

**MINUTES OF THE REGULAR BOARD MEETING  
OF THE BOARD OF DIRECTORS OF THE  
RAINBOW MUNICIPAL WATER DISTRICT  
FEBRUARY 23, 2016**

1. **CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on February 23, 2016 was called to order by President Sanford at 1:00 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. President Sanford presiding.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL:**

**Present:** Director Walker  
Director Sanford  
Director Brazier

**Absent:** None

**Also Present:** General Manager Kennedy  
Executive Assistant/Board Secretary Washburn  
Legal Counsel Moser  
Finance Manager Martinez  
Acting Operations Manager Maccarrone  
Engineering Manager Kirkpatrick  
Human Resources Manager Bush  
Superintendent Zuniga  
Superintendent Walker  
Administrative Analyst Gray

Fifteen members of the public were present for Open Session.

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

There were no changes to the agenda.

5. **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.

**\*6. APPROVAL OF MINUTES**

**A.** January 26, 2016 - Regular Board Meeting

**Action:**

***Moved by Director Brazier to approve the minutes as written. Seconded by Director Walker.***

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

**AYES:** Directors Brazier, Sanford, and Walker

**NOES:** None

**ABSTAINED:** None

**ABSENT:** None

**7. 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 Sanford)

There were no comments.

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

**1.** SDCWA

**A.** Summary of Formal Board of Directors' Meeting January 28, 2016

Mr. Kennedy talked about the Summary provided in the packet and how it was discussed at the meeting about laying the ground work for potential legal action against the State Board in regards to their regulations. He also mentioned RMWD will be allowed an 8% reduction to its conservation mandate taking it from 36% to 28% based on the desalination plant.

President Sanford asked if there was any discussion regarding the Gregory Canyon Landfill matter. Mr. Kennedy said not that he has seen lately; however, RMWD has taken a position to oppose the project.

**2.** CSDA

There was no report given.

**3.** LAFCO

Mr. Kennedy noted there was a challenge by FPUD to the nominations submitted to LAFCO by RMWD; however, the information provided to Mr. Ott was satisfactory in negating the challenge.

**4. San Luis Rey Watershed Council**

Director Walker reported on the February 22, 2016 meeting where the primary discussion was about the Council's priorities for 2016. He mentioned he brought up an issue with regard to alternative compliance with storm water regulations which provides for opportunities to use other funds associated with development to potentially get some projects on the ground that would help with storm water as well as protect the watershed. He stated there was also El Nino discussions. He reminded the agricultural seat remains open and will stay open until an applicant attends at least two meetings before being appointed.

**5. Santa Margarita Watershed Council**

There was no report given.

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

There were no reports given.

**D. Directors Comments**

There were no comments.

**\*8. COMMITTEE REPORTS (Approved Minutes have been attached for reference only.)**

**A. Budget and Finance Committee**

**1. January 12, 2016 Minutes**

Mr. Stitle stated there was nothing to report.

**B. Communications Committee**

Mr. O'Leary reported there were two new members on the committee that are vibrant and enthusiastic about the committee activities. He mentioned how much the committee appreciated the addition of Mrs. Gray to RMWD's staff.

**C. Engineering Committee**

Mrs. Kirkpatrick reported there was discussion at the February meeting on a sewer lateral with a customer that should be resolved. She noted the committee was reviewing the Standards update as well as the first draft of the Master Plan. She stated the committee was also briefed on the asset management software. Discussion ensued regarding the progress on the Highway 76 project and the temporary relocation of the Park-N-Ride across from RMWD.

**\*9 CONSENT CALENDAR**

**A. ADOPT RESOLUTION NO. 16-05 FIXING THE TIME AND PLACE OF HEARING AND MEETING ON PROPOSED WATER AVAILABILITY CHARGES FOR IMPROVEMENT DISTRICT NO. 1**

**Action:**

***Moved by Director Brazier to approve Resolution No. 16-05. Seconded by Director Walker.***

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

**AYES:** Directors Brazier, Sanford, and Walker  
**NOES:** None  
**ABSTAINED:** None  
**ABSENT:** None

**BOARD ACTION ITEMS**

**\*10. DISCUSSION AND POSSIBLE SELECTION OF DIVISION FOUR DIRECTOR AND APPROVAL OF RESOLUTION NO. 16-06, A RESOLUTION APPOINTING \_\_\_\_\_ AS DIRECTOR OF DIVISION FOUR OF THE RAINBOW MUNICIPAL WATER DISTRICT**

