

**MINUTES OF THE REGULAR BOARD MEETING  
OF THE BOARD OF DIRECTORS OF THE  
RAINBOW MUNICIPAL WATER DISTRICT  
JUNE 26, 2007**

1. **CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on June 26, 2007 was called to order by President Petty at 12:00 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. President Petty presiding.
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL:** Present were President Petty; Directors Griffiths, McManigle, Lucy, and Walson. Also present were: Gene Buckley, Interim General Manager and Finance Manager; Brian Lee, District Engineer; Chuck Sneed, Operations Manager; René Bush, Human Resources Administrator; Celia Brewer and Lynn Goodfellow, General Counsel; and Gloria Dechert, Acting Board Secretary. Three members of the public were present.
4. **ADDITIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)**

Director Walson suggested the Action Items should be addressed before the Informational Items.

Director Griffiths proposed that Item 32 be moved in front of Item #17. There was no objection.

Discussion returned to Item #4.

President Petty asked the Board if they had any objections to foregoing Board Informational Items in an effort to get through the remainder of the Action Items. It was determined the Informational Items would be discussed at the end of the meeting.

Discussion went to Item #15.

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).**

Helene Brazier commented about the May 30, 2007 Special meeting at which a topic was discussed that was not on the agenda. She said a public member made comments on a subject that he speculated was going to be discussed in Closed Session based on a very thin argument that there was a potential litigation on the Closed Session agenda. She pointed out the Board decided to allow the public comment, but soon it evolved into a full blown discussion including Directors and member of the public on a topic not on the agenda. She noted The Brown Act states in Section 54956, "the call and notice shall specify the time and place of a Special Meeting and the business to be transacted or discussed. No other business should be considered at these meetings by the legislative body." She said she was not sure whether or not if this was a Brown Act violation, but was questioning whether it might have been. She said at the very least, it has opened the door for anyone who wishes to discuss any topic not on the agenda of a Special Meeting to utilize the same reasoning. She added if there is an unspecified item on the Closed Session agenda, a public member could say it is possible that it is what I want to talk about and the rest of the public would be precluded from participating in this discussion due to the fact no notice has been given. She concluded by stating if a Brown Act

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

workshop is scheduled as discussed in the past meeting, could it possibly be open to members of the public for which she would be happy to pay any fee.

Legal Counsel noted there was concern at the particular Special Meeting about the fact that the discussion was ambling on towards items that were certainly not noticed and went outside the scope. She noted no decisions were made which prevented this from being a Brown Act violation. She stressed Special Meeting discussions are to be kept to that topic. She stated the conversing parties could have been reigned in a little tighter. She noted a policy could be put in place that states there will be no discussion on items not on Special Meeting agendas.

President Petty recognized the recent passing of Alan Ferguson who was a past Board Member. Director Walson suggested sending the family a condolence card.

***The meeting adjourned to Closed Session at 12:10 p.m.***

***The meeting reconvened at 2:44 p.m.***

## **6. CLOSED SESSION**

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.

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

#### Agency Designated Representatives

Gene Buckley  
René Bush

All positions to be discussed

### **B. Conference with Legal Counsel–Anticipated Litigation (Government Code §54956.9(b)(1))**

- Pardee Homes Pre-Annexation Agreement

### **C. Conference with Legal Counsel–Existing Litigation (Government Code §54956.9(a))**

- Engineering Systems Inc./MIOX/Dudek & Associates

### **D. Potential litigation (Government Code §54956.9 (b)(1))**

### **E. Conference with Legal Counsel–Existing Litigation (Government Code §54956.9(a))**

- Ruth Swensen vs. Rainbow Municipal Water District

The meeting reconvened at 2:44 p.m.

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

Legal Counsel reported there was no reportable action from a majority of the Closed Session; however, the Board did approve a settlement agreement in the Ruth Swensen case. She noted the terms of the settlement are all public and as soon as they have an executed copy of the document, it will be on file as a public document.

President Petty stated the representative at the MIOX discussions will be Director McManigle.

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

Discussion went to Item #12.

**8. 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).**

***President Petty called the public hearing for Item #9 to order at 3:14 p.m.***

Time Certain: 12:30 p.m. Public Hearing

**\*9. PUBLIC HEARING ON IMPROVEMENT DISTRICT NO. 1 WATER STANDBY CHARGES  
AND DISCUSSION AND POSSIBLE ACTION TO ADOPT ORDINANCE NO. 07-06,  
ESTABLISHING READINESS TO SERVE WATER SERVICE STANDBY ASSESSMENTS  
OR AVAILABILITY CHARGES FOR ALL OF THE RAINBOW MUNICIPAL WATER DISTRICT  
IMPROVEMENT DISTRICT NO. 1 (REQUESTED BY: GENERAL MANAGER)**

***President Petty closed the public hearing on Item #9 at 3:15 p.m.***

**Action:**

***Moved by President Petty to accept Staff recommendation to approve Ordinance 07-06.  
Seconded Director Lucy. Ayes: Petty, McManigle, Griffiths, Lucy, Walson. Motion  
carried unanimously (5/0).***

