

**MINUTES OF THE REGULAR BOARD MEETING  
OF THE BOARD OF DIRECTORS AND SPECIAL MEETING  
OF THE BUDGET AND FINANCE COMMITTEE OF THE  
RAINBOW MUNICIPAL WATER DISTRICT  
JUNE 23, 2020**

1. **CALL TO ORDER** - The Regular Meeting of the Board of Directors and Special Meeting of the Budget and Finance Committee of the Rainbow Municipal Water District on June 23, 2020 was called to order by Vice President Hamilton at 12:00 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. Vice President Hamilton presiding.

2. **ROLL CALL**

**A. BOARD OF DIRECTORS:**

**Present:** Director Brazier (*via teleconference*), Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.

**B. BUDGET AND FINANCE COMMITTEE:**

No members of the Budget and Finance Committee were present for the Closed Session; therefore, roll call was not taken.

**Also Present:** General Manager Kennedy, Executive Assistant Washburn, Information Technology Specialist Espino.

**Present via video teleconference:**

Legal Counsel Smith, Legal Counsel Duran-Brown.

No members of the public were present for Closed Session.

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

Vice President Hamilton noted there was an emergency item to be added to the Closed Session agenda. Pursuant to the Brown Act due to the information being received after the agenda was posted and the limited timeframe for a response from the District.

***Motion:***

***To approve the addition of one item to the Closed Session agenda Item 5B.***

***Action: Approve, Moved by Director Hamilton, Seconded by Director Mack.***

***Vote: Motion carried by unanimous roll call vote (summary: Ayes = 5).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.***

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

**4. 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 comments.

***The meeting adjourned to Closed Session at 12:01 p.m.***

**5. CLOSED SESSION**

**A.** Conference with Legal Counsel-Anticipated Litigation (Government Code §54956.9(d)(2))

\* Two Items

**B.** Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(d)(1)

\* Kessner et al., v. Rainbow Municipal Water District, et al.

\* *Robert and Linda Burton v. Rainbow Municipal Water District*

***The meeting reconvened at 12:50 p.m.***

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

This item was addressed under Item #11.

Time Certain: 1:00 p.m.

**7. REPEAT CALL TO ORDER**

The Regular Meeting of the Board of Directors and Special Meeting of the Budget and Finance Committee of the Rainbow Municipal Water District on June 23, 2020 was called to order by Vice President Hamilton at 1:06 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. Vice President Hamilton presiding.

**8. PLEDGE OF ALLEGIANCE**

**9. REPEAT ROLL CALL**

**A. BOARD OF DIRECTORS:**

**Present:** Director Brazier (*via teleconference*), Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.

**B. BUDGET AND FINANCE COMMITTEE:**

**Present:** Member Gasca, Member Nelson (*via video teleconference*), Member Ross (*via video teleconference*), Member Hensley (*via video teleconference*).

**Absent:** Member Moss.

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

**Also Present:** General Manager Kennedy, Executive Assistant Washburn, Finance Manager Largent, Information Technology Specialist Espino.

**Present via video teleconference:**

Legal Counsel Smith, Legal Counsel Duran-Brown, District Engineer Strapac, Operations Manager Gutierrez, Human Resources Manager Harp, Information and Technology Manager Khattab, Associate Engineer Powers, Customer Service and Communications Supervisor Gray, Senior Accountant Rubio, Project Manager Williams, Engineering Technician Rubio, Customer Service Representative Stalker, Utility Worker Ramos, Utility Worker Zaragoza.

Seven members of the public were present for Open Session via video teleconference.

**10. REPEAT REPORT ON POTENTIAL ACTION FROM CLOSED SESSION**

Legal Counsel reported the Board meet in Closed Session to discuss four items and there was no reportable action.

**11. REPEAT ADDITIONS/DELETIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)**

Legal Counsel noted the Robert and Linda Burton v. Rainbow Municipal Water District item was added to the Closed Session agenda by a 4/5 vote of the Board based on information obtained after the agenda item was posted regarding this new litigation by Robert and Linda Burton recently filed again the District with the San Diego Superior Court.