President Sanford asked each of the candidates take three minutes to introduce themselves to the Board, brief the Board on their background, and explain why they are interested to serve on the RMWD Board of Directors. He announced the Board will hold a Special Board meeting on March 10, 2016 at which the Board will be able to discuss the vacancy appointments even further and hopefully make selections for both vacancies. He also encouraged any of the candidates to contact any one of the current Board Members to ask any questions they may have.

Mr. Kennedy apologized for the mixed messaging in regards to this matter. He explained when this was initially planned, there was only one vacancy to be considered at the March 22, 2016 Board meeting; however, with the Division 2 seat opening unexpectedly it was realized there would not be a full quorum at the March meeting the District was advised the appointments have to be made beforehand.

Patricia "Pam" Moss introduced herself as a local real estate broker. She stated her background in water and water rights comes from her title experience with which she has quite a bit experience negotiating on water rights for the title company. She said it has always been an interest of hers. She added she had a company that was basically in the lawn and garden supply industry in which they ran approximately \$15M-\$20M per year with thirty employees. She noted she actively managed both the finance and marketing part of the business. She added she was currently a member of the RMWD Budget and Finance Committee. She clarified she prefers the name Pam. She explained she believes she has pretty good overview with

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

working with the committee for the last six months as well as enjoyed working with everyone understanding some of the public issues, problems, and questions. She concluded by mentioning she felt it was important to give back to the community and serve the community in a way that is productive and accomplishing things. She said she feel the water board and water district is a very important aspect of the community that will become even more important as it moves forward.

Curtis Permito introduced himself as an attorney. He stated he spent 22 years in the Marine Corps. and has been an attorney for 16 years in environmental and land use. He said he was very familiar with discharge and ocean outfalls, desalination, landfills, etc. He noted his range of influence over the last eight years has been environmental, compliance, and land use issues involving Camp Pendleton, Okinawa, Japan, Hawaii, Twenty Nine Palms, Miramar, and other areas. He mentioned he was the lead attorney on a treatment plant for Camp Pendleton and counsel in various stages. He clarified it was not about being an attorney, but rather about issue spotting and being able to taking a holistic approach. He concluded by noting although he was still an active attorney, it was time for him to do something else that allows him to be available and serve his community in ways he has not before on a local scale instead of a global one.

Bill Stewart stated it has been a pleasure to live in this area for the past four years after driving through the area while commuting from north of Rainbow to San Diego for 5-6 years. He said after becoming enchanted with the beauty of the area due to the agriculture blending with the housing, they decided to buy here, settle down, and get ready to retire. He noted he has lived in Pala Mesa Villas since moving to the area at which time he joined the HOA's Board of Directors. He talked about his HOA replanting low water requirement plants. He mentioned how he helped pioneer low water requirement ornamental landscaping in 2001 when he managed an association in North San Diego where homes without lawns sell for approximately \$1.2M-\$7M. Mr. Stewart talked about how he used to manage 5-6 different communities in both northern and southern California which have interfaced at a very high level with both the local water and sewer agencies. He stated during this time he had to renegotiate recycled water contracts, build a recycle water system with a reservoir lake, pump stations, and drilling wells. He stated coming up on retirement on Friday, February 26<sup>th</sup>, and he saw the opportunity to bring some of his experience in operating communities interfacing with agencies to this position on the Board. He said he was very much excited about the possibility of serving this area. He concluded by noting he has been watching what is happened with the proposed development in the area and is aware of the enormous impact what is being proposed will have on the area; therefore, he believes Rainbow will need some experience along these lines as the impact of new development occurs.

