

**MINUTES OF THE REGULAR BOARD MEETING  
OF THE BOARD OF DIRECTORS OF THE  
RAINBOW MUNICIPAL WATER DISTRICT  
FEBRUARY 28, 2023**

1. **CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on February 28, 2023, was called to order by President Hamilton at 12:32 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. President Hamilton presiding.

2. **ROLL CALL**

**Present:** Director Gasca (*via video conference*), Director Hamilton, Director Mack, Director Moss, Director Townsend-Smith.

**Also Present:** General Manager Kennedy, Legal Counsel Smith, Executive Assistant Washburn, Information Technology Manager Khattab.

No members of the public were present in person, via teleconference or video conference before Closed Session.

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

President Hamilton reported Item #28 will be deferred.

Mr. Kennedy pointed out one of the employees (Chris Daugherty) listed to be recognized at this meeting is unable to attend; therefore, they will be recognized at the March Board meeting.

4. **INSTRUCTIONS TO ALLOW PUBLIC COMMENT ON AGENDA ITEMS FROM THOSE ATTENDING THIS MEETING VIA TELECONFERENCE OR VIDEO CONFERENCE**

There were no members of the public in attendance; therefore, the instructions were not read aloud.

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 comments.

*The meeting adjourned to Closed Session at 12:35 p.m.*

6. **CLOSED SESSION**

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

\* One Item

*The meeting reconvened at 1:05 p.m.*

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

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

Legal Counsel reported the Board met in Closed Session to discuss one item and there was no reportable action.

Time Certain: 1:00 p.m.

**8. REPEAT CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on February 28, 2023 was called to order by President Hamilton at 1:07 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. President Hamilton presiding.

**9. PLEDGE OF ALLEGIANCE**

**10. REPEAT ROLL CALL**

**Present:** Director Gasca (*arrived at 1:11 p.m.*), Director Hamilton, Director Mack, Director Moss, Director Townsend-Smith.

**Also Present:** General Manager Kennedy, Legal Counsel Smith, Executive Assistant Washburn, Engineering and CIP Manager Williams, Information Technology Manager Khattab, Human Resources Manager Harp, Finance Manager Largent, Project Manager Tamimi, Information Systems Specialist Espino, Human Resources Assistant Ramirez, Administrative Analyst Barrow, Senior Inspector Stockton, Technical Services Team Lead Bradley.

**Also Present Via Teleconference or Video Conference:**

Wastewater Superintendent Zuniga, Project Manager Parra, Accounting Supervisor Poole, Administrative Analyst Rubio, Grant Specialist Kim.

Three members of the public were present for Open Session in person, via teleconference or video conference.

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

This was provided under Item #7.

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

President Hamilton noted Item #28 will be deferred and one of the employee recognitions will be postponed until the next meeting.

**13. REPEAT INSTRUCTIONS TO ALLOW PUBLIC COMMENT ON AGENDA ITEMS FROM THOSE ATTENDING THIS MEETING VIA TELECONFERENCE OR VIDEO CONFERENCE**

President Hamilton read aloud the instructions for those attending the meeting via teleconference or video conference.

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

**14. 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).**

There were no comments.

**15. EMPLOYEE RECOGNITIONS**

**A. Service Awards**

1. Ahmed Khattab – 5 Years

Mr. Kennedy stated he and Ahmed Khattab have overlapped in employment at a GIS company a long time ago and when an RMWD had an IT position open, he reached out to Mr. Khattab following which he was hired five years ago. He noted another important milestone for Mr. Khattab was the completion of his master's in cyber security with honors. He presented Mr. Khattab with a plaque and check in recognition of his tenure.

2. Chris Daugherty – 5 Years

This recognition was postponed per Item #3.

**B. Excellence Coin Awards**

1. Ed Bradley

Mr. Kennedy explained the Excellence Coin Program where employees nominate each other for the different traits the District likes to see among its staff.

Mr. Kennedy stated Ed Bradley has been working with RMWD for almost 35 years during which time he has held several positions. He thanked Mr. Bradley for everything he does every day and as exhibited by his co-workers as he presented Mr. Bradley with a plaque in recognition of his achievement.

2. Malik Tamimi

Mr. Kennedy stated Malik Tamimi joined the District as a project manager who has assisted in completing turning around the engineering department. He noted Mr. Tamimi is instrumental in working with the ratepayers and everyone by communicating in ways that lead to successful outcome. Directors Moss and Hamilton stated they could attest to that as well.

