

**MINUTES OF THE REGULAR BOARD MEETING  
OF THE BOARD OF DIRECTORS OF THE  
RAINBOW MUNICIPAL WATER DISTRICT  
JUNE 22, 2021**

- 1. CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on June 22, 2021 was called to order by President Hamilton at 12:02 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. *(All meetings are being held with in person attendance following County and State COVID guidelines as well as virtually.)* President Hamilton presiding.

- 2. ROLL CALL**

**Present:** Director Gasca *(via video conference)*, Director Hamilton, Director Mack, Director Rindfleisch *(via video conference)*, Director Moss

**Also Present:** General Manager Kennedy, Legal Counsel Smith, Executive Assistant Washburn, Finance Manager Largent, Human Resources Manager Harp, Information Systems Specialist Espino.

**Also Present Via Teleconference or Video Conference:**

Information and Technology Manager Khattab.

No members of the public were present 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**

The instructions were not read aloud due to no public members in attendance prior to Closed Session.

- 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.

***Meeting adjourned to closed session at 12:04 p.m.***

**6. CLOSED SESSION**

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

\* One Item

**B.** Conference with Legal Counsel - Existing Litigation Pursuant to Government Code Section 54956.9(d)(1)

\* Rainbow Municipal Water District v. Blum, Inc., et al.

**C.** Conference with Labor Negotiators (Government Code §54957.6 and §54957)

Agency Designated Representatives

Tom Kennedy

Karleen Harp

Tracy Largent

Discussions regarding labor negotiations for:

Rainbow Employee Association

Rainbow Association of Supervisors and Confidential Employees

Rainbow Exempt Employees Association

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

This item was addressed under Item #11.

***The meeting reconvened at 1:04 p.m.***

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 June 22, 2021 was called to order by President Hamilton at 1:05 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. *(All meetings are being held with in person attendance following County and State COVID guidelines as well as virtually.)* President Hamilton presiding.

**9. PLEDGE OF ALLEGIANCE**

**10. REPEAT ROLL CALL**

**Present:** Director Gasca *(arrived at 1:17 p.m.)*, Director Hamilton, Director Mack, Director Rindfleisch *(arrived at 1:11 p.m.)*, Director Moss.

**Also Present:** General Manager Kennedy, Legal Counsel Smith, Executive Assistant Washburn, Engineering and CIP Program Manager Williams, Finance Manager Largent, Human Resources Manager Harp, Water Operations Supervisor Coffey, Utility Worker Cancino, Information Systems Specialist Espino.

**Also Present Via Teleconference or Video Conference:**

(\*) - Asterisk indicates a report is attached.

Operations Manager Gutierrez, Associate Engineer Powers, Customer Service and Communications Supervisor Gray, Information Technology Manager Khattab, Engineering Technician Rubio, District Services Representative Constant, Technical Services Team Lead Bradley, Accounting Specialist Martinez, Senior Accountant Rubio, Human Resources Assistant Ramirez.

Six members of the public members of the public were present for Open Session; five of which attended via teleconference or video conference.

**11. REPEAT REPORT ON POTENTIAL ACTION FROM CLOSED SESSION**

Legal Counsel reported the Board met in Closed Session to discuss three items and that there was no reportable action.

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

There were no amendments to the agenda.

**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).**

There were no comments.

**\*15. APPROVAL OF MINUTES**

**A.** May 25, 2021 - Regular Board Meeting

***Motion:***

***To approve the minutes.***

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

***Vote: Motion carried by unanimous roll call vote (summary: Ayes = 3).***

***Ayes: Director Hamilton, Director Mack, Director Moss.***

***Absent: Director Gasca, Director Rindfleisch.***

(\*) - Asterisk indicates a report is attached.

**\*16. 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)**

President Hamilton mentioned the SDCWA agenda includes an item to consider extending the PSWAR enrollment by two months as well as seeking approval for their business insurance and liability statements which found interesting and brought to Ms. Harp's attention encouraging additional research be conducted to find better alternatives compared to what RMWD currently has in place.

