

**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
RAINBOW MUNICIPAL WATER DISTRICT
AUGUST 22, 2023**

1. **CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on August 22, 2023, was called to order by President Hamilton at 8:02 a.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. President Hamilton presiding.

2. **ROLL CALL**

Present: Director Gasca, Director Hamilton, Director Johnson, Director Mack, Director Townsend-Smith.

Also Present: General Manager Kennedy, Legal Counsel Smith, Executive Assistant Washburn, Administrative Services Manager Harp, Information Technology Manager Khattab, Consultant Krebs, General Manager Ad-Hoc Committee Member Stewart.

No members of the public were present in person, via teleconference or video conference before Closed Session.

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

There were no amendments to the agenda.

4. **INSTRUCTIONS TO ALLOW PUBLIC COMMENT ON AGENDA ITEMS FROM THOSE ATTENDING THIS MEETING VIA TELECONFERENCE OR VIDEO CONFERENCE**

There were no members of the public in attendance via teleconference or video conference; therefore, the instructions were not read aloud.

5. **ORAL/Written COMMUNICATIONS FROM THE PUBLIC
OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD REGARDING
CLOSED SESSION AGENDA ITEMS (Government Code § 54954.2).**

There were no comments.

The meeting adjourned to Closed Session at 8:03 a.m.

6. **CLOSED SESSION**

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

* One Item

B. Public Employee Appointment, Employment (Government Code § 54957(b)(1)) Position: General Manager

(*) - Asterisk indicates a report is attached.

- C. Appointment; Employment; Evaluation of Performance–General Manager (Government Code § 54957)
- D. Conference with Labor Negotiators–Unrepresented Employees (Government Code § 54957.6 and § 54957)

Agency Designated Representatives
Tom Kennedy
Karleen Harp

The meeting reconvened at 1:10 p.m.

7. REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

This item was addressed under Item #11.

Time Certain: 1:00 p.m.

- 8. **REPEAT CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on August 22, 2023 was called to order by President Hamilton at 1:10 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. President Hamilton presiding.

9. PLEDGE OF ALLEGIANCE

10. REPEAT ROLL CALL

Present: Director Gasca, Director Hamilton, Director Johnson, Director Mack, Director Townsend-Smith.

Also Present: General Manager Kennedy, Legal Counsel Smith, Executive Assistant Washburn, Information Technology Manager Khattab, Administrative Services Manager Harp, Operations Manager Gutierrez, Finance Manager Largent, Engineering and CIP Program Manager Williams, Wastewater Superintendent Zuniga, Operations Supervisor Coffey, Senior Project Manager Parra, Human Resources Assistant Ramirez, Accounting Specialist Martinez, Administrative Analyst Weber, Utility Worker Hand, Safety and Risk Management Officer Johnson.

Also Present Via Teleconference or Video Conference:

Senior Project Manager Tamimi, Administrative Analyst Rubio, Construction and Meters Supervisor Lagunas, Billing Specialist Kilmer, Senior Inspector Stockton, Grant Specialist Kim, Senior Fleet Mechanic Del Rio.

Seventeen members of the public were present for Open Session in person, via teleconference or video conference.

(*) - Asterisk indicates a report is attached.

11. REPEAT REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

Legal Counsel reported the Board met in Closed Session during which two items were discussed; Items #6B and #6D noting there was one reportable item. He stated the Board made a decision to select a candidate as the General Manager and that the appointment is subject to negotiation of compensation and contract terms. He noted Tom Kennedy and Karleen Harp have been designated as the agency designated representatives for the negotiation of the general manager contract.

Discussion returned from Item #22.

Legal Counsel reported the Board met in Closed Session to discuss Items #6A and #6C and there was no reportable action; however, there was an Open Session item to discuss regarding the appointment, employment, and performance evaluation of the General Manager.

Discussion went to Item #27.

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

Mr. Kennedy pointed out the Board may want to take the remaining items out of order due to the negotiations currently underway as well as noted the Board may need to adjourn back into Closed Session later in the meeting.

13. REPEAT INSTRUCTIONS TO ALLOW PUBLIC COMMENT ON AGENDA ITEMS FROM THOSE ATTENDING THIS MEETING VIA TELECONFERENCE OR VIDEO CONFERENCE

President Hamilton read aloud the instructions for those attending the meeting via teleconference or video conference.

14. 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).