***President Petty called the public hearing for Item #10 to order at 3:18 p.m.***

Time Certain: 12:30 p.m. Public Hearing

**\*10. PUBLIC HEARING ON IMPROVEMENT DISTRICT NO. 6 WATER STANDBY CHARGES  
AND DISCUSSION AND POSSIBLE ACTION TO ADOPT ORDINANCE NO. 07-07,  
ESTABLISHING READINESS TO SERVE WATER SERVICE STANDBY ASSESSMENTS  
OR AVAILABILITY CHARGES FOR ALL OF THE RAINBOW MUNICIPAL WATER DISTRICT  
IMPROVEMENT DISTRICT NO. 6 (REQUESTED BY: GENERAL MANAGER)**

***President Petty closed the public hearing at 3:19 p.m.***

**Action:**

***Moved by Director Lucy to approve Ordinance 07-07. Seconded by Director Walson.  
Ayes: Petty, McManigle, Lucy, Walson. Noes: Griffiths. Motion carried (4/1).***

***President Petty called the public hearing for Item #11 to order at 3:20 p.m.***

Time Certain: 12:30 p.m. Public Hearing

**\*11. REQUEST TO EXEMPT PROPERTY OWNED BY THE FALLBROOK LAND  
CONSERVANCY FROM CHARGES FOR WATER AVAILABILITY AND IMPROVEMENT  
DISTRICT ASSESSMENTS**

Steve Brannon asked whether or not the easement situation has been reviewed. Mr. Lee said he would research this and get back to the Board with the results.

Director Griffiths expressed his concern a fire protection liability may exist.

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

Sheila Walson pointed out RMWD is in the water business, not the fire business; however, the District does like to cooperate.

**President Petty closed the public hearing at 3:23 p.m.**

**Action:**

**Moved by Director Lucy to approve to exempt property owned by the Fallbrook Land Conservancy from charges for water availability and improvement district assessments  
Seconded by Director Walson. Ayes: Petty, McManigle, Lucy, Walson. Noes: Griffiths.  
Motion carried (4/1).**

**The Regular meeting reconvened at 3:30 p.m.**

Discussion continued on Item #14.

**12. ANNIVERSARY PRESENTATION FOR RAMON ZUNIGA (15 Years)**

Mr. Buckley acknowledged Ramon Zuniga for his fifteen years of service at RMWD. He noted Mr. Zuniga started at RMWD when he was eighteen years old and congratulated Ramon on his accomplishments. Mr. Zuniga was presented with a plaque and check.

Discussion went to Item #27.

**\*13. APPROVAL OF MINUTES**

**A. May 8, 2007 - GM Selection Committee Meeting**

President Petty stated the Minutes for the Committees should be approved by the Committees, not by the Board; however, they should be provided as part of the Regular Board meeting's Informational Items.

**B. May 16, 2007 - Special Board Meeting**

Director Griffiths referenced Page 13-B5 and asked Mr. Lee to obtain the DSOD Regulations.

**Action:**

**Moved by Director Griffiths to approve the May 16, 2007 Special Board meeting Minutes.  
Seconded by Director Lucy. Motion carried unanimously (5/0).**

**C. May 22, 2007 - Regular Board Meeting**

Director Griffiths referenced Page 13C-15 and noted under 20B2 it should say "could not be accepted at this time".

**Action:**

**Moved by Director Walson to approve the May 22, 2007 Regular Board meeting Minutes as revised. Seconded by Director Griffiths. Motion carried unanimously (5/0).**

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

D. May 30, 2007 - Special Board Meeting

**Action:**

***Moved by Director Lucy to approve the May 30, 2007 Special Board meeting Minutes. Seconded by Director McManigle. Ayes: Griffiths, Lucy, McManigle, Walson. Abstain: Petty. Motion carried (4/0/1).***

E. June 11, 2007 - Communications Committee Meeting

F. June 14, 2007 - Budget and Finance Committee Meeting

Discussion returned to Item #4.

**\*14. DISCUSSION AND POSSIBLE ACTION ON PROPERTY OWNER'S REQUEST FOR A REMOTE METER (REQUESTED BY: DIRECTOR WALSON)**

Mr. Lee explained current District policy does not provide for remote meters in certain situations of which two apply to Mr. Moradi, the property owner making the request. He noted based on these facts, Staff denied Mr. Moradi his request for a remote meter.

Mr. Lee pointed out he was initially recommending that the District approve payment for one-half of the construction costs in the amount of \$12,500; however, after the Board packet was published, he was informed by the Fire Marshall that a hydrant would more than likely be required at the property. Mr. Lee stated based on this new information and dependent upon the outcome of the fire hydrant requirement, Staff has revised its initial recommendation that Mr. Moradi bear all construction costs associated with his property.

Director Lucy inquired as to how a request such as this has been handled in the past. Mr. Lee responded by pointing out since a policy did not exist, one may need to be put in place.

Mr. Lee recommended the District collect money up front thereby placing the burden on anybody on the future connecting to the pipeline since they would not be able to connect to the line until their prorated share has been paid. He concluded by stating the prorated amount of money would be turned over to the property owner who initially constructed the pipeline.

Mr. Moradi provided the Board an estimate in the amount of \$51,729 which is more than he can afford; thus, making the project impossible. He asked the Board that the Board please approve the extension of the pipe all the way to the property and install a hydrant which would benefit the District overall.

