

**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
RAINBOW MUNICIPAL WATER DISTRICT
FEBRUARY 27, 2018**

1. **CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on February 27, 2018 was called to order 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.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL:**

Present: Director Brazier, Director Hamilton, Director Mack, Director Stewart, Director Gasca.

Also Present: General Manager Kennedy, Legal Counsel Smith, Executive Assistant Washburn, Administrative Analyst Gray, Associate Engineer Powers, Finance Manager Martinez, Human Resources Manager Harp, Operations Manager Milner, Superintendent Walker, Superintendent Zuniga, Accounting Specialist Rubio, and Information Technology and Applications Analyst Khattab.

Fourteen members of the public were present for Open Session.

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

Mr. Kennedy noted Item #16A was added to the revised agenda published on February 26, 2018.

5. **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).**

Joe Buyer addressed the Board as well as noted how pleased he was with the RMWD Newsletter. He also referenced a newspaper article entitled "Dry Weather Causes San Diego Water Use to Surge" mentioning RMWD was ranked #5 in highest water quantity throughout the State of California. He suggested this be explained in the newsletter.

6. **ANNIVERSARY ACKNOWLEDGEMENT**

A. Chuck Faust (10 Years)

Mr. Kennedy mentioned Chuck Faust was a valve technician who has been doing a great deal of work on the valves making sure they operate. He thanked Mr. Faust for his service and presented him with a plaque and check in recognition of his tenure.

B. Scott Terrell (10 Years)

Mr. Kennedy stated Scott Terrell has worked in the construction department since he came on board at RMWD where he continues to work on problems with the system including line breaks. He thanked Mr. Terrell for his service and presented him with a plaque and check in recognition of his tenure.

***7. CONSIDERATION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 18-06, A RESOLUTION OF THE BOARD OF DIRECTORS OF RAINBOW MUNICIPAL WATER DISTRICT COMMENDING HARRY STITLE FOR HIS OUTSTANDING SERVICE AS A VOLUNTEER COMMITTEE MEMBER**

President Brazier noted this was of particular interest in that she and Mr. Stitle served on a few committees together for a long period of time and he will be missed.

Motion:

Approve Resolution No. 18-06.

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

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

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

Time Certain: 1:00 p.m. Public Hearing

***8. PUBLIC HEARING**

A. PUBLIC HEARING TO CONSIDER ADOPTING INCREASES IN THE RATES FOR RAINBOW MUNICIPAL WATER DISTRICT SERVICE FEES EFFECTIVE MARCH 1, 2018 AND JANUARY 1 OF EACH YEAR THEREAFTER AND ORDINANCE 18-04 AUTHORIZING THE DISTRICT TO PASS THROUGH INCREASED COSTS IN PURCHASED WHOLESALE WATER

Mr. Kennedy presented a water and wastewater rate hearing presentation given to both the RMWD Budget and Finance Committee as well as to the Board at a January 10, 2018 Special Board meeting (see attached Exhibit A).

The Public Hearing was formally opened at 1:30 p.m.

Rick Carey stated he was a grower within RMWD that does not reside in the District. He noted he came to RMWD after the last rate hearing by which he was heavily impacted. He said he likes RMWD and thanked staff for the great level of effort put into the current rate proposal including the great data provided; however, strongly believes there was a disproportionate increase for the agricultural users. He noted his concern that although he has cut down 400 trees, the projected costs over the next five years are just not sustainable. He questioned the Board about what happens to RMWD when some of the larger growers are no longer in business versus being sensitive to what agricultural can do for RMWD. He concluded with inquiring as to whether RMWD has charged the developers enough to fund all the wastewater improvements and adequately fund reserves going forward. He thanked the Board for this time.

(*) - Asterisk indicates a report is attached.

Steve Fox addressed the Board as a newcomer to the area. He pointed out when relocating to this area from San Diego, he found the previous owners water bills was simply unsustainable thereby causing him to cut down several trees. He asked how RMWD would make up the revenue as the growers disappear. He complimented RMWD on the newsletters; however, he has not seen anything on what RMWD intends to do in terms of recycled water. He said it was his hopes the developers located across the freeway were paying their fair shares and that the revenue collected was included in the proposed calculations keeping the accounting fair and balanced for all ratepayers. He urged the Board to make sure everyone was treated fairly.