**B. Representative Report (Appointed Representative)**

**1. SDCWA**

**A. Summary of Board Meeting May 27, 2021**

Mr. Kennedy reported the SDCWA Board received a copy of the budget for consideration at the next board meeting scheduled for later this week. He pointed out a great deal of concern was expressed by members of the Board in terms of having limited time to discuss a \$1.8 billion budget and how a motion he made requesting more time for deliberation had failed. He noted several workshops were held over the last several weeks during which numerous discussions took place related to the SDCWA budget and that the Committee Chairperson of the A&F committee was committed to bring forward a policy suggesting a ninety-day budget review period be implemented to allow for adequate time for review and consideration. He also confirmed a vote will be taken regarding a sixty-day extension for the PSWAR transitions.

***Director Rindfleisch rejoined the meeting at 1:11 p.m.***

***Director Gasca rejoined the meeting at 1:17 p.m.***

**2. CSDA**

There was no report given.

**3. LAFCO**

Mr. Kennedy mentioned SDCWA's attorney complained about a tweet made related to the possible detachment.

**4. San Luis Rey Watershed Council**

There was no report given. It was noted this should be removed.

**5. Santa Margarita River Watershed Watermaster Steering Committee**

There was no report given.

**6. ACWA**

There was no report given.

(\* ) - Asterisk indicates a report is attached.

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

There were no reports given.

- D. Directors Comments

There were no comments.

- E. Legal Counsel Comments
  - 1. Attorney Report: Brown Act and Proposition 218 Update 150152-0005

Legal Counsel summarized the information contained in his written report noting the waiver related to Brown Act requirements will expire on September 15, 2021 at which time agencies may allow for virtual public participation but Directors will be required to comply with preexisting requirements with noticing any offsite locations from which they attend. He pointed out there were a few other details working their way through legislature related to public meeting requirements such as AB361 allowing for virtual or teleconference attendance in the event with requirements that any Directors attending from offsite to state the location from which they are attending, must be open to the public and a majority of the Board attending from a location within District boundaries as well as AB703 allowing for teleconferencing with Directors attending virtually without having to state their location, but a majority of the Board attending the meeting in-person within the agency boundaries with allowing public in-person or virtual participation. He confirmed the translation requirements have been removed and that the closed caption requirement has been amended to remove the closed captioning requirements will only apply to cities or counties with population of 250,000 or more.

Legal Counsel reported on a recent Proposition 218 challenge which resulted in the court finding an agency cannot increase its rates to add to its reserves. Mr. Kennedy mentioned that he testified via teleconference in the State Assembly Judiciary Committee in support of SB323 which would create a statute of limitations on Prop 218 challenges.

## 17. COMMITTEE REPORTS

- A. Budget and Finance Committee

Mr. Nelson reported the committee held lively and healthy discussions resulting in the culmination of a wide variety of options and recommendations being presented to the Board today for consideration under Item #23. He noted the committee has also recommend Board approval of the variance provided under Item #25 as well as received an update on the Water Service Upgrade Project.

- B. Communications and Customer Service Committee

Mr. Shute reported the committee discussed several items including a Water Service Upgrade Project update as well as reviewed backflow charges, PSWAR rates, as well as polling and surveying customers as they interact with RMWD customer service with a soft roll out anticipated over the next couple months.

(\* ) - Asterisk indicates a report is attached.

**C. Engineering and Operations Committee**

Mr. Nelson reported the committee supported Item #26 in that it provides staff flexibility as well as frees up money that can be put to real work. He also noted the briefed on the CIP project ranking system which resulted in the list of projects provided as part of the budget presentation which the committee supported as well as how a few committee members met with staff to discuss possible improvements to the current RFP documentation and processes.

Mr. Kennedy thanked Mr. Nelson for his assistance in providing staff with some different perspectives on how RMWD can be more efficient.

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

**\*18. PUBLIC HEARING**

**A. DISCUSSION AND POSSIBLE ACTION TO ADOPT ORDINANCE NO. 21-02 FOR ID 1 STANDBY CHARGES**

Mr. Kennedy explained this item was a standard procedure to approve a standard annual \$10.54 parcel per acre fee adopted each year at this time.

