

*The minutes presented herewith are not a verbatim transcription of the Regular Board meeting held September 9, 2014. The intent is to provide a synopsis of key points of discussion and to chronicle decisions and actions taken by a quorum of the Board of Directors (ref: Roberts Rules of Order, Section 48). For more information or background, please refer to the applicable board packet.*

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
RINCON DEL DIABLO MUNICIPAL WATER DISTRICT  
September 9, 2014

A Regular meeting of the Board of Directors of the Rincon Del Diablo Municipal Water District was held on Tuesday, September 9, 2014 at 6:00 p.m. at the offices of the District located at 1920 North Iris Lane, Escondido, California 92026.

DIRECTORS PRESENT: Quist, Drake, Towne, Murtland

DIRECTORS ABSENT: Draper

STAFF PRESENT/GUEST: Greg Thomas, General Manager; Thomas Butler, Board Secretary; Scott Heil, Legal Counsel, Redwine & Sherrill; Tish Berge, Director of Administration & Finance; Randy Whitmann, Senior Engineer; Mike Lowry, Fire Chief, Escondido Fire Department; and Herb Griffin, Escondido Fire Department.

President Quist called the meeting to order at 6:00 p.m. and welcomed guests. The Board of Directors recited the pledge of allegiance to the flag of the United States of America.

**ADDITIONS TO AGENDA**

There were none.

**ORAL COMMUNICATIONS TO THE BOARD**

There were none.

**SECTION 1 - CONSENT ITEMS**

The following items were pulled for discussion:

1-B General Fund Disbursements, August 2014.

**In a motion by Director Drake, seconded by Director Towne, and unanimously carried, the Board of Directors passed the following consent items:**

- 1-A Minutes of the Regular Board of Directors Meeting of August 11, 2014.
- 1-C Investment Portfolio Report, July 2014.
- 1-D Financial Statements, July 2014.
- 1-E Board of Directors Per Diem Fees and/or Expense Reports, August 2014.
- 1-F Receive and File the Annual Report of Directors Expenses and Reimbursements, Fiscal Year 2013-14.

**The General Fund Disbursements was pulled to clarify difference between payroll checks and wires, and what the Olivehain and Harmony Grove payments covered. In a motion by Director Drake, seconded by Director Towne and unanimously carried, the Board of Directors passed the following consent item:**

- 1-B General Funds Disbursements, August 2014.

## **SECTION 2 – FIRE SERVICES; EMERGENCY PREPAREDNESS & OPERATIONAL READINESS**

- 2-A Receive and File Approved Emergency Preparedness & Fire Services (EPFS) Committee Meeting Minutes of May 19, 2014.

The Board of Directors Received and Filed the approved Emergency Preparedness & Fire Services (EPFS) Committee Meeting Minutes of May 19, 2014.

- 2-B Receive and File the 2014 Emergency Response Plan.

The Board of Directors Received and Filed the 2014 Emergency Response Plan.

- 2-C Oral Report by Escondido Fire Department Regarding Current Events and Community Fire Readiness Related to, Improvement District E.

Fire Chief Mike Lowry provided an update on the following:

- Fire Truck night on Cruisin' Grand this Friday, September 12<sup>th</sup> @ 5:00p.m.
- Fire Department ordering new trucks; though delivery is delayed due to design issue.
- Update on attendance at the Wildland Working Group, to include status on new radios to be purchased and keeping old system as backup.
- Update on fleet of firefighting helicopters, to include 3<sup>rd</sup> helicopter to be purchased for County.

- Update on County Preparedness program called the “Ready-Set-Go” program.

After the update, Chief Mike Lowry responded to questions from the Board.

### **SECTION 3 – PUBLIC INFORMATION & INTERGOVERNMENTAL RELATIONS**

- 3-A Consider Resolution 14-05, “Supporting the Development of a California Native Landscape Professionals Certification Program with California Native, a Project of the Nonprofit California Native Plant Society.”

General Manager Greg Thomas provided a brief on the development of a California Native Landscape Professionals Certification Program with California Native, a Project of the Nonprofit California Native Plant Society. General Manager Greg Thomas explained the background of the non-profit group and that Rincon is providing name only support at this time.

**In a motion by Director Drake, seconded by Director Murtland, and unanimously carried, the Board of Directors Adopted Resolution 14-05 “Supporting the Development of a California Native Landscape Professionals Certification Program with California Native, a Project of the Nonprofit California Native Plant Society.”**

- 3-B Director Biographies.