Barry Willis reflected on what he considered to be a historic vote taken by LAFCO (Local Agency Formation Commission) on July 10, 2023 related to the detachment. He noted the three commitments he made when running for the seat on the Commission and how it was exciting for him to be part of LAFCO doing a good thing, especially after really listening to those who shared their thoughts regarding the matter. He concluded by stating there was nothing more important to him than listening to RMWD and that he will continue to do so.

15. EMPLOYEE RECOGNITIONS

- A. Excellence Coin Awards
 - 1. Ramon Zuniga

Mr. Kennedy recognized Ramon Zuniga as an employee at RMWD for thirty-one years who is the current supervisor of the wastewater crew that has also received all five coins. He thanked Mr. Zuniga as he presented him with a plaque in recognition of his achievement.

(*) - Asterisk indicates a report is attached.

2. Chris Hand

Mr. Kennedy recognized Chris Hand as a member of the wastewater department for fifteen years. He noted Mr. Hand had been nominated by his peers to receive these coins as he presented him with a plaque in recognition of his achievement.

SPECIAL PRESENTATION

16. RANCHO WATER DISTRICT CROPSWAP PRESENTATION (ROBB GRANTHAM/JASON MARTIN)

Mr. Kennedy noted in addition to the internal presentation provided on this program, Jason Martin from Rancho Water District was here today to provide additional information related to the CropSwap program.

Mr. Martin provided an overview of the Cropswap program Rancho Water District has had in place since 2017 as well as expanding this program regionally including the opportunity for agencies throughout San Diego to be a part of the program to help the local agricultural community. He reviewed the history, key objectives, financial incentives, results, regional expansion, program expansion, program funding, as well as the next steps. He concluded with nothing that he was present today to promote the program as well as answer any questions.

President Hamilton inquired as to what it would take to become a partner. Mr. Martin stated much of the funding for the program itself and incentives to the customers would come through the grant program; however, there is a cost share or match component to bring along. He said the very, very preliminary number would be approximately 10% of the cost of the incentives to the growers which would help with the administrative costs associated with the program.

Mr. Kennedy noted he spoke with others from the surrounding local agencies and how they will work out a local regional solution by completing the necessary steps by the end of 2023. Mr. Martin asked to be contacted should RMWD have any questions or would like to have additional information provided at a future Board meeting.

***17. APPROVAL OF MINUTES**

A. July 25, 2023 - Regular Board Meeting

B. August 11, 2023 – Special Board Meeting

Motion:

To approve the minutes.

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

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

Ayes: Director Gasca, Director Hamilton, Director Johnson, Director Mack, Director Townsend-Smith.

(*) - Asterisk indicates a report is attached.

***18. 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 Hamilton)

There was no report given.

B. Representative Report (Appointed Representative)

1. SDCWA

A. Summary of Board Meeting June 22, 2023

B. Summary of Board Meeting July 27, 2023

Mr. Kennedy reported SDCWA recently approved litigation against LAFCO. He noted a contract for \$3.2M with the Brownstein Firm for both legal support and the MWD program was also approved; however, the Board Members were not provided with copies of the contracts to review.

Mr. Kennedy announced SDCWA did file suit against LAFCO, FPUD, RMWD, and Eastern Municipal Water District on August 21, 2023. He noted this matter will be further discussed in Closed Session.

Director Mack inquired as to the anticipation of this matter going before a judge. Mr. Kennedy stated this remains to be determined. Director Mack asked whether RMWD and FPUD would be responsible for paying any legal fees. Mr. Kennedy explained there is an agreement already in place with LAFCO in that if they are sued, RMWD and FPUD are required to indemnify LAFCO that includes a process of LAFCO being paid a deposit.

Director Townsend-Smith inquired as to whether it has been confirmed that the detachment will be a part of the November 2023 ballot. Mr. Kennedy stated a final ballot measure has been approved by the Registrar of Voters and the required paperwork has been filed; thus, it has been confirmed. President Hamilton added the only way the election could be stopped would be through the courts.

2. CSDA

Director Mack stated he attended the August 17, 2023 CSDA Quarterly Dinner meeting at which artificial intelligence was the topic of discussion.

3. LAFCO

Mr. Kennedy reported the only discussion related to RMWD at the August 7, 2023 LAFCO meeting was that the Commission had voted to approve moving the work plan for SDCWA's Municipal Service Review to Item #1. It was noted the Commission vote was 7-1.

4. Santa Margarita River Watershed Watermaster Steering Committee

President Hamilton noted the committee will meet again in October.

(*) - Asterisk indicates a report is attached.