***Motion:***

***To adopt Ordinance No. 21-02.***

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

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

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

**BOARD ACTION ITEMS**

**\*19. DISCUSSION AND POSSIBLE ACTION TO ADOPT RESOLUTION NO. 21-13, APPROVING A SUCCESSOR MEMORANDUM OF UNDERSTANDING BETWEEN THE RAINBOW MUNICIPAL WATER DISTRICT AND THE RAINBOW EMPLOYEE ASSOCIATION**

Mr. Kennedy thanked Ms. Harp, Ms. Largent, as well as all the negotiators representing the various bargaining units for all their hard work during the negotiations process. He stated although this is never an easy task, everyone took a professional approach to the process while reaching something on which all parties could agree.

Ms. Harp echoed Mr. Kennedy's appreciation for the members of the negotiating teams for all three bargaining units. She stated she believed a favorable contract was reached from both the District and bargaining unit perspectives which is evident by the Tentative Agreement signed by Rainbow Employee Association (REA), Rainbow Association of Supervisors and Confidential Employees (RASCE), and the Exempt Group with a five-year contract for both REA and RASCE. She pointed out the existing MOU's expire June 30, 2021 and should the Board vote to approve this resolution, it would be approving the successor MOU which includes terms that address the District's strategic focus area of Workforce Development with adding student loan repayments to the Education Assistance Program and out of class certification bonus as well as Fiscal Responsibility addressed through changes in the ceiling of Cost of Living Adjustments for the next

(\*) - Asterisk indicates a report is attached.

three years, restructuring the merit award program to be more equitable to all employees (both those at the maximum paygrade and those not), changing the cost sharing for medical insurance, and increasing the standby stipend to be more market appropriate based on current market research. She noted there are some provisions that will have an increase on fiscal impact as well as some that have a potential savings or rather a mitigated cost escalation over the term of the five-year contract. She stated staff recommended approval of Resolution No. 21-13 and once the Board votes, she will invite the REA Chief Negotiator, Gerardo Cancino, to join President Hamilton at the table to sign the MOU.

***Motion:***

***To adopt Option 1 - Approve Resolution No. 21-13 approving a successor Memorandum of Understanding between the Rainbow Municipal Water District and Rainbow Employee Association.***

***Action: Approve, Moved by Director Moss, Seconded by Director Gasca.***

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

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

Mr. Cancino joined President Hamilton in signing the Rainbow Employee Association (REA) MOU.

**\*20. DISCUSSION AND POSSIBLE ACTION TO ADOPT RESOLUTION NO. 21-14, APPROVING A SUCCESSOR MEMORANDUM OF UNDERSTANDING BETWEEN THE RAINBOW MUNICIPAL WATER DISTRICT AND THE RAINBOW ASSOCIATION OF SUPERVISORS AND CONFIDENTIAL EMPLOYEES**

Ms. Harp explained this was also a five-year contract for which a Tentative Agreement was signed with the bargaining unit. She noted the terms are essentially identical as those for the Rainbow Employee Association since they are both hourly groups with similar interests. She stated upon Board adoption of Resolution No. 21-14, Ms. Washburn will be invited to join President Hamilton at the table to sign the RASCE MOU as the Chief Negotiator.

***Motion:***

***To adopt Option 1 – Approve Resolution No. 21-14 approving a successor Memorandum of Understanding between the Rainbow Municipal Water District and Rainbow Employees Association.***

***Action: Approve, Moved by Director Mack, Seconded by Director Moss.***

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

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

Ms. Washburn joined President Hamilton in signing the Rainbow Association of Supervisors and Confidential Employees (RASCE) MOU.

**\*21. DISCUSSION AND POSSIBLE ACTION TO ADOPT RESOLUTION NO. 21-15, APPROVING A SUCCESSOR MEMORANDUM OF UNDERSTANDING BETWEEN THE RAINBOW MUNICIPAL WATER DISTRICT AND THE RAINBOW EXEMPT EMPLOYEES**

Ms. Harp explained there were some tentative agreements signed with the Rainbow Exempt Employees group for a four-year contract with similar provisions as the hourly groups including the addition of student loan repayments under the Education Assistance Program in response to changes to the Internal Revenue Code, Cost of Living Adjustment changes, restructuring the merit award program as well as medical insurance cost sharing. She stated should the Board adopt Resolution No. 21-15, Chief Negotiator, Steve Coffey, will be invited to join President Hamilton at the table to sign the Exempt Group MOU.

