

**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
RAINBOW MUNICIPAL WATER DISTRICT
APRIL 23, 2019**

1. **CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on April 23, 2019 was called to order by President Brazier at 12:03 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, Director Hamilton, Director Mack, Director Rindfleisch.

Also Present: General Manager Kennedy, Legal Counsel Smith, Executive Assistant Washburn, District Engineer Strapac, Operations Manager Gutierrez, Finance Manager Largent, Human Resources Manager Harp, Administrative Analyst Gray, Superintendent Maccarrone.

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

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

President Brazier requested adding a brief information Item 20A regarding protecting the District's confidential, sensitive, and Closed Session information.

Motion:

To approve the addition of an information item to the agenda.

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

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

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

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 12:05 p.m.

(*) - Asterisk indicates a report is attached.

5. CLOSED SESSION

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

The meeting reconvened at 1:14 p.m.

6. REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

Legal Counsel reported the Board met in conference with Legal Counsel on two anticipated litigation items and how there was no reportable action.

Time Certain: 1:00 p.m.

7. PLEDGE OF ALLEGIANCE

8. REPEAT REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

This item was addressed under Item #6.

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

President Brazier announced under Item #3 the Board approved adding an informational item to this agenda as Item #20A.

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).

There were no comments.

11. EMPLOYEE RECOGNITIONS

- A. John Maccarrone (15 Years)

Mr. Kennedy announced John Maccarrone has been with RMWD for 15 years and was now the Construction and Maintenance Superintendent. He thanked Mr. Maccarrone for his dedication as he presented him with a plaque and check in acknowledgement of his tenure.

***12. APPROVAL OF MINUTES**

- A. March 26, 2019 - Regular Board Meeting

Motion

To approve the minutes as written.

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

Director Gasca pointed out “saveguardvalley” should be “savegirdvalley” under Ms. Platt’s public comments.

Ms. Washburn reported the adjournment language had been changed to “by President Brazier”.

(*) - Asterisk indicates a report is attached.

Director Hamilton amended his original motion.

Motion

To approve the minutes as revised.

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

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

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

13. 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 (President Brazier)

President Brazier mentioned she has had questions regarding the use of the Consent Calendar. She pointed out she has found votes are not necessary for Consent Calendar items if there are no requests to have a Consent Calendar item withdrawn for discussion purposes. She stated if there are no requests for withdrawal, Consent Calendar items can be declared adopted by the Board President. She added because the RMWD Administrative Code states agendas are prepared by the General Manager with the cooperation of the Board President, she plans to cooperate more actively in hopes of making strategic use of the Consent Calendar without sacrificing transparency or input from either members of the Board or public. Legal Counsel confirmed her statements to be correct.

B. Representative Report (Appointed Representative)

1. SDCWA

A. Summary of Board Meeting March 28, 2019

Mr. Kennedy reported on the Special Imported Committee held on April 11, 2019 where it was dedicated to the prospective of both SDCWA get a stake of storage at Lake Mead as well as the new multibillion-dollar tunnel to the All American Canal. Discussion ensued.

2. CSDA

Mr. Kennedy reported a member of the Port Commission would be speaking at the next Quarterly Dinner meeting. It was noted Directors Mack and Gasca would be attending Legislative Days.

3. LAFCO

Mr. Kennedy reported Barry Willis won the recent election. He discussed LAFCO possibly changing their selection process.

Mr. Stitle asked if there was any additional information on the Julian Fire Department matter. Discussion ensued.

(*) - Asterisk indicates a report is attached.

4. San Luis Rey Watershed Council

Director Gasca reported he spoke with Heidi Brow from the Council and how she has requested formal notification of the change in RMWD representatives which he has forward to Ms. Washburn for a response.

5. Santa Margarita River Watershed Watermaster Steering Committee

Director Hamilton reported the committee held a meeting on April 23, 2019 where discussion took place regarding the Conjunctive Use Project. He mentioned some of the dialog that took place regarding water use associated with cannabis growth. He noted the next meeting will be July 16, 2019.