General Manager Greg Thomas provided an overview of the updated Director Biographies. The Board of Directors reviewed their Biographies and held discussion in regards to the format, as well as requested that a few minor edits be made. General Manager Greg Thomas advised the board that the identified errors in the biographies will be corrected and biographies with pictures will be posted within the week.

- 3-C Consider Resolution 14-06 in “Support of Proposition 1 – The Water Quality, Supply and Infrastructure Improvement Act of 2014” (2014 Water Bond).

General Manager Greg Thomas provided a presentation on the Support of Proposition 1 – The Water Quality, Supply and Infrastructure Improvement Act of 2014 (2014 Water Bond), covering the key items, amounts allocated for each chapter of the Bond, the positive impacts the proposed Bond will have for San Diego County, and the do’s and don’ts agencies and Directors can do in regards to Information Advocacy guidelines.

**In a motion by Director Drake, seconded by Director Murtland, and unanimously carried, the Board of Directors Adopted Resolution 14-06 “Support of Proposition 1 – The Water Quality, Supply and Infrastructure Improvement Act of 2014” (2014 Water Bond) by the following roll call vote:**

Director Quist – Aye  
Director Drake – Aye  
Director Towne – Aye  
Director Murtland – Aye  
Director Draper - Absent

#### **SECTION 4 – FINANCE, INSURANCE & PERSONNEL**

4-A Receive and File Approved Finance, Insurance and Personnel (FIP) Committee Meeting Minutes of June 12, 2014.

The Board of Directors Received and Filed the Approved Finance, Insurance and Personnel (FIP) Committee Meeting Minutes of June 12, 2014.

4-B Consider Resolution 14-543.2, “Determining the Formula for Calculating the Employer's Contribution Under the Public Employees' Medical and Hospital Care Act” and Resolution 14-543.3, “Fixing the Employer's Contribution Under the Public Employees' Medical and Hospital Care Act for Calendar Year 2015.”

General Manager Greg Thomas provided a presentation of Resolution 14-543.2, “Determining the Formula for Calculating the Employer's Contribution Under the Public Employees' Medical and Hospital Care Act” and Resolution 14-543.3, “Fixing the Employer's Contribution Under the Public Employees' Medical and Hospital Care Act for Calendar Year 2015.” The presentation covered previous Board actions, medical cost trends, policy discussions, and the new proposed resolution language. General Manager Greg Thomas presented the rising trend in health care costs, as well as information from the 2013 Classification and Compensation Report. General Manager Thomas further stated that CalPERS expects similar increases in health care costs for the 2016 plan year, so establishing how the District determines its contribution to health care costs is extremely important, especially to meet the policy goals established by the District.

The Policy goals identified by the FIP and AD Hoc Committee included:

- 1) Containing future cost
- 2) Maintaining competitive benefits for employees and retention
- 3) Providing at least one medical plan with no out of pocket expenses for the employee or retiree.

Based on this guidance, the rising cost of medical plans, as well as in discussions with retirees, the District crafted new resolution language that it felt was fair and equitable and proposed in Resolution 14-543.2. General Manager Thomas further provided data on 2015 medical plan cost, illustrating how the formula for determining the District would subsidize the amount for annual medical plans.

Based on this formula and in concert with Board policy, the resolution language stated that the District contribution shall not exceed the greater of:

- 1) The average cost of the Basic monthly rate of applicable health plans offered in the CalPERS Southern California Region; or
- 2) The lowest cost of the basic monthly rate for applicable health plans offered in the CalPERS Contracting Agencies out of State Region.

After discussion of the resolution language, President Quist then asked that the FIP Committee discuss and research establishing a two-tier system for new employees, as the current system is unsustainable well into the future.

**In a motion by the Ad Hoc Committee, seconded by the Board of Directors, and unanimously carried, the Board of Directors Adopted Resolution 14-543.2 “Determining the Formula for Calculating the Employer's Contribution Under the Public Employees' Medical and Hospital Care Act.”**

**In a motion by the Ad Hoc Committee, seconded by the Board of Directors, and unanimously carried, the Board of Directors Adopted Resolution 14-543.3 “Fixing the Employer's Contribution Under the Public Employees' Medical and Hospital Care Act for Calendar Year 2015.”**

#### 4-C Update on Enterprise Resource Planning (ERP) System.

Director of Administration and Finance Tish Berge provided an overview of the Enterprise Resource Planning (ERP) System stating that a dozen firms were solicited, with six indicating interest, but that the District received only four proposals by the submission deadline. Ms. Berge stated it will take approximately 2 months to review the proposals due to the level of detail in the proposals and that demonstrations by the top vendors will be scheduled during that time. After the update, Director of Administration and Finance Tish Berge answered questions from the Board of Directors.

