

**MINUTES OF THE REGULAR BOARD MEETING  
OF THE BOARD OF DIRECTORS OF THE  
RAINBOW MUNICIPAL WATER DISTRICT  
MARCH 25, 2008**

1. **CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on March 25, 2008 was called to order by President Petty at 5:04 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: Dave Seymour, General Manager; Gene Buckley, Finance Manager; Brian Lee, District Engineer; Chuck Sneed, Operations Manager; Gregory Powers, General Counsel; and Dawn Washburn, Board Secretary. Twenty-two members of the public were present.
4. **ADDITIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)**

**Action:**

***Moved by Director Griffiths to pull Item #13 from the agenda. Seconded by Director Walson. Ayes: Griffiths. Noes: Lucy, McManigle, Petty. Abstain: Walson. Motion failed (1/3/1).***

Director Griffiths expressed his opinion that Item #13 was poorly done and consisted of poor engineering and judgment as well as a terrible burden to the ratepayers. He claimed this job could be done for considerably less without endangering the public.

President Petty proposed pulling Item #14 from the agenda due to the fact SDCWA just completed their draft model Ordinance that staff and Legal Counsel should review to ensure RWMD's new proposed Ordinance is in line with SDCWA's first. Director Griffiths agreed to pulling the item, but not for the same reason. There was no objection to pulling Item #14.

Mr. Lee stated he would like to add an emergency change order for the Cottontail PRV. He explained the conditions discovered in the field last week require changes to the design and construction of the project. Mr. Seymour pointed out staff just found out about the cost involved for the change order today and that was why they wanted to have it added to the agenda in order to prevent holding up the project and increasing the District's cost down the road. There was no objection to adding this item.

**Action:**

***Moved by Director McManigle to add the emergency item to the agenda. Seconded by Director Walson. Motion carried unanimously (5/0).***

Director McManigle proposed pulling Item #10C from the consent calendar for discussion purposes. There was no objection.

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

It was noted that the "2007" on the description for Item 10A on the agenda should be "2008".

**\*5. APPROVAL OF MINUTES**

**A. February 26, 2008 - Regular Board Meeting**

It was noted the word "and" needed to be removed from the sixth paragraph on Page 9.

**Action:**

***Moved by Director McManigle to approve the Minutes as revised. Seconded by President Petty. Motion carried unanimously (5/0).***

**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).**

Mr. Voigt thanked the Board for holding the Closed Session meeting prior to the Open Session.

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

**A. Budget and Finance Committee**

Mr. Pearce recognized Steve Brannon, Dick Titus, Don Fagan, Gerald Walson, Jack Griffiths, and Bob Willyard as the outstanding actively participating seven volunteers on the Budget and Finance Committee. He noted the committee does not have any alternate members; therefore, he would like to officially put the public on notice that they would like to see additional volunteers.

He introduced Mr. Titus who would be giving a presentation on the reserve budget analysis.

*Discussion went to Item #7B1.*

Mr. Titus presented the Board with an explanation of the charts he prepared pertaining to the RMWD FY2008 budget and fund allocation (see Exhibit A attached hereto as part of the record).

Mr. Titus stressed how important it is for RMWD to discontinue starting and stopping projects due to the fact it wastes money. President Petty clarified that what Mr. Titus was recommending that once a project is started it should be funded all the way through to completion.

Mr. Pearce thanked Mr. Titus for his hard work. He mentioned that anyone interested in joining the B&F committee should contact him or the Board Secretary.

*Discussion went to Item #7C.*

Director McManigle asked for Mr. Buckley's feedback on the spreadsheets Mr. Titus presented. Mr. Buckley explained the charts will become more recognizable and useful over time as everyone becomes more familiar with them.

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

Director Griffiths stressed that the level of work by Mr. Titus was highly appreciated.

Discussion went to Item #8.