Discussion ensued regarding the property owner's alternatives.

**Action:**

***Moved by President Petty to support the Staff Recommendation Option 2. No second.***

Director Walson suggested this discussion be continued until the final decision is made regarding the fire hydrant requirement.

Discussion went to Items #9 and #10.

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

Mr. Lee reported that should Mr. Moradi decide to go forward with the water line extension, RMWD could enter into an agreement with Mr. Moradi that at the time other applicants come forward to connect to that line, they would reimburse the District a prorated portion of the construction costs which would be reverted to Mr. Moradi. Mr. Moradi pointed out he is the only one without water in the neighborhood.

It was noted there were two true remote meters, possibly three near the subject property.

Mr. Lee confirmed the requirement for a fire hydrant would negate the ability for Mr. Moradi to have a remote meter. He also noted there were other properties on the northwest of the property that could potentially connect to the water line should they develop.

Director Walson stated it would not be appropriate to ask the ratepayers to subsidize the development of the property. Director Lucy agreed stating Mr. Moradi bought the property and would have to decide if he wants to pay to bring water to the property.

No action was taken.

Discussion returned to Item #27.

**\*15. DISCUSSION AND POSSIBLE ACTION ON A PRIVATE PARTY'S INTEREST TO LEASE AVAILABLE DISTRICT PROPERTY (REQUESTED BY: DISTRICT ENGINEER)**

Mr. Lee explained a nursery owner has expressed an interest in leasing property owned by the District located just to the south of the District offices.

Director Walson suggested the Bonsall Reservoir contract be renegotiated first and then see if this nursery owner would be interested in leasing it.

Director Lucy recommended that Mr. Lee not take his time to work on these types of projects, but rather another staff member be designated to be involved.

Director McManigle said RMWD should not lock itself into a long term agreement since the County is planning on putting in a park in that area as well as a water park within 10-15 years.

**Action:**

***Moved by Director McManigle not to enter into any long term lease arrangements for District-owned property. Seconded by Director Lucy. Motion carried unanimously (5/0).***

Discussion went to Item #32.

**\*16. DISCUSSION AND POSSIBLE ACTION TO EXEMPT CERTIFIED AGRICULTURE CUSTOMERS FROM THE EMERGENCY STORAGE PROGRAM CHARGE (SDCWA PASS THROUGH) AND THE CAPACITY RESERVATION CHARGE (MWD PASS THROUGH) (REQUESTED BY: GENERAL MANAGER)**

**Action:**

***Moved by Director Griffiths to approve Option 4 to take no action and leave charge structure as is. No second.***

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

**Action:**

***Moved by Director Lucy to approve Option 2 take action to exempt Certified Agricultural ratepayers from the Emergency Storage Program costs. Do not refund past overcharges. The impact would be revenue neutral as the entire cost of the ESP would be supported by Domestic ratepayers. The reprogramming of the District software is estimated to cost \$300 to \$500. This action requires a public hearing and Ordinance change. Seconded by Director Walson.***

Discussion ensued regarding agricultural-domestic users.

Mr. Brannon expressed concern that when shutdowns take place, agricultural users tend to continue watering their groves. He stated these individuals should be penalized in some manner if they expect others to pay for water storage from which they are basically “stealing” the water.

Discussion continued regarding agricultural-domestic users.

Helene Brazier agreed with Mr. Brannon in that she has no interest in charging people for services they do not receive, but has a great deal of interest in the fact the RMWD’s fines are so low that users who are inclined to break the rules are going to consider this \$1,000 a cost of business. She suggested this matter be seriously reconsidered.

It was verified that the agricultural-domestic are Certified Agricultural users.

Director Lucy amended his original motion.

**Action:**

***Moved by Director Lucy to approve Option 3 modifying Option 2 to take action to exempt Certified Agricultural (including agricultural-domestic users) ratepayers from the Emergency Storage Program costs. Do not refund past overcharges. The impact would be revenue neutral as the entire cost of the ESP would be supported by Domestic ratepayers. The reprogramming of the District software is estimated to cost \$300 to \$500. This action requires a public hearing and Ordinance change. Seconded by Director Walson. Ayes: Petty, Lucy, Walson, McManigle. Noes: Griffiths. Motion carried (4/1).***

Helene Brazier expressed concern that the revision may not be fair to the domestic only users. Mr. Buckley explained the easiest way to address this matter would be to exempt agricultural-domestic users the same as straight agricultural. Discussion continued.

Discussion went to Item #13.

**BOARD INFORMATIONAL ITEMS**

- \*17. **A. General Manager Comments (5 Mins.)**
  - 1. EDU Update
  - 2. Meetings, Conferences and Seminar Calendar
  - 3. DHS Update
- B. Finance Manager Comments (5 Mins.)**
  - 1. Interim Financial Statement
  - 2. Monthly Investment Report
  - 3. Visa Breakdown