Mr. Kennedy presented Mr. Tamimi with a plaque in recognition of his achievement.

***Director Gasca joined the meeting at 1:11 p.m.***

**\*16. APPROVAL OF MINUTES**

- A. January 24, 2023 - Regular Board Meeting**

***Motion:***

***To approve the minutes.***

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

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

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

***Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Townsend-Smith.***

**\*17. 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 Hamilton)**

There was no report.

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

**1. SDCWA**

**A. Summary of Board Meeting January 26, 2023**

Mr. Kennedy reported a forecast of the upcoming rate setting process for CY24 was received. He noted eighteen months ago SDCWA was asked to bring their draft proposed budgets and rates much sooner; therefore, in February SDCWA shared their outlook that they will be proposing a 14% rate increase in January 2024 citing many reasons. He pointed out SDCWA was currently forecasting 360,000 acre feet of water sales which was refreshing compared to previous years; however, the problem is that SDCWA has take-or-pay contracts for 330,000 acre feet of water sales which means they have over 90% of their portfolio in take-or-pay contracts to where if water goes down 10% from this forecast, the member agencies will be paying for water they do not take. He mentioned the City of San Diego along with several other member agencies pushed SDCWA to start looking at ways to somehow mitigate the impact two years ago. He noted this matter was of significant concern and perhaps SDCWA will work toward a solution.

**2. CSDA**

Director Mack reported on the February 16<sup>th</sup> CSDA Quarterly Dinner meeting at which there were three guest speakers talking about the increased mental health crisis.

**3. LAFCO**

There was no report.

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

President Hamilton reported the committee will not meet again until April.

**5. ACWA**

Director Gasca mentioned ACWA will be holding a one-day Legislative Symposium in Sacramento. He also provided some highlights from ACWA including the launch of a non-profit foundation to advance workforce and leadership development in the water industry as well as RMWD appearing in the year in review for the heli-hydrant being an innovative project,

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

- 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**

There were no comments.

Director Gasca stated he had an opportunity to speak with Chief McReynolds from North County Fire Protection District and one of his deputies regarding the matter of ISO. He stated Chief McReynolds is interested in seeing their board getting together with RMWD's board in supporting RMWD's strategic planning efforts. He pointed out Chief McReynolds' did state his responsibility is primarily urban and there is a great deal of wild lands that would be Cal Fire's responsibility.

- E. Legal Counsel Comments**

- 1. Attorney Report: Employment and Sewer System Law Update – 61313486\_1**

Legal Counsel summarized the information provided in the written report noting employment updates include a number of requirements for job postings, requirements to provide employees with pay scale information upon request for their positions, updates to record retention requirements. He noted the sewer system update has more intensive requirements than the prior order in that it basically expanding the regulations to protects waters of the state.

President Hamilton asked if RMWD will be financially impacted by the updates to the sewer system law. Mr. Kennedy stated not at this time since RMWD currently manages within those guidelines.

## **18. COMMITTEE REPORTS**

- A. Budget and Finance Committee**

Mr. Nelson reported the committee did not meet in February due to lack of a quorum.

- B. Engineering and Operations Committee**

Mr. Nelson reported the committee met on February 1<sup>st</sup> and took action to recommend the Board approve Items #19 and #20 before the Board today. He noted the committee discussed meter accuracy, water loss calculations, as well as voted to keep the Chairperson and Vice Chairperson the same. He mentioned the committee also received a very good CIP update.

- C. Communications and Customer Service Committee**

President Hamilton reported the committee met on February 2<sup>nd</sup> during which Mr. Kennedy provided an update on the Colorado River status as well as the detachment efforts. He noted the committee reviewed some of the standard items and discussed field trips with the schools. He mentioned the committee was in a transition in terms of the RMWD staff member who participates on this committee due to the recent retirement of Cynthia Gray who has been a part of this committee for a very long time.

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

President Hamilton continued to note the committee discussed the rates of adoption of bill pay and how to promote this to more customers, communications activities relative to setting up email distribution, how to reach out to RMWD users who are not ratepayers, the possibility of encourage volunteers to help with district communications, as well as the effective use of communication channels. He concluded with noting the committee voted to recommend the Board appoint Ms. Gray as a member of the committee which is anticipated to take place at a future meeting.