**B. Communications Committee**

**1. February 4, 2008 Minutes**

Sheila Walson addressed Mr. O'Leary stating she took objection to Page 7B1-2, Item #9, regarding the committee member absences due to the fact she felt she was the victim of the misinformation. She stated she resigned for good reason from the committee at Christmastime. She mentioned she also resigned a second time in January; therefore, she found removing her from the committee on the trumped up charge of the Form 700 insulting. She expressed concern that the Communication Committee putting something in print without first doing their homework first. She stated the purpose of the Communications Committee is to prevent any releases being published without the General Manager checking to make sure premature facts, omissions, etc. are released to the public. She reiterated she was very annoyed with the entire matter and requested she wanted the committee minutes redacted.

Mr. O'Leary reported the purpose of the Communications Committee is to try to edit the newsletter, improve the website, and take other steps to communicate with the District's customers. He noted that at the March meeting, the Committee elected Carl Kikerpill to serve as the Vice-Chairperson, agreed to seek communications from other water districts as to what steps they took to improve their website, and voted to recommended Item 10D to the Board to add two new alternates to the Committee in order to ensure a quorum is present in order to conduct business. He said he would be happy to address the comments made earlier.

Director Griffiths explained why he did not see why the Communications Committee needed to have a quorum. He said he did not want to see any hands from people in the audience wanting to say there needs to be a quorum. He added if there is a group of people willing to assist RMWD, they should not be frustrated by not having enough participation. He stated the group should not be bound by procedures. Mr. O'Leary noted that when a quorum is not present, the committee holds informal discussions.

Helene Brazier expressed her feeling that Director Griffiths would be well-advised not to use a heckling tone of voice when a member of the public raises their hand to make a comment. She mentioned the Communications Committee was set up by the Board and as such it must abide by the Brown Act.

Director Walson asked for status regarding the web site design. Mr. O'Leary noted at the last meeting Mr. Kikerpill recommended approaching other water districts to inquire as to what statistics they requested when developing their websites. He stated responses have been received which will be helpful at the next Committee meeting. Discussion ensued regarding the level of research being conducted. Director Walson asked Mr. Voigt if he could check with a person he knows how to develop websites if he would be interested in talking with RMWD.

Discussion returned to Item #7A.

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

- C. Engineering Committee  
1. February 5, 2008 Minutes

Mr. Brannon reported the March 4<sup>th</sup> Engineering Committee meeting where DBE Psomas gave a presentation on a preliminary design report for U1 Pump Station. He mentioned the Committee will visit U1 Pump Station at its next meeting. He stated the Committee discussed action on the Lift Station 2 outfall line, the replacement of Lift Station 1, as well as the report on Lift Station 2. He mentioned the Committee voted 5/1/1 with Director Griffiths opposing the motion and Director Walson absent at the time of the vote.

Discussion returned to Item #7A.

**8. PUBLIC HEARING REGARDING SETTING FIXED FEES TO COLLECT CHARGES FROM SAN DIEGO COUNTY WATER AUTHORITY (SDCWA) AND METROPOLITAN WATER DISTRICT (MWD) AND EXEMPTING AGRICULTURAL USERS FROM THE EMERGENCY STORAGE PROGRAM COMPONENT OF THE MONTHLY FEE**

***President Petty opened the public hearing at 6:07 p.m.***

Mr. Seymour announced a ratepayer by the name of Ms. Korn submitted a letter to the Board complaining about the cost increase and general price of the District's water. She asked that her letter be provided the Board which it was and a copy has been kept at the District.

Mr. Voigt asked what the final determination has been for allocating the costs. Mr. Buckley explained by referring to Page #16-4 of the agenda packet.

Helene Brazier said she too had concerns as to how the Board would address this matter and was pleased with the proposed solution.

A Public Member expressed concerns regarding her property being affected by the IAWP cutback. President Petty said he would take her comments into consideration, but recommended that she meet with the General Manager since this matter was not on this agenda for discussion.

A Public Member inquired as to whether or not the Emergency Storage Program Charge is in effect at all of the agencies. President Petty confirmed that all agencies are charge equally for Emergency Storage Program who in turn charge their own ratepayers according to however they deem fit.