Russ Hatfield stated he lives at 1620 Wilt Road and how he has been farming avocados for approximately 40 years in RMWD. He said although he could live with the increase; however, he definitely did not like the automatic adjustments taking place each year without hearing from the public. He suggested either a revision be made removing the automatic adjustments or cancelling the entire item and bringing it back to the Board as two separate items for consideration.

Glenn Roger introduced himself to the Board as a ratepayer in the Gopher Canyon area who has resided in the District since the year 2000. He said over the years his rates have increased, but more importantly the quality of service has decreased. He recommended rate increases commensurate on quality of service which has three components; quality of the drinking water, delivery reliability, and a fair and equitable rate being paid for that quality of service. He talked about the numerous extended outages he has experienced and how they are no longer tolerable due to health hazards. He explained he has done everything he can to lower consumption of water, including sacrificing a very expensive landscape. He urged the Board to do something more fair and equitable commensurate with the quality of service. He concluded with noting he was very upset in that he could no longer sustain the water rates any longer.

Steve Ornelas stated he would like to see some consideration made for people who lost their property during the Lilac Fire in terms of the fixed costs. Mr. Kennedy pointed out this matter was on the agenda for discussion later in the meeting.

John Hemphill stated he resides at West Lilac Road and Camino Del Rey. He said his water service has been excellent and the rates are about right. He said in considering the four candidates to govern California, it may be prudent to ask each one what each of them are doing about water issues. He thanked the Board for the process of debating rate issues.

Lada Zajicek noted he was a 20-year resident and completely agreed with the fact the bills have consistent costs. He said he did not understand why the ratepayers must pay again and again for a water meter. He suggested how RMWD could possibly save money on people conducting traffic control whenever there are leaks. He talked about SDCWA's presentation approximately 8-10 years ago when it was stated by 2020 there would be much less water usage in this area. He mentioned SDCWA and MWD are strictly wholesale water purchasers selling to the local agencies at marked up prices. He said MWD was formed in 1926 and the same agreement that has remained in place all these years and how SDCWA was formed in 1944 and how believes the legislation should look at the input of institutions such as RMWD and be forced to make sure those original agreements are still okay. He pointed out RMWD was passing through costs on property bills for aqueducts to the City of Temecula; however, when he contacted RMWD several years ago to inquire about these charges, he was told the District did not know why these taxes appear on customer bills. He concluded asking about backflow testing and asked who is responsible when a leak occurs.

President Brazier asked if there was anyone else who would like to speak on the matter or remit a written protest. She said after hearing nothing at this point the public hearing would be closed and open discussion to the Board of Directors.

The Public Hearing was formally closed at 2:00 p.m.

Director Gasca stated he found the study conducted was well done; however, what was going unaddressed is RMWD relying on SDCWA and MWD for water. He said the only means for resolving this was to find way to generate finding RMWD's own water supply. He emphasized it would be prudent to include information in the newsletter letting the public know what the District is doing including the costs and steps involved for doing finding such. President Brazier pointed out standing committees are investigating other options.

Mr. Kennedy explained RMWD went through a complete recycled water study and found the economics would not work out because the distribution of the District's system and its parallel pipe system made it too expensive. He talked about groundwater issue meetings are held every two weeks to allow for all interested parties to work through the challenges and which entity has water rights. He noted the plan work has already been completed, the legal aspects are yet to be finalized.

Director Stewart addressed Mr. Carey's comment regarding RMWD missing the low bond rates for the past several years; however, the District has been saddled with the vote that took place years ago putting Ordinance 95-1 in place. He reminded everyone this does restrain the District for cash and carry operation, especially when borrowing becomes necessary for replacements that will have to be done in time to supplement the current rates.

Mr. Stitle pointed out RMWD was paying on a 2% State Revolving Fund Loan to pay off the reservoir covers. Director Stewart stated as a newer resident to the area, they were very happy with the rural aspect of the area; however, the development taking place along I-15 has received entitlements approved by the County and cannot be rescinded. He noted Mr. Kennedy has put a tremendous effort into obtaining an additional \$2.5 Million on an ancient entitlement. He stated RMWD was not a land use agency. He assured the audience, every member of the RMWD Board of Directors liked the rural characteristics this area and the beauty the surroundings offer.

Director Stewart talked about Proposition 218 and how the residential customers have borne a larger part of the burden. He noted the importance of conducting the comprehensive rate study. He concluded with stating paying a little more to live in a rural area with the beauty and serenity of this area, it makes economic sense.