### **CONSENT CALENDAR ITEMS**

- \*19. NOTICE OF COMPLETION AND ACCEPTANCE OF THE RAINBOW VALLEY BLVD CATHODIC PROTECTION PROJECT (DIVISION 5)**
- \*20. NOTICE OF COMPLETION AND ACCEPTANCE OF INFRASTRUCTURE FOR MALABAR RANCH ESTATES BY MALABAR RANCH, LLC. (DIVISION 3)**
- \*21. CONSIDER APPROVAL OF AN AGREEMENT TO ASSUME JOINT AGREEMENT TO IMPROVE MAJOR SUBDIVISION, JOINT LIEN CONTRACT AND HOLDING AGREEMENT FOR SAN DIEGO TRACT NO. 4736-1 (DIVISION 1)**

***Motion:***

***To approve Consent Calendar Items #19, #20, and #21.***

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

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

***Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Townsend-Smith.***

### **PRESENTATIONS**

#### **22. SEWER RATE ADJUSTMENTS**

Ms. Largent introduced Andrea Boehling with IBM Consulting noting Ms. Boehling would be sharing a presentation RMWD's sewer rate adjustments they have been working on together along with the Budget and Finance Committee. She said this will be an opportunity to show the progress made with the study as well as receive input from the Board. She pointed out there was no action for the Board to take today; however, this matter will come back to the Board for consideration in March.

Ms. Boehling shared a presentation providing background of what transpired between January 2018-present, previous proposed wastewater charges, as well as RMWD's Financial Plan including a plan summary, wastewater financial plan, and current financial position.

President Hamilton expressed concern some of the proposed increases are soft. Ms. Largent acknowledged this concern.

Ms. Boehling pointed out RWMD was currently operating at a deficit of approximately \$765,000 in FY23 and how this does not account for any capital funding, solely operating. She pointed out rates have not been adjusted for five years.

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

Director Gasca asked whether RMWD has received any type of projection from the City of Oceanside as to what increases may be implemented in the future. Ms. Largent explained the City of Oceanside do push through the actual costs incurred from the facility; therefore, it will most likely be a similar escalation.

Director Moss inquired as to the major capital improvements shown on the chart displayed. Ms. Largent identified these projects as Old River Road between Lift Stations 1 and 2, some lining and pipe replacement, as well as a dry well. It was noted some of these may be pushed out; however, it depends on whether development takes place.

Ms. Boehling continued reviewing the District's current financial plan including ending reserve balances, and wastewater reserves. Director Gasca asked what the operating capital reserves should be for districts the same size as RMWD as well as the industry. Ms. Boehling explained they should be based off of RMWD's utilities with a 60-day minimum of operating in cash reserve; however, should the Board decides to put it on the property tax roll, a bigger bandwidth may be preferred due to delay in payments. She said her recommendation for the bare minimum would be to fund depreciation at the very least.

Director Moss inquired as to what major capital improvement projects were not done over the last several years. Mr. Kennedy explained there had not been a whole lot since he first came to RMWD; however, the core challenge the District faces is being able to safely convey the wastewater out of the district. Discussion followed.

Director Gasca asked whether state or federal funding has been included in this conservative financial plan. Mr. Kennedy explained some of the funding for which RMWD will be applying.

Ms. Boehling continued with reviewing the District's current financial planning including results from review, as well as options. She talked about the major assumption being deferring CIP for as long as possible over a five-year period. Ms. Largent pointed out this was only if no developer funds come through. Ms. Boehling stated it was being recommended the District do a 40% followed by 7.5% which means making revenue adjustments, not rate adjustments. She noted this by FY25, RMWD will meet its minimum operating reserve which is a good first step. She pointed out by FY28, RMWD will meet its target, not including CIP projects without developer funding.

Ms. Boehling reviewed the regional rate comparison. She noted RMWD's significant growth has helped a little. Discussion ensued regarding Fallbrook's sewer rates.

Director Gasca inquired as to the list of capital programs that would be zeroed out. Ms. Largent pointed out these were provided in the agenda packet on Pages 149 and 182. Mr. Kennedy read aloud some of the project listed noting the larger projects are to be phased in during the next tranche of development. Discussion followed.