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

4. Directors' Expense
  5. Check Register
  6. Current Infrastructure Projects
  7. Water Purchases & Sales Summary – July through May 2007
  8. Transfer of Revenue into Water Replacement Fund
  9. May 2007 Statistical Summary
  10. Customer Service Complaints Program Report for May, 2007
  11. Cost Recovery of Repairs to District Property Caused by the General Public
- C. Operations & Maintenance Manager Comments (2 Mins.)**
1. Water Services Report for May, 2007
  2. Water Operations Report for May, 2007
  3. Valve Maintenance Report for May, 2007
  4. Wastewater Report for May, 2007
  5. Safety Report for May, 2007
- D. District Engineer Comments (10 Mins.)**
1. Engineering Report for June 2007
- E. Subcommittee Reports (10 Mins.)**
1. General Manager Selection Subcommittee
  2. Master Plan Review Subcommittee

**\*18. CONSENT CALENDAR**

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

**A. APPROVAL OF ORDINANCE 07-05 UPDATING AND AMENDING ADMINISTRATIVE CODE SECTION 4 - PERSONNEL RULES AND REGULATIONS (REQUESTED BY: DIRECTOR PETTY)**

**Action:**

***Moved by Director McManigle to approve the items on the Consent Calendar. Seconded by Director Lucy.***

Director Griffiths requested an opportunity to Discuss Item 18A. It was decided Item 18A would be pulled from the Consent Calendar for discussion.

**B. SURPLUS VEHICLES (REQUESTED BY: OPERATIONS AND MAINTENANCE MANAGER)**

**Action:**

***Moved by Director McManigle to approve the items remaining on the Consent Calendar (18B). Seconded by Director Lucy. Motion carried unanimously (5/0).***

Discussion on Item 18A.

Director Griffiths asked for clarification as to why revisions had been made to the Personnel Rules and Regulations. Mr. Buckley explained Mrs. Bush worked with Legal Counsel to update the language and legalities of the policy. Mr. Buckley added this section will be in the

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

Administrative Code and any details will be contained in a Personnel Manual distributed to all the employees upon their being hired.

Legal Counsel explained that Lynn Goodfellow, a Labor Attorney, brought the Rules and Regulations up to code to make them more effective in that the Employee Handbook can be updated regularly without Board approval so the RMWD can stay in compliance.

Director Walson recommended that Chapter 4.01, Item 3, read "To provide and encourage training opportunities..."

**Action:**

***Moved by Director Walson to approve Ordinance 07-05 updating and amending Administrative Code Section 4 - Personnel Rules and Regulations. Seconded by President Petty. Motion carried unanimously (5/0).***

Discussion went to Items #19-26 in order.

**19. 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**

President Petty reported the SDCWA Budget and Admin Committees approved a two-year budget consisting of an approximately 13.2% increase spread out over the two years. He stated this will be before the Board of Directors on June 28, 2007. He also mentioned the letter received at the District from SDCWA regarding the 30% cutback program and how RMWD must submit a plan to them explaining how it plans to handle the situation should it be implemented.

Mr. Buckley also mentioned Ms. Stapleton requested the opportunity for her and the Chairperson to address the Board regarding what may be coming down the road in potential cutbacks. He said they were currently working on setting a mutually agreeable date.

**A. SDCWA City of 10 Meeting**

President Petty stated the meeting is tentatively scheduled for August 2, 3, or 4; however, there is no confirmation at this point.

**2. CSDA**

President Petty did not attend the meeting; therefore, there was nothing to report.

**B. Representative Report (Director Griffiths)**

**1. LAFCO**

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

Director Griffiths reported he had attended the LAFCO meeting where several southern San Diego agencies' Sphere of Influences were discussed. He added he had passed on the opportunity of adding his name to the list for the potential Lieutenant Commissioner.

## 2. San Luis Rey Watershed Council

Director Griffiths reported he had attended the meeting where discussions took place regarding bylaws to become a non-profit organization.

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

Director Griffiths stated he had hoped the Water Master Plans have been distributed on compact disks. He stated the Wastewater Master Plan work can resume now that SDCWA has provided its 2007 update.

### D. Directors Comments

Director Walson commented that at San Luis Rey Watershed Council meeting, there was concern about the potential agricultural cutbacks as well as the impact of the drought by Valley Center Municipal Water District. He noted VCMWD has expressed grave concerns about annexing property from San Luis Rey Municipal Water District.

Director Walson first suggested RMWD consider purchasing seat cushions for the public seats. Secondly, he expressed concern about the fact that an entire CIP has not been provided to the Board, but rather projects are being brought to the Board in piece meal. He lastly recommended the Communications Committee structure a letter in the Newsletter to inform the agricultural users of the potential reduction and the process and that RMWD sponsor an agricultural workshop in Fall, 2007 on this topic.

Director McManigle reported he had attended the California Avocado Commission meeting where a position is being taken of not rocking the boat on the cutback due to the fact they feel the agricultural discount is based on surplus water and if MWD is messed with, they may take away the discount program altogether. He also mentioned that at a growers meeting it was reported backflow valves are being stolen; therefore, this may be mentioned in the newsletter. He concluded by stating that rather than purchasing seat cushions for the audience, the size of the agenda should be reduced.

