

**MINUTES OF THE SPECIAL BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
RAINBOW MUNICIPAL WATER DISTRICT
DECEMBER 2, 2008**

1. **CALL TO ORDER** - The Special Meeting of the Board of Directors of the Rainbow Municipal Water District on December 2, 2008 was called to order by President Petty at 4:00 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: Director Griffiths
Director Lucy
Director McManigle
President Petty
Director Walson

Absent: None

Also Present: District Engineer Lee
Operations and Maintenance Manager Sneed
General Manager Seymour
Board Secretary Washburn
Legal Counsel Lemmo

Four members of the public were present.

4. **PUBLIC COMMENT RELATING TO ITEMS ON THE AGENDA**

Mr. Randall mentioned he was a retire police officer from Torrance. He thanked Mr. Sneed for putting his claim before the Board for consideration. He explained the circumstances that eventually caused damage to his property. He explained why he felt the agreement he signed relieving RMWD of any responsibility due to property damage or injury due to water pressure was under duress due to the fact his newly purchased home would not have had water without the signed agreement. He concluded by stating his claim deserves the Board's consideration since nothing was conveyed to the property owners by Sycamore Ranch, Lyons, or RMWD regarding the high water pressure in the area. It was noted the document signed was a standard service order.

It was confirmed that Lyon's was the developer and that Mr. Randall was the original owner of the property in question.

Mr. McManigle inquired as to how long the meter was leaking. Mr. Randall explained he only learned of the leak after the event causing damage took place.

Mr. Wireman inquired as to the existing litigation item regarding Pardee and whether or not RMWD was still in litigation with Pardee. He explained why he felt it was inappropriate to have

(*) - Asterisk indicates a report is attached.

Pardee listed under “existing litigation”. Legal Counsel explained there was a tolling agreement in place between RMWD and Pardee which was to be discussed in this Closed Session which is covered by the Brown Act’s definition of “existing litigation”.

Mr. Swanson inquired as to why there were two meetings. President Petty explained the Board decided to hold the Closed Sessions at 4:00 for the convenience of the public. Discussion ensued. Mr. Swanson asked if the Directors would receive two per diems for this evening’s meeting. It was confirmed that they opt to receive two per diems according to the policy in place since the meetings are independent of each other. Mr. Seymour explained that according to the Administrative Code, the District’s meeting dates and times are set once a year; therefore, since the Board could not arbitrarily change the meeting times due to the policy, the Board decided to hold Special meetings prior to the regular meetings. It was confirmed this arrangement only applied to the quarterly night meetings. Mr. Seymour pointed out this matter was on the regular meeting agenda for discussion.

It was confirmed that should any one of the Board Members so choose, they could claim two meetings for this meeting.

Mr. Swanson asked the Directors who put in for two meetings on prior evening meeting dates. It was noted some Directors have submitted for two meetings for evening meetings only. Mr. Swanson stated he did not care at all about the Ordinance setting the time of the meeting start times and continued to express his opinion that there was one meeting with two sessions due to the fact they were back-to-back. He noted his surprise that the Directors would claim “double time” for this sort of a session.

President Petty noted the per diem records were available for review. Directors Lucy and Walson stated they both only wanted to claim one meeting for December. Mr. Swanson pointed out it was a matter of conscience. Director Lucy stated the Directors were not doing this for the money.

BOARD ACTION ITEMS

Time: 4:14 p.m.

5. 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 Legal Counsel–Existing Litigation (Government Code §54956.9(a))

- Engineering Systems Inc./MIOX/Dudek & Associates
- HazMat Trans, Inc. Claim
- Desal Partnership Litigation
- Update on San Luis Rey MWD and Pardee Annexation
- Agustin Angeles
- Cahuilla Band of Indians

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

Agency Designated Representatives

(*) - Asterisk indicates a report is attached.

Dave Seymour

Discussions regarding labor negotiations for:

Rainbow Exempt Employees

- C. Conference with Legal Counsel-Anticipated Litigation (Government Code §54956.9(b))
 - Bruce Randall
- D. General Manager's Performance Evaluation (Government Code §54957.6)
 - General Manager Annual Performance Review

The meeting reconvened at 5:23 p.m.

6. REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

President Petty reported additional instructions were given on the Engineering Systems, MIOX, Dudek matter. He noted the Board was updated on HazMat and Agustin Angeles. He reported direction was given to Staff to work with Mr. Randall on his situation and that the Board had denied his claim. He mentioned Items #5B and #5D were not discussed. He noted there was no action on the Cahuilla Band of Indians matter. He concluded by reporting that the Board had decided to terminate the agreement with Pardee Homes (something would be signed at this meeting) at no expense to RMWD.

Legal Counsel noted this Special Meeting would be reconvening after the regular meeting adjourns later this evening.

Reportable Action After Meeting Reconvened:

The board approved an increase in compensation for the General Manager and authorized the Board President to:

1. Meet with the General Manager to present the information, and;
2. Work with the Human Resources Manager to implement the salary changes.

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

8. ADJOURNMENT

The meeting was adjourned at 6:30 p.m.

Rua Petty, Board President

Dawn M. Washburn, Board Secretary

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