Director Gasca asked if one of the projects listed would mitigate the risk of intrusion of water into the system which causes the peak. Mr. Kennedy stated some of the lining projects would help mitigate the issue of intrusion. Director Gasca stated he was uncomfortable with zeroing everything out; therefore, there should be some type of prioritization especially as it contributes to reduction of risk. Mr. Kennedy stated this has been a major topic of discussion among engineering and operations. Ms. Largent pointed out the recommended plan does actually build up reserves so some of the higher prioritized projects can be completed.

President Hamilton stated it appeared as though there two different classes of capital projects where one is where projects can be deferred relative to letting development drive those and the other being projects of necessity to maintain the system.

Ms. Largent stated although it was being recommending to pause on some of the CIP, there was still a recommendation for a plan that will build up the reserves to RMWD can decide to do the high priority projects. Mr. Kennedy pointed out, absent new development or growth in the near term, would be to increase rates more than 35%. He mentioned it was available to notice more of an increase and then come in under the maximum amount provided in the notification. He provided additional clarification as to how this would work. Director Moss recommended moving forward with noticing for the maximum now, but not to start with such.

Ms. Boehling stated although the Board was not taken action today, she needed to know whether they were comfortable with deferring the CIP so that she would provide an option for Board consideration. Ms. Largent said financially she liked the idea of higher rates every year for five years; however, the public relations aspect would be challenging.

Mr. Kennedy mentioned the additional policy consideration would be moving wastewater charges to the ratepayer's property tax bills. Director Moss stated this would be more palatable. President Hamilton inquired as to how it is decided who would receive a sewer bill. Ms. Largent explained this would be done through the Prop 218 notice which will need to be to the County by August 10<sup>th</sup> after which RMWD would receive payment regardless of whether the customer pays their property tax bills.

Director Gasca asked how much the County charges to collect the monies. Ms. Largent stated there was no charge. Ms. Boehling explained the County basically guarantee the District its money and keep penalties when people do not pay; therefore, RMWD's delinquency rate will go to zero. Mr. Kennedy noted there may be a way to move some fixed water charges to property tax bills in the future; however, this was still in the process of being researched.

Ms. Largent reiterated this matter will come back to the Board for consideration in March as part of the rate hearing process.

Director Gasca stated he would like to receive an understanding of the risk for all the CIP projects. He said he does not see the value in zeroing everything out as well as expressed concern the proposed interest rates being soft.

Ms. Boehling concluded the presentation and thanked the Board for their input.

## **BOARD ACTION ITEMS**

### **\*23. ADOPT RESOLUTION NO. 23-04 FIXING THE TIME AND PLACE OF HEARING AND MEETING ON PROPOSED WATER AVAILABILITY CHARGES FOR IMPROVEMENT DISTRICT NO. 1**

Mr. Kennedy explained this was to set a public hearing with a charge of \$10.54 per parcel; the same amount it has been for many years.

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

***The Board of Directors approve Resolution No. 23-04, Fixing the Time and Place of Hearing and Meeting on Proposed Water Availability Charges for Improvement District No. 1.***

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



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

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

**Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Townsend-Smith.**

**\*24. FISCAL YEAR 2022-23 MID-YEAR OPERATING AND CAPITAL BUDGET REVIEW AND ADJUSTMENTS**

Ms. Largent noted staff had minor adjustments including increasing the wastewater revenue estimate a little as well as adjusting within departments some of the operating expenses. She stated the net operating budget increase totals \$50,000. She said as opposed to going through an entire financial review, she wanted to leave the discussion brief at this time and provide the Board with a more thorough review when the cost of survey study and budget review takes place in the next few months.

Ms. Largent pointed out the capital budget adjustments included some timing changes which totaled a net capital budget increase of \$175,000. She pointed out these adjustments were minimal due to better budgeting and forecasting.

**Motion:**

**To approve Option 1 - Approve Amended Operating Budget FY 2022-23 as provided in Attachment A with a Projected Net Budget Operating Expense Increase of \$51,832 and Water Capital Project Increase of \$175,000.**

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

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

**Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Townsend-Smith.**

**\*25. CONSIDERATION OF REQUEST BY THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION FOR ADDITIONAL FUNDS FOR THE PROCESSING OF THE DISTRICT'S APPLICATION FOR DETACHMENT FROM THE SAN DIEGO COUNTY WATER AUTHORITY AND CONCURRENT ANNEXATION INTO EASTERN MUNICIPAL WATER DISTRICT**

Ms. Largent explained this item was for LAFCO to hopefully wrap up their work related to the detachment. She pointed out the different amounts LAFCO has requested throughout the process have been listed including a summary as to when those amounts were paid. She noted LAFCO was requesting an additional \$32,648 payment from RMWD which seems to be the last amount they will be requesting. She mentioned she reviewed the detail on this billing and found most of it was due to extensive amounts of requests from SDCWA, phone calls, meetings, etc.