Director Gasca mentioned the recent Council of Water Utilities Meeting at which the guest speaker was the Farm Bureau who shared how vital agriculture was for keeping the air quality clean. He stated although he was able to afford the water rates, he was interested in seeing the District retain as much water to help the customers make it in spite of what the rates may be and encourage the customers to do activities to maintain their landscaping. He said it is one of those relationships RWMD needs to nurture because it wants those who live here to appreciate the area and continue to be a part of the District.

Director Gasca shared a constituent's concern that this meeting was being held at 1:00 p.m. as opposed to later in the afternoon. He said when it comes to public hearings regarding rates, it was important for the Board to consider holding the meeting at 5:00 p.m. to give the greatest number of public members the opportunity to attend. It was noted the District has attempted to accommodate the public with changing the meeting start time; however, it was ineffective. A member of the public suggested it may be time for the Board to revisit the matter of a later start time again.

President Brazier said the Board owes it to the District's stakeholders to remain transparent. She explained with new customers moving in and out all the time, there will be a continual change in population. She stated in the matter of transparency, she would prefer running any rate changes by those who own the District (ratepayers). Mr. Kennedy explained each time there is a notification process; however, it was up to the Board whether they would like to hold a rate hearing each year. It was noted to change the automatic rate adjustments, Ordinance No. 18-04 Sections 4, 5, and 6 would need to be modified. President Brazier stated she was simply noting her opposition to the automatic adjustments, not speaking for the entire Board. Director Hamilton stated he shared the same concerns as President Brazier.

Legal Counsel confirmed any modifications to the Ordinance made by the Board should be noted during this portion of the meeting.

Director Stewart stated after the long study conducted to include infrastructure costs and the pass-through increased charges, he does not believe the public hearing process will make a huge difference in what has been projected. President Brazier said she certainly supports projecting for stability; however, there was too much unpredictability and too many unknowns. Director Stewart asked Mr. Kennedy if revisiting the rates through the Proposition 218 process makes a difference to the big replacement program that must be done to reduce the huge escalation in maintenance costs related to the aging pipelines. Mr. Kennedy replied the Board would make an annual decision each year based on that individual year's information. He added Proposition 218 does allow for the opportunity to protest rate increases each year; however, the rules make it a harder hurdle to cross. He pointed out if RMWD was relieved of the Ordinance 95-1 restrictions, a five-year rate approval would give RMWD a much higher bond rating. He clarified it was always up to the Board at any given time to do what they are elected to do and in the grand scheme of things budgeting for the Proposition 218 process was small.

President Brazier said she does not want to operate the district on hypotheticals. Director Hamilton added allowing for the Proposition 218 process allows RMWD to be more open with the public.

Mr. Stitle pointed out RMWD was not trying to spend money, but trying to charge what needs to be charged to stay in business. Mr. Carey said this was exactly what the agricultural users were trying to do; however, they are unable to charge what they need to charge to stay in business. Mr. Kennedy talked about aging infrastructure and how much of the pipeline was built on a bonding mechanism that no longer exists.

Mr. Carey noted it was an internal issue that non-residents who own property within the District are excluded from voting on RMWD matter that could be easily fixed. He expressed concern that it did not show all water users were being treated equally. He reiterated the increasing costs are just not sustainable.

Motion:

To approve Ordinance No. 18-04 – Ordinance of Rainbow Municipal Water District revising Appendix A of the Rules and Regulations Regarding Water and Wastewater Services Charges with the approval of the proposed rates for 2018, the elimination of future pass-throughs, and any future rates having to go through the initial Proposition 218 process.

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

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

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

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

The meeting reconvened at 2:54 p.m.

***9. APPROVAL OF MINUTES**

- A. January 10, 2018 – Special Board Meeting
- B. January 23, 2018 - Regular Board Meeting

Motion:

Approve the minutes as written.

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

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

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

President Brazier noted there has been some conversation about the purpose of minutes. She stated all the minutes are supposed to do is reflect what is said and done in the meeting and are not intended to convey the opinions of those in attendance.

10. 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)

President Brazier mentioned she encourages members of the public to review the agenda packets. She appreciated the Human Resources being much more complete. She also talked about how much she appreciates seeing the efforts put into both the Board and staff conference reports in that it tells what benefit there is to the District to having individuals attend these events, what they learned, and how it helps to evaluate whether ratepayer money is being used appropriately.

(*) - Asterisk indicates a report is attached.