***President Petty called for a break at 5:05 p.m.***

***The meeting reconvened at 5:10 p.m.***

## **BOARD ACTION ITEMS**

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

**\*20. DISCUSSION AND POSSIBLE ACTION ON A REQUEST TO QUITCLAIM AN EASEMENT (REQUESTED BY: DISTRICT ENGINEER)**

**Action:**

*Moved by Director Lucy to approve Option 1 authorizing the General Manager to execute the Quitclaim Deed. Seconded by President Petty. Ayes: Lucy, McManigle, Petty, Walson. Abstain: Griffiths. Motion carried (4/0/1).*

**\*21. DISCUSSION AND POSSIBLE ACTION ON DISTRICT'S SUSPENDED SEWER EQUIVALENT DWELLING UNIT ALLOCATION POLICY (TABLED AT MAY 22, 2007 BOARD MEETING)**

Director Walson asked for this matter to be continued due to the fact Mr. Lee and Mr. Buckley were gathering some additional information to support the policy being brought forward.

Director Griffiths stated he was not comfortable with the anomalous flow reading per EDU provided a few years ago. He said it needs to be determined whether or not this was out of sync at the time of the reading. Mr. Lee explained this reading is directly related to the amount of extreme rainfall received the year the reading was taken. Director Griffiths reiterated he wants assurance the reading was anomalous thereby making the District safe to go with what it has in place. Mr. Lee gave his assurance that the reading provided at that time was a period of heavy rainfall.

It was confirmed Mr. Lee was heading in the right direction with the gathering of information.

No action taken.

**22. DISCUSSION AND POSSIBLE ACTION ON AWARD OF CONTRACT FOR DESIGN SERVICES - U1 PUMP STATION (REQUESTED BY: DISTRICT ENGINEER)**

Mr. Lee announced there were four proposals received for the U1 Pump Station of which DBE Psomas was determined to be the most responsive firm at a cost of \$31,674. He explained what it means to be the most responsive.

It was noted the report should be completed in September or October of this year.

**Action:**

*Moved by Director McManigle to approve Option 1 authorizing the General Manager to negotiate a time and material contract not to exceed \$31,574 with DBE Psomas for design services to conduct a Preliminary Design Report on U1 Pump Station. Seconded by Director Lucy. Ayes: Petty, Lucy, Walson, McManigle. Abstain: Griffiths. Motion carried (4/0/1).*

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

**23. DISCUSSION AND POSSIBLE ACTION ON AWARD OF CONTRACT FOR DESIGN SERVICES - PUMP STATION NUMBER 3 (VALLECITOS PUMP STATION) (REQUESTED BY DISTRICT ENGINEER)**

Mr. Lee announced he received six proposals of which J.C. Heden & Associates was the most responsive. He explained why there were two different firms selected for the two pump station designs. Discussion followed.

**Action:**

***Moved by President Petty to approve Option 1 awarding the contract for Pump Station No. 3 design services to J.C. Heden & Associates. Seconded by Director Lucy. Ayes: Petty, McManigle, Lucy, Walson. Abstain: Griffiths. Motion carried (4/0/1).***

**\*24. DISCUSSION AND POSSIBLE ACTION FOR APPROVAL OF ORDINANCE 07-09 TO DELAY IMPLEMENTATION OF APPROVED MONTHLY SEWER RATE INCREASE**

Mr. Buckley explained this matter was to address Director Walson's concern regarding the monthly sewer rate increase and how it should be deferred until it can be justified. Discussion followed.

**Action:**

***Moved by Director Walson to adopt Ordinance 07-09. Seconded by Director Griffiths.***

Director McManigle expressed concern that if this increase is delayed another Board is going to have to fight the fight to get it implemented again. He cautioned this Board may be setting itself up for a future fight with the ratepayers. Discussion ensued.

It was noted RMWD may end up losing money due to construction costs going up and projects not being completed over the past several years.

Helene Brazier pointed out the fact that the District has not spent the money means even more will have to be spent when the time comes to start working on projects that the District already knows has to be done. She stated this would put the District behind the eight ball. Discussion followed.

President Petty expressed concern that RMWD is reaching capacity with the infrastructure that is in place and that by the time decisions are made, it could be another two years before the work is started. He suggested the Board take the similar approach as that with the reservoirs and really studying this situation to determine what is needed and move forward. He noted it could have been a mistake in delaying improving the lift stations due to the fact it will now cost RMWD millions of dollars more. He said he wanted a time limit due to the fact he feels the infrastructure is pretty much at its maximum at this point.

Helene Brazier pointed out the ratepayers involved had the chance to come and speak to the issue at the time it was voted on as well as today and no one has stepped forward; therefore, why not continue with the program. Discussion continued.

Director Griffiths mentioned how he had run a test two years ago pertaining to Lift Station 2 and made a recommendation to the District at that time; however, the work was never done.

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

Mr. Lee said he had made comparisons utilizing the 2002 Board-approved Capital Improvement Plan and found that the District will lose over \$7mm due to project delays. Director Griffiths asked why the diameter had not been increased as recommended for Lift Station 2 and Stallion. Mr. Lee replied this had not been started based on the fact it was not a high priority on the CIP list.

Mr. Brannon recommended looking over the Master Plan again, making any necessary revisions, and arriving at a final document satisfactory for this Board to accept before losing much more money.

**Action:**

***Moved by Director Walson to adopt a modified Option 1 - to defer the implementation of the approved monthly sewer rate until such time the Board can justify the need for the increase. Seconded by Director Griffiths.***

Discussion ensued regarding whether or not the system was falling apart or only required expansion.