***President Petty closed the Public Hearing at approximately 6:18 p.m.***

**9. PRESENTATION ON CAPITAL IMPROVEMENT BUDGET AND FAILURE ANALYSIS BY RICHARD TITUS**

Mr. Titus presented information he prepared pertaining to the Capital Improvement Budget and Failure Analysis. He mentioned his conclusion was that the District's water pipe infrastructure was in fact adequate and a mass replacement of piping was not warranted. He noted this study was not a study to end all, but rather a tool to establish a baseline to be revisited every couple of years.

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

President Petty applauded the Committee and Mr. Titus' work in providing a better understanding of the condition of the District's infrastructure.

Sheila Walson suggested putting the reassuring information presented by Mr. Titus in the District newsletter.

**\*10. CONSENT CALENDAR**

**A. ADOPT RESOLUTION 08-05 AND RESOLUTION 08-06 FIXING THE TIME AND PLACE OF HEARINGS AND MEETINGS ON PROPOSED WATER AVAILABILITY CHARGES FOR IMPROVEMENT DISTRICT NO. 1 AND IMPROVEMENT DISTRICT NO. 6 (REQUESTED BY: GENERAL MANAGER)**

**B. APPROVAL OF RESOLUTION OF INTENTION TO APPROVE AN AMMENDMENT TO CONTRACT BETWEEN THE BOARD OF ADMINISTRATION CALIFORNIA PUBLIC EMPLOYEE'S RETIREMENT SYSTEM AND THE BOARD OF DIRECTORS OF THE RAINBOW MUNICIPAL WATER DISTRICTCALPERS RESOLUTION**

**C. CONSIDERATION AND POSSIBLE ACTION TO ADOPT ORDINANCE 08-05 ENACTING TEMPORARY FIRE DISASTER RELIEF IN THE FORM OF A SUSPENDED MONTHLY SEWER USAGE CHARGE FOR CUSTOMERS WHOSE PROPERTIES WERE LEFT UNINHABITABLE BY THE RICE FIRE IN OCTOBER 2007**

(This item was pulled from the Consent Calendar for discussion purposes as noted under Item #4 herein.)

**D. CONSIDERATION AND POSSIBLE ACTION TO NAME ALTERNATE MEMBERS TO THE COMMUNICATIONS COMMITTEE**

**Action:**

*Moved by Director McManigle to approve Items #10A, #10B, and #10D of the Consent Calendar. Seconded by Director Lucy. Motion carried unanimously (5/0).*

**BOARD ACTION ITEMS**

**\*10C. CONSIDERATION AND POSSIBLE ACTION TO ADOPT ORDINANCE 08-05 ENACTING TEMPORARY FIRE DISASTER RELIEF IN THE FORM OF A SUSPENDED MONTHLY SEWER USAGE CHARGE FOR CUSTOMERS WHOSE PROPERTIES WERE LEFT UNINHABITABLE BY THE RICE FIRE IN OCTOBER 2007**

(This item was pulled from the Consent Calendar for discussion purposes as noted under Item #4 herein.)

Director McManigle suggested adding "and tenants" under the third "WHEREAS" in the Ordinance. He also suggested the provisions 1, 2, 3, and 4 should all have an expiration and add a phrase "claims must be submitted prior to October 1, 2008". Discussion ensued.

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

Legal Counsel noted the suspension of the charge was retroactive back to November 1, 2007 and goes through to October 1, 2008; however, an application must be submitted prior to the May 15, 2008 deadline. Director McManigle inquired as to whether "4" should be added under #5. Legal Counsel said this change could be made without hurting the Ordinance.

Legal Counsel explained that #3 was written specifically for Valley Oaks since there is one owner with several tenants to whom the owner divides the charges between. He explained the purpose of the third "Whereas" is to assure that the District does not give a gift of public funds, but rather to show that the District finds it is in the best interest of the District to provide relief to customers whose property has been rendered uninhabitable. He stated that the words "or tenants" could be added after the word "customers" under the third "Whereas". Discussion followed.

Director Walson asked how RMWD would know when a property becomes reoccupied. Legal Counsel stated it would be when the customer receives a "Certificate of Occupancy" which staff would have to monitor.