Director Gasca inquired as to what the expenses would total following this additional amount. It was noted it would be approximately \$250,000.

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

**Motion:**

**To approve Option 1 - Approve the additional payment of \$32,648.91.**

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

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

**Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Townsend-Smith.**

**\*26. DISCUSSION AND POSSIBLE ACTION TO APPROVE A CHANGE ORDER WITH ORTIZ CONSTRUCTION FOR THE RAINBOW WATER QUALITY IMPROVEMENT PROJECT - WATER MAIN AND SERVICE RELOCATION PROJECT (600077) IN THE AMOUNT OF \$240,000 (DIVISION 5)**

Mr. Williams stated staff does not prefer to bring change orders to the Board for work already completed such as this one; therefore, changes have since been made within engineering on any future construction agreements the contractor shall notify RMWD within seven days of a changed condition. He explained in this case, the contract hit hard rock following which the contractor informed District and asked if they could go to TNM. He said once this request was agreed upon and tracking the TNM rates, the amount totaled slightly over the General Manager's signing authority.

Mr. Williams pointed out this project has five different phases with this being the first. He stated it is already known more hard rock will be encountered as well as groundwater at the next site. He noted staff's first recommendation is for the Board to approve of \$109,288 will cover this change order plus a 15% contingency so this item will not have come to the Board should the next change order exceed the General Manager's signing authority of 10% or \$25,000, whichever is greater. He said the second recommendation is to approve only the \$109,288.00 with any amounts exceeding the General Manager's authority would need to be brought to the Board for consideration.

President Hamilton asked whether this was RMWD's or the County's project. Mr. Kennedy stated this was a project where RMWD needs to move things due to the County's stormwater improvement project. Mr. Williams clarified this was a County of San Diego Capital Improvement Project which now has conflict with existing District infrastructure (pipelines and water laterals); therefore, RMWD has to move out of their way at RMWD's expense. He confirmed the other utilities are required to do the same.

Mr. Williams shared good news that staff now meets with the County on a quarterly basis to determine what projects are on their forecast as well as who has senior rights which has resulted in a much better working relationship.

Mr. Kennedy noted after conducting research on another upcoming County project near the San Luis Rey Racetrack, it was discovered RMWD has prior rights and the County will be responsible for paying for the costs associated with the project as opposed to RMWD.

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

**Motion:**

**To approve Option 1 – Authorize the General Manager to approve change orders up to \$240,000, which includes December and January T&M tickets, plus a 15% construction contingency, and establish additional appropriations in the amount of \$240,000 for project 600077.**

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

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

**Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Townsend-Smith.**

**\*27. DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 23-05 — A RESOLUTION ESTABLISHING CLASSIFICATIONS AND MONTHLY PAY RANGES FOR DISTRICT EMPLOYEES AND THE GENERAL MANAGER EFFECTIVE FEBRUARY 28, 2023, THROUGH JUNE 30, 2023**

Ms. Harp noted there was one change to the resolution; however, she wanted to provide an update as to what will happen with the communications function with the recent retirement of the Customer Service and Communications Supervisor, Cynthia Gray.

Ms. Harp stated as is customary when RMWD has a vacancy, she updates the compensation analysis to ensure the job design and pay rates are appropriate with the current labor market. She pointed out RMWD has gone through several iterations of what the job design of Customer Service Supervisor has been over the past few years. She noted when she started at RMWD, this position did not exist; however, after realizing closer oversight was necessary, a position was created with a combined finance function. She said when it was recognized the demands were too split and not working well, staff felt it would be logical for the communications and customer service functions to be together because of a higher awareness as to customer concerns as well as what needed to be communicated and staff knew there was an internal candidate who had the skillset and background who was already handling communications in conjunction with customer service supervisor position. She pointed out this was a vary rare combination of skillsets and as she conducted the compensation analysis, she found several things of significance.