B. Representative Report (Appointed Representative)

1. SDCWA

A. Summary of January 25, 2018 Meeting

Mr. Kennedy commented on the information provided in both the “Interim Long-Range Water Demand Forecast ‘Reset’” and “Update on Water Supply Conditions” handouts provided at the meeting.

2. CSDA

Mr. Kennedy reported the quarterly meeting took place in February at which someone from the San Diego County Tax Collector presented information on San Diego’s economics. Director Mack added there was mention of two more rate hikes coming in the next year and that the average home price within the County is \$605,000.

Mr. Kennedy introduced Ahmed Khattab as RMWD’s new Senior Information Technology and Applications Analyst.

3. LAFCO

Mr. Kennedy reported RMWD has been asked to submit comments to the MSR. He mentioned in conjunction with the Yuima MWD, a letter was sent to LAFCO requesting they take a look at the San Luis Rey groundwater area because of the discussions taking place with the Native American Tribes regarding water availability.

4. San Luis Rey Watershed Council

Director Stewart reported there have been several meetings over the past month noting there was enough money generated through studies to retain a staff person for the past several years; however, those studies will be completed at the end of the month leaving it unknown whether the Council will sustain itself. He noted work with the Board of Directors was being conducted to talk about the watershed council will go from here and forward including determining its purpose and determine how it can be funded. He stated the next public meeting has not been scheduled yet.

5. Santa Margarita River Watershed Watermaster Steering Committee

Director Hayden noted the next meeting would not be until April 17, 2018.

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

1. Board Reports

Director Gasca reported on the Council of Water Utilities meeting at which Eric Larson presented facts in his presentation entitled “Farming in San Diego County” (copy provided as a handout).

D. Directors Comments

Director Stewart thanked those who provided testimony at today’s meeting. He said he was pleased to hear the so many members of the public appreciate the communications occurring with the newsletter and mailings.

Director Mack mentioned how ratepayers can conserve; however, that lowers sales which in turn causes rates to increase. Discussion followed.

(*) - Asterisk indicates a report is attached.

Director Gasca commented on the suggestion regarding raw water systems. Mr. Carey pointed out Mr. Kennedy made a huge effort in pushing this idea along; however, there were some other taskers that may have hindered the process.

- E. Legal Counsel Comments
 - 1. Attorney Report: CEQA Update (5016687-0002)

Legal Counsel summarized the information provided in the report.

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

- A. Budget and Finance Committee
 - 1. December 12, 2017 Minutes
 - 2. January 9, 2018 Minutes

President Brazier pointed out RMWD produces meeting minutes and how they have been very beneficial and useful as opposed to action only or verbatim minutes.

Mr. Stitle reported on the committee discussions. He said although some may believe the District is out to spend money, he has spent numerous hours finding out how much the District is about spending money. He explained the committees talk about what needs to be done and the least costly method of doing so. He reported the audit conducted was very thorough and finally complete and that the accounting software transition was getting closer.

- B. Communications Committee
 - 1. January 4, 2018 Minutes

Mrs. Gray reported RMWD will providing its first tour on Thursday, March 1, 2018 as part of the committee's strategic plan goals. Director Hayden added the committee also discussed producing an expanded newsletter, putting together a calendar for snips for customer bills. He encouraged members of the public to volunteer to serve on the committee.

- C. Engineering Services Committee
 - 1. December 6, 2017

Mr. Powers reported the committee discussed handling the sewer flow coming in from the new development along Interstate 15. He noted an ABM, AMI, and development update were provided at the last committee meeting. He concluded with noting the committee discussed revising the charter of the committee to include operations.

BOARD ACTION ITEMS

***12. ADOPT RESOLUTION NO. 18-04 FIXING THE TIME AND PLACE OF HEARING AND MEETING ON PROPOSED WATER AVAILABILITY CHARGES FOR IMPROVEMENT DISTRICT NO. 1**

Roxanne Shepherd reported Improvement District No. 1 was formed in 1995 for the purpose of providing approximately \$475,000 in revenue for general purposes for the District. She noted the

(*) - Asterisk indicates a report is attached.

charge is \$10.54 per parcel or per acre. She reported taxes were levied on 10,262 parcels in 2017.

Ms. Washburn pointed out May 22, 2018 was also the date of the Board meeting the Board may consider changing due to a scheduled conference most of the Board Members may wish to attend. Mrs. Shepherd suggested scheduling the hearing for the next Board meeting since the County deadline is not until August.

Ms. Shepherd confirmed the proposal would be to keep the rates the same with the hearing scheduled for June 26, 2018.