**Action:**

***Moved by Director McManigle to approve Ordinance 08-05 as revised. Seconded by Director Lucy. Motion carried unanimously (5/0).***

**\*11. CONSIDERATION AND POSSIBLE ACTION ON A REQUEST FROM LEOBARDO MORA, 1390 LITTLE GOPHER CANYON, TO PURCHASE SEWER CAPACITY (EDU)**

Mr. Seymour gave a brief history of Mr. Mora's situation. He requested changing his Option 1 to Mr. Mora's request being deferred until the Board holds a Special Meeting and determines the outcome of the 450 EDU's. President Petty said he sympathizes with Mr. Mora; however, the District would like to have one more month to give him a definite answer.

Mr. Mora asked the Board whether or not RMWD sold an EDU after he last addressed the Board requesting an EDU. The Board assured him that no EDU's have been sold since Mr. Mora made his initial request.

Director Griffiths asked Mr. Mora whether or not he had a real percolation test performed on the property. Mr. Mora explained the problem is with the slope and grade on the property. Mr. Lee said he would be more than willing to speak with Mr. Mora's engineer prior to the Special Board meeting in order to get a better understanding of the situation. Mr. Lee pointed out that a percolation test would not be the only determination as to whether or not the property could be put on septic.

President Petty noted the Board will have a Special Workshop to solve this matter.

Mr. Brannon stressed that these types of requests were going to keep coming before the RMWD Board and reminded the Board that they represent all customers of the District and putting this off was not right. He stated this was the Board's problem because they want to control growth at this level, but this was not the place or manner in which to do that. Discussion followed.

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

Director Walson said the Board was not going to build a sewer plant which was what Mr. Brannon was driving to do. Director Griffiths told Mr. Brannon he has an agenda which the Board hears quite clearly, but RMWD does not have the money to increase the capacity. Mr. Brannon disagreed and told Director Griffiths it was the Board's problem to figure out a solution, not the ratepayer's.

President Petty said he felt they could come up with a solution to this particular situation, but they first must go through the workshop. He also pointed out that the references in Mr. Mora's letter to comments made at a Board meeting maligning Hispanics were made by a member of the public during the public comment of the Board meeting and in no way reflect the Board's attitude toward Hispanics at all. He concluded by reiterating his request of Mr. Mora to give the Board one more month to arrive at a solution.

Director McManigle said he wanted to see the percolation test results or at the least the letter in which the County states regardless of the percolation tests a leach pond would not be allowed. Mr. Mora said he would provide the District with the information.

Director Griffiths spoke to Mr. Mora in Spanish. The translation is as follows: "Mr. Mora, I want you to understand very well that we are not against Hispanics. We have worked with them often and we have cooperation with the ones that are here legally paying taxes and following the law. There is nothing against anyone. I am an immigrant also."

**12. MORRO RESERVOIR OPTIONS (REQUESTED BY: PRESIDENT PETTY)**

Mr. Lee explained the Board would be considering whether or not they would like to continue pursuing floating covers or looking into UV as an alternative. Director Griffiths asked for this to be deferred to the next meeting.

**Action:**

***Moved by President Petty to table this item to the April Board meeting. Seconded by Director Lucy. Motion carried unanimously (5/0).***

**13. DISCUSSION AND POSSIBLE ACTION ON WASTEWATER LIFT STATION 2 AND LIFT STATION 1 (REQUESTED BY: DISTRICT ENGINEER)**

Mr. Lee mentioned how three Board meetings prior to today, staff was directed by the Board to hire a consultant to come back with a response to whether or not Lift Station 2 should be replaced or rehabilitated. He noted the consultant provided the District with a report that states Lift Station 2 should be replaced. He also mentioned that he was informed by Jeff Heden that he was a design engineer on the original design for Lift Station 2 while employed with Dudek and would be willing to complete the design under his private company J.C. Heden & Associates. He noted based on this information, Mr. Heden was provided with the drawings as they existed at that time and asked him to come up with a proposal to complete Lift Station 2 which has been provided to everyone as one of the handouts. He concluded by stating J.C. Heden & Associates was also to provide a proposal for the design services for Lift Stations 1 and 2 if there was a cost savings for doing both at once. Discussion ensued.