John Hemphill stated his background was not directly related to water issues even though he has a great interest in such after obtaining his Master of Arts Degree in June 1971 when he realized very quickly that job experience counts more than education. He noted he worked 24 ½ years in U.S. postal service after which he resigned in 1999. He said since then he has worked as a dishwasher as well as held a second job working for Angwin Water Company. He stated he was interested in a position as a Board Member or, if not qualified there, as a water meter reader. He mentioned if he does not get either of those positions, he would be more

interested in working in a museum such as the Vista Antique Gas & Steam Engine Museum. He stated if he is elected as a Board Member, he would like to see a much closer working relationship with that entity as well as Camp Pendleton so that the military could help us if needed in the event of a severe disaster. He noted he has a keen interest in geology, so he would want to work toward a greater level of preparedness for any natural disaster. He encouraged the Board to select the candidates that would be best qualified for the long term, not just short term.

There was no action taken.

**\*11. DISCUSSION AND POSSIBLE SELECTION OF DIVISION TWO DIRECTOR AND APPROVAL OF RESOLUTION NO. 16-07, A RESOLUTION APPOINTING \_\_\_\_\_ AS DIRECTOR OF DIVISION TWO OF THE RAINBOW MUNICIPAL WATER DISTRICT**

Frank Grady introduced himself stating he is interested in giving back to the community. He mentioned he recently located to the area from Carlsbad from the ocean to having almost 1.5 acres of land. He said although he was not an expert in water, he was a representative of what he thinks would be many people in Bonsall and the surrounding community as simply a resident that would like to contribute. He said he thought from his point of view he would bring some openness to whatever RMWD goes through. He noted he spent his life in advertising working for several advertising agencies in New York as well as having his own advertising agency in San Diego County. He stated his experience in communicating would be brought to the Board as well as the public. He mentioned he decided to write murder mysteries and how his debut novel will be published in May. He concluded by noting he loves what he does and wants to give back to the community. He added he has worked on green energy accounts with Southern California Edison.

Tim O'Leary stated he has been a newspaper reporter for nearly 35 years during which he became very familiar with budgets, land use, CEQA, politics, and water. He noted water has been a keen interest of his. He mentioned he currently works for the company that owns The Village News where he works for their weekly newspaper that covers Riverside County's city of Temecula. He stated he was one of the original members of the RMWD Communications Committee members which he left for one year when asked to be the editor of the newspaper in Riverside County. He said he has since rejoined the Communications Committee some time ago. Mr. O'Leary mentioned he served on the governing board of senior center, currently serves on the Board of the Fallbrook Historical Society, and is quite active in his church. He explained since he moved to this area, RMWD has really undergone a huge transition in being more professional, especially with the LAFCO matter the District just went through. He said he thinks RMWD has won a vote of confidence from the people; therefore, he sees a bright future for the District including the growth. He stated with his involvement with the District for many years he may be a good candidate to serve as the Board sees fit.

Richard Bigley introduced himself to the Board as a residence of Fallbrook for 30 years. He mentioned he was a retired electrical contractor based in Fallbrook. He noted the company had grown to 65 employees which made it quite busy. He stated he retired in 2006 and was now the Chief Electrical and Technology Inspector for San Diego Unified School District. Mr. Bigley said if he was selected he would bring to the Board the experience of running a company that size and dealing with the people. He pointed out he has the time available since Fallbrook Hospital has closed where he was once a Director.

Maureen Rhyne introduced herself noting she has experience in the plumbing business in as much as several relatives worked in the plumbing industry. She mentioned she got interested in RMWD over 30 years ago when she caught a man in her back yard surveying equipment because RMWD was going to put a sewer in between her deck and her pond. She stated she got elected to the Fallbrook Planning Group. She pointed out she also ran for this Board position a couple of years ago at which time she was not elected; therefore, she thought this may be a good chance to try again. She said she believes she knows RMWD inside and out, especially with her membership on the RMWD Engineering Committee from which she stepped down to allow for room for someone more qualified in the engineering field to serve. She concluded by stating she would like the job of Director and feels she is qualified, has a great deal of common sense, and experience from starting businesses of her own where she had to work at regularly that had fluctuating hours.

