was to affirm a declaration of emergency within the District related to the COVID-19 outbreak.

Ms. Largent asked for clarification on FMLA related to employees who need to be home with their children who are out of school and lacking childcare. Mr. Kennedy explained there will be employees who do not have childcare during this pandemic and how he would like to offer use of Safety Leave to these employees and how this leave will be tracked for possible reimbursement. President Brazier asked the Board for any objections. There were no objections from the Board. President Brazier confirmed the Board concurred with offering this option to employees.

Motion:

To accept Resolution No. 20-04 as stated.

Action: Approve, Moved by Director Hamilton, Seconded by Director Gasca.

Vote: Motion carried by unanimous roll call vote (summary: Ayes = 5).

Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.

***15. DISCUSSION AND POSSIBLE ACTION TO APPROVE A VARIANCE FROM ORDINANCE 19-04 TO ALLOW A LOT, LARGER THAN 0.5 ACRES, TO QUALIFY FOR CAPACITY CLASS “B” AND APPROVE THE CAPACITY CLASS WATER USE AGREEMENT**

Mr. Strapac shared a presentation provided to the Engineering and Operations Committee. He noted Mr. and Mrs. Schmad reside on 5.2 acres and would like to have a 3/4 meter based on a number of things including their having a well on the property. He pointed out Ordinance 19-04 states a lot size of .5 acres may qualify for a 3/4” meter but does not allow for anything larger than a half-acre lot. He referenced the location of the property mentioning they are not currently operating a grove or any other agricultural operations. He shared the past 12-month water usage. He reiterated the Engineering and Operations Committee did vote 4-1 to recommend the Board grant this variance.

(*) - Asterisk indicates a report is attached.

Mr. Kennedy added there was a slight chance the meter on may be not registering property and by putting in a 3/4" meter, the consumption may increase. He said should the variance agreement be approved by the Board, if their demand increases, they would have to go to a larger meter.

Director Mack asked if there are fees associated with downsizing a meter. Mr. Kennedy answered there would not be a fee for downsizing; however, should the meter size need to be increased there would be fees assessed.

Director Hamilton asked what RMWD's exposure would be should someone with a locked meter for no usage requested a smaller meter size. Mr. Kennedy said staff does not have authority to approve such request; therefore, it would need to come to the Board as a variance request.

President Brazier expressed concern almost automatic approval could bring into question the validity of Ordinance No. 19-04. Mr. Kennedy agreed and said if the Board would like to have further discussion at the Engineering committee level to look at revising the Ordinance, staff would be open to that idea; however, the Administrative Code currently provides a process to be followed.

Director Hamilton asked should the property owner be granted this variance and then starts utilizing more water than 50 units per month and RMWD notifies them they must upgrade to a 1" meter would the property owners have to pay an upgrade charge. Mr. Kennedy stated the property owner would have to pay the differential between the two monthly services charges. Mr. Strapac clarified they would not pay the difference on the usage itself. Discussion ensued regarding the steps to be taken in the event the meter size were to be increased. It was noted the MOU signed by the property owner will be attached to the property.

President Brazier asked if the 3/4" meters approved by the Fire Marshal. Mr. Strapac confirmed this would be on a case-by-case basis. President Brazier asked if they did not meet fire requirements, would RMWD not grant 3/4" meters. Mr. Kennedy stated if this was the case, staff would not consider granting a 3/4" meter.

Mr. Kennedy said staff would support a decision made by the Board to not grant a 3/4" meters to lots sizes over one-half meter; however, the option for variance always exists. He explained the reason these property owners requested a variance was due to staff denying their initial request for a 3/4" meter.

President Brazier and Director Hamilton expressed concern with an increase in requests for variances. Director Hamilton asked if it would be available to run a survey of all RMWD customers to look at the average water use versus meter size. Ms. Largent state staff could conduct such a survey. Mr. Strapac pointed out it was common practice to have fee schedules associated with variance processes. President Brazier and Director Hamilton stated they would be more comfortable if there were a fee. Discussion ensued.

Director Hamilton stated he would like to implement a policy to include a fee to cover the costs associated with variances.

Mr. Kennedy directed Ms. Largent to work on a fee schedule and Mr. Strapac to update Ordinance 19-04 to include fixing the typographical error.

Motion:

To approve Option 1 - Approve the variance to Ordinance 19-04 to allow a property larger than 0.5 acres to qualify for capacity class B, approve the New Water Service Agreement, and make a determination the action identified herein does not constitute a “project” as defined by CEQA.