5. ACWA

Director Gasca announced the Board approved the hiring of Best, Best & Krieger as their general counsel following a Request for Proposal process. He reported they also approved the pilot launch of the "ACWA Certificate of Excellence Program" as well as accepting legislative proposals from member agencies for the 2024 State Legislative Session.

Mr. Kennedy also mentioned the 2023 ACWA Fall Conference hotel rooms may already be sold out. Ms. Washburn confirmed hotel rooms have been booked and confirmed for those from RMWD who have stated they wanted to attend.

Director Gasca concluded by noting the Secretary of the Department of the Interior visited Eastern Municipal Water District to discuss water supply resiliency.

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

Ms. Johnson stated she attended the Southern California Water Coalition Quarterly Luncheon as well as had the honor to visit with members of RMWD's Engineering and Information Technology departments during which she learned a great deal from the information presented by both.

- D. Directors Comments

There were no comments.

- E. Legal Counsel Comments
 - 1. Attorney Report: Conflict of Interest Update for Elected Directors 501668-0002

Legal Counsel summarized the information provided in the written report which included updates on new regulations adopted by the FPPC regarding Senate Bill 1439 related to new campaign contribution laws.

19. COMMITTEE REPORTS

- A. Budget and Finance Committee

Mr. Nelson reported this committee did not meet in August.

- B. Engineering and Operations Committee

Mr. Nelson reported the committee met on August 2, 2023 during which time the committee reviewed Items #20, #21, #23 for which the committee voted to recommend Board approval. He also mentioned the committee was also presented a Groundwater Study Update which he found to be a very thoughtful and well-organized presentation that will provide the Board with an interesting decision to make regarding the amount of acre feet that can be reasonably expected to be obtained from the groundwater program as well as the capital and operating costs associated with such.

(*) - Asterisk indicates a report is attached.

C. Communications and Customer Service Committee

Ms. Weber reported the committee met on August 3, 2023 during which time a variety of items were discussed mostly associated with District news such as the status of detachment including the LAFCO vote, the \$1.9M Community Grant from the U.S. Environmental Protection Agency to be applied to the Lift Station and Sewer Improvement project, Gomez tank being approved as the second site for a heli-hydrant location as well as an update of the grant application which will be processed this month for submittal. She mentioned the customer service team presented data related to the average phone hold-times and total number of calls including a comparison of 2022 statics with 2023 as well as discussed 70th Anniversary concepts that will be presented to the Board today under Item #24. She concluded by noting the items highlighted in the newsletter.

Time Certain 1:00 p.m. – Public Hearings

PUBLIC HEARINGS

***20. DISCUSSION AND POSSIBLE ACTION TO APPROVE THE FORM OF AN ACQUISITION AGREEMENT BETWEEN THE DISTRICT AND NEIGHBORHOOD 1 AT THE HAVENS, LLC/BONSALL OAKS LLC DEVELOPER UNDER THE STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM (“SCIP”) (DIVISION 1)**

President Hamilton opened the public hearing at 1:52 p.m.

Ms. Washburn reported no written correspondence has been submitted for this item.

Director Gasca requested a quick summary for this item. Mr. Williams explained this item goes back to two different resolutions the Board approved in the past. He noted Resolution No. 20-06 was approved in May 2020 which got RMWD into the SCIP program and then another one approved in June 2022 RMWD was reinstated back into SCIP. He stated now that RWD is a partner in the SCIP program, developments can come in.

Mr. Williams stated The Havens (formerly Bonsall Oaks) is being phased into different phases and how this item was for their Phase 1. He noted the developer is looking to construct 59 units both with the potable water as well as gravity sewer system to be funded through the SCIP program.

President Hamilton inquired as to how the costs are determined. Mr. Williams explained costs are calculated using the SDCWA capacity fees, RMWD’s water and sewer capacity fees, as well as possible use of their engineer’s estimate as to what it would cost to construct the water and sewer facilities. President Hamilton asked whether it was per unit or per equivalent dwelling unit. Mr. Williams said it would be per equivalent dwelling unit for sewer and water meter size for water. He pointed out most developers choose to not have SDCWA’s capacity fees as part of it because that is different contracting; however, this was for the developer to decide.

President Hamilton closed the public hearing at 1:56 p.m.

Motion:

To approve Option 1 – Make a determination that approval of the Acquisition Agreement does not constitute a project that is subject to CEQA guidelines and authorize the General Manager and General Counsel to continue negotiating with the Developer and execute the Acquisition Agreement on behalf of the District.

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

(*) - Asterisk indicates a report is attached.