Skip Fletcher introduced himself as a resident of Bonsall with a small avocado grove who uses RMWD water exclusively. He mentioned his background is in education for which he has received a Bachelor's, Master's Degree, and Phd in mechanical engineering. He noted he has been teaching at several different universities and is registered in four states and a couple of foreign countries. He stated his experience is in pipelines, reservoirs, etc. He said the issues of concern to him and why he would be interested in serving on the Board is that as looking down the road, the State has a reservoir and water distribution system that was designed for population of 20 million less than reside in California now. He explained we do not have the resources from the delta if we end up with another major storm causing some of the levies wash out resulting in a salt water infusion. He said he thinks strategic planning in the water area all affect the RMWD water rates whether the District deals with the Metropolitan Water District or any others. He stated the result is that the District has to do some thinking about what goes into the issue, including Jerry Brown wanting to put in two tunnels from the Sacramento area down to pumping stations that brings water to Southern California. He noted the snow pack is important, but right now it is not doing quite as well as hoped and El Nino (or El Nada) is not providing the water we were hoping it would provide. He reiterated some strategic planning as well as some looking at where water resources are including the types of projects such as desalination all make a difference to the way we work. He mentioned he also had worked for NASA for about 15 years in North California and how he has been a resident of California for more than 20 years with more five years in Bonsall. He concluded by stating he would like to contribute to give back to the community.

Ray Hackbarth introduced himself noting his reason for interest in the Board had to do with the Flynt, Michigan fiasco when we became quite aware of the vital importance of water to all of living organisms, but how a very relatively small mistake can poison a city. He mentioned during the three years he has lived in the district on a 3.5 acre parcel with orange trees, he has get abreast of the progress the District has made and how he thinks RMWD has done a wonderful job. He stated he believes it is to be applauded in many, many respects especially with the most recent LAFCO situation which resulted in a defeat that was a wonderful success. He commended the staff and Board in this regard. He said he thinks there is all types of forward thinking like the desalination plant and other minor things such as getting pipes on the right side of I-15/Highway 76 expansion project to avoid future unnecessary future expenses. He said this District is a winner and he would like to join, fill a vacancy, and represent his constituents in Division 2. He said he think he can hit the ground running. He pointed out he has a background as a public works and private works construction attorney as well as real estate attorney in both litigation and transactional; however, he asked the Board to look at him as more than an attorney in that he has been a successful real estate developer of large apartment complexes. He stated he sees this experience as the primary area in where he can best relate to the position on the Board, although certainly the legal background is critical as

well. He mentioned he had taken the time to review the last 36 months of documents that were provided to each of the customers and get current on what is going on as well as read the 414-Page Administrative Code which he has a working knowledge of it. He reiterated he feels he would be able to hit the ground running. He added as a liberal arts major, he also has a background in things like chemistry and physics which come into play a little bit here, but he thinks the primary thing is that of project management. He said he knows how to budget, schedule, estimate, and bring jobs in on schedule and on budget.

President Sanford reminded the candidates the Board will consider all the applications they have received and will meet again on March 10, 2016 at which the Board will select the best candidates to fill the Division 2 and Division 2 seats. He invited the candidates to attend that meeting. The Board thanked the candidates for attending the meeting today and introducing themselves to the Board.

There was no action taken.

**\*12. CONSIDERATION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 16-02, A RESOLUTION OF THE BOARD OF DIRECTORS OF RAINBOW MUNICIPAL WATER DISTRICT COMMENDING BOB LUCY FOR HIS OUTSTANDING SERVICE AS A DIRECTOR AND BOARD VICE PRESIDENT**

President Sanford mentioned Bob Lucy was the representative on the Board for Division 4 and had served on the Board for a number of years. He stated Mr. Lucy was very active and offered a great deal to the Board; however, his business with Del Rey Avocado has just exploded causing his time to become extremely tight not allowing him to be of service to the District which resulted in his resignation. He said the Board was sorry to lose Mr. Lucy.

**Action:**

***Moved by Director Brazier to approve Resolution No. 16-02. Seconded by Director Walker.***

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

**AYES:** Directors Brazier, Sanford, and Walker  
**NOES:** None  
**ABSTAINED:** None  
**ABSENT:** None

**\*13. APPROVAL OF RESOLUTION NO. 16-04 ESTABLISHING CHECK SIGNING AUTHORITY**

Mr. Kennedy explained this was a housekeeping item to update the list of check signers.