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

Director Griffiths requested that this matter be discussed in Closed Session so that he could make comments that could not be used against him or the District. Legal Counsel stated this matter could be discussed in Closed Session only if it falls under the anticipated litigation exception to the open public meeting requirements in the Brown Act. He recommended the Board not go into Closed Session at this time since it was not noticed on the agenda and there was not enough information to make a determination as to whether or not it falls under the anticipated litigation exception. He suggested putting the matter under Closed Session on a future agenda.

Discussion ensued regarding whether or not this project could be sole sourced. Legal Counsel stated the amount itself was not grounds for sole source. Mr. Seymour pointed out his only concern would be that the cost came in higher than anticipated; therefore, it may be more prudent to adopt Option 1.

President Petty suggested Director Griffiths discuss his concerns with Legal Counsel in order to determine whether or not going into Closed Session was necessary. Director Griffiths stressed every one of the options associated with this project would be an issue.

Mr. Brannon reminded the Board how this matter has been discussed for many months and at the request of the Board Staff hired an independent consultant to provide an unbiased opinion of the existing lift station condition. He stated based on the report provided, the consensus of the committee was that there was a great deal more to be done than anticipated; therefore, a recommendation was made to the Board to replace it. He expressed concern that delaying the project any longer will ultimately cost RMWD more money.

***President Petty called for a break at 7:38 p.m.***

***The meeting reconvened at 7:47 p.m.***

Legal Counsel reported that after speaking with Director Griffiths, it was his opinion there was no grounds under the Brown Act to call a Closed Session because there is no threat of litigation. He noted this was solely based on their short conversation.

**Action:**

***Director Griffiths to postpone this item until the next Board meeting. There was no second.***

Director Walson proposed a modification that the April meeting would be the end of the continuations on this matter.

**Action:**

***Moved by Director McManigle to approve Option 1. Seconded by Director Lucy.***

Director Griffiths told the Board they were all wrong and should listen to what he has to say prior to making a decision whether or not it is in Open or Closed Session at a future date. Director McManigle pointed out the motion would allow the General Manager to go out for an RFP.

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

President Petty suggested amending the motion to include Lift Station 1 in Option 1.

Mr. Heden said if RMWD decides to build both stations at the same time, there would be a cost savings in the construction phase. Discussion followed.

Director Lucy emphasized the need to get both stations fixed due to the level of existing risks. Director Griffiths said even though he is not on or near the sewer systems, it is his obligation to look out for interest of all the ratepayers as a director.

It was noted that Option 1 would be reserving \$1.5mm for both stations.

President Petty stated based on Director Griffiths' report from two years ago in which he reported the stations would last two years (which they have) and the risk of additional spills, he felt it was necessary to move forward on this project.

Director McManigle accepted President Petty's amendment.

**Action:**

***Moved by Director McManigle to approve Option 1 authorizing the General Manager to issue a Request for Proposal (RPF) and award a contract to the most qualified engineering firms for design and construction management services to replace Lift Stations 1 and 2 for \$3.25mm. Seconded by Director Lucy. Ayes: Lucy, McManigle, Petty. Noes: Griffiths. Abstain: Walson. Motion carried (3/1/1).***

Discussion went to Item #15.

**\*14. DISCUSSION AND POSSIBLE APPROVAL OF ORDINANCE 08-01 ADOPTING A WATER CONSERVATION AND EMERGENCY WATER MANAGEMENT PROGRAM**

This item was pulled from the agenda.

**\*15. DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NUMBER 08-07 AUTHORIZING THE GENERAL MANAGER OR HIS DESIGNEE TO AWARD EMERGENCY CONTRACTS PURSUANT TO PUBLIC CONTRACT CODE SECTION 22050**

It was noted the four-fifths vote was a state law requirement.

Discussion ensued regarding the language concerning the designee. Director Griffiths stated he was completely against this Resolution due to the fact that he wanted the General Manager to contact at least one Board Member in the event of an emergency rather than just having a designee. Legal Counsel stated it could be added as an extra requirement; however, this was an emergency spending and should a member of the Board not be reachable, it could prohibit the General Manager from spending funds in the event of an emergency. It was pointed out that the fourteen days allowed was part of the statute.