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

Ayes: Director Gasca, Director Hamilton, Director Johnson, Director Mack, Director Townsend-Smith.

***21. DISCUSSION AND POSSIBLE ACTION TO APPROVE THE FORM OF AN ACQUISITION AGREEMENT BETWEEN THE DISTRICT AND OCEAN BREEZE RANCH, LLC. DEVELOPER UNDER THE STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM (“SCIP”) (DIVISION 1)**

President Hamilton opened the public hearing at 1:57 p.m.

Ms. Washburn reported no written materials have been submitted for this item.

Mr. Williams pointed out this developer would like to fund all 381 units which would result in a difference of approximately \$12M in projected capacity fees for both water and sewer. He noted the general manager and legal counsel will continue to negotiate with the developer on the terms.

President Hamilton closed the public hearing at 2:00 p.m.

Motion:

To approve Option 1 – Make a determination that approval of the Acquisition Agreement does not constitute a project that is subject to CEQA guidelines and authorize the General Manager and General Counsel to continue negotiating with the Developer and execute the Acquisition Agreement on behalf of the District.

Action: Approve, Moved by Director Johnson, Seconded by Director Townsend-Smith.

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

Ayes: Director Gasca, Director Hamilton, Director Johnson, Director Mack, Director Townsend-Smith.

Discussion went to Item #23.

BOARD ACTION ITEMS

***22. DISCUSSION AND POSSIBLE ACTION REGARDING THE APPOINTMENT, EMPLOYMENT, OR COMPENSATION OF THE GENERAL MANAGER**

Motion:

To appoint JAKE WILEY as General Manager of the Rainbow Municipal Water District, under the terms and conditions outlined in the draft Employment Agreement with the following specific terms:

- The employee’s first day of employment will be September 25, 2023.***
- The employee’s salary shall be \$9,808.00 biweekly or \$255,008 annually.***
- The employee will be eligible for a bonus of up to \$20,000 each year, at the Board’s discretion based on achievement of goals and objectives.***
- The District will contribute up to \$9,920 into the employee’s 457 plan each year.***

(*) - Asterisk indicates a report is attached.

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

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

Ayes: Director Gasca, Director Hamilton, Director Johnson, Director Mack, Director Townsend-Smith.

President Hamilton read aloud instructions for those attending the meeting virtually so that they may remain in attendance following the conclusion of Closed Session.

The meeting adjourned back into Closed Session at 2:45 p.m.

Director Townsend-Smith excused herself from the meeting at 2:45 p.m.

The meeting reconvened at 3:50 p.m.

Discussion went to Item #11.

***23. DISCUSSION AND POSSIBLE ACTION TO APPROVE A CONTRACT CHANGE ORDER WITH HOCH CONSULTING FOR DESIGN OF THE HUTTON (WEST LILAC), TURNER (RANCHO AMIGOS), AND DENTRO DE LOMAS PUMP STATIONS IN THE AMOUNT OF \$40,323.50 (DIVISION 1)**

Mr. Williams pointed out Adam Hoch, President and CEO for Holt Consulting was present today to answer any questions. He stated staff was requesting that the Board consider approving this Change Order. He mentioned this project originally started as the Hutton, Turner, and Gopher Pump Station Projects that have since been renamed after the roads on which they are located at Mr. Kennedy's request for easier identification. He expressed appreciation to Hoch Consulting for their flexibility during this transition.

Mr. Williams explained a previous hydraulic model was done for the entire district and how when Hoch Consulting came on, it was determined that an updated hydraulic model was necessary to recalibrate to ensure these pump stations were there. He recalled staff have negotiated for easements for these pump stations which have changed a few times but have since been secured. He said this item was before the Board to present a Change Order that exceeds the general manager's signing authority so this project can continue to move forward. He stated staff were currently awaiting 100% design plans within the next week or so and how these funds are needed to continue the project moving forward.

Mr. Kennedy pointed out part of the redesign effort reduced the size of one of the pump stations which decreased the cost of the pump station by over \$250,000. He stated while the cost was a little more, some of the design efforts done by the Hoch team have delivered on the effort to reduce the capital and energy costs going forward.

Motion:

To approve Option 1 – Authorize the General Manager to execute Change Order No.5 to the Professional Services Agreement with Hoch Consulting to provide additional scope of services in the amount of \$40,323.50 and make a determination that the action identified herein does not constitute a “project” as defined by CEQA.

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

(*) - Asterisk indicates a report is attached.

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

Ayes: Director Gasca, Director Hamilton, Director Johnson, Director Mack, Director Townsend-Smith.