President Petty suggested the motion include direction for Mr. Lee to solicit for bids for an engineering firm to evaluate the current system and have the Engineering Committee address the evaluation as a matter of priority. Director Walson stated it should be an independent assessment.

Director Walson amended his previous motion.

**Action:**

***Moved by Director Walson to adopt a modified Option 1 - to defer the implementation of the approved monthly sewer rate until such time the Board can justify the need for the increase and that the District Engineer will solicit bids for an engineering firm to evaluate RMWD's current system. The evaluation should be completed within six months. Seconded by Director Griffiths. Ayes: Griffiths, Lucy, Walson, Petty. Noes: McManigle. Motion carried (4/1/0).***

**\*25. DISCUSSION AND POSSIBLE ACTION TO ADOPT RESOLUTION 07-14 SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY SIXTH AMENDED JOINT POWERS AGREEMENT (REQUESTED BY: GENERAL MANAGER)**

**Action:**

***Moved by Director Lucy to approve Option #1 adopting Resolution 07-14 Special District Risk Authority Sixth Amended Joint Powers Agreement. Seconded by President Petty. Motion carried unanimously (5/0).***

**\*26. DISCUSSION AND POSSIBLE ACTION ON AWARD OF CONTRACT FOR THE MORRO OVERFLOW DESIGN (REQUESTED BY: DISTRICT ENGINEER)**

Mr. Lee explained this has been presented to for Board approval on two previous occasions. He noted both times he was asked to bring additional information back to the Board to provide a better understanding. He noted although he was uncertain if this was an actual statutory requirement, it was definitely made good business sense to prevent the occurrence of a catastrophic incident.

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

Director Walson explained why he did not feel this project was not urgent.

Maureen Rhyne mentioned in 30 years, an overflow has occurred twice.

Mr. Lee noted this device was necessary based solely on the fact that the reservoir is in use. He stressed there was little probability that a catastrophic incident would occur, a high level of risk still remained.

Director Griffiths stated that this was, in essence, a safety valve and if someone operates anything with an inoperable safety valve, that person would be out by the end of their shift. He said politically speaking this project should not be done.

Discussion ensued regarding whether or not Oceanside could assist in this matter.

Discussion continued regarding whether or not RMWD has secured the necessary easements.

**Action:**

***Moved by President Petty to approve Option 1 authorizing the General Manager to negotiate a contract with Willdan for design and permitting services for the Morro Reservoir Overflow for a time and material contract not to exceed \$98,553. No second. Ayes: Petty, Lucy, Walson, McManigle. Abstain: Griffiths. Motion carried (4/0/1).***

Discussion went to Item #28-#31 in order.

**\*27. DISCUSSION AND POSISBLE ACTION ON THE CURRENT CONDITION OF THE MORRO RESERVOIR LINER, INCLUDING A PRESENTATION ON MORRO RESERVOIR (REQUESTED BY: DISTRICT ENGINEER)**

Mr. Metcalf explained that in regards to the concerns relating to fire protection and the reservoirs, the helicopters would not use drinking water reservoirs as a resource for fire fighting services due to potential risk of water contamination. He pointed out the area has a great deal of lakes and other water supplies throughout the area to utilize in the event of a fire. He pointed out the issues that affect fire protection and insurance are how close the fire is to a fire hydrant, if there is water in the fire hydrant, the location of the fire station, as well as how close brush is to the affected area.

Mr. Metcalf thanked RMWD for its outstanding assistance in battling the recent 120-acre fire.

Director Walson suggested the Fire Marshall be present when the matter of fire protection is discussed in order to assist in resolving the matter overall.

Director Lucy asked if there was a concern with the local ponds being dry at the moment. Mr. Metcalf explained the Sheriff's Department is constantly monitoring and tracking the local water resources, including Camp Pendleton.

President Petty noted he had visited the Command Center the morning after the recent fire at which time he heard good reports about RMWD.

Mr. Metcalf noted the fire fighters had all the pressure they need to fight the fire. He commended RMWD for its ongoing hydrant maintenance program which does do the job.

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

Sheila Walson asked for the response time of RMWD staff during the recent fire. Mr. Metcalf said it was approximately one-half an hour although he was not asking for the District's response, but did appreciate the response received.

Maureen Rhyne mentioned the recent Board was told that the helicopters had to take water from the Morro Reservoir approximately five years ago; however, she did not recall this taking place. Mr. Metcalf said he arrived in the area four years ago, but anything is possible, but this was not a normal course of operation today.

Director Walson verified that covering the reservoirs would not be an issue for the fire department. Mr. Metcalf confirmed this was true.

Discussion went to Item #14.

Mr. Lee gave a presentation on the history and future of Morro Reservoir. He noted Staff was recommending that the current liner leakage return line be modified and that it no longer return to the reservoir body of water.

Mr. Lee explained that when Morro Reservoir was completed in 1962 an impervious asphalt liner was utilized; however, due to the age of the liner micro cracks have developed thereby causing leakage. He said based on this information and the fact that the water quality must be maintained, the District needs to replace the existing liner that has served its purpose for more than 35 years.