**12. 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).**

Vice President Hamilton read the public comment received from Kevan Farrer stating the following:

“I was in discussions with Amanda about the possibilities of changing out a 2” Agricultural meter, most likely to a 1” Single Family Residential meter as our usage is at zero and we do not intend (in the foreseeable future) to have a need for water on that property. While she said that she could have the meter changed out, resulting in a substantial savings, if or when we wished to restore the 2” meter, there would be a fee (Claw Back) assessed back to the date of the change (now) to the amount of the current rate. So in effect, there would be a potential bill accruing at a rate of \$4,476.24 per year in perpetuity. I asked her if conversely I would receive a credit retroactively (as, once again, there has been no usage) on the installation of the 1” meter and she informed me that this claw back is unilateral. To me, this arrangement appears disingenuous. While I understand that there needs to be a billing component to discourage meter flip flopping, I could not comprehend a bill, 20 years from now, when we potentially sell the property, for \$89,524.80 to get a 2” meter back!

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

So, my questions are:

- 1) Is this regulation correct?
- 2) Is there a waiver that can be executed to lend some sanity to this situation?
  - a. Like maybe a cap on the claw back period? (say 1 or 2 years)
- 3) Does this retroactive claw back inure to a new owner?
- 4) Assuming that 1) is correct, and there is no standard mechanism (item 2) to address this issue, how do I speak with the board for a waiver?

While I understand that there needs to be a bill for the availability of having water at the property, as there is no actual water usage, \$483.42 per month is excessive. Thank you for your prompt attention to this matter, I look forward to hearing from you.”

Mr. Kennedy pointed out Mr. Farrer pointed out RMWD’s meter downsize process; however, he was inaccurate about being liable for all the monthly service charges that would have been paid should the meter be upsized. He explained how the costs would be calculated as well as confirmed the Administrative Code includes these processes.

Director Gasca asked clarification if the customer was seeking a credit for the 1” meter if they moved back to a 2” meter. Mr. Kennedy said the customer would be responsible for paying the difference in capacity fees for the 1” and 2” meters at the time the upsize is requested.

Director Mack said he interpreted the customer’s request to be for a credit toward a new meter should it be upsized in the future. Mr. Kennedy explained there were restrictions preventing RMWD from offering this type of credit. He noted when 2” meters are too big to measure consumption they do not accurately register the usage. President Brazier added this is when the District loses money on those meters.

Director Gasca recommended when RMWD receives these types of requests, the location of the meter including which Division it is in be provided to the Board.

Mr. Kennedy stated the information Ms. Holtz provided to Mr. Farrer was accurate according to the District’s policy; therefore, Mr. Farrer wanted to bring the matter to the Board’s attention. Vice President Hamilton said it appears the customer may not understand the matter entirely. Mr. Kennedy confirmed staff has had communications with Mr. Farrer and are working toward a resolution.

### **13. EMPLOYEE RECOGNITIONS**

- A.** Carlos Ramos (5 Years)
- B.** Ricardo Zaragoza (5 Years)

Mr. Kennedy pointed out both Carlos Ramos and Ricardo Zaragoza were joining the meeting via teleconference. Mr. Ramos and Mr. Zaragoza confirmed they were hired on the same date, but their start dates were a week apart.

Mr. Kennedy pointed out these two gentlemen were the first to work on the WSUP project. He said after the Board meeting concludes, they will come into the Board Room and receive their plaques and checks while exercising safety measures.

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

**\*14. APPROVAL OF MINUTES**

**A.** May 26, 2020 - Regular Board Meeting

**Motion:**

**To approve the minutes of the May 26, 2020 Regular Board Meeting.**

**Action: Approve, Moved by Director Mack, Seconded by Director Rindfleisch.**

**Vote: Motion carried by unanimous roll call vote (summary: Ayes = 5).**

**Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.**

**\*15. 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 Brazier)

President Brazier said there was nothing to report.

**B.** Representative Report (Appointed Representative)

**1.** SDCWA

**A.** Summary of Board Meeting May 28, 2020

Mr. Kennedy reported at the SDCWA meeting a mid-year budget review was conducted and how it was uncertain whether SDCWA's rate increase will pass at their June rate hearing. He mentioned the Board will review the regional conveyance system at the next meeting and how one of the challenges was determining if there's a cost benefit associated with it. Discussion ensued.

