

**MINUTES OF THE REGULAR BOARD MEETING  
OF THE BOARD OF DIRECTORS OF THE  
RAINBOW MUNICIPAL WATER DISTRICT  
APRIL 28, 2009**

1. **CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on April 28, 2009 was called to order by President Petty at 11:07 a.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:** Finance Manager Buckley  
District Engineer Lee  
General Manager Seymour  
Operations and Maintenance Manager Sneed  
Board Secretary Washburn  
Associate Engineer Plonka  
Legal Counsel Lemmo  
Legal Counsel Boer

No members of the public were present before Open Session. Ten members of the public were present for Open Session.

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

Mr. Seymour suggested changing the order of the agenda with addressing Item #17, Item #14, and Item #13 due to the fact there were public members present for those particular discussions. He also mentioned Mr. Maccarrone was unavailable for his anniversary recognition; therefore, Item #9 should be removed from the agenda.

The Board approved the suggested arrangement change unanimously (no formal motion made).

Discussion went to Item #5.

Discussion returned to Item #4.

President Petty recommended an additional rearrangement of the agenda with addressing Item #17, Item #16, Item #14, and Item #13. The Board approved the suggested arrangement change.

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

Discussion went to Item #8.

**5. ORAL/WRITTEN COMMUNICATIONS FROM THE PUBLIC  
OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD REGARDING  
CLOSED SESSION AGENDA ITEMS (Government Code § 54954.2).**

There were no public comments.

Time: 11:09 a.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 Legal Counsel–Existing Litigation (Government Code §54956.9(a))**
- Engineering Systems Inc./MIOX/Dudek & Associates
  - HazMat Trans, Inc. Claim
  - Desal Partnership Litigation
  - Agustin Angeles
  - Cahuilla Band of Indians
- B. Conference with Legal Counsel-Potential Litigation (Government Code §54956.9(b))**
- 8000M L.L.C.

The meeting reconvened at 1:00 p.m.

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

Legal Counsel reported the District rejected an offer made in the MIOX/Dudek litigation and authorized a counteroffer on that litigation.

Discussion went to Item #4.

Time Certain: 1:00 p.m.

**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 spoke as a ratepayer regarding some concerns with the Gregory Canyon Landfill. He mentioned he supported the position opposing the landfill. He mentioned that a letter opposing the project was “toned down” and basically stated that the area agencies were very concerned about water quality issues that Gregory Canyon Landfill poses to the area’s watershed at San Luis Rey, etc. He noted his frustration with a FPUD Board Member lobbying to either not send a letter or to “water it down”.

He requested an agenda item on the next RMWD agenda that a letter be prepared opposing the Gregory Canyon Landfill project. He also requested the Temecula annexation for Liberty Quarry be on the next agenda for discussion. Discussion followed.

Discussion went to Item #17.

**9. ANNIVERSARY ACKNOWLEDGEMENT – JOHN MACCARRONE (5 YEARS)**

This item was removed from the agenda under Item #4 herein.

**\*10. SIGNING CEREMONY FOR THE MEMORANDUM OF UNDERSTANDING BETWEEN THE RAINBOW MUNICIPAL WATER DISTRICT AND THE RAINBOW MUNICIPAL WATER DISTRICT EXEMPT EMPLOYEES**

Mr. Seymour mentioned that the Board approved the Memorandum of Understanding (MOU) between the RMWD Exempt Employees and the District and how all it needed was to be signed by both parties. Both President Petty and Mr. Sneed signed the approved MOU.

Director Walson requested that the Board Members be given notice 6-8 months prior to the start of employee negotiations in order to solicit for their negotiating comments.

President Petty noted this was the final negotiations for the RMWD employees and how pleased he was with the results.

Mr. Seymour noted it has been more than a year since an employee has left RMWD. He pointed out this has resulted in staff being able to do more projects in-house.