Mr. Lee asked the Board for authorization to reactivate the project so that he may meet with the design consultant and sub-consultant to develop an accurate fee estimate for stripping out the floating cover and going forward with the liner. He explained determinations need to be made now in order to assist with future decisions for the reservoir. He said he was asking the Board to authorize him to restart the contract so that he can meet with the design crew and develop a list of issues that the District must address under both scenarios (floating cover or UV) and determine the potential costs of both as well as future implications.

Discussion continued regarding the possible installation of a floating cover and UV technology.

Discussion ensued regarding the difference between the types of liners available.

Mr. Lee stated if he was allowed to proceed today, he could bring the numbers of cost per acre feet back to the Board. Discussion followed.

Mr. Lee stressed the importance of the reservoir is that it is a drinking water reservoir and how water quality ranks above all else.

Mr. Lee talked about fire protection capabilities in the Morro zone. He concluded his presentation by suggesting that the Fire Department and RMWD release a joint statement to ensure the public that the two agencies are working together on water storage and fire protection.

Mr. Metcalf stated the analysis was correct and he did not have anything to add to the presentation. He reiterated his main concern was that there was enough water in the hydrants. He added RMWD has always been good about notifying the fire department when a hydrant may be down due to shutdowns.

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

President Petty asked Mr. Lee to provide a copy of the letter FPUD received granting them permission to move forward with UV on their reservoir. He also asked Mr. Lee to open up discussions with DHS concerning the UV option on Morro Reservoir in order to start getting a feel of what they are going to require and determine if RMWD could meet their stringent requirements at the District reservoirs. Mr. Lee noted he has already started these conversations and reported DHS told him RMWD would be held to the same standards as FPUD which would be to meet every line item in the law without any waivers or discussion of waivers.

Mr. Lee pointed out the total estimated project costs are provided on Agenda Packet Page 27-1.

**Action:**

***Moved by Director McManigle to authorize District staff to issue a change order to Hilts Consulting Group to remove the floating cover facilities from the design contract and finalize the project as changed for bidding and construction purposes. Seconded by Director Lucy. Motion carried unanimously (5/0).***

Mr. Lee pointed out the construction of the liner would be opened for bid to the entire construction community. He also noted Dudek & Associates would be involved as the civil engineers in the project in the modification to the design which has already been finalized. President Petty said he wanted it clear that once Morro has been completed, Dudek & Associated would not be involved in any more RMWD projects.

Discussion went to Item #16.

**\*28. DISCUSSION AND POSSIBLE ACTION ON TECHNICAL MEMORANDUM PROVIDED BY WATER QUALITY TREATMENT SOLUTIONS, INC. (REQUESTED BY: DISTRICT ENGINEER)**

Mr. Lee reported on the three projects recommended by Dr. Najm of Water Quality Treatment Solutions, Inc. Discussion followed.

Mr. Lee stated he was requesting Board approval for Staff to go out for proposals for the three recommendations made by WQTS.

Director Walson asked what impact the Master Plan would have on treating the water. Mr. Lee replied stating it is necessary to have a firm handle on the amount of water that can be stored in the reservoirs and the amount of water necessary which is addressed in the Master Plans which have not yet been approved. Discussion followed.

Director Walson expressed concern it would be a waste of money to have a firm prepare another Master Plan. Mr. Lee pointed out Dudek & Associates has disassociated themselves from the Master Plans since the Plans were not approved at the time they were submitted. Mr. Brannon noted drafts were provided to the Board over a year ago at which time comments and changes should have been submitted and noted so that it could have been approved and backed up by an engineering firm.

Helene Brazier pointed out the Master Plan Review Committee was tasked with reviewing the Master Plans. She suggested the Board look at the Minutes from previous meetings to observe what the Committee was charged to do by the Board.

**Action:**

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

***Moved by President Petty to approve Project #2. Seconded by Director Lucy.***

Discussion continued regarding recommended Project #2.

President Petty stated he would like the comparison between covers and UV treatment as soon as possible so that a final decision can be made.

President Petty amended his original motion.

**Action:**

***Moved by President Petty to approve Projects #2 and #3. Seconded by Director Walson. Motion carried (5/0).***

Discussion continued regarding recommended Project #1.

President Petty stated he would like to see the Water Master Plan which he had anticipated would be a 30-60 day project at most. Director Griffiths stated this was delayed by getting the Master Plan revised and published on compact disks. Mr. Brannon mentioned he had reviewed the disk and expressed concern that by removing Dudek & Associates out of the entire picture there is nobody responsible for the document. Director Griffiths stated the Board would be the responsible party. President Petty stated as a Board Member he will not be responsible for something that is not prepared by an engineering firm. Helene Brazier added the disks have not been approved the Committee and have not had an opportunity to vote on anything based on the fact there have not been enough people present at the Committee meetings.

Director Griffiths stated the numbers were not changed. Ms. Brazier pointed out there were changes to the documents provided on disks; however, they were not being discussed at this time.

Legal Counsel commented that this was a planning document which is supposed to be accurate. She mentioned there were other means to ensure that the District utilized Dudek & Associates as the engineer, but make a policy statement that any projects pertaining to outside the District's boundaries are not supported by RMWD. Mr. Brannon this was the initial task of the Committee, but other revisions were made as well.

