

**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
RAINBOW MUNICIPAL WATER DISTRICT
JULY 26, 2016**

1. **CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on July 26, 2016 was called to order by President Sanford at 12:31 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. President Sanford presiding.

2. **ROLL CALL**

Present: Director Sanford, Director Walker, Director Brazier, Director Bigley, Director Stewart.

Also Present: General Manager Kennedy, Executive Assistant Washburn, Legal Counsel Ochoa, Operations Manager Milner, Finance Manager Martinez, Superintendent Maccarrone, Superintendent Zuniga, Superintendent Walker, Administrative Analyst Gray, Acting Engineering Manager Powers, Human Resources Manager Harp.

No members of the public were present before Open Session. Five members of the public were present for Open Session.

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

There were no changes.

4. **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 12:32 p.m.

5. **CLOSED SESSION**

A. Conference with Legal Counsel—Anticipated Litigation (Government Code section 54956.9(d)(2))

* Significant exposure to litigation - 1 matter

The meeting reconvened at 1:00 p.m.

6. **REPORT ON POTENTIAL ACTION FROM CLOSED SESSION**

This report was provided under Item #8.

(*) - Asterisk indicates a report is attached.

Time Certain: 1:00 p.m.

7. PLEDGE OF ALLEGIANCE

8. REPEAT REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

President Sanford stated there was nothing to report.

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

There were no changes.

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).

Paul Wick mentioned he owns 120 acres across the street from the Pala Casino for which he has paid approximately \$4,000 a year for water. He stated there was a water availability charge for RMWD on his tax bill. He explained how ten years ago that they had to have this tax bill charge in order to sell or do anything else with their property; therefore, he did not bother to look into it any further. He said after talking to other property owners in the area, he was asked why he was paying this money and what was he paying for.

Mr. Kennedy confirmed with Mr. Wick that there was no water on the property. He explained all parcels within the geographic boundaries of the District are subject to the taxation from Metropolitan California, San Diego County Water Authority, and Rainbow Municipal Water District. He stated although it was a challenge and process to get through, he recommended Mr. Wick get with Mr. Powers who will provide him with the contact information he needs to proceed.

***11. APPROVAL OF MINUTES**

A. June 28, 2016 - Regular Board Meeting

Motion:

Approve the minutes as submitted.

Action: Approve, Moved by Director Brazier, Seconded by Director Bigley.

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

Ayes: Director Sanford, Director Walker, Director Brazier, Director Bigley.

Abstain: Director Stewart.

(*) - Asterisk indicates a report is attached.

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 Sanford)

President Sanford reminded the Board the candidate election packets must be at the Registrar of Voters on August 12, 2016 before 5:00 p.m.

President Sanford also mentioned the general manager performance reviews are due to Legal Counsel by August 16, 2016.

B. Representative Report (Appointed Representative)

1. SDCWA

Mr. Kennedy noted a new promotional BeWaterWise.com promotional campaign for San Diego County will be coming out over the media in the near future.

2. CSDA

Mr. Kennedy noted the quarterly dinner meeting will be in August. He mentioned he was approached about possibly serving as the president of CSDA.

3. LAFCO

Mr. Kennedy reported the SDAC meeting was cancelled this month.

Director Brazier mentioned FPUD called a Special Board meeting attended by Michael Ott of LAFCO where discussions took place regarding FPUD activating their latent powers within 4-5 areas; however, they were not pleased with the costs involved and were now just considering activating their park and recreation powers.

4. San Luis Rey Watershed Council

Director Walker noted the recent meeting was cancelled; however, an email was sent out in place of the meeting to reiterate the efforts on the implementation of the grant the Council received. He confirmed a person was hired to be their executive director.

5. Santa Margarita Watershed Council

President Sanford reported on the meeting prior to the last meeting where the main topic was the replacement of the Watermaster.

C. Meeting, Workshop, Committee, Seminar, Etc. Reports by Directors (AB1234)

Director Walked talked about the Council of Water Utilities meeting that Mr. Kennedy, Director Stewart and he attended where a history of the formation of and purpose for Metropolitan Water District was given. Discussion followed.

D. Directors Comments

There were no comments.

***13. COMMITTEE REPORTS (Approved Minutes have been attached for reference only.)**

A. Budget and Finance Committee

1. June 14, 2016 Minutes

There was no report given.

B. Communications Committee

1. June 6, 2016 Minutes

Mr. Kennedy reported there were discussions regarding ratepayer surveys and whether these should be conducted and what type of questions should be asked. He noted staff has looked into the having an outside firm conduct the survey and found it to be quite costly.

C. Engineering Committee

1. June 1, 2016 Minutes

Mr. Powers reported one of the main topics discussed was the draft wastewater treatment report and what options may be available as well as the costs involved.

BOARD ACTION ITEMS

***14. DISCUSSION AND POSSIBLE ACTION ON ADOPTION OF 2016 RMWD DOMESTIC WATER, RECYCLED WATER AND SANITARY SEWER FACILITIES CONSTRUCTION STANDARDS MANUAL**

Mr. Kennedy noted this was a large document. Mr. Powers stated there were several pages of comments and revisions which could be provided to anyone interested.