### **SECTION 5 – OPERATIONS; ENGINEERING & LONG-RANGE PLANNING**

#### 5-A Receive and File Approved Engineering and Long-Range Planning (ELRP) Committee Meeting Minutes of May 28, 2014.

The Board of Directors Received and Filed the Approved Engineering and Long-Range Planning (ELRP) Committee Meeting Minutes of May 28, 2014.

#### 5-B Authorize Filing of Notice of Completion for the Northwest Recycled Water Expansion Project.

Senior Engineer Randy Whitmann provided an overview of the Notice of Completion for the Northwest Recycled Water Expansion Project. To avoid any potential conflict of interest, Director Towne abstained, as this project is in her Division and had direct impact to her Homeowners Association. After the update Senior Engineer Randy Whitmann answered questions from the Board of Directors.

**In a motion by Director Drake, seconded by Director Murtland, abstained by Director Towne, by a vote of 3-0-1, the Board of Directors authorized the Filing of Notice of Completion for the Northwest Recycled Water Expansion Project.**

#### 5-C Boil Water Alert Recap.

General Manager Greg Thomas provided a presentation and recap of the Boil Water Alert of August 2014. The presentation reviewed the chronology of events, the suspected cause, as well as staff actions and lessons learned. First, General Manager Greg Thomas wanted to thank the staff for their tremendous effort and dedication to resolving this situation as quickly and professionally as they did. Next, General Manager Thomas reviewed the chronology of events in detail, showing how samples were taken one day, when the results were received the next day, the location where the samples were present for coliform, as well as information about coliform and what sample results meant. It was identified that sample point 5-1 was the culprit location and only one other sample came back with the presence of coliform. The remainder of the system was negative for any coliform this entire time.

General Manger Thomas then discussed the suspected cause, that being a fire hydrant that was sheared off upstream of sample point 5-1 several weeks earlier. Though lab speciation of coliform sample came back negative, it is suspected that some organic plant soil matter may have entered the system and became trapped in a low section of pipe directly near sample point 5-1. General Manager Thomas then reviewed the lessons learned from the boil water alert, which included staff doing great job in coordination and communication, aggressively addressing the situation but also stating the need for improved messaging and engagement with customers and media.

After the presentation, Directors Quist and Drake asked questions about best practices to be employed, District sampling plan, were there any bio film issues in the pipes, and if there is a more rapid coliform test (than waiting the 18 to 24 hours of current lap process), to which General Manager Thomas provided responses as appropriate.

## **SECTION 6 – SDCWA DIRECTOR’S REPORT & DIRECTORS/STAFF ACTIVITIES REPORT**

6-A This portion of the agenda may be used by the San Diego County Water Authority representative to make informal reports on activities.

Director Murtland provided a summary of activities at the San Diego County Water Authority meeting including:

- Provided an update on various SDCWA Committee meeting Agenda items.
- Provided information on El Nino and anticipated climate conditions for this upcoming winter.
- Stated Carlsbad Desal Plant project on track to be completed in late 2015.
- Provided an update on current statewide Reservoir Levels.
- Proposed Water Bond passed and signed on August 13<sup>th</sup> by the Governor for November 4<sup>th</sup> ballot.
- Provided status on the SDCWA Pipeline 3 Relining Project.
- Update on San Vicente Pumped Storage Study.

6-B This portion of the agenda may be used by the Board of Directors or management to make informal oral reports on their activities.

Director Quist:

- Recapped Attendance at Urban Water Institute.
- Speech conducted at the Stone Brewing Company.

Director Drake:

- Recapped Attendance at Urban Water Institute.
- Recap of ACWA Energy Committee Meeting.

Director Towne:

- Recapped Attendance at Urban Water Institute.
- San Diego's Pure Water Plant Tour.

Director Murtland:

- Recapped Attendance at Urban Water Institute.

6-C This portion of the agenda may be used by the Board of Directors to request items for future agendas.

There were no requests.

6-D Request Approval for a Board Member(s) to Attend Upcoming Meetings; Conferences; or Seminars for Those Not Authorized in the District's Administrative Code, Section 502 "Authorized