**2.** CSDA

Director Mack said he received notification the upcoming CSDA Conference has been cancelled.

**3.** LAFCO

Mr. Kennedy reported he was asked to sit on a subcommittee to look at LAFCO's Agricultural Use Policy. He said LAFCO was working on a policy that used to apply to prime agricultural lands which has been extended to include all agricultural land to be utilized at the County level to discourage any change in use. He pointed out RMWD has a great deal of agricultural land not in use and how this policy would impact changing the use of that land to anything else. He said the outcome of the discussion was LAFCO agreed to add a sunset clause into the policy that if the property is not utilized for agricultural purposes for five years, the disclaimer would not apply as a means of not permanently hamstringing all the property owners. He said this matter will go to the LAFCO Commission for consideration.

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

Director Mack inquired as to how a new owner would go about changing the land use for a property that has been out of agricultural production for five years. Mr. Kennedy said the new owner would need to follow the County processes.

**4. San Luis Rey Watershed Council**

There was no report given.

**5. Santa Margarita River Watershed Watermaster Steering Committee**

There was no report given.

**6. ACWA**

Director Mack reported the ACWA Spring Conference was changed to July; however, he was unable to attend.

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

**1. Board Seminar/Conference/Workshop Training Attendance Reports**

There were no reports.

**D. Directors Comments**

Director Gasca said he has had contact with Jack Haggerty and walked him through the process for appealing the situation with the Board and how Mr. Haggerty has said he wants to discuss the matter with Mr. Kennedy to get a better understanding. Mr. Kennedy agreed to contact Mr. Haggerty.

**E. Legal Counsel Comments**

**1. Attorney Report: National Pollutant Discharge Elimination Systems ("NPDES") Program Update 57497789**

Legal Counsel summarized the information provided in his report

**16. COMMITTEE REPORTS**

**A. Budget and Finance Committee**

Mr. Nelson reported the committee met on June 9<sup>th</sup> at which time they discussed the budget being presented to the Board for consideration at this meeting. He added an update on accounts receivable aging trends related to COVID-19, an Infor software implementation update, discussed the late charge and shutoff moratorium, as well as discussed options for possibly mitigating liability insurance premium increases based on the information provided by staff.

**B. Communications and Customer Service Committee**

Vice President Hamilton reported the committee discussed customer service staff has been able to sustain working remotely as well as conducted a brief review of the CSUSM student program update. He noted the committee requested an acknowledgement be sent to the CSUSM team thanking them for their efforts as well as possibly inviting them to give a presentation to the committee on their activities via Zoom if the students are still available and have not moved on to

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

other activities due to graduation. He announced the Fallbrook Vintage Car Show has been cancelled for 2020. He pointed out RMWD was receiving positive coverage in Fallbrook news relative to RMWD's possible detachment from SDCWA and capital improvement projects. Mr. Kennedy asked for a copy of the CSUSM report be sent to the committee members.

Mr. Kennedy added the committee also discussed how to reopen the District offices and how it was recommended RMWD maintain the current status unless the Board decides differently.

Director Mack inquired as to whether the State's law override the County's orders. Mr. Kennedy explained for the COVID-19 reopening, the counties put together plans; however, the Governor sent out a long list of requirements which override everything. He noted RMWD must operate under the San Diego County plan submitted to the State.

Legal Counsel pointed out the State has the ultimate authority; however, local agencies, counties or cities may enact more strict requirements than the State but cannot operate under conditions less than what the State has imposed.

### C. Engineering and Operations Committee

Mr. Nelson reported there were three items on the Board agenda today the committee reviewed and recommended the Board approve (Items #20, #22, and #26). He noted the committee also received an update on the solar power project, took a look at the Pipeline Update Project #1 including the bidding process, as well as received a quick briefing on the matter to be discussed today under Item #29.