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

1. Board Seminar/Conference/Workshop Training Attendance Requests and Reports

Director Gasca presented a written report on the 2018 Fall ACWA Conference as follow-up to the oral report he gave previously.

Mr. Kennedy reported the Council of Water Utilities has gone dark until further notice.

Director Rindfleisch stated he will complete his AB1234 report and deliver it on Monday, April 29, 2019.

D. Directors Comments

Director Mack mentioned recent interaction with one of his constituents and how he would like to attend training on how to respond to irate customers. Mr. Kennedy said the Board will be invited to the next customer service training class once one is scheduled. He stated he was very pleased with the outcome of the recent Avocado Festival.

Director Gasca echoed Director Mack's comments related to the Avocado Festival. Discussion ensued regarding ideas for next year including having a cutsheet with RMWD basic facts, water, water bottles, generic business cards to hand out to visitors, as well as a map of the District's revisions on display as a reference tool.

E. Legal Counsel Comments

1. Attorney Report – Brown Act Update (150152-0005)

Legal Counsel summarized the information provided in the report provided. He also invited anyone attending the ACWA conference in Monterey is invited to a reception hosted by Nossaman on Tuesday, May 7, 2019 from 6:30-8:30 p.m. at the Perry House.

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

- A. Budget and Finance Committee**
1. March 12, 2019 Minutes

Mr. Stitle reported the Infor CloudSuite was scheduled to start July 1, 2019 with the GFOA best practices matching. He also mentioned the audit process has begun, Raffelis will attend the next committee meeting to discuss rate decoupling, and the budget process will begin shortly.

- B. Communications and Customer Service Committee**
1. March 7, 2019 Minutes

Director Hamilton shared his Avocado Festival experience as well as reported the committee discussed a communications piece related to the Flume project roll out as well as the next steps for the Water Service Upgrade Program. He noted the Fallbrook Vintage Car Show will be held on May 26, 2019.

Ms. Gray added there was discussion related to the current phone tree.

- C. Engineering and Operations Committee**
1. March 6, 2019 Minutes

Mr. Nelson reported the committee discussed miscellaneous pipeline replacement as well as received an operations report on the wastewater crew.

CONSENT CALENDAR ITEMS

***15. DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 19-05 AUTHORIZING THE GENERAL MANAGER AND SPECIFIC MANAGERS TO EXECUTE STATE OFFICE OF EMERGENCY SERVICES AND/OR FEDERAL EMERGENCY DOCUMENTS AND RELEVANT PERMIT APPLICATIONS FOR PRESENT AND FUTURE DISASTER RELIEF APPLICATIONS**

President Brazier asked if anyone wanted this item pulled from the Consent Calendar. There were no requests made.

In the absence of objections, the Consent Calendar item was approved.

BOARD ACTION ITEMS

***16. CONSIDER APPROVAL OF A CONTRACT WITH FLUME, INC FOR THE IMPLEMENTATION OF A CUSTOMER WATER CONSUMPTION MONITORING PROGRAM**

Mr. Kennedy explained he worked in conjunction with Legal Counsel to draft the contract presented for Board consideration. He clarified the appropriation being sought was \$125,000 to cover the cost of the devices, taxes, and staff time. He mentioned a meeting was held earlier today with Flume to discuss rolling out the program.

Director Hamilton expressed concern with the contract being for 1,000 units and asked if the Board would want to consider increasing the number of units now or ask for an agreement extension should the District run low on inventory. Mr. Kennedy suggested keeping with 1,000 units for now to determine how many customers subscribe.

(*) - Asterisk indicates a report is attached.

Motion:

To approve Option 1 - Approve the terms of the contract (as attached or with the minor modifications if any) and appropriate \$125,000 that is required to carry out the program.

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

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

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

Abstain: Director Brazier.

***17. DISCUSSION AND POSSIBLE ACTION TO ADOPT ORDINANCE NO. 19-05 AMENDING AND UPDATING ADMINISTRATIVE CODE CHAPTER 5.03.220 – CASH RESERVE POLICY**

Ms. Largent explained the proposed revisions will update the cash reserve policy to remove old language from some discontinued funds as well as clarify what will be done with reserve and capital funds in the event of a deficit. She pointed out the fund numbers were added to the policy to assist with comparisons with the RMWD Balance Sheet or Income Statement.