**\*11. APPROVAL OF MINUTES**

**A. March 24, 2009 - Regular Board Meeting**

**Action:**

***Moved by Director McManigle to approve the March 24, 2009 minutes as written. Seconded by President Petty.***

***After consideration, the motion CARRIED by the following vote:***

**AYES:** Director Griffiths, Director Lucy, Director McManigle, President Petty and Director Walson.

**NOES:** None.

**ABSTAINED:** None.

**ABSENT:** None.

**B. April 2, 2009 – Special Board Meeting/Budget and Finance Committee Meeting**

**Action:**

***Moved by Director McManigle to approve the April 2, 2009 minutes as revised. Seconded by Director Lucy.***

***After consideration, the motion CARRIED by the following vote:***

**AYES:** Director Griffiths, Director Lucy, Director McManigle, President Petty and Director Walson.

**NOES:** None.

**ABSTAINED:** None.

**ABSENT:** None.

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

Ms. Washburn pointed out Mr. Buckley had made a change to Item #6B to read “field equipment area” as opposed to “field area”.

Ms. Brazier pointed out that Item #9 should read “fleshing out” as opposed to “flushing out”.

Discussion went to Item #12.

**\*12. COMMITTEE REPORTS (Approved Minutes have been attached for reference only.)**

**A. Budget and Finance Committee**  
1. March 5, 2009 Minutes

Mr. Carlstrom reported on the recent Budget and Finance Committee meetings. He explained how the Committee voted on April 2<sup>nd</sup> to recommend to the Board that they approve the 2009-2010 Budget which was prepared by District staff. He pointed out the recommendation came after very in-depth and collaborative reviews of the revenue and cost trends of RMWD by both Committee Members and District staff which took four meetings over several weeks to complete. He summarized some points that resulted from the efforts.

Mr. Carlstrom, on behalf of the entire committee, thanked Staff for working well with the Committee during the budget process.

Director Walson asked that the Budget and Finance Committee Cash Flow Report be made a part of the regular Board Meeting agenda packets. Mr. Carlstrom explained the Cash Flow Reports were in the process of being reorganized.

**B. Communications Committee**  
1. March 2, 2009 Minutes

Mr. O’Leary reported the Communications Committee was beginning to get back up to full strength with a new potential volunteer. He mentioned the Committee’s discussion regarding getting more information out to the public regarding the Poseidon project. He also noted Committee Members would be present at the Fallbrook’s Newcomers Forum in May.

**C. Engineering Committee**  
1. March 3, 2009 Minutes

Mr. Brannon reported how Mr. Lee provided the Engineering Committee with the North and Northside bid results. He said the major item discussed was regarding the pressure reducing valves. He also mentioned there were talks about Connection 6 as well as other projects.

Director Walson inquired as to what the Engineering CIP Ad Hoc Committee researched. Mr. Brannon explained they looked at the top priority projects which must work together in order for the whole conversion of the reservoir projects to work. It was noted the priority projects would fit under a three-year plan and that nothing has been looked at beyond that point as of yet due to funding issues.

Director Griffiths asked whether or not calculations were done on the Morro Zone Pressure Release Valve. Mr. Brannon said Mr. Lee would have the answer.

Discussion went to Item #16.

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

## **BOARD ACTION ITEMS**

### **\*13. FISCAL YEAR 2009-2010 BUDGET ADOPTION**

Mr. Seymour pointed out the \$80K-\$90K approved under Item #14 herein was not included in this budget; therefore, some adjustment may need to be made to accommodate those costs.

Director Walson proposed having line items in the budget to keep track of the money.

It was confirmed the budget included a \$.05 RMWD rate increase.

***Action:***

***Moved by President Petty to approve and adopt the 2009-2010 operating and CIP budget as recommended by Staff and the Budget and Finance Committee. Seconded by Director McManigle.***

It was confirmed the motion would approve the Capital Improvement Program budget which would include specific capital items that were discussed. Discussion ensued.

President Petty amended his original motion.

***Action:***

***Moved by President Petty to approve and adopt the 2009-2010 operating and CIP budget as recommended by Staff and the Budget and Finance Committee with the inclusion of the \$80K-\$90K cost for the mail ballot. Seconded by Director McManigle.***

***After consideration, the motion CARRIED by the following vote:***

**AYES:** Director Lucy, Director McManigle, President Petty and Director Walson.  
**NOES:** Director Griffiths.  
**ABSTAINED:** None.  
**ABSENT:** None.