Time Certain: 1:00 p.m. Public Hearing

### \*17. PUBLIC HEARING

#### A. DISCUSSION AND POSSIBLE ACTION TO ADOPT ORDINANCE NO. 20-07 FOR ID 1 STANDBY CHARGES

Vice President Hamilton shared instructions for how to make comments for those participating in the meeting via teleconference.

***Vice President Hamilton opened the public hearing at 2:01 p.m.***

There was no further testimony nor written communications received prior to the meeting.

***Vice President Hamilton closed the public hearing at 2:03 p.m.***

There was no additional Board discussion or staff comments.

***Motion:***

***To approve Ordinance No. 20-07.***

***Action: Approve, Moved by Director Brazier, Seconded by Member Gasca.***

***Vote: Motion carried by unanimous roll call vote (summary: Ayes = 5).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.***

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

## **BOARD ACTION ITEMS**

### **\*18. DISCUSSION AND POSSIBLE ACTION TO ADOPT RESOLUTION NO. 20-10 APPROVING FISCAL YEAR 2020-2021 OPERATING & CAPITAL IMPROVEMENT BUDGET**

Ms. Largent gave a presentation consisting of a condensed version of the budget the Board had already previewed. She recalled at the last Board meeting she was advised to use the sales level of 13,500 acre fee for the year as well as delay any pass through rate increases from SDCWA until January 1, 2021. She reviewed the information contained in the presentation.

Discussion ensued regarding the forecasted capacity fees.

There were no comments from the Budget and Finance Committee members.

#### ***Motion:***

***To accept the Fiscal Year 2020-2021 proposed operating and capital improvement budget (Resolution No. 20-10).***

***Action: Approve, Moved by Director Gasca, Seconded by Director Brazier.***

***Vote: Motion carried by unanimous roll call vote (summary: Ayes = 5).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.***

### **\*19. DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 20-11 — A RESOLUTION OF THE BOARD OF DIRECTORS OF RAINBOW MUNICIPAL WATER DISTRICT ESTABLISHING CLASSIFICATIONS AND MONTHLY PAY RANGES FOR DISTRICT EMPLOYEES AND THE GENERAL MANAGER EFFECTIVE JULY 1, 2020 THROUGH JUNE 30, 2021**

Mr. Kennedy pointed out this item was to approve the Cost of Living Adjustments (COLA's) as part of the current Memorandum of Understandings (MOU's) with the employees except for the General Manager.

Ms. Harp stated the MOU's call for the change in annual CPI for the previous calendar years and how the 2.4% COLA is based on the change that occurred in 2019 between 2018-2019 and is effective the first pay period in July 2020. She noted the pay grade for the General Manager will remain unchanged.

#### ***Motion:***

***To approve Option 1 - Approve Resolution No. 20-11 as presented.***

***Action: Approve, Moved by Director Rindfleisch, Seconded by Director Gasca.***

***Vote: Motion carried by unanimous roll call vote (summary: Ayes = 5).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.***

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

**\*20. AWARD OF PROFESSIONAL SERVICES AGREEMENT WITH HOCH CONSULTING FOR NORTH RIVER ROAD LAND OUTFALL REHABILITATION**

Mr. Kennedy described the emergency actions taken since the heavy rainfall experienced in April as well as the necessary pipeline repairs required at the North River Road location. He pointed out through staff working with Hoch Consulting, it has been identified this work can be completed at a cost of approximately \$2.5M as opposed to \$8M-\$10M. He noted under this contract Hoch Consulting will handle the engineering work, gathering of contract documents, project management and inspections throughout the repair process. Mr. Gutierrez briefly updated the Board on the most recent work being conducted at the site.

Director Gasca inquired about the delta including whether there would be a cost savings to the District. Mr. Kennedy explained the cost savings may not be significant due to the possible increase in capacity.

Mr. Gutierrez pointed out one of the key factors related to this project is RMWD cannot handle failure on this pipeline at all along North River Road. He said there was no way to pump or do any type of bypassing to keep up with the level of flow, especially during the wet seasons; therefore, being a little bit proactive in addition to gaining the capacity in the pipe will go a long way in the future.