Director Stewart asked if the revisions would be categorized as minor or major. Mr. Powers talked about the major revisions made to the plan to include General Conditions 1.24, Tech Specs Sections 13200, 13250 and 15112. He pointed out the biggest revision was to Section 15112 updating backflow prevention assemblies.

Mr. Powers talked about the steps that took place during the review process. He noted the Engineering Committee voted unanimously to recommend adoption of the plan in March 2016 after several staff and committee member reviews.

Mr. Powers gave a brief description of the RMWD Domestic Water, Recycled Water and Sanitary Sewer Facilities Construction Standards Manual.

President Sanford asked if RMWD's manual runs parallel with those of other local agencies. Mr. Kennedy stated in general it does; however, there may be certain projects in other agency plans that RMWD may not necessarily want in its Plan.

(*) - Asterisk indicates a report is attached.

Director Stewart inquired about going out for bids on projects whether the plans and specs related to projects are to be subject to this manual. Legal Counsel confirmed there is language in the documents that states that these Standards control in the event there are inconsistencies between the documents.

Motion:

To accept the revised Standards Manual.

Action: Approve, Moved by Director Walker, Seconded by Director Brazier.

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

Ayes: Director Sanford, Director Walker, Director Brazier, Director Bigley, Director Stewart.

***15. DISCUSSION AND POSSIBLE ACTION TO AWARD A PROFESSIONAL SERVICES AGREEMENT WITH NOBEL SYSTEMS, INC. FOR GEOVIEWER ONLINE, GEOVIEWER MOBILE, INFOR ENTERPRISE ASSET MANAGEMENT INTEGRATION, AND SPRINGBROOK CUSTOMER SERVICE SOFTWARE INTEGRATION**

Mr. Kennedy gave a presentation and demonstration on the integration of these systems.

Director Stewart pointed out this will revolutionize RMWD's ability to evaluate the useful life and replacement costs of the District's assets.

Director Walker stated the long term return on this investment would be huge.

Motion:

Option 1 - Approve the Professional Service Agreement with Nobel Systems, Inc.

Action: Approve, Moved by Director Stewart, Seconded by Director Brazier.

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

Ayes: Director Sanford, Director Walker, Director Brazier, Director Bigley, Director Stewart.

BOARD INFORMATION ITEMS

***16. QUARTERLY STRATEGIC PLAN OBJECTIVES AND GOALS UPDATE**

Mr. Kennedy explained this was something that will be brought back to the Board quarterly as a means of providing updates. He continued with a presentation of the quarterly update.

Director Walker suggested a monthly update on the committees in terms of the strategic plan tasks be given during the monthly committee reports at the Board meetings.

President Sanford congratulated Mr. Kennedy on the accomplishments.

(*) - Asterisk indicates a report is attached.

***17. RECEIVE AND FILE INFORMATION AND FINANCIAL ITEMS FOR JUNE 2016**

- A. General Manager Comments**
 - 1. Meetings, Conferences and Seminar Calendar
- B. Communications**
 - 1. Ratepayer Letters
 - 2. Staff Training Reports
- C. Operations Comments**
 - 1. Operations Report
- D. Engineering Comments**
 - 1. Engineering Report
- E. Customer Service Comments**
 - 1. Customer Service Report
- F. Human Resource & Safety Comments**
 - 1. Human Resources Report
 - 2. Organizational Chart
- G. Finance Manager Comments**
 - 1. Interim Financial Statement
 - 2. Credit Card Breakdown
 - 3. Directors' Expense
 - 4. Check Register
 - 5. Water Purchases & Sales Summary
 - 6. RMWD Sewer Equivalent Dwelling Units (EDU's) Status

Motion:

To receive and file information and financial items.

Action: Approve, Moved by Director Brazier, Seconded by Director Stewart.

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

Ayes: Director Sanford, Director Walker, Director Brazier, Director Bigley, Director Stewart.

Discussion ensued regarding the steps being taken by staff regarding investigating those accounts that may have been impacted by the Rice Canyon Fire.

Director Walker said after 20 years, he and his wife have decided to move to an area outside of the District; therefore, he will be regrettably turning in his resignation. He stated it has been his pleasure to serve on this Board. He mentioned although he ran because he has seen so much dysfunction over the years, he did not know that the Board made some very wise decisions and set the District on a good course. He said he will attend the meetings up until October at which time he will officially resign.

Mr. Kennedy explained the appointee selected to replace Director Walker on the Board will serve until the end of 2018. He pointed out once Director Walker turns in his letter of resignation with the official date he will resign, the District will be allowed to notify the Registrar of Voters as well as give the Board an opportunity to decide which selection process they would like to utilize to fill the vacancy.

(*) - Asterisk indicates a report is attached.

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

A member of the public provided Mr. Kennedy with a letter regarding a matter he would like to get resolved.

19. ADJOURNMENT - To Tuesday, August 23, 2016 at 1:00 p.m.

The meeting was adjourned with a motion made by Director Stewart and seconded by Director Brazier to a regular Board and joint Engineering Committee meeting on August 23, 2016 at 1:00 p.m.

The meeting was adjourned at 2:37 p.m.

Dennis Sanford, Board President

Dawn M. Washburn, Board Secretary