Ms. Harp explained there were no other positions that looked like the one RMWD had with the exception of one agency which had a Communications and Customer Service Supervisor but had three full-time analysts doing the communications piece in addition to three customer service representatives versus having to do all the communications themselves as well as supervise a department. She noted her conclusion was that recruiting for a position for both of these functions would be very challenging to find someone qualified for both functions.

Ms. Harp said after looking at the data for just the Customer Service Supervisor market, RMWD's paygrade was significantly higher than it would need to be if it did not include the communications piece. She stated she believes with the Customer Service Supervisor position being strictly supervisory, it would meet the requirements of an exempt position whereas the previous position was hourly due to the communications piece took up so much of that time which was an hourly function. She explained by splitting these functions, the supervisor would now be a true supervisor and because it would be exempt from overtime with the paygrade being more appropriate for that job, the change to the resolution is to reclassify that supervisor position.

Ms. Harp mentioned although another change being recommended does not require a change to the pay grade structure, she wanted to inform the board as to the plan for handling the public relations and communications functions. She stated for the exact same budget being paid for (including overtime and benefits) for the Customer Service and Communications Supervisor position, RMWD would be able to fund this Customer Service Supervisor that would be exclusively focused on that department plus a part-time Communications and Public Affairs position that would work approximately 16 hours per week. She explained utilizing the EAM data showing how much time the Customer Service and Communications Supervisor previously booked for work spent on communications and public relations functions, this part-time position working 16 hours per week would more than double the total hours recently booked by the prior incumbent as well as slightly more than the highest year she had ever booked in terms of time spent on these functions (approximately 650 hours per year). She explained this would result in more time dedicated exclusively to these functions with the focus not being split in two departments. She mentioned she performed a market analysis noting the pay rate would be hourly and higher; however, there would be no benefits due to it being a part-time position.

Ms. Harp stated there would be enough funding for the full-time Customer Service Supervisor position, hiring a qualified person who has a background and possible degree in journalism or communications with experience to perform in this role, and approximately \$20,000 remaining in the budget for outsourcing specific projects that are more complicated communications (i.e., Proposition 218 notices or sensitive communications) that may need a very skillful and experienced touch for which the part-time position would coordinate with an outside public relations firm. She concluded with noting the budget money would remain the same with the job designs would be a little different.

President Hamilton asked whether RMWD would be able to fill a part-time communications position. Ms. Harp stated in anticipation of this question, she already posted the job and how applications from some strong candidates have already been remitted; therefore, she was confident it could be filled.

Mr. Kennedy pointed out one of the challenges the Customer Service and Communications Supervisor faced was being pulled in multiple directions being an analyst as well as taking customer calls; therefore, the plan was for this part-time position to report to Human Resources and be able to focus strictly on communications. Ms. Harp added some of the functions will align with some of the work the human resources team already oversees such as job postings, employee communications, etc.; thus, it will enable having a backup as opposed to not having one.

President Hamilton stated he found this to be an eloquent solution to a quandary he has had in that RMWD was not sufficiently large enough to justify a full-time position and sharing a part-time where other resources received top priority. Ms. Largent stated it makes sense to have this position to report to Ms. Harp since she has specific experience in this area.

Director Gasca asked whether Ms. Harp has spoken with other agencies to find out whether an incumbent could be shared between two agencies. Ms. Harp stated when conducting her research to determine the appropriate hourly pay rate for someone with professional experience doing this function, she found most agencies have a full-time position. She said staff believes the combination will work for now and, if necessary, it can be re-evaluated in a year as part of next year's staffing analysis. Director Gasca clarified he wanted to know if other agencies have been contacted regarding sharing a resource. Ms. Harp answered they were not. Discussion followed as to why this type of arrangement would be challenging.

Mr. Kennedy agreed the solution the team came up with would be an eloquent solution. Director Moss stated she liked the recommended solution.

***Motion:***

***To approve Option 1 – Approve Resolution No. 23-05.***

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

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

***Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Townsend-Smith.***

**\*28. DISCUSSION AND POSSIBLE APPOINTMENT OF CYNTHIA GRAY TO SERVE AS A MEMBER OF THE COMMUNICATIONS AND CUSTOMER SERVICE COMMITTEE**

This item was deferred per Items #3 and #12.

**\*29. DISCUSSION AND POSSIBLE ACTION TO ADOPT ORDINANCE NO. 23-02 UPDATING AND AMENDING ADMINISTRATIVE CODE SECTIONS 5.05.010, 5.5.020, and 5.05.030**

Mr. Kennedy pointed out the only amendments were to updates per recent changes to the Government Code.