***Motion:***

***Approve the Professional Services Agreement with Hoch Consulting for a not-to-exceed amount of \$151,180.***

***Action: Approve, Moved by Director Brazier, Seconded by Director Mack.***

***Vote: Motion carried by unanimous roll call vote (summary: Ayes = 5).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.***

**\*21. DISCUSSION AND POSSIBLE ACTION TO AWARD CONSTRUCTION CONTRACT FOR THE VISTA VALLEY VILLAS PRESSURE REDUCING STATION PROJECT**

Mr. Strapac gave a presentation noting this station is located on a very steep, rocky slope. Mr. Kennedy mentioned this project is to relocate the station a little further up the street at a more reasonable level for the benefit of the customers as well as provide RMWD some flexibility in operations. Mr. Strapac noted the Engineering and Operations Committee was updated on this project and how three contractors from the pre-qualified bidders list with the low bid coming in at \$334,700 from SCW. He pointed out the bids were conducted via video teleconference.

Mr. Kennedy highlighted RMWD went through a pre-qualification process with its contractors and how before the process was completed, the last project bid out was the Pala Mesa pressure reducing stations and the contractor chosen was very close to getting fired from the job after it took months for them to start the work. He said using the pre-qualified bid process will be more beneficial to the District.

Director Mack asked whether change order amounts are taken into account when receiving bids. Mr. Kennedy explained under the Public Contracting Code, the District does not have the ability

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

to not accept the lowest responsive bid package that meets all the state law requirements unless the package contains some type of disqualifying error. Mr. Strapac mentioned 10% is sometimes automatically added to public projects. Mr. Kennedy stated the approval process for change orders is provided in the Administrative Code as well as confirmed contracts are for a fixed price with no changes allowed without written approval from the District.

***Motion:***

***To approve Option 1 - Allocate funding and award the construction contract for the Vista Valley Villas PRS Project to SCW Contracting Corporation in accordance with the California Public Contracting Code for a not to exceed amount of \$334,700, make a finding that the project is Categorical Exempt from CEQA, and authorize General Manager to execute contract for the construction of the Vista Valley Villas PRS Project to SCW Contracting Corporation.***

***Action: Approve, Moved by Director Brazier, Seconded by Director Gasca.***

***Vote: Motion carried by unanimous roll call vote (summary: Ayes = 5).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.***

**22. DISCUSSION AND POSSIBLE ACTION REGARDING “AS NEEDED” CIVIL ENGINEERING SERVICES CHANGE ORDER**

Mr. Strapac recalled RMWD has a list of “as needed” consultants for professional services which has streamlined many processes for getting jobs done. He said staff found Omnis Consulting has been working on several RMWD projects and were very responsive. He pointed out this item was reviewed by the Engineering and Operations Committee after which they recommended the Board approval.

Vice President Hamilton asked if there were any legal exposures to RMWD relative to the fact that a contract was issued here and were now putting out a Request for Proposal to add more. Mr. Kennedy and Mr. Strapac said no legal jeopardy should exist.

***Motion:***

***To approve Option 1 - Approve Change Order in the amount of \$150,000 for Omnis Consulting, Inc. to continue to provide civil engineering professional services to the District, authorize the General Manager to execute Change Order for the “As Needed” civil engineering contract with Omnis Consulting, Inc., make a determination that the action identified herein does not constitute a “project” as defined by CEQA.***

***Action: Approve, Moved by Director Gasca, Seconded by Director Mack.***

***Vote: Motion carried by unanimous roll call vote (summary: Ayes = 5).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.***

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

**\*23. DISCUSSION AND POSSIBLE ACTION TO AWARD A PROFESSIONAL SERVICES AGREEMENT TO MASTERCRAFT HOMES GROUP, LLC FOR HQ DEVELOPMENT STUDY SERVICES**

Mr. Kennedy explained staff solicited a Request for Qualifications earlier in the year to which three responses were received and reviewed with the Engineering and Operations Committee. He noted the resulting winner of this process was a firm MasterCraft Homes Group, LLC. He explained this contract will be for the consultant to start with a marketing study. He mentioned the contract will have milestones built in with each step being brought forward for consideration before proceeding. He mentioned one of the recommendations was to create an ad hoc committee to assist with this project.