***Motion:***

***To adopt Option 1 – Approve Resolution No. 21-15 approving a successor Memorandum of Understanding between the Rainbow Municipal Water District and Rainbow Employees Association.***

***Action: Approve, Moved by Director Moss, Seconded by Director Mack.***

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

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

Mr. Coffey joined President Hamilton in signing the Exempt MOU.

**\*22. DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 21-16 — 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 JULY 1, 2021 THROUGH JUNE 30, 2022**

Ms. Harp noted with the Board approval of the three successor Memorandums of Understanding, the terms call for a Cost of Living Adjustment separate from the movement of the paygrade structure. She explained the paygrade structure is based on the San Diego CPI most recent 12-month change which was published as 5.3% between May 2020 and May 2021. She pointed out this paygrade structure does not have a direct impact on base pay, but simply moves the paygrades and the base pay increases would be 1.5%.

***Motion:***

***To adopt Option 1 - Approve Resolution No. 21-16 as presented.***

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

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

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

(\*) - Asterisk indicates a report is attached.



**\*23. PRESENTATION, DISCUSSION AND POSSIBLE ACTION TO ADOPT RESOLUTION NO. 21-12 APPROVING FISCAL YEAR 2021-2022 OPERATING & CAPITAL IMPROVEMENT BUDGET**

Ms. Largent announced a combined presentation will be given as part of Items #23 and #24 with Ms. Harp giving a staffing analysis first followed by the budget presentation she will share.

Mr. Kennedy pointed out the staffing analysis was something brought to the Board each year showing the trends in the marketplace as well as with RMWD employees. He thanked Mr. Nelson as the Chairperson of the Budget and Finance Committee for his assistance in pushing these things through.

Ms. Harp shared a staffing analysis presentation noting she would review the current status of the organization, predicted drivers of labor demands, projected retirements and labor supply, past and anticipated turnover, overtime trends, labor supply challenges, and recommendations.

Director Mack inquired as to what advance retirement notice is requested of employees. Ms. Harp pointed out this was covered in the successor MOU's with a \$1,000 bonus being awarded to employees who provide a six month advance notice of retirement.

Discussion ensued regarding customers being placed on hold when calling the District.

Director Moss stated it was her experience that individuals tasked with finding and obtaining grants generally work on a contingency basis as opposed to be salaried employees. Ms. Harp noted her researched showed some agencies hire in-house personnel and others on a contingency basis. Mr. Kennedy explained some advantages of having an in-house staff member dedicated to seeking and obtaining both large and small grant opportunities. Director Gasca added often times there are stipulations one does not fund people helping to pursue grant monies. Ms. Harp mentioned a number of grants have compliance requirements which could result in having to revise some of RMWD's policies and procedures with which a full-time staff member could assist as well.

Ms. Largent shared a presentation on the FY 2021-2022 Operating & Capital Improvement Budget noting she will review assumptions as well as rate increases that are a part of the cost of service study.

Mr. Kennedy pointed out SDCWA has advertised a 3.3%-3.6% increase; however, in response to one of his questions during the May SDCWA Board meeting, it was stated RMWD's increase would be a little more than 5%. He explained SDCWA was using averaging to advertise a smaller rate increase than it actually is for all the member agencies. He talked about some of the challenges associated with SDCWA's 15% increase to transportation rates. He noted this has not yet been adopted yet; however, staff may come to the Board to consider moving forward on the RMWD transportation-related projects regardless of whether the detachment is successful.

Ms. Largent continued with providing an overview of the information contained in the budget presentation.

Ms. Largent reviewed the options available for consideration including the Budget and Finance Committee recommendations as 9%, 5%, 4.5%, 3%, 3% rate increases per year for FY 22-26 to be reviewed annually as part of the budget process, moving to uniform rates, and 80% funding of the water CIP for water. She recommended 100% funding for the wastewater CIP since those monies were already available.

(\*) - Asterisk indicates a report is attached.

Director Gasca inquired as to whether the proposed 9% for 2022 was being driven by dealing with RMWD's issues as well as SDCWA's pass-through charge increases. Ms. Largent clarified the 9% reflected RMWD not having raised rates for 2.5 years in anticipation of detachment. Director Gasca asked whether SDCWA's rate adjustments were incorporated into each of the fiscal year predictions. Ms. Largent clarified RMWD's budget includes projections of all anticipated increases from SDCWA.