Discussion went to Item #24.

***24. DISCUSSION AND POSSIBLE ACTION TO APPROVE NEW LOGO IN RECOGNITION OF THE DISTRICT'S 70TH ANNIVERSARY**

Ms. Weber stated RMWD's team has been working on a new logo design in celebration of the 70th anniversary at the end of 2023. She noted concepts were presented to the team as well as the Communications and Customer Service Committee earlier this month. She was pleased to present logos Board consideration.

Ms. Weber pointed out a brand has the ability to control the perception of the logo with the use of color and meaning and how these two areas can be expressed through visual and psychological cues through shape and color to convey the message and tell the story of the brand.

Ms. Weber presented Design Concepts 1 and 2 describing the color and meanings included in the proposed design options. She also presented options for use following the conclusion of the 70th anniversary as well as mock-ups of team apparel, collateral, and vehicles for each of the two concepts. She displayed side-by-side comparisons of the design concepts including the mock-ups.

Director Johnson inquired as to where the money would come from to pay for all of this. Ms. Weber stated RMWD has items that are regularly ordered during this time of year for which money is budgeted; thus, this would be a very smooth transition. Director Johnson stated she was thinking of the ratepayers in that their perception would be questionable of this due to their water rates being increased recently. Ms. Weber noted this would be addressed as part of the initial brand rollout including it was not an incidental cost for RMWD because everything was handled in-house to avoid excessive costs.

President Hamilton asked if the cost estimate was provided as part of the agenda packet. Ms. Weber confirmed this was correct. Mr. Kennedy pointed out discussions with the Board had taken place previously related to changing RMWD's branding. Ms. Townsend-Smith agreed RMWD needed a change. Ms. Harp clarified \$15,000 would have been incurred anyways for the routine reordering of products and the additional \$15,000 has already been budgeted for as part of the 70th anniversary celebration.

Director Mack inquired as to whether this would be revisited in five years. Ms. Harp explained the Design Concept #1 would provide for easy removal and updates for future anniversary celebrations, whereas Design Concept #2 would be more challenging due to the use of the "0" in "70".

Discussion ensued regarding timeframes for ordering products in time for the anniversary.

President Hamilton asked whether staff needed direction from the Board in terms of how to proceed. Ms. Harp stated the Board had the option of selecting one of the two design concepts as presented or with modifications today or asking staff to bring back a final draft with those modifications for Board consideration.

(*) - Asterisk indicates a report is attached.

Director Johnson inquired as to how long it has been since RMWD last changed its logo. Ms. Harp stated it has been more than 20 years at least.

Director Gasca stated he preferred Design Concept 1 with the tank. President Hamilton stated he preferred 1F with the sun. Directors Mack and Townsend-Smith agreed with President Hamilton.

It was confirmed that the majority of Board Members preferred Design Concept 1F with three lines and the sun.

Motion:

To approve Design Concept 1F with the sun.

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

Vote: Motion passed (summary: Ayes = 4, Noes = 0, Abstain = 1).

Ayes: Director Gasca, Director Hamilton, Director Mack, Director Townsend-Smith.

Abstain: Director Johnson.

Mr. Kennedy recognized Ms. Weber for the excellent work she did on this project. President Hamilton added the Communications and Customer Service Committee was also very impressed with the work done by Ms. Weber as well.

Discussion went to Item #25.

***25. DISCUSSION AND POSSIBLE ACTION REGARDING ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) REGION 10 BOARD ELECTION**

Mr. Kennedy explained this was one of the usual requests RMWD receives from ACWA including a proposed slate for consideration.

Motion:

To approve Option 1 – Concur with the Region 10 Nominating Committee’s recommended slate.

Action: Approve, Moved by Director Hamilton, None seconded.

The motion died for lack of a second.

Director Gasca recommended voting for the candidates individually as opposed to the slate presented. Discussion ensued.

Director Johnson excused herself from the meeting at 2:31 p.m.

Motion:

To approve Dana Frieauf for Chair, Charles T. Gibson for Vice Chair, and Jennifer DeMeo and Manny Delgado as the San Diego County Board Members, and Marice H. DePasquale, George Murdoch, and Deborah Neev as the Orange County Board Members.

(*) - Asterisk indicates a report is attached.

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

Vote: Motion carried by unanimous vote (summary: Ayes = 4).

Ayes: Director Gasca, Director Hamilton, Director Mack, Director Townsend-Smith.

Absent: Director Johnson.

Discussion went to Item #26.