Director Walson asked for clarification as to the need to mention the CIP budget in the motion. It was clarified the CIP budget was discussed at length and included in the 2009-2010 budget. Discussion continued.

*Discussion went to Item #18.*

### **\*14. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RAINBOW MUNICIPAL WATER DISTRICT CALLING AND GIVING NOTICE OF A SPECIAL MAIL BALLOT ELECTION TO BE HELD IN SAID DISTRICT ON TUESDAY, AUGUST 25, 2009, FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED ELECTORS OF THE DISTRICT, A MEASURE AMENDING ORDINANCE 95-1 RELATING TO THE APPROVAL OF PARTICIPATION IN**

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

**FEDERAL AND STATE LOAN ASSISTANCE PROGRAMS; REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO TO PERMIT THE REGISTRAR OF VOTERS TO CONDUCT SUCH ELECTION; AUTHORIZING THE BOARD SECRETARY OR HER DULY AUTHORIZED AGENTS TO CARRY OUT THE NECESSARY PROCEDURES FOR SUCH ELECTION; AND DIRECTING THE GENERAL COUNSEL OF THE WATER DISTRICT TO PREPARE AN IMPARTIAL ANALYSIS OF THE MEASURE**

Mr. Seymour stated the Registrar of Voters gave a conservative estimate cost of \$80K-\$90K for the election. He pointed out that if this was approved today, it would be on the next agenda in order to call the election and forward the signed resolution to the Registrar to meet their deadline of May 29th. He pointed out he has prepared a draft letter to be sent to the ratepayers.

Director Walson suggested information be provided months prior to the July mail out of the ballots. He also recommended putting the information in the newsletter as many times as possible. Mr. Seymour pointed out there was a great deal of information to get out to the public and that the newsletter may be a two-page document for the month of May if necessary.

Mr. Carlstrom recommended information get out to the local Home Owners Associations as a means of informing the ratepayers, especially if the Board strongly supported the change.

Legal Counsel noted there were some restrictions on RMWD. He cautioned the Board about avoiding things non-informational and pure advocacy due to the ruling in a recent California Supreme Court Decision on this very topic. He stated the Board does not want to have flashy election pieces on this matter without explaining what the actual mailer would be about.

Director Walson asked if RMWD could state something in the last sentence in the letter that would solicit the ratepayers' approval. Legal Counsel stated this would be appropriate in this context.

Director Griffiths asked if they could solicit for non-approval of the measure.

Mr. Seymour reminded the Board to keep in mind that although the \$890K-\$90K was a great deal of money, there was no guarantee that even if this change is passed that RMWD would receive any loans; however, it was the District's best opportunity to get any type of government assistance for its reservoir covers. He pointed out Escondido received \$18M from the stimulus fund package and was applying for \$50M more. He said other agencies in the area were receiving similar types of funding; however, RMWD could not take advantage of it.

Director Walson suggested Mr. Seymour consider sending letters out in both May and June.

***Action:***

***Moved by Director Walson to adopt Staff Recommendation-the Board approve Resolution 09-04, subject to final revisions deemed necessary by the General Manager or General Counsel, and direct staff and counsel to proceed with the Special Mail Ballot Election to Amend Ordinance 95-1 as well as the letter to the ratepayers. Seconded by Director Lucy.***

***After consideration, the motion CARRIED by the following vote:***

**AYES:** Director Lucy, Director McManigle, President Petty and Director Walson.  
**NOES:** Director Griffiths.  
**ABSTAINED:** None.

**ABSENT:** None.

Discussion went to Item #13.

**15. CONSIDERATION AND POSSIBLE ACTION TO DECLARE THE EXISTENCE OF A DROUGHT RESPONSE LEVEL 2 CONDITION AND IMPLEMENT MANDATORY LEVEL 2 CONSERVATION MEASURES**

Scott Harry, representing a local engineering firm, suggested the Board grant some sort of allowances for conversions from agricultural to residential uses as well as an analysis to show there are no net increases as far as water consumption when the conversion takes place. He also recommended the Board give people a month or two before making the implementation effective. Discussion ensued regarding conversions.