Action: Approve, Moved by Director Hamilton, Seconded by Director Gasca.

Vote: Motion passed (summary: Ayes = 3, Noes = 2, Abstain = 0).

Ayes: Director Gasca, Director Hamilton, Director Mack.

Noes: Director Brazier, Director Rindfleisch.

***16. DISCUSSION AND POSSIBLE ACTION TO AWARD A PROFESSIONAL SERVICES AGREEMENT TO HDR FOR A MODEL DEMAND UPDATE AND ADDITIONAL WATER SUPPLY ALTERNATIVES ANALYSIS**

Mr. Strapac explained this was a contract with HDR to perform water modeling throughout RMWD’s system to assist with modeling more accurately. Mr. Kennedy pointed out approximately one year ago the Board authorized conducting the analysis required for detachment from SDCWA and how this item was to approve a change order to the existing contract that exceeds his spending authority. He explained by modeling RMWD’s system more accurately and thereby being able to make better planning level decisions, could potentially save the District millions in the future. He said although RMWD wants to accurately define the situation to ensure the District always can supply the water and services required, it also does not want to build assets that would be underutilized.

President Brazier asked if these costs would be tallied against the detachment from SDCWA. Mr. Kennedy confirmed these costs as well as those within his spending authority would be allocated to the detachment efforts.

Motion:

To approve Option 1 - Allocate funding and award a Professional Services Agreement with HDR in the amount of \$34,100 for Model Demand Update and Additional Water Supply Alternatives Analysis, make a finding that the action herein does not constitute a “project” as defined by CEQA, and authorize General Manager to execute a Professional Services Agreement with HDR in the amount of \$34,100 for Model Demand Update and Additional Water Supply Alternatives Analysis.

Action: Approve, Moved by Director Rindfleisch, Seconded by Director Hamilton.

Vote: Motion carried by unanimous roll call vote (summary: Ayes = 5).

Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.

(*) - Asterisk indicates a report is attached.

17. NOTICE OF COMPLETION AND ACCEPTANCE OF THE VIA ARARAT ROAD PIPELINE IMPROVEMENT PROJECT

Mr. Strapac noted several months ago the Engineering Department conducted an in-house design and had the project go out for bid for construction of approximately 660' of pipeline at Via Ararat. He noted the project was completed; therefore, this item was for the Board to consider approving a Notice of Completion so the facilities can be brought in as part of District assets and the Notice of Completion can be filed with the County.

Motion:

To approve the Notice of Completion and acceptance of the Via Ararat Road Pipeline Improvement project.

Action: Approve, Moved by Director Mack, Seconded by Director Hamilton.

Vote: Motion carried by unanimous roll call vote (summary: Ayes = 5).

Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.

***18. CONSIDER APPROVAL OF AN AGREEMENT FOR OUT OF AGENCY SERVICE TO TRANSFER WATER AND WASTEWATER SERVICE FUNCTIONS FOR THE PARDEE "MEADOWOOD" DEVELOPMENT FROM THE VALLEY CENTER MUNICIPAL WATER DISTRICT TO THE RAINBOW MUNICIPAL WATER DISTRICT AND AN ANNEXATION AGREEMENT BETWEEN PARDEE HOMES, VALLEY CENTER MUNICIPAL WATER DISTRICT AND RAINBOW MUNICIPAL WATER DISTRICT FOR THE ULTIMATE ANNEXATION OF THE DEVELOPMENT INTO RAINBOW MUNICIPAL WATER DISTRICT**

This item was deferred.

19. DISCUSSION AND POSSIBLE ACTION TO AWARD A PROFESSIONAL SERVICES CONTRACT TO PROVIDE DESIGN SERVICES FOR THE RICE CANYON TANK TRANSMISSION PL TO I-15 - SR76 CORRIDOR DESIGN PROJECT

This item was deferred.

President Brazier called for a break at 2:39 p.m.

The meeting reconvened at 2:48 p.m.

***20. DISCUSSION AND POSSIBLE ACTION TO AMEND ADMINISTRATIVE CODE SECTION 5.02 PURCHASING**

Ms. Largent stated the purpose of this policy update was to clarify the language to be more in line with the software currently being utilized at RMWD and different process changes, clarifying staff's reporting requirements in the event of an emergency, increase limits for small purchases and three quotes, as well as increase the approval limit of managers by \$5,000. She mentioned a comparison was made to other agencies and how it was found \$5,000 was the average.

(*) - Asterisk indicates a report is attached.