Director Walson suggested adding "with the Board President's or Vice President's concurrence if available".

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

Helene Brazier stated as a member of the public who has expressed a great deal of skepticism in the past about the way RMWD has been managed, she felt the Board needs to exercise some faith that they have selected a good General Manager and give him some trust, especially in this case where it is for emergency purposes only. She strongly suggested the Board consider passing the Resolution as written. She noted the recommended changes were a continuation of micromanagement. Director Walson stated that micromanagement was the Board's purpose and responsible for the finances of the District.

Legal Counsel asked for clarification. Mr. Seymour stated he should the Board want to put in the suggested contingencies, he would rather drop the entire matter due to the fact he would not want to be second guessed in the event of an emergency.

**Action:**

***Moved by Director Lucy to approve Resolution 08-07 as written. Seconded by Director McManigle. Ayes: Lucy, McManigle, Petty. Noes: Walson, Griffiths. Motion failed (3/2).***

Director Walson inquired as to whether there were any spending limitations. Mr. Pearce said the Board needs to trust staff. Director Walson questioned then why would the Board only allow a \$35,000 spending allowance in the first place. Mr. Seymour noted RMWD committed for approximately \$450,000 during the Rice Fire alone.

President Petty asked for the legal ramifications should an emergency occur and not having a policy in place. Legal Counsel answered the Board is not required by state law to adopt a policy; however, that's not to say under every situation imaginable there could not be a lawsuit filed. He confirmed without the policy the General Manager would only be allowed to spend \$35,000 in the event of an emergency. Director Griffiths stated this would be adequate to get something started.

- \*16. DISCUSSION AND POSSIBLE APPROVAL OF ORDINANCE 08-02 – SETTING FIXED FEES TO COLLECT CHARGES FROM SAN DIEGO COUNTY WATER AUTHORITY AND METROPOLITAN WATER DISTRICT AND EXEMPTING CERTAIN AGRICULTURAL USERS FROM THE EMERGENCY STORAGE PROGRAM COMPONENT ON THE MONTHLY FEE (REQUESTED BY: FINANCE MANAGER)**

**Action:**

***Moved by Director McManigle to approve Ordinance 08-02. Seconded by Director Lucy. Ayes: Lucy, McManigle, Petty, Walson. Noes: Griffiths. Motion carried (4/1).***

- \*17. OUTSOURCING OF CUSTOMER BILLING PROCESS (REQUESTED BY: FINANCE MANAGER)**

Mr. Buckley explained the advantages and cost savings associated with outsourcing the customer billing service. He confirmed the billing company would be willing to add any inserts the District wants; however, it may cost more if there are too many requests. He added they would be willing to do any special mailings RMWD may occasionally need. He mentioned that outsourcing would free up employee time to address other projects that have been put off due to the in-house billing process.

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

Mr. Buckley confirmed he received positive feedback and referrals from other districts.

Discussion ensued regarding transmitting data and it potentially being altered. Director Walson stressed that someone in-house must proof newsletters before they are mailed out by the outsourcing company.

**Action:**

***Moved by President Petty to approve Staff recommendation giving direction for the General Manager to sign a contract awarding the outsource billing services to the lowest possible bidder, DataProse. Seconded by Director McManigle. Motion carried unanimously (5/0).***

Director Griffiths said he had a problem with Staff soliciting RFP's without Board direction. President Petty reminded him that there have been discussions regarding efficiencies in the office for more than two years including billing and this was a result of a staff member being proactive to address those efficiencies. Director Griffiths disagreed stating the proactive act has caused several people to spend time and money on something that may not get approval; therefore, permission should be granted by the Board before soliciting RFP's.

**\*17A. DISCUSSION AND POSSIBLE ACTION ON CHANGE ORDER FOR COTTONTAIL LANE PRV (REQUESTED BY: DISTRICT ENGINEER)**

(This emergency item was added to the agenda under Item #4 herein.)

Legal Counsel stated for the record that the Board unanimously approved the adding of this agenda item as state law requires its Government Code 54952. He noted at least a two-thirds vote of the Board voted to put this matter on the agenda based on the fact that it came to the attention after the posting of the agenda.