Motion:

To adopt Resolution No. 18-04 with the hearing date revised to June 26, 2018.

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

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

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

***13. DISCUSSION AND POSSIBLE ACTION TO APPROVE ORDINANCE NO. 18-03 ESTABLISHING POLICIES TO PROVIDE RELIEF TO LILAC FIRE VICTIMS**

Mr. Kennedy stated to find way to reasonably provide relief to those impacted by the Lilac Fire, Ordinance No. 18-03 is being presented for Board consideration. He reviewed each of the stipulations listed in the ordinance.

Discussion ensued regarding the Board of Directors granting extensions. Legal Counsel suggested the Ordinance state for six months unless the applicant applies to grant an extension approved by the Board.

Mrs. Washburn called attention to the email received from Lisa Seiler Roberts addressed to the Board of Directors related to this matter. Discussion followed.

Motion:

Approve Ordinance No. 18-03 for up to six months unless the applicant applies for an extension to be granted by the Board of Directors.

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

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

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

(*) - Asterisk indicates a report is attached.

14. DISCUSSION AND POSSIBLE ACTION TO APPROVE A CHANGE ORDER FOR THE ROBERT A. WEESE FILTRATION PLANT INTERCONNECT PROJECT IN THE AMOUNT OF \$33,821.00

Mr. Powers recalled in March 2017 the Board awarded a Professional Services Agreement to IEC to design permanent facilities. He mentioned the City of Oceanside has agreed to sell water to RMWD not only during SDCWA shutdowns, but also whenever they have excess capacity within their treatment plant. He added the City of Oceanside has recently stated it is likely they will be able to sell RMWD more excess capacity and water from their treatment plant than that originally thought. He pointed out the City of Oceanside would be selling potable water to RMWD at a lower rate than SDCWA; making the return on investment for this project closer to a two-year return on the investment after which time RMWD will incur savings.

Mr. Powers explained the change order came about when the original plan to put in a steel building in which to enclose the pump station; however, because the location of this pump station has steep grade which would have required a retaining wall. He stated IEC had identified rather than building a retaining wall and steel building, RMWD could save money during the construction phase if a concrete building were built which would also act as a retaining wall. He reported the design phase would cost approximately \$19,950 during the design phase, but should save RMWD approximately \$75,000 in the construction phase.

Mr. Powers pointed out in addition to the added structural design, there are more funds for project management as well as costs associated with looking at other alternatives that could potentially save RMWD money. Discussion ensued.

Motion:

Adopt Option 1 - Approve the change order for the Robert A. Weese Filtration Plant Interconnect Project in the amount of \$33,821.00.

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

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

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

15. FISCALYEAR 2017-2018 MID-YEAR BUDGET REVIEW AND BUDGET ADJUSTMENTS

It was noted Exhibit A mentioned in the updated Board Action Letter was not provided; therefore, Mr. Kennedy suggested this item be tabled until the March 27th Board meeting.

Motion:

To table this item until March 27, 2018.

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

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

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

(*) - Asterisk indicates a report is attached.

***16. DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 18-05 — A RESOLUTION OF THE BOARD OF DIRECTORS OF RAINBOW MUNICIPAL WATER DISTRICT ESTABLISHING CLASSIFICATIONS AND MONTHLY PAY RANGES FOR DISTRICT EMPLOYEES AND THE GENERAL MANAGER EFFECTIVE JANUARY 23, 2018 THROUGH JUNE 30, 2018**

It was noted the agenda item title should read “February 27, 2018” as opposed to “January 23, 2018”.

Mrs. Harp explained positions are being evaluated when a staff member separates from the District including reviewing the job description to ensure it accurately represents the District’s needs prior to recruitment. She stated there were two positions reevaluated that needed to be adjusted where they are placed on the salary grade structure based on job description revisions and appropriate market analysis.

Director Hamilton inquired as to whether there was a change to rates. Mrs. Harp confirmed there were no changes to the rates. She explained one change was to the Safety Administrator, which has been upgraded from a non-exempt status to exempt status which in turn required it to be moved on the grade structure. She said the other change was to the Information Technology Administrator position which was revised to Senior Information Technology and Applications Analyst and Information Technology and Applications Analyst, respectively.

President Brazier mentioned a constituent would like to know what CalPERS was involved. Mr. Kennedy explained to receive retirement from CalPERS you must be within an approved and publicly discussed salary grade in the form of a Resolution.