President Brazier inquired as to how Board and committee members could participate on the ad hoc committee. Legal Counsel clarified no more than two Board Members may participate. Vice President Hamilton stated it would be beneficial to have two Board Members serving on the ad hoc committee.

***Motion:***

***To approve Option 1 - Allocate funding for HQ Development Study Services in the amount of \$122,324.00 for MasterCraft, in support of a new headquarters facility, make a finding that the project is Categorically Exempt from CEQA, and authorize General Manager to execute contract with MasterCraft with the addition of an ad hoc committee to support the activity.***

***Action: Approve, Moved by Member Gasca, Seconded by Director Mack.***

***Vote: Motion passed (summary: Ayes = 4, Noes = 0, Abstain = 1).***

***Ayes: Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.***

***Abstain: Director Brazier.***

Directors Mack and Rindfleisch expressed interest in serving on the ad hoc committee.

President Brazier deferred the appointment process to Vice President Hamilton. Vice President Hamilton appointed Directors Mack and Rindfleisch to serve on the Headquarters Development Study Services Ad Hoc Committee.

**\*24. DISCUSSION AND POSSIBLE ACTION TO APPROVE ORDINANCE NO. 20-06 AMENDING AND UPDATING ADMINISTRATIVE CODE TITLE 1 – GENERAL PROVISIONS**

Mr. Kennedy pointed out feedback was received from the Communications and Customer Service Committee members as well as the Board was provided an opportunity to provide feedback over the last two months prior to bringing this back to the Board for consideration. Ms. Washburn added the only additional proposed revisions was to the Conflict of Interest Code to reflect a position's title change per the Board's adoption of Resolution No. 20-08 on May 26, 2020.

Vice President Hamilton referenced Section 1.01.040 noting there may be a grammatical error. Legal Counsel confirmed the words "thought fully" should be "though fully". Ms. Washburn noted this additional revision.

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

**Motion:**

**Approve Option 1 - Adopt Ordinance No. 20-06 amending and updating Administrative Code Title 1 – General Provisions as proposed with the additional revision.**

**Action: Approve, Moved by Director Rindfleisch, Seconded by Director Gasca.**

**Vote: Motion carried by unanimous roll call vote (summary: Ayes = 5).**

**Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.**

**\*25. CSDA 2020 BOARD OF DIRECTORS ELECTIONS SEAT C**

Mr. Kennedy pointed out the deadline for submitting the ballot is July 10, 2020. He mentioned RMWD has been asked to support Greg Mills and Arlene Schafer, but only one vote is allowed.

**Motion:**

**To support Arlene Schafer.**

**Action: Approve, Moved by Director Gasca, Seconded by Director Hamilton.**

**Vote: Motion carried by unanimous roll call vote (summary: Ayes = 5).**

**Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.**

**26. DISCUSSION AND POSSIBLE APPOINTMENT OF TRACY LARGENT TO SERVE AS AN ALTERNATE MEMBER ON THE ENGINEERING AND OPERATIONS COMMITTEE**

Mr. Kennedy mentioned the committee has had some challenges with making a quorum; therefore, it was recommended the Board appoint Ms. Largent to serve as an alternate member. He pointed out this would also serve as an opportunity for cross training.

Director Gasca said he would like to hear assurance staff would not be over tasked by serving on the committee during the current situation. Ms. Largent assured Director Gasca serving on the committee would not overtask her as she attends this committee meeting already.

**Motion:**

**The appointment of Tracy Largent to serve as an alternate on the Engineering and Operations Committee.**

**Action: Approve, Moved by Director Brazier, Seconded by Director Mack.**

**Vote: Motion carried by unanimous roll call vote (summary: Ayes = 5).**

**Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.**

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

**27. BOARD MEMBER REQUESTS FOR AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS**

There were no requests.

**BOARD INFORMATION ITEMS**

**28. COVID-19 EMERGENCY UPDATE**

Mr. Kennedy updated the Board on the current status of employees. He also mentioned staff has had discussions related to when and how to reopen the District offices while protecting the safety of staff as well as members of the public.