Mr. Lee explained how an abandoned PRV was found and exposed at the site when the excavating started. He talked about how this discovery will change the current work in progress as well as the need for approval of a change order. He noted should the Board not approve the change order at this time, the contractor will be put on standby and under the contract the contractor will be allowed to charge RMWD for the time they remain on standby.

Discussion ensued regarding what needs to take place at the project site.

**Action:**

***Moved by Director Lucy to approve Option 1 authorizing the General Manager to issue a Change Order not to exceed \$54,733 for excavation and removal of the abandoned PRV at Camino Del Rey and Cottontail Lane. Seconded by Director McManigle. Motion carried unanimously (5/0).***

**BOARD INFORMATIONAL ITEMS**

- \*18. A. General Manager Comments**
1. Meetings, Conferences and Seminar Calendar
  2. DPH Update

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

Mr. Seymour reminded the Board that Directors Griffiths and McManigle will be attending the March 26<sup>th</sup> North County Water Group Breakfast meeting.

He also reported RMWD would be delivering the District's response to the Department of Public Health this week.

**B. 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. Non-Capital Projects
9. Water Purchases & Sales Summary – February 2008
10. February 2008 Statistical Summary
11. Cost Recovery of Repairs to District Property Caused by the General Public

Mr. Buckley reported water sales were starting to increase.

Director Walson recommended Mr. Buckley discuss the budget guidelines at the next meeting.

There were several inquiries made on some of the items in the check register.

Director Lucy asked when the Utility Services Contract comes up for review. It was noted it was a ten year contract which RMWD was only into for a few years so far.

**C. Operations & Maintenance Manager Comments**

1. Water Services Report
2. Water Operations Report
3. Valve Maintenance Report
4. Wastewater Services Report
5. Safety Report for February, 2008
6. Meter Services Report for February, 2008
7. Cross Connection Report for February, 2008

Discussion ensued regarding utilizing different descriptions for infrastructure conditions.

Director Walson asked how many valves have not been turned at all. Mr. Sneed stated crews have been through the entire system once and are currently on the second time around.

**D. District Engineer Comments**

1. Engineering Report for January 2008

It was noted Staff was not yet prepared to bring the office space matter back to the Board at this time due to continued research.

**E. Human Resource Administrator Comments**

1. Changes in Personnel
2. Organizational Chart

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

**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 he and Director Griffiths went on a tour of the American Canal Lining; however, it was basically worthless. He also reported he was going to Sacramento to talk about water as well as the agricultural issues. Discussion took place regarding the types of concerns President Petty will be bringing to the Sacramento leadership's attention.

- 2. CSDA**

President Petty said he did not attend a CSDA meeting.

- B. Representative Report (Director Griffiths)**
  - 1. LAFCO**

Director Griffiths reported he attended the meeting where it was decided there would be no changes to the current borders. He announced San Luis Rey Municipal Water District has given up on its EIR and plan to procure other developments. Discussion ensued regarding the Pardee development.

- 2. San Luis Rey Watershed Council**

Director Griffiths reported he attended the March 24<sup>th</sup> meeting where it was determined they would pursue becoming a non-profit organization.

- C. Meeting, Workshop, Committee, Seminar, Etc. Reports by Directors (AB1234)**
- D. Directors Comments**

Director Griffiths read aloud a letter he proposed submitting to the newspaper for publication regarding the emergency generator to let the public know why he did not like the manner in which the generator was awarded. President Petty told Director Griffiths he must state in the later that it was his personal opinion.

Director Walson requested the report for redistricting. Mr. Lee said he would get a status update from staff.

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

President Petty asked for the General Manager's spending limit policy for review.

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

21. ADJOURNMENT - To Tuesday, April 22, 2008, at 11:00 a.m.

*The meeting was adjourned with a motion made by President Petty to a regular meeting on April 22, 2008 at 11:00 a.m.*

The meeting was adjourned at 9:10 p.m.

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**Rua Petty, Board President**

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**Dawn M. Washburn, Board Secretary**

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