Director Johnson rejoined the meeting at 2:34 p.m.

***26. DISCUSSION AND POSSIBLE ACTION REGARDING ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) BOARD OFFICERS' ELECTION**

Mr. Kennedy explained this was an opportunity to vote for ACWA President and Vice President. Ms. Washburn clarified the ballot was not included in the agenda packet due to it being only emailed to Director Gasca as RMWD's authorized representative.

Motion:

To vote for Cathy Green for President and Michael Saunders for Vice President.

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

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

Ayes: Director Gasca, Director Hamilton, Director Mack.

Abstain: Director Johnson, Director Townsend-Smith.

Discussion went to Item #29.

***27. DISCUSSION AND POSSIBLE ACTION REGARDING THE APPOINTMENT, EMPLOYMENT; EVALUATION OF PERFORMANCE; OR COMPENSATION OF THE GENERAL MANAGER (TOM KENNEDY)**

Motion:

To approve an extension of the contract between Rainbow Municipal Water District and Tom Kennedy for the following changes in terms:

- **Extend the expiration date of the contract to October 4, 2023; and**
- **A 2% Cost of Living Adjustment bringing his annual salary to \$277,778.80 beginning August 28, 2023; and**
- **A 2.3% base pay merit increase to the General Manager's annual salary to \$284,169.60 beginning August 28, 2023; and**
- **Authorize the payment of the \$15,000 retention bonus outlined in the existing contract with Mr. Kennedy based on the achievement of his goals and objectives for the past year to be paid on the next regular pay date; and**

(*) - Asterisk indicates a report is attached.

- **Authorize payment of the \$10,000 retention bonus outlined in the existing contract with Mr. Kennedy based on onboarding a new general manager to be paid on the first regular pay date after the start date of the new general manager, but no later than October 5, 2023.**

(Note – the August 28, 2022, date was mistakenly provided as part of this motion; thus, the correction has been made to reflect the correct date of August 28, 2023, as directed.)

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

Vote: Motion carried by unanimous roll call vote (summary: Ayes = 4).

Ayes: Director Gasca, Director Hamilton, Director Johnson, Director Mack.

Absent: Director Townsend-Smith.

Discussion went to Item #33.

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

This item was not addressed.

STAFF PRESENTATION

29. SAN LUIS REY GROUNDWATER PRESENTATION

Director Johnson stated she has heard this presentation and how it is very valuable but also very lengthy; therefore, she recommended deferring it until the September Board meeting in the interest of time to allow for the quality of discussion it will most likely generate.

This item was tabled.

Discussion went to Item #30.

BOARD INFORMATION ITEMS

30. DISCUSSION TO REVIEW AUDIO RECORDING RETENTION POLICY

Mr. Kennedy solicited the Board for input as to whether they would like to consider possible updates to the retention policies for both audio and video recordings of public meetings. He pointed out these files are all digital; therefore, there would be no costs associated with the storage of such. He noted his recommendation would be to retain these files for five years. Ms. Washburn added the retention of the audio recordings has been somewhat controversial over the past several years; therefore, there are only some audio recordings that have been retained until it is determined whether this policy should be updated.

Director Mack stated when he was a part of the legislative committees, this was a big topic of discussion and how the consensus was to retain these records for 2-3 months. Mr. Kennedy noted the law does not stipulate a retention period; thus, it would be up to RMWD to set its own internal policies.

(*) - Asterisk indicates a report is attached.

Director Johnson stated transparency is very proactive and how having a stated longevity period of retention makes total sense. She suggested proposing a transparent and consistent policy. Mr. Kennedy agreed to bring proposed revisions to the Board in September.

Discussion went to Item #22.

31. 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. Administrative Services Comments**
 - 1. Administrative Services Report
- E. Finance Comments**
 - 1. Board Information Report
 - A.** Budget vs. Actuals
 - B.** Fund Balance & Developer Projections
 - C.** Treasury Report
 - D.** Five Year Water Purchases Demand Chart
 - E.** Water Sales Summary
 - F.** Check Register
 - G.** Directors' Expenses Report
 - H.** Credit Card Breakdown
 - I.** RMWD Properties
 - J.** Grant Progress Report

This item was not addressed.

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

This item was not addressed.

33. ADJOURNMENT

The meeting was adjourned by President Hamilton to a regular meeting on September 26, 2023, at 1:00 p.m.

The meeting was adjourned at 3:43 p.m.

Hayden Hamilton, Board President

Dawn M. Washburn, Board Secretary

(*) - Asterisk indicates a report is attached.