Director Hamilton expressed concern there should be tighter procedure in place for reporting monies spent in the event of an emergency that exceed the General Manager's authority. Mr. Kennedy pointed out this language mirrors the policy found in Administrative Code Chapter 1.02 which governs the processes in the event of an emergency which would overrule the provision in this chapter. Director Hamilton said based on the information provided, he was comfortable with the verbage as stated.

Motion:

To adopt Ordinance No. 20-05 amending and updating Administrative Code Chapter 5.02- Purchasing with proposed language.

Action: Approve, Moved by Director Gasca, Seconded by Director Hamilton.

Vote: Motion carried by unanimous roll call vote (summary: Ayes = 5).

Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.

21. BOARD MEMBER REQUESTS FOR AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS

There were no requests.

BOARD INFORMATION ITEMS

***22. INFORMATIONAL UPDATE ON THE REQUEST FOR QUALIFICATIONS (RFQ) FOR DEVELOPMENT OF RAINBOW MUNICIPAL WATER DISTRICT (DISTRICT) HEADQUARTERS PROPERTY**

Mr. Kennedy reported in response to Board direction to get the development process going, an RFQ to find a partner who can assist with pinning down the most value out of the property based on current zoning as well as review economic models on what would be best to follow. He explained RMWD someone was hired to work on this project initially who in turn notified the District this project would need to be reviewed on a deeper level. He noted the RFQ's were due at the end of March after which time they will be presented to the Engineering and Operations Committee for discussion and review.

Director Gasca asked if RMWD spoke with the City of San Marcos and their experience on this same type of project. Director Mack suggested staff reach out to Paul Malone.

Discussion ensued regarding the various uses under consideration for this property.

Director Gasca emphasized the focus should be on maximizing the most out of this property for the benefit of the ratepayers.

Director Rindfleisch left the meeting at 3:04 p.m.

Mr. Kennedy noted this was an informational item and all the information collected will be shared with the Board as well as the Engineering and Operations Committee.

(*) - Asterisk indicates a report is attached.

Director Hamilton if the sliver of land problem has been resolved. Mr. Strapac as of right now the courts were prioritizing the items to be addressed due to the pandemic; therefore, RMWD has not yet received a response.

***23. RECEIVE AND FILE INFORMATION AND FINANCIAL ITEMS**

A. General Manager Comments

1. Meetings, Conferences and Seminar Calendar

B. Operations Comments

1. Operations Report

C. Engineering Comments

1. Engineering Report
2. As-Needed Services Expenditures Summary
3. RMWD Sewer Equivalent Dwelling Units (EDU's) Status

D. Human Resource & Safety Comments

1. Human Resources Report

E. Finance Comments

1. Information Report
2. Budget vs. Actual Operating
3. Fund Balance Projections
4. Treasury Report
5. Five Year Demand
6. Credit Card Breakdown
7. Directors' Expense
8. Check Register
9. Water Sales Summary
10. Developer Projections
11. RMWD Properties

Mr. Kennedy sought Board direction on how to address committee meetings considering the pandemic. He noted he has solicited key staff who in turn told him there were no critical items to be discussed by the committees at this time. Legal Counsel confirmed with the suspension of the Brown Act would permit for telephonic communication with a committee should something need to be addressed urgently.

President Brazier directed staff to suspend all committee meetings for the month of April. There was no objection from the remaining members of the Board.

Director Rindfleisch rejoined the meeting at 3:09 p.m.

Ms. Largent stated the pages provided as a handout were updates to the budget books. She also briefed the Board on the revision incorporated into these new pages.

Motion:

To receive and file information and financial items.

Action: Approve, Moved by Director Mack, Seconded by Director Hamilton.

(*) - Asterisk indicates a report is attached.

Vote: Motion carried by unanimous roll call vote (summary: Ayes = 5).

Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.

24. LIST OF SUGGESTED AGENDA ITEMS FOR THE NEXT REGULAR BOARD MEETING

It was noted an emergency update, award of contract for the Olive Hill Transmission Pipeline Project, a budget preview, possible auditor changes, the Pardee matter, the Rice Canyon Transmission Pipeline, Rainbow Public Facilities Corporation, and a discussion regarding social media responses.

25. ADJOURNMENT -

The meeting was adjourned by Director Brazier to a regular meeting on April 28 2020 at 1:00 p.m.

The meeting was adjourned at 3:19 p.m.

Helene Brazier, Board President

Dawn M. Washburn, Board Secretary