Mr. Kennedy explained the steps to be taken as part of Item #24 including release of Prop 218 letters to customers, multi-family addresses, and property owners throughout the District notifying them of the date of the rate hearing.

Director Mack asked whether it was taken into consideration what could happen should RMWD move to uniform rates and customers use less water. Mr. Kennedy explained getting revenue stability for the District versus providing an option for the customer to try to shave off costs was a balancing act; however, RMWD's rates do not really vary due to having only one source of supply. Discussion ensued.

Director Moss inquired as to how the average grower would be affected. Ms. Largent stated it would be approximately 5%. Discussion followed.

President Hamilton asked how staff computed the percentage changes from the physical year budget. Ms. Largent explained it was a comparison to the prior year budget.

***Motion:***

***To approve Option 1 – Approve Resolution No. 21-12 Adopting the 2021-2022 Budget in its present form.***

***Action: Approve, Moved by Director Gasca, Seconded by Director Rindfleisch.***

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

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

Director Gasca expressed how pleased he was with today's presentations.

**24. CONSIDER SETTING THE DATE AND TIME FOR A PUBLIC HEARING TO CONSIDER ADOPTING INCREASES IN THE RATES FOR RAINBOW MUNICIPAL WATER DISTRICT SERVICE FEES EFFECTIVE SEPTEMBER 1, 2021**

Ms. Largent noted this item was to set the hearing for August 24, 2021, as well as provide staff with direction to send out Proposition 218 notice by July 10, 2021.

***Motion:***

***To set the date and time for a public hearing to consider adopting increases in the rates for Rainbow Municipal Water District service fees for August 24, 2021 at 1:00 PM.***

***Action: Approve, Moved by Director Hamilton, Seconded by Director Moss.***

(\*) - Asterisk indicates a report is attached.

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

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

**\*25. DISCUSSION AND POSSIBLE ACTION TO APPROVE A VARIANCE FROM MAXIMUM CAPACITY AND 12 MONTH ROLLING AVERAGE REQUIREMENTS IN ORDER TO DOWNSIZE FROM A 1 ½” TO A 1” METER**

Ms. Largent noted this was a variance request from a customer who has been using less water for the entire 12-month billing average to qualify for a 1” meter.

Director Mack asked if there were any cost associated with downsizing. Ms. Largent explained there was no charge. President Hamilton asked if staff physically replaces the meter. Ms. Largent stated once a downsize is approved, the customer’s rates are adjusted, but the meter is not changed out immediately, especially in anticipation of the WSUP program. She added there have been circumstances when the customer realizes they need the larger meter after all at which time they pay the difference between the O&M for the months they had downsized to bring them back up to the larger meter size.

Director Gasca inquired as to whether RMWD’s applications provide capabilities for staff to look at the usage to determine it is below the limit as well as what size meter is being utilized. Mr. Kennedy explained staff does not proactively look at low consumption and suggest downsizing or increasing their meter size, but rather customers contact the District regarding ways to reduce their water bill at which time this program is presented. Discussion ensued.

Director Mack stated there was a fee he paid when downsizing his meter approximately 7-8 years ago. Ms. Largent explained since that time a study had been conducted at which time it was could have determined there would be no cost associated with downsizing. She confirmed any downsize fees were eliminated at the time when discounts on locked accounts was removed which was in 2016.

***Motion:***

***To accept Option 1 – Approve the variance to Ordinance 19-04 to allow a downsize of this meter from a 1 ½’ to a 1”.***

***Action: Approve, Moved by Director Moss, Seconded by Director Mack.***

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

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

**26. DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE ORDERS TO THE FOLLOWING AS-NEEDED CONTRACTS: LAND SURVEYING SERVICES, CIVIL ENGINEERING SERVICES, REAL ESTATE APPRAISAL SERVICES, CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES, AND ENVIRONMENTAL SERVICES**

Mr. Williams explained staff has reviewed each of the independent agreements and were first alerted to the land surveying firm contracts expiring with some having funds and others requiring some more. He stated rather than issuing three new RFP’s for that discipline, staff would prefer

(\*) - Asterisk indicates a report is attached.

they catch up with all the other disciplines so a full comprehensive overall can be conducted at a later date. He said while reviewing this information, staff began looking at others that needed some funding; therefore, this item was for a reallocation of funds within all the different firms. He pointed out if approved by the Board, multiple change orders will be produced for all the different consultants.