**Action:**

***Moved by Director Walker to accept Resolution No. 16-04. Seconded by Director Brazier.***

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

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

**AYES:** Directors Brazier, Sanford, and Walker  
**NOES:** None  
**ABSTAINED:** None  
**ABSENT:** None

**\*14. DISCUSSION AND POSSIBLE ACTION TO ADOPT ORDINANCE NO. 16-03 AMENDING AND UPDATING RMWD ADMINISTRATIVE CODE SECTIONS 8.04, 8.12, AND 8.14**

Mr. Kennedy explained although some sections were updated at the last Board meeting, these sections took a little more work due to Legal Counsel making RMWD aware of certain case law that requires different notifications for non-owner occupants.

Legal Counsel pointed out the changes also covers seniors and people who are under special care to give them the opportunity to designate a third party to get notices. Mr. Kennedy noted this allows RMWD to share information of people which otherwise is protected private information.

It was confirmed Legal Counsel has reviewed all the proposed changes.

**Action:**

***Moved by Director Walker to adopt Ordinance No. 16-03. Seconded by Director Brazier.***

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

**AYES:** Directors Brazier, Sanford, and Walker  
**NOES:** None  
**ABSTAINED:** None  
**ABSENT:** None

**\*15. DISCUSSION REGARDING STRATEGIC PLAN OBJECTIVES OVERVIEW**

President Sanford stated this was the first known Strategic Plan developed for RMWD and how it will give the Board and the District some very solid guidelines in which to operate and how business can be conducted going forward.

Mr. Kennedy noted part of the plan would be for staff to bring the Board some specific measurable tasks that will be undertaken. He stated it was projected to review specific Strategic Plan Goals and Objectives from now until June 2017 which are included in the handout provided. He noted there will be a progress report provided to the Board quarterly.

Mr. Kennedy elaborated on the Board's commitment to achieve the District of Distinction Accreditation.

Director Walker said the Strategic Plan has been talked about on numerous occasions including the goals and objectives. He stated he likes what was presented and his is very positive about the direction the District wants to go. It was noted this will be a continually changing document as items listed changed.

**Action:**

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

***Moved by Director Walker to support the Strategic Plan Goals and Objectives as submitted subject to certain changes. Seconded by Director Brazier.***

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

**AYES:** Directors Brazier, Sanford, and Walker  
**NOES:** None  
**ABSTAINED:** None  
**ABSENT:** None

**\*16. RECEIVE AND FILE INFORMATION AND FINANCIAL ITEMS FOR JANUARY 2016**

- A. General Manager Comments**
  - 1. Meetings, Conferences and Seminar Calendar
- B. Communications**
  - 1. Ratepayer Letters
- C. Construction & Maintenance Comments**
  - 1. Construction and Maintenance Report
  - 2. Valve Maintenance Report
  - 3. Garage/Shop Repair
- D. Water Operations Comments**
  - 1. Water Operations Report
  - 2. Electrical/Telemetry Report
- E. Wastewater Comments**
  - 1. Wastewater Report
- F. Operations Comments**
  - 1. Water Quality Report
  - 2. Cross Connection Control Program Report
- G. Engineering Comments**
  - 1. Engineering Report
- H. Customer Service Comments**
  - 1. Field Customer Service Report
  - 2. Meters Report
- I. Safety Comments**
  - 1. Safety Report
- J. Finance Manager Comments**
  - 1. Visa Breakdown
  - 2. Check Register
  - 3. Office Petty Cash
  - 4. RMWD Sewer Equivalent Dwelling Units (EDU's) Status

**Action:**

***Moved by Director Brazier to receive and file information and financial information for January 2016. Seconded by Director Walker.***

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

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

**AYES:** Directors Brazier, Sanford, and Walker  
**NOES:** None  
**ABSTAINED:** None  
**ABSENT:** None

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

It was requested the draft Master Plan be on the next agenda for Board discussion. It was also noted there would be Administrative Code Change in order to deal with waiving fixed costs for locked off meters as well as reimbursement for capacity fees.

**18. ADJOURNMENT - To Thursday, March 10, 2016 at 9:00 a.m.**

***The meeting was adjourned with a motion made by Director Brazier to a Special meeting on March 10, 2016 at 9:00 p.m.***

The meeting was adjourned at 2:23 p.m.

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**Dennis Sanford, Board President**

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**Dawn M. Washburn, Board Secretary**