Hadley Johnson, an engineering firm owner and property owner within the District, spoke about the timely process it takes to get everything done with the County of San Diego. He said he would not like to see property owners get stuck in the middle of the process and not be able to get his or her map recorded. He stated he was hopeful the Board could work out something to allow that person to be able to go ahead and get meters on those particular pieces of property. He stressed how he owns 128 acres in Improvement District 6 for which he never used a drop of water; however, he has contributed approximately \$150,000 to RMWD by paying water availability charges for 30 years on that property. He concluded by stating he was hopeful that for \$150,000 he would be able to get a meter for that property some day.

Shelly Jordan, representing the Rancho Viejo development, stated they are currently one of the few developers still building in the area with 75 homes left to build. She said she needed to find out what she had to do to be ensured there will be water available when their remaining homes are developed. She talked about how they would have to pay millions of dollars to fall under the proposed Ordinance. She mentioned that Dave Seymour recommended she address her concerns with the Board of Directors.

Mr. Seymour explained the SDCWA voted to move to the Level 2 Drought Response Level and how RMWD's Drought Ordinance states that when SDCWA moves to Level 2, RMWD would also declare a Level 2 Drought Level exists. He pointed out this item was on the agenda for the Board to make that formal declaration. He mentioned Staff was looking at not making any mandatory cuts until the first billing cycle in July 2009. He recommended allowing a grace period for those that are in the process of setting their meters. He added that RMWD has received a spade of requests for water availability in the past week that must be addressed with clear direction from the RMWD Board of Directors.

Mr. Seymour mentioned FPUD voted on April 27<sup>th</sup> to move to Level 2; however, they allowed a 30-day hold on the moratorium for new connections and Water Availability Letters to those that are right on the verge of getting their projects completed. He pointed out the reality that there was no water and to allow new connections would be taking water from somebody else.

Director Walson asked for some clarification of the Ordinance regarding mandatory cutbacks and imposing no meter hookups. Mr. Seymour stated the Ordinance was a little unclear as to how the matter should be handled; therefore, it was up to the Board to make some decisions.

Mr. Lee pointed out Water Availability Letters are signed early on in the process; therefore, conditions can be placed on them. He pointed out that any signed Water Availability Letters

would be accompanied with the RMWD Ordinance and clarification that just because RMWD signed the letters, it was not a commitment to provide water.

Discussion ensued regarding one-to-one offsets.

Director McManigle asked if any of the options being discussed would assist the Lake Rancho Viejo development. Mr. Seymour stated there may be an opportunity to assist that project.

Director Lucy asked for clarification regarding the meaning of "new growth demand". Mr. Seymour explained it would be any new growth from the base year for domestic use of 2006-2007. Director Lucy stressed he did not want RMWD customers to be treated any differently than those in other surrounding counties due to growth factors.

Director Lucy said he was under the impression that when RMWD went to Level 2, the IAWP would go to 40%. Mr. Seymour explained that as long as the cut stays under 15%, this would not happen.

Ms. Jordan mentioned there were a number of agencies not implementing meter moratoriums until they declare Level 3.

Mrs. Brazier asked how the Board planned to explain to their current ratepayers that they must conserve water when RMWD continues to allow new connections. She confirmed she was supporting no new hookups.

Mr. Harry reiterated RMWD was not committing to any water when signing Water Availability Letters.

President Petty said in declaring a Level 2 put a moratorium in place through the end of 2010. He verified whether or not RMWD was permitted to allow a water connection when signing a Water Availability Letter under Level 2. Mr. Lee reiterated the Water Availability Letter only states that the project may be served water if possible; however, if there was a moratorium in place, RMWD would not be allowed to provide connection to the water system.

Director Lucy expressed concern that many old groves are going to go out of business. He said he would like to see a fair trade for that loss from new customers, especially since RMWD was in the business to sell water. He said he did support the downsizing of meters.

Director Walson stated he was against Director Lucy's proposed solution due to the fact it encouraged converting agricultural to rooftops.