Motion:

To approve Resolution No. 18-05.

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

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

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

***16A. CONSIDER APPROVAL OF CONTRACT WITH SCW CONTRACTING CORP FOR EMERGENCY PIPELINE PROPERTY DAMAGE REPAIR IN ACCORDANCE WITH ADMINISTRATIVE CODE CHAPTER 1.04 SECTION 1.04**

Mr. Kennedy explained a 1956 pipe that failed as he referred to the pictures provided in the agenda packet as well as the time RMWD crews spent on the repair. He pointed out this was one of the top 25 projects listed in the Condition Assessment Program predicted to fail.

Mr. Kennedy stated although he has emergency authority to approve these types of events according to the Administrative Code, part of this policy is that he notifies the Board at the next available meeting to get affirmation for the decisions made. He noted should there be change orders associated with this project, these will be brought to the Board for consideration.

Discussion ensued regarding this pipeline being identified as a high property.

(*) - Asterisk indicates a report is attached.

Motion:

Approve Staff Recommendation Option 1 - Authorize General Manager to approve payment for SCW Contract Corp for emergency pipeline and slope repair services totaling \$108,703.63.

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

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

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

17. AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS

It was noted CSDA's Legislative Days will be held on May 22-23, 2018 which conflicts with RMWD's regularly scheduled Board meeting.

Mr. Kennedy commented on some of the topics to be discussed at CSDA's Legislative Days that may be of interest to the RMWD Board; however, it was unknown how the meetings would be coordinated. Discussion ensued.

Director Gasca asked if RMWD would be awarded the District of Distinction accreditation. It was noted the application would be submitted in the next week. Discussion ensued regarding the forum in which the District would like to receive this award whether it be at CSDA Legislative Days, the CSDA Annual Conference, or at the District offices.

Mr. Kennedy pointed out should each of the Board Members apply for Recognition in Special Districts Governance, RMWD could receive a higher-level District of Distinction accreditation. He offered to have Ms. Washburn complete the forms on behalf of the Board Members and get them submitted to CSDA for consideration.

Director Hamilton asked if it would be possible for Board Members to specify which representatives they would like to speak to while attending CSDA Legislative Days. He said having a majority of RMWD Board Members assigned to the same representative was not as effective as having them each assigned to different ones. He noted he would not be interested in attending if the assignments would be made the same as last year. Mr. Kennedy offered to find out the answer to this inquiry and report back to the Board as to the response.

Director Stewart stated he was interested in attending the CSDA Legislative Days, but not the ACWA conference until November.

Director Mack said as the ACWA representative, he would like to attend the Spring Conference scheduled for May 8-11, 2018 due to discussion being on statewide water issues and water industry trends. He explained the benefits would be keeping RMWD informed with all issues including challenges in the water industry as well as the opportunity to network with professionals in the field. Mr. Kennedy mentioned he was planning to attend this conference as well.

Motion:

To authorize sending Director Mack to the ACWA 2018 Spring Conference scheduled May 8-11, 2018.

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

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

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

It was decided the CSDA Legislative Days requests would be discussed at the March 27, 2018 meeting to include possibly changing the RMWD regular Board meeting for May 2018 should a majority of the Board wish to attend CSDA Legislative Days.

***18. 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

F. Finance Manager Comments

1. Interim Financial Statement
2. Treasurers 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 Hamilton, Seconded by Director Gasca.

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

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

It was confirmed the customer service report was missed for this month; however, it will be included in the March 27, 2018 agenda packet.

Mrs. Harp gave an update on the FEMA grant applications related to the Lilac Fire. She noted staff was in the process of reviewing the expense details after meeting with the FEMA representative. She stated if all the expenses were approved, it could total approximately \$180,000 in reimbursements to RMWD. She confirmed the applications themselves were approved; however, a process of evaluating which grant what expenses would be applied still needed to be completed.

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

It was noted the mid-year budget adjustment, audit, sewer service agreement for Palomar College, construction agreement with Topa Topa Place, and a possible meeting date change for May 2018 should be on the next agenda.

Director Stewart announced he will most likely miss the April 2018 Regular Board meeting.

20. ADJOURNMENT - To Tuesday, March 27, 2018 at 1:00 p.m.

The meeting was adjourned with a motion made by Director Brazier to a regular meeting on March 27, 2018 at 1:00 p.m.

The meeting was adjourned at 5:02 p.m.

Helene Brazier, Board President

Dawn M. Washburn, Board Secretary