***Motion:***

***To approve Option 1 - Adopt Ordinance No. 23-02 amending and updating Administrative Code Sections 5.05.010, 5.05.020, and 5.05.030 as presented.***

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

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

***Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Townsend-Smith.***

**\*30. DISCUSSION AND POSSIBLE ACTION TO ADOPT ORDINANCE NO. 23-01 UPDATING AND AMENDING ADMINISTRATIVE CODE SECTIONS 5.05.050.01 (RECORDS RETENTION-DISTRICT RECORDS) AND 5.05.050.02 (RECORDS RETENTION-LEGAL RECORDS)**

Mr. Kennedy explained these revisions came out of the process of implementing the Infor Document Management system for the electronic filing district records. He noted part of this process involved meeting with all department managers to discuss the need to review all the record retention policies to ensure the retention schedules, document types, and such are accurate prior to uploading documents into the new system; therefore, additional updates to these policies may be presented to the Board for consideration over the next several months. He pointed out the revisions presented today are for district and legal records only.

Director Townsend-Smith inquired as to whether the only retention mode would be the Cloud. Mr. Kennedy stated paper records do exist; however, the Cloud will serve as primary backup should

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

the district offices be destroyed as well as for easy recovery at the staff level. It was noted RMWD as well as the Cloud have multiple backups.

***Motion:***

***To approve Option 1 - Adopt Ordinance No. 23-01 amending and updating Administrative Code Sections 5.05.050.01 and 5.05.050.02 as presented.***

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

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

***Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Townsend-Smith.***

**\*31. DISCUSSION AND POSSIBLE ACTION REGARDING CSDA BOARD OF DIRECTORS CALL FOR NOMINATIONS: SEAT C**

Mr. Kennedy said this item was for an opportunity for the Board Members to consider running for this state position. Discussion ensued.

There was no action taken.

**\*31A. DISCUSSION AND POSSIBLE ACTION TO ADOPT RESOLUTION NO. 23-06 CONCURRING IN NOMINATION TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA AGENCIES JOINT POWERS INSURANCE AUTHORITY (ACWA/JPIA)**

Mr. Kennedy explained RMWD received a request from Valley Center Municipal Water District to concur their support of Oliver Smith for this position. Discussions ensued.

***Motion:***

***To approve Option 1 – Adopt Resolution No. 23-06 concurring the nomination of Oliver Smith to the JPIA Executive Committee.***

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

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

***Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Townsend-Smith.***

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

Director Gasca expresses an interest in attending the ACWA Legislative Symposium.

***Motion:***

***To approve Director Gasca's attendance at the ACWA Legal Symposium.***

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

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

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

**Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Townsend-Smith.**

## **BOARD INFORMATION ITEMS**

### **\*33. 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. Board Information Report
    - A.** Budget vs. Actuals
    - B.** Fund Balance & Developer Projections
    - C.** Treasury Report
    - D.** Five Year Water Purchases Demand Chart
    - E.** Water Sales Summary
    - F.** Check Register
    - G.** Directors' Expenses Report
    - H.** Credit Card Breakdown
    - I.** RMWD Properties
    - J.** Grant Progress Report

Mr. Kennedy announced on December 30, 1953, the Secretary of State signed off on the formation of Rainbow Municipal Water District which means the District will be celebrating its 70<sup>th</sup> Anniversary at the end of this year. He said staff would like to plan for some recognition of the anniversary including the possible refreshing of the District's branding and rolling out a logo contest. Discussion ensued regarding possibly changing the District's name as part of this process.

Director Moss expressed concern with the costs associated with changing the District's name. President Hamilton asked for a cost analysis associated with changing the name to be brought to the Board for consideration.

The information and financial items were received and filed.

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

It was noted an update on the grant and CIP programs, right-of-way maintenance, strategic plan, wastewater cost of service, water cost of service, District name change cost analysis, and executive search for general manager should be on the next agenda.

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

**35. ADJOURNMENT**

*The meeting was adjourned by President Hamilton to a regular meeting on March 28, 2023 at 1:00 p.m.*

The meeting was adjourned at 3:04 p.m.

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**Hayden Hamilton, Board President**

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**Dawn M. Washburn, Board Secretary**