President Petty said he would take exception to converting agricultural to domestic only if there is no change in water usage. He pointed out there could not be enough homes built to make up lost agricultural revenue.

Director Griffiths asked how the ratepayers would calculate their cutbacks. Mr. Seymour noted this information would be provided on the customer water bills. Discussion followed.

Director Lucy asked what "shall be issued and accepted under certain circumstances" meant. Mr. Seymour explained some of the circumstances including the customer having a valid, unexpired building permit.

Ms. Jordan pointed out developers must pay the water and sewer fees up front before they can even get a building permit.

**Action:**

***Moved by President Petty to support Staff Recommendation-the Board declare a Drought Response Level 2 condition exists and direct staff to take the necessary steps to implement Level 2 conservation measures with putting in a 30-day grace period before starting the moratorium. Seconded by Director Lucy.***

***After consideration, the motion FAILED by the following vote:***

**AYES:** President Petty.  
**NOES:** Director Griffiths, Director McManigle and Director Walson.  
**ABSTAINED:** Director Lucy.  
**ABSENT:** None.

Mr. Seymour asked if the 30-day grace period would be for meter sets already in process or any new meter set for the entire period. President Petty stated what was in place would stay as it is for 30 more days.

Director Walson stressed how this matter has been talked about for 6-7 months which allowed everyone enough time to get their “ducks in a row”; therefore, he saw no reason for the 30-day extension. He suggested approving the Staff Recommendation as written.

Ms. Jordan asked for clarification as to whether or not she could still get building permits until July 1<sup>st</sup>. President Petty explained his motion would mean no more water connections after thirty days from April 28, 2009. Ms. Jordan stated she paid for eight packages currently in process with the County and had seventy more homes to build; however, RMWD was not even giving her the opportunity to even try to get out ahead which would completely stop her. Mr. Seymour explained the Board needed to consider the revenue source and the large amount of money her project would create for RMWD.

Director Griffiths suggested the thirty day extension would defeat the purpose of the moratorium. Mr. Seymour pointed out that in order to receive a meter, they must already have a Commitment to Serve and any more than four meters would require Board approval. Mr. Lee said he believed Ms. Jordan’s project developer was under a Water Commitment Contract or Agreement separate from the Water Commitment Letters. Director Walson stressed that by allowing new water connections it would take away from the allocations provided by MWD and thereby take water away from existing ratepayers. President Petty noted MWD’s allocation takes into account some reasonable growth. Discussion continued.

Ms. Jordan reiterated that in order to get water meters, she has to pay for those first before she can pull a building permit. She stated she has eight water meters in the process for which she has already paid \$260,000 this month. She noted most of these eight meters are already in place. She confirmed she must pay for the meters in order to obtain the building permits for the remaining seventy homes. She concluded by stating that should be allowed thirty days, she would attempt to purchase as many of the seventy permits as she could prior to the deadline.

Director Walson pointed out the public has been well-informed as to what was coming with the water situation for more than a year; therefore, he did not see any benefit to allowing a grace period.

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

**Action:**

***Moved by Director Walson to approve Staff Recommendation-the Board declare a Drought Response Level 2 condition exists and direct staff to take the necessary steps to implement Level 2 conservation measures. Seconded by Director Griffiths.***

***After consideration, the motion CARRIED by the following vote:***

**AYES:** Director Griffiths, Director Lucy, Director McManigle, President Petty and Director Walson.

**NOES:** None.

**ABSTAINED:** None.

**ABSENT:** None.

Director Lucy expressed concern that RMWD was being more severe on their ratepayers than the neighboring areas. He noted Director Walson made a good point about everyone being aware of what was coming; however, he felt RMWD was proposing being harsher on their customers than other local agencies.

President Petty pointed out there were only seven agencies that have the moratorium in place. Director Walson disagreed.

Director Lucy pointed out a revenue issue also existed and he was concerned about the affect of this may have on the current customers. Director Walson explained that it would have no impact on the ratepayers because it was the same amount of water being sold.