Director Gasca asked for an update on submitting for reimbursement from FEMA. Mr. Kennedy explained RMWD would not be eligible for reimbursement for any amounts already included in the budget. Ms. Harp stated RMWD has an existing grant from ACWA/JPIA that would normally be applied to the District's health fair; however, since the 2020 health fair was cancelled, the District was now allowed to apply the grant toward COVID-19 supply purchases. Ms. Largent added RMWD could request reimbursement for the devices purchased for employees to work from home; however, the value of the devices at the time they are returned to work would need to be subtracted which makes the reimbursement value nil.

**29. WATER SERVICES UPGRADE PROGRAM (WSUP) UPDATE**

Mr. Williams gave a presentation on the Water Services Upgrade Program (WSUP). He reminded the Board that work on this project was stopped between March 17<sup>th</sup>-May 5, 2020 due to the issued stay-at-home order. He shared the data provided by Concord to which RMWD has administrative rights to access. Ms. Gray added the information being provided at this time was now accessible on the RMWD website.

Mr. Williams shared samples of the data provided as well as pictures of the meter location sites.

Mr. Kennedy added each job site is analyzed and communicated between the District and Concord staff members. He also confirmed the locations will be added into GPS as each meter is replaced.

**\*30. INFORMATIONAL UPDATE ON POTENTIAL SOURCES OF GRANT FUNDING FOR DISTRICT CAPITAL PROJECTS**

Mr. Kennedy explained the Board had expressed interest in researching different grant funding sources; therefore, Hoch Consulting was contacted to provide assistance with this matter. He said Hoch Consulting looked at a series of RMWD projects and then compared those with a list of available grant programs to identify what may be feasible. He referenced a report on the findings provided as a handout showing the findings. He said going forward, RMWD will be working on remitting applications to these funding sources for projects where it makes sense. He explained whenever taking on federal dollars, there is additional financial complexity which in turn may require changes to the current auditing process, Administrative Code, as well as reporting.

Vice President Hamilton expressed interest in the solar power funding. Discussion ensued.

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

**\*31. RECEIVE AND FILE INFORMATION AND FINANCIAL ITEMS**

- A. General Manager Comments**
  - 1. Meetings, Conferences and Seminar Calendar
- B. Operations Comments**
  - 1. Operations Report
- C. Engineering Comments**
  - 1. Engineering Report
  - 2. As-Needed Services Expenditures Summary
  - 3. RMWD Sewer Equivalent Dwelling Units (EDU's) Status
- D. Human Resource & Safety Comments**
  - 1. Human Resources Report
- E. Finance Comments**
  - 1. Information Report
  - 2. Budget vs. Actual Fund 1, 2, and 3
  - 3. Fund Balance Projections
  - 4. Treasury Report
  - 5. Five Year Demand
  - 6. Credit Card Breakdown
  - 7. Directors' Expense
  - 8. Check Register
  - 9. Water Sales Summary
  - 10. Developer Projections
  - 11. RMWD Properties

Vice President Hamilton inquired about the information provided in Item #31E9. Discussion ensued. Ms. Largent agreed to add a budget line as well as grid lines to the report.

Mr. Kennedy mentioned he was contacted by Brent Ives regarding whether RMWD wants to start the Strategic Planning Objectives review via Zoom or wait until the District offices reopen. Vice President Hamilton recommended exploring a way to meet without the requirements of a group meeting.

Director Gasca said he would like to review the budget letter with Ms. Largent. Ms. Largent agreed to contact Director Gasca.

**Motion:**

**To receive and file information and financial items.**

**Action: Approve, Moved by Director Brazier, Seconded by Director Mack.**

**Vote: Motion carried by unanimous roll call vote (summary: Ayes = 5).**

**Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.**

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

It was noted first review of Administrative Code Title 2 revisions, a WSUP update, and revisions for PUP #1 should be on the next agenda.

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

**33. ADJOURNMENT - To Tuesday, July 28, 2020 at 1:00 p.m.**

***The meeting was adjourned by Vice President Hamilton to a regular meeting on July 28, 2020 at 1:00 p.m.***

The meeting was adjourned at 3:44 p.m.

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**Helene Brazier, Board President**

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**Dawn M. Washburn, Board Secretary**