President Hamilton asked for confirmation the funds would be reallocated as opposed to adding additional funding. Mr. Williams confirmed this was correct.

Director Gasca inquired as to whether staff anticipated the minimum amount left in an account for a firm would be sufficient to handle one or two projects. Mr. Williams referenced the task lists provided in the spreadsheet noting that should something occur in the future, there would be plenty of funding available with separate RFP's issued for those amounting to more than \$50,000.

***Motion:***

***To approve Option 1 - Approve Change Orders in the amounts described in Table 1 for KDM Meridian, Inc., Right-Of-Way Engineering, Inc., Dudek, Hydrosience Engineering, Inc., Anderson & Brabant, Inc., ARENS Group, Inc., Harris and Associates, Reilly Construction Management, Helix Environmental, Rincon Consultants, and Michael Baker International to continue to provide professional services to the District, authorize the General Manager to execute Change Orders for the As-Needed contracts as described, 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 Rindfleisch.***

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

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

**\*27. CSDA 2020 BOARD OF DIRECTORS ELECTIONS SEAT A**

Mr. Kennedy pointed out this was an opportunity for the Board to cast a vote for one candidate listed on the ballot.

***Motion:***

***To vote for Jo MacKenzie.***

***Action: Approve, Moved by Director Mack, Seconded by Director Moss.***

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

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

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

Mr. Kennedy pointed out Director Moss was seeking approval to attend the Special District Leadership Academy to satisfy RMWD's District of Distinction accreditation.

***Motion:***

***To approve Director Moss' attendance for the CSDA training.***

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

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

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

**BOARD INFORMATION ITEMS**

**\*29. STATEMENT OF AUDITING STANDARDS (SAS) 114 PLANNING LETTER**

Mr. Kennedy pointed out it was a requirement to notify the Board of the upcoming audit as well as when and how it will be conducted. Ms. Largent confirmed there was nothing unusual.

**30. ENERGY PROCUREMENT UPDATE**

Mr. Kennedy updated the Board on the energy procurement process. He explained while renewable energy could come in a little cheaper; however, SDG&E attaches an additional charge when you depart which prevented it from being cost competitive. He mentioned he has reapplied to the lottery.

Mr. Kennedy mentioned he and Mr. Williams were actively exploring different means of using the RES-BCT program including potentially placing a large-scale solar system at Beck Reservoir; however, SDG&E's program for this year has already sold out. He noted they will meet with a consultant to determine what can be done to reach the goal of reducing RMWD's energy costs.

**\*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. Human Resource & Safety Comments**

1. Human Resources Report

**E. Finance Comments**

1. Board Information Report
2. Budget vs. Actuals
3. Fund Balance & Developer Projections

(\*) - Asterisk indicates a report is attached.

4. Treasury Report
5. Five Year Water Purchases Demand Chart
6. Water Sales Summary
7. Check Register
8. Directors' Expenses Report
9. Credit Card Breakdown
10. RMWD Properties

Ms. Harp reported CalOSHA voted to change the emergency temporary standards related to COVID-19 last Thursday with the Governor signing an Executive Order making them effective immediately as opposed to after the ten-day waiting period. She noted staff was working on updating the COVID prevention plan; however, in the meantime employees have been notified, at their option, they can provide documentation of vaccination status to be exempt from certain provisions of the policy such as wearing masks indoors.

Mr. Kennedy pointed out there were only a few days left in the fiscal year and how RMWD was trending above its five-year average of water deliveries.

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

It was noted a salary grade structure update, General Manager evaluation, and status on the headquarters study development should be on the next meeting agenda.

### **33. ADJOURNMENT**

*The meeting was adjourned by Director Hamilton to a regular meeting on July 27, 2021, at 1:00 p.m.*

The meeting was adjourned at 3:13 p.m.

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**Hayden Hamilton, Board President**

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**Dawn M. Washburn, Board Secretary**