Director McManigle asked for the financial benefit of the 30-day grace period. Director Lucy stated it would be the money RMWD could collect for selling meters during those thirty days. Director McManigle said there was no guarantee some would be purchased. Ms. Jordan stated there was a guarantee that she would purchase at least thirty. Director McManigle pointed out that when they discussed the Drought Ordinance, the Board decided that when the higher agencies declared a Level 2, RMWD would declare it as well.

Mr. Lee explained it was his understanding that the intent of the Ordinance was that no new meters would be installed; therefore, granting an additional thirty days would not allow for all purchased meters to be installed within thirty days due to the fact only so many can be installed during that period of time.

Mr. Seymour asked for clarification as to how to handle the people already in process that RMWD has held up until this discussion took place. Director Walson stated if the District were the cause of the hang up, RMWD would be under obligation. Discussion continued.

Discussion went to Item #14.

**\*16. DISCUSSION AND POSSIBLE ACTION ON DEVELOPER REQUEST FOR RENEWAL OF 78 EQUIVALENT DWELLING UNIT (EDU) PERMITS**

Mr. Lee explained RMWD has a development that purchased their 78 EDU's approximately four years ago that have reached the end of the time allowed to get their permits. He said the developers were requesting an additional extension. He pointed out the project was currently in progress.

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

Mr. Monette, developer representative, said the developer would like to request a four year extension as opposed to one year. He explained the reasons behind their request were the plans were still in process, TM82 was still working on entitlements from a number of sources, and there was a significant amount of money invested to just allow one year. He said the developer was still open to the annual payment process to bring the fees current.

Director Walson asked if it were safe to say the developer would be moving forward in the next year due to the economic conditions. Mr. Monette stated due to the time process involved one year would not be sufficient.

Director Lucy asked if the four year extension was in writing to the District. Mr. Monette stated it was not; however, he agreed to do so. Director Lucy inquired as to whether Staff was aware of the two or four year request. Mr. Monette said he has had several conversations with Mr. Lee in which they have discussed extensions of 3-4 years, but it appears there was a disconnect at some point.

Director Griffiths spoke of concerns relating to this matter including economics and water availability. Mr. Monette stated the concerns presented were taken into consideration.

Mr. Seymour proposed authorizing a two year extension at which time the Board could revisit the matter. Mr. Monette stressed that due to permit conditions, four years would be more realistic. Mr. Seymour explained there were people on a list waiting for EDU's.

Mr. Monette proposed approving a two year extension with one year renewals upon approval from the District Engineer. Director Walson stated he would prefer approving two years and then revisit the matter at that time.

**Action:**

***Moved by Director Walson to approve a two year extension at which time the matter may be revisited by the Board. Seconded by Director McManigle.***

***After consideration, the motion CARRIED by the following vote:***

**AYES:** Director Griffiths, Director Lucy, Director McManigle, President Petty and Director Walson.  
**NOES:** None.  
**ABSTAINED:** None.  
**ABSENT:** None.

***President Petty called for a break at 1:55 p.m.***

***The meeting reconvened at 1:59 p.m.***

*Discussion went to Item #15.*

**\*17. LAFCO 2009 SPECIAL DISTRICTS ELECTION**

President Petty explained how LAFCO holds elections every year to put forth candidates to be elected to their Board of Directors. He noted RMWD does have a vote on the matter. He introduced Ms. McKenzie as one of the candidates for an alternate position on LAFCO's Board.

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

Ms. McKenzie briefly explained her long history with water agencies and affiliations throughout the region as well as the positions she has held and currently holds. She pointed out she has a planning background. She guaranteed her availability to attend LAFCO meetings. She stated she was soliciting RMWD's support.

Director Lucy inquired as to why she was not one of the regular members based on her outstanding resume. Ms. McKenzie provided a response. Director Lucy stated he was pleased to hear she was in the water business. She noted it was most important to her to have a position where her voice would be heard.

Director McManigle inquired as to Bill Horn stating LAFCO was seriously considering getting more and more involved in water issues. Ms. McKenzie said she was very concerned about this matter which was why she wanted to be on the Board of Directors.

