BOARD MEETING

RAINBOW MUNICIPAL WATER DISTRICT
Tuesday, September 23, 2008
Regular Meeting - Time: 5:00 p.m.

THE PURPOSE OF THE REGULAR BOARD MEETING IS TO DISCUSS THE ATTACHED AGENDA

District Office **3707 Old Highway 395** **Fallbrook, CA 92028**

Board Agenda Policies

Board of Directors Meeting Schedule Regular Board meetings are normally scheduled for the 4th Tuesday of the month at 11:00 a.m. with the exception of months March, June, September, and December which will be held at 5:00 p.m.

Breaks It is the intent of the Board to take a ten minute break every hour and one-half during the meeting.

Public Input on Specific Agenda Items and those items not on the Agenda, Except Public Hearings Any person of the public desiring to speak shall fill out a blue "Speaker's Slip", encouraging them to state their name, though not mandatory. Such person shall be allowed to speak during public comment time and has the option of speaking once on any agenda item when it is being discussed. Speaking time shall generally be limited to three minutes, unless a longer period is permitted by the Board President.

Public Items for the Board of Directors' agenda must be submitted in writing and received by the District office no later than 10 business days prior to a regular Board of Directors' Meeting.

Agenda Posting and Materials Agendas for all regular Board of Directors' meetings are posted at least seventy-two hours prior to the meeting on bulletin boards outside the entrance gate and the main entrance door of the District, 3707 Old Highway 395, Fallbrook, California 92028. The agendas and all background material may also be inspected at the District Office.

You may also visit us on the World Wide Web at www.rainbowmwd.com.

Time Certain Agenda items identified as "time certain" indicate the item will not be heard prior to the time indicated.

Board meetings will be taped as a secretarial aid. If you wish to listen to tapes, they will be available after the draft of the meeting has been prepared. If you wish to purchase a tape, the charge is $5.00 per tape. Tapes will be kept indefinitely. Copies of public records are available as a service to the public; a charge of $.10 per page up to 99 pages will be collected and $.14 per page for 100 pages or more.

If you have special needs because of a disability which makes it difficult for you to participate in the meeting or you require assistance or auxiliary aids to participate in the meeting, please contact the District Secretary, 728-1178, by at least noon on the Friday preceding the meeting. The District will attempt to make arrangements to accommodate your disability.

(*) - Asterisk indicates a report is attached.

Notice is hereby given that the Rainbow Municipal Water District Board of Directors will hold a regular meeting at 5:00 p.m. on Tuesday, September 23, 2008, at the District Office located at 3707 Old Highway 395, Fallbrook, CA 92028. At any time during the session, the Board of Directors Meeting may adjourn to Closed Session to consider litigation or to discuss with legal counsel matters within the attorney client privilege.

AGENDA

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL: Griffiths_____ Lucy_____ McManigle_____ Petty_____ Walson_____

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

***5. APPROVAL OF MINUTES**

A. August 26, 2008 - Regular Board Meeting

6. 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).

Under Oral Communications, any person wishing to address the Board on matters not on this agenda should indicate their desire to speak by filling out and submitting a blue "Speaker's Slip" to the Board Secretary before the meeting begins. *No action will be taken on any oral communications item since such item does not appear on this Agenda, unless the Board of Directors makes a determination that an emergency exists or that the need to take action on the item arose subsequent to posting of the Agenda* (Government Code §54954.2*). Speaking time shall generally be limited to three minutes, unless a longer period is permitted by the Board President.*

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

A. Budget and Finance Committee
- **1.** August 7, 2008 Minutes

B. Communications Committee
- **1.** August 4, 2008 Minutes

C. Engineering Committee
- **1.** August 5, 2008 Minutes

8. RATEPAYER BRIEFING ON RATE STRUCTURE PRESENTATION

9. CONSENT CALENDAR

(The consent calendar items are matters voted on together by a single motion unless separate action is requested by a Board member, staff or member of the audience.)

***A. CONSIDERATION AND POSSIBLE ACTION ON A REQUEST FROM MR. WHITSON, SERVICE ADDRESS 3956 LORITA LANE, TO INSTALL A REMOTE METER**

(Mr. Whitson submitted a request for a remote meter on August 15. The District Engineer's review determined that the area parcels are not subdivided to their smallest size as required by District policy. All other requirements for a remote meter have been met.)