Motion:

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.

18. AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS

President Brazier stated although the State requires AB1234 reports be provided orally, this Board changed its position on Remuneration and Reimbursement stipulating reports were to be done in written form. She said since it is difficult to explain to ratepayers why if they are willing to fund these conferences and meetings the attendees are not willing to provide quick reports so they can be included in the agenda packages so the public can know what their money is being spent on. She stated if it is worth taking ratepayer money, it is worth putting in the effort; therefore, it is expected a written report at the Board meeting following the attendance unless it is a matter of just a few days.

Director Gasca requested to attend the CSDA Legislative Days in May 2019.

Motion:

To approve Director Gasca's attendance at CSDA Legislative Days.

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

(*) - Asterisk indicates a report is attached.

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

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

Director Rindfleisch mentioned a free Special District Summit West available to all Board Members being held in Anaheim on May 30th. He said for purposes of continuing education specifically designed for special purpose districts, he encouraged all Board Members to attend if available. He explained because it was free, he was seeking the Board's approval of that meeting; however, he was unsure of his availability. He agreed to bring a written request to the May 28, 2019 Regular Board meeting for consideration. President Brazier confirmed this request would be postponed until the May 28, 2019 Board meeting at which time the Board will consider approving Director Rindfleisch's attendance.

BOARD INFORMATION ITEMS

19. RECORD OF SURVEY UPDATE

Mr. Strapac gave a presentation on the Record of Survey update noting the surveyors have been out there, maps have been prepared, and how RMWD was currently working with the County. He pointed out one of the issues that arose from the surveying process. Discussion ensued regarding some of the steps to be taken going forward.

20. STAFFING ANALYSIS UPDATE

Ms. Harp gave a presentation on Staffing Analysis. She reviewed staffing scenarios, retention analysis, retirement eligibility, overtime trends, unemployment rates, as well as recruitment statistics. She noted some of the opportunities for 2019-2020 will include continuously updating the succession plan for each department, reevaluating job design when vacancies occur, addressing some of the opportunities for improvement identified in the recent employee survey by creating an employee action team, facilitating ongoing employee communications through one-on-one meetings between department heads and each of their direct reports, as well as continuing to offer on-site training and development opportunities. She recommended RMWD conduct a compensation study earlier than anticipated due to rapidly changing labor market climate.

Discussion ensued regarding pay grade structuring.

20A. *PROTECTING THE DISTRICT'S CONFIDENTIAL, SENSITIVE, AND CLOSED SESSION INFORMATION*

President Brazier pointed out the Board Members are responsible for not just policy development, maintenance, and enforcement, but also for many other things such as the general well-being of the District, how well the organization works, how the community views the District, how well the customers are served, and how well RMWD adheres to the regulatory matters including The Ralph M. Brown Act and other statute. She noted some of the consequences for actions such as disclosing Closed Session information for which Board Members could be referred to the District Attorney should any one of them disclose such information.

She requested there be an item on the next meeting agenda for the Board to consider how important the District's confidential information and adherence to The Ralph M. Brown Act are to each of them. She urged the Board Members to consider this matter and bring their input to the Board discussion at their May 28, 2019 meeting.

(*) - Asterisk indicates a report is attached.

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

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

Motion:

To receive and file information and financial items.

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

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

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

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

It was noted protecting the District's confidential information and programmatic EIR contract will be on the next agenda. Mr. Kennedy reminded the Board the May 28, 2019 meeting will be a joint meeting with the Budget and Finance Committee. President Brazier noted the Rainbow Public Facilities Corporation meeting will be held on May 28, 2019 as well.

23. ADJOURNMENT - To Tuesday, May 28, 2019 at 1:00 p.m.

The meeting was adjourned by President Brazier to a regular meeting on May 28, 2019, at 1:00 p.m.

The meeting was adjourned at 3:06 p.m.

Helene Brazier, Board President

Dawn M. Washburn, Board Secretary

(*) - Asterisk indicates a report is attached.