President Petty asked Ms. McKenzie if LAFCO wanted to change the Sphere of Influence in a particular area, would she respect the wishes of the governing body of that particular area in question. Ms. McKenzie confirmed she would stand behind the affected jurisdiction's position. Discussion followed.

**Action:**

***Moved by President Petty to support Jo McKenzie as an alternate in the LAFCO 2009 Special Districts Election. Seconded by Director McManigle.***

***After consideration, the motion CARRIED by the following vote:***

**AYES:** Director Griffiths, Director Lucy, Director McManigle, President Petty and Director Walson.  
**NOES:** None.  
**ABSTAINED:** None.  
**ABSENT:** None.

**Action:**

***Moved by President Petty to support John Engalls of the Santa Fe Irrigation District as the Regular LAFCO Special Districts Member. Seconded by Director McManigle.***

***After consideration, the motion CARRIED by the following vote:***

**AYES:** Director Griffiths, Director Lucy, Director McManigle, President Petty and Director Walson.  
**NOES:** None.  
**ABSTAINED:** None.  
**ABSENT:** None.

*Discussion went to Item #10.*

**18. 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 stated that earlier discussions covered his report of the recent SDCWA meeting.

- 2. CSDA**

President Petty stated that earlier discussion in this meeting covered his report of the recent CSDA meeting.

- B. Representative Report**
  - 1. LAFCO**

Director Walson reported on the April 6, 2009 LAFCO meeting where discussions took place regarding water. He commented on some of the statements made in the public forum.

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

He also mentioned the presentation he made to SanDAG and LAFCO. He explained how the message seemed to be focused on the disconnection between development and water availability.

Discussion returned to Item #20.

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

There were no reports given.

**D. Directors Comments**

Director Lucy stated his appreciation that there was a section in the newsletter regarding the hardness of the water and suggested it run again. He also mentioned how he had overheard a conversation between one of RMWD's customer service representatives, Suzanne Metrision, and a large avocado grower and expressed how impressed he was with Suzanne's professionalism and ability to answer all the grower's questions.

Director Griffiths stated he always receives great service from the RMWD customer service staff when he calls into the District.

President Petty mentioned a letter from RMWD was submitted to MWD's Water Quality Committee regarding the concerns relating to the hardening of the water. He said he made MWD aware of the RMWD customer challenges.

Discussion went to Item #19.

**\*19. RECEIVE AND FILE FINANCIAL STATEMENTS AND INFORMATION FOR MARCH 2009**

**A. Finance Manager Comments**

1. Interim Financial Statement
2. Monthly Investment Report
3. Visa Breakdown
4. Directors' Expense
5. Check Register
6. Water Purchases & Sales Summary
7. Statistical Summary
8. Cost Recovery of Repairs to District Property Caused by the General Public
9. Metropolitan IAWP Reduction Program

**Action:**

***Moved by Director Lucy to file and receive financial statements and information for March 2009. Seconded by Director McManigle.***

***After consideration, the motion CARRIED by the following vote:***

**AYES:** Director Griffiths, Director Lucy, Director McManigle, President Petty and Director Walson.  
**NOES:** None.  
**ABSTAINED:** None.  
**ABSENT:** None.

Mr. Buckley reported the revenues were getting close to the numbers in the budget. He also mentioned the water sales are better than they were a year ago and close to what they were two years ago. He briefly talked about the results from contacting the larger RMWD growers as shown in the chart provided to the Directors. Discussion ensued.

Director McManigle confirmed there were 25 main line breaks in the past month. Mr. Sneed pointed out those were only main line breaks, not any of the other issues. Discussion followed.

Director McManigle asked if the late charges were substantial. Mr. Buckley replied affirmative.

Director Griffiths made several check inquiries.

Discussion ensued regarding Item #19A8.

Director Walson asked for clarification on Items #19A1 and #19A6. Discussion followed.

Discussion went to Item #20.