President Petty asked if Dudek & Associates provided RMWD with notification that they are removing their name off the Water and Wastewater Master Plans. Mr. Lee stated during the edits the name was taken off at the recommendation of the Chairman of the Master Plan Review Committee. He added Dudek & Associates had verbally communicated to him that if this is going to be edited without any opportunity for input by them, then they do want their name removed and have no association with the document.

Director Walson suggested submitting the modified plan to Dudek & Associates for comment. Director Griffiths recommended not submitting it to them at all.

President Petty stated as a Board Member he was not going to approve any District Master Plans not certified by an engineering firm. Director Walson reiterated his suggestion to submit the revised plan to Dudek & Associates for comment and if they do not have any comment, they would stand behind the Master Plans. President Petty stated he had no objection to this recommendation.

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

Director Griffiths explained the revisions made to the Water Master Plan. He noted it was ready for the Committee for revisions or approval. Helene Brazier noted the last Committee meeting was in April and there has not been a quorum to vote on anything. It was confirmed the Committee has been unable to do anything.

President Petty said Project #1 would be deferred and an agenda item needs to be on the next agenda to deal with the dysfunctional Master Plan Review Committee.

Director Walson argued as to how someone could sue RMWD for a planning document that is not definitive. Legal Counsel reiterated the Master Plans would be a planning document utilized as the basis for several design decisions; therefore, it is pertinent that it be accurate.

Mr. Lee explained other processes that could not take place without an engineering firm standing behind the plan.

It was confirmed Project #1 would be tabled until the next meeting.

**\*29. DISCUSSION AND POSSIBLE ACTION ON AWARD OF CONTRACT FOR INSTALLATION OF MASTER SCADA COMPUTER SYSTEM (REQUESTED BY: DISTRICT ENGINEER)**

Mr. Lee explained the reason behind the need for the contract.

Discussion ensued regarding the amount of power the equipment would require.

Discussion continued regarding the software and system being purchased, how they would both be utilized, the training involved, the timing for both to be up and working, as well as the costs involved.

Mr. Lee noted this hardware and software would provide the District with the ability to have remote control on the District's end.

**Action:**

*Moved by President Petty to approve Option 1 authorizing the General Manager to sign a not-to exceed contract for \$94,027.11 for design and installation of SCADA hardware and software more particularly described in the June 7, 2007 quote from Freedom Automation, Inc. Seconded by Director McManigle. Ayes: Petty, Griffiths, Lucy, Walson, McManigle. Motion carried unanimously (5/0).*

**\*30. APPROVAL OF ORDINANCE 07-08 AMENDING AND UPDATING ADMINISTRATIVE CODE SECTION 2.03.010 - REIMBURSEMENT AND REMUNERATION (REQUESTED BY: DIRECTOR WALSON)**

**Action:**

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

***Moved by President Petty to approve Ordinance 07-08 Amending and Updating the Administrative Code Section 2.03.010 increasing the Directors Per Diems to two RMWD business meetings per month. Seconded by Director Lucy. Ayes: Petty, Griffiths, Lucy, Walson, McManigle. Motion carried unanimously (5/0).***

**31. FORMATION OF SUBCOMMITTEE (REQUESTED BY: DIRECTOR PETTY)**

Discussion ensued regarding how to address the oversubscribed committees.

Legal Counsel suggested RMWD have some sort of Ordinance or policy that sets forth the rules and regulations for subcommittees (i.e., how members can be removed, how members can be appointed, unexcused absences, etc.) in order to save some heartache in the long run.

Discussion continued regarding committee members participating in more than one committee.

President Petty stated he has removed himself from one of the committees. He encouraged the Directors' participation on the committees.

It was noted the committees will be formally finalized at the July 24<sup>th</sup> Board meeting.

Discussion went to Item #34.

**\*32. DISCUSSION REGARDING BOARD AND STAFF COMMUNICATIONS**

**A. POSSIBLE AMENDMENT AND UPDATE TO ADMINISTRATIVE CODE SECTION 2.02.030 - STAFF MEETINGS (REQUESTED BY: DIRECTOR WALSON)**

**Action:**

***Moved by Director Griffiths that Directors be allowed to attend staff meetings. No second.***

It was noted the existing Ordinance will remain in place at this time.

**B. DISCUSSION AND POSSIBLE ACTION TO PERMIT DIRECTOR GRIFFITHS TO INDEPENDENTLY MEET WITH CONSULTANT ISSAM NAJM OF WATER QUALITY & TREATMENT SOLUTIONS (REQUESTED BY: DIRECTOR GRIFFITHS)**

**Action:**

***Moved by Director Griffiths to approve Option 1 permitting him to meet with Consultant Issam Najm with or without another Director for the purpose of education on chlorination background and future (\$195.00 per hour). No second.***

Discussion went to Item # 18.

**33. DISCUSSION OF AGENDA ITEMS FOR THE NEXT SCHEDULED REGULAR BOARD MEETING**

**34. ADJOURNMENT (Time Sensitive for 4:00 p.m.) To Tuesday, July 24, 2007 at 12:00 p.m.**

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

***The meeting was adjourned with a motion made by Director McManigle and seconded by Director Walson to a regular meeting on July 24th, 2007 at 12:00 p.m.***

The meeting was adjourned at 6:45 p.m.

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**Rua Petty, Board President**

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**Dawn Washburn, Board Secretary**

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