(Staff Recommendation: Waiving the subdivision requirement and approving the installation of a remote meter.)

(*) - Asterisk indicates a report is attached.

***B. DISCUSSION AND POSSIBLE ACTION ON CHANGE OF ADDRESS AT APN 105-650-54**

(On March 23, 2007 RMWD adopted Resolution 07-10 formalizing a 1996 verbal agreement that APN 105-650-54 (formerly 510 Tumblecreek Road) may receive water service from the Fallbrook Public Utility District. Due to a recent lot split, the address has changed, but the APN number remains unchanged. The property owner has requested that the District confirm Resolution 07-10 remains in effect.)

(Staff Recommendation: Confirm that Resolution 07-10 remains in effect for APN 105-650-54, regardless of mailing address.)

***C. DISCUSSION AND POSSIBLE ACTION TO APPROVE TRANSFERRING FUNDS FROM INSURANCE RESERVE ACCOUNT TO GENERAL ACCOUNT FOR THE PURPOSE OF PAYING INSURANCE CLAIM**

(RMWD's liability coverage with Special District Risk Management Authority (SDRMA) includes an annual $100,000 deductible. We recently incurred a claim for $71,670.69 which was the result of damage to a private bridge caused by a subcontractor's truck. SDRMA paid the claim and then invoiced RMWD because it is within the deductible. The Board approved payment of the claim on June 24, 2008. The District paid SDRMA from the General Account and is now seeking Board approval to transfer $71,670.69 from the Insurance Reserve Account to the General Account.)

(Staff supports direction.)

BOARD ACTION ITEMS

***10. CONSIDERATION AND POSSIBLE ACTION TO APPROVE ORDINANCE 08-10 AMENDING AND UPDATING THE ADMINISTRATIVE CODE SECTION 3.03.030 – CONDUCT OF MEETINGS (REQUESTED BY: DIRECTOR WALSON)**

(The Board values and encourages differing viewpoints and opinions when discussing or debating matters before the Board or Committee. In order to assure meetings create an atmosphere that promotes discussion and debate the proposed changes have been made to Section 3.03.030.)

(Staff supports the suggested modification to Section 3.03.030 of the Administrative Code and the approval of Ordinance 08-10.)

***11. CONSIDERATION AND POSSIBLE ACTION FOR THE BOARD OF DIRECTORS TO APPROVE THE SALE OF AN EQUIVALENT DWELLING UNIT (EDU) TO ARCADIO AND SILVIA ESTANISLAO (CARRIED OVER FROM THE AUGUST 26TH BOARD MEETING)**

(RMWD received a request and engineering report from Arcadio and Silvia Estanislao regarding the purchase of an EDU for their property. At their request this item has been place on the agenda for Board consideration. Staff takes no exception to the engineering report provided by the Estanislao's.)

(Staff Recommendation: Approve the sale of one EDU for parcel APN 72-061067.)

12. RECONSIDERATION OF VALLECITOS PUMP STATION PROJECT (REQUESTED BY: DIRECTOR GRIFFITHS)

(Director Griffiths has requested this item be placed on the agenda for discussion and possible action. Robert's Rules of Order states that a Motion to Reconsider can only be made by a member who voted with the prevailing side, and Director Griffiths did not. However, Robert's also allows small boards some flexibility in applying that standard. It is up to the Board to decide whether or not to allow Director Griffiths to bring up reconsideration of this matter.)

(Staff defers to the Board.)

(*) - Asterisk indicates a report is attached.

13. CONSIDERATION AND POSSIBLE ACTION TO RESTORE PUMP NUMBER ONE TO OPERABLE CONDITION (REQUESTED BY: DIRECTOR GRIFFITHS)

(Director Griffiths submitted a request to consider the possible restoration of Pump Number One to operable condition.)

(Staff Recommendation: The Board not approve Director Griffiths' recommendation. In order to return this engine and pump to service we would undoubtedly need to replace the existing catalytic converter, install a new electronic fuel/air ratio controller, and perform source testing of the engine which may or may not ultimately meet APCD requirements. In addition, the engine must be manually started so in the event of a fire as described above, staff would still need to travel to the site to start the engine and pump. At present we have multiple backups to the existing operation. In the event of a loss of power we have the Vallecitos Tank which can provide water by gravity flow. If it lacks adequate supply we can back feed from the Rice system. In an extended power outage we can utilize our portable generator or a portable pump at Vallecitos to provide water service through that system.)

14. CONSIDERATION AND POSSIBLE ACTION TO AMEND USER ALLOCATIONS FOR INTERIM AGRICULTURAL WATER PROGRAM PARTICIPANTS FOR THE REMAINDER OF 2008

(Information will be provided at the Board meeting.)

(Staff supports Board direction.)

***15. DISCUSSION AND POSSIBLE ACTION TO COMPLETE A BALLOT FOR THE 2008 LAFCO SPECIAL DISTRICTS ELECTION**

(LAFCO has submitted ballots for RMWD's full Board consideration in regards to nominees for one regular Special District member position and eight positions on the Special Districts Advisory Committee. The deadline for receipt of the ballots is October 3, 2008.)

(Staff supports direction.)

16. CONSIDERATION AND POSSIBLE ACTION TO INSTITUTE A FORMAL AUSTERITY PROGRAM (DIRECTOR GRIFFITHS)

(Director Griffiths submitted a recommendation to consider instituting a formal austerity program.)

(Staff recommends the Board deny Director Griffiths' request. As a result of probable relaxing of the IAWP our financial situation will likely be more favorable than what we had anticipated when preparing and approving the current budget. The Finance Committee and Board of Directors approved our operating budget only two months ago. As part of the budget development and approval process there was extensive discussion on all of the items highlighted in Director Griffiths' proposal. In fact every Board member had the opportunity to go line by line through the budget and raise concerns at that time as well as during several Finance Committee meetings.

The Board already establishes which infrastructure projects we direct our efforts towards by approving the CIP and by approving each project individually. The Board already determines the maximum level of employees we can hire by the budget approval process; currently we are operating at less than that level. The purchase of capital equipment is approved by the Board as part of the budget process and usually each item is brought back to the Board for individual approval. Therefore, the Board is already in control of those items suggested in the policy.

Austerity is defined as enforced or extreme economy. It is hard to look around at our facilities, our infrastructure, or our office accommodations, and not come away with the impression we are already being quite austere.)

(*) - Asterisk indicates a report is attached.

17. 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 Petty)
- **1**. SDCWA
- **2**. CSDA

B. Representative Report (Director Griffiths)
- **1.** LAFCO
- **2.** San Luis Rey Watershed Council

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

D. Directors Comments

***18. RECEIVE AND FILE FINANCIAL STATEMENTS AND INFORMATION FOR AUGUST 2008**

A. Finance Manager Comments
- **1.** Interim Financial Statement
- **2.** Monthly Investment Report
- **3.** Visa Breakdown
- **4.** Directors' Expense
- **5.** Check Register
- **6.** Office Petty Cash
- **7.** Current Capital Improvement Projects
- **8.** Water Purchases & Sales Summary
- **9.** Statistical Summary
- **10.** Cost Recovery of Repairs to District Property Caused by the General Public
- **11.** Metropolitan IAWP Reduction Program

***19. RECEIVE AND FILE INFORMATION ITEMS FOR AUGUST 2008**

A. General Manager Comments
- **1.** Meetings, Conferences and Seminar Calendar
- **2.** SR76 Funding
- **3.** Water Supply Update (M&I)

B. Operations & Maintenance Manager Comments
- **1.** Water Services Report
- **2.** Water Operations Report
- **3.** Valve Maintenance Report
- **4.** Wastewater Services Report
- **5.** Safety and Emergency Planning Report
- **6.** Meter Services Report
- **7.** Cross Connection Report
- **8.** Project Management Report
- **9.** Valve Maintenance Operating Plan

C. District Engineer Comments
- **1.** Engineering Report

(*) - Asterisk indicates a report is attached.

D. Human Resource Administrator Comments

1. Changes in Personnel

2. Organizational Chart

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

21. ADJOURNMENT - To Tuesday, October 28, 2008, at 11:00 a.m.

ATTEST TO POSTING:

George McManigle Secretary of the Board	Date and Time of Posting Outside Display Cases

(*) - Asterisk indicates a report is attached.