**\*20. RECEIVE AND FILE INFORMATION ITEMS FOR MARCH 2009**

**A. General Manager Comments**

1. Meetings, Conferences and Seminar Calendar

**Action:**

***Moved by Director McManigle to receive and file information items for March 2009. Seconded by Director Lucy.***

***After consideration, the motion CARRIED by the following vote:***

**AYES:** Director Griffiths, Director Lucy, Director McManigle, President Petty and Director Walson.  
**NOES:** None.  
**ABSTAINED:** None.  
**ABSENT:** None.

Mr. Sneed gave a brief presentation on some projects currently being worked on in-house.

Discussion returned to Item #18B.

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

## **B. Operations & Maintenance Manager Comments**

1. Tank Maintenance
2. Water Services Report
3. Water Operations Report
4. Valve Maintenance Report
5. Wastewater Services Report
6. Safety and Emergency Planning Report
7. Meter Services Report
8. Cross Connection Report
9. Project Management Report

### Discussion returned from Item #18B.

Mr. Seymour noted there was vandalism at Gomez Tank. Mr. Sneed gave a brief update. Discussion ensued regarding security improvements.

Mr. Sneed gave a presentation on the tank maintenance and Canonita Washout. Discussion took place regarding the tank cleaning process.

Mr. Sneed mentioned he included the valve maintenance schedule in the Valve Maintenance Report. He noted there was a typo in the report and that there are only 16 PRV's as opposed to 160. Discussion ensued regarding valves that have yet to be found.

President Petty made an inquiry on Item #20B-3.

Director Griffiths asked for clarification on the valve maintenance schedule.

## **C. District Engineer Comments**

1. Engineering Report

Mr. Lee noted the sewer flow monitoring program was coming to a close and how the dry weather flow information will be processed over the next couple of months from which staff will calibrate the model of the system. Discussion ensued regarding placing meters in specific areas during next year's rainy season.

Discussion ensued regarding the installation of a solar system at RMWD to provide power to all of its facilities. Mr. Seymour noted a proposal should be ready for Board consideration next month.

President Petty asked if RMWD heard anything from the California Department of Health Services. Mr. Seymour said the District had not received anything. Mr. Sneed mentioned his conversation with Heather and how she told him CDHS did not have a great deal of concerns and was pleased with the progress RMWD was making.

Mr. Lee stated it was anticipated to have the North reservoir out of commission, drained and ready to go by May 29, 2009. He mentioned how he would like to have a few field trips out to the site as the project moves forward as well as continuous slide show presentations showing the progress.

Director Griffiths requested the calculations for the Morro Reservoir release valves. Mr. Lee stated there were essentially no calculations for this project. Director Griffiths asked Mr. Lee when he would have that information. Mr. Lee explained RMWD will have the ability to flow between 2,000-4,000 gallons per minute which hopefully provide enough pressure release in the system to respond to any failures. Discussion followed. Director Griffiths expressed his concern with spending \$50,000 without a single calculation. Mr. Seymour explained the reason for the project and noted he was more comfortable with having the release valves in place than not in the event something was to go wrong. Discussion continued.

Director Walson asked for an update on the expansion of the Women's Restroom. Mr. Lee explained the item was pulled due to the estimated costs being too high; however, he was hopeful to have something for Board to consideration next month. It was noted a quiet room was required by law for all employees to use. Mr. Lee confirmed the restroom expansion could be done without the quiet room, but that would not eliminate the obligation for the quiet room. He stated he would prefer to do both renovations at the same time for a significant cost savings.

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

Mr. Seymour noted the opposition to the Gregory Canyon Landfill, issue involving the Temecula annexation as well as an item to possibly set an earlier start time for the Open Session part of the regular Board meetings. He added the Resolution allowing RMWD to borrow money from the sewer fund into the water fund. He concluded with inviting the Board Members if they would like to meet early on May 26<sup>th</sup> to visit the reservoir site to take photos.

**22. ADJOURNMENT - To Tuesday, May 26, 2009 at 11:00 a.m.**

***The meeting was adjourned with a motion made by President Petty to a regular meeting on May 26<sup>th</sup>, 2009 at 11:00 a.m.***

The meeting was adjourned at 4:15 p.m.

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**Rua Petty, Board President**

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**Dawn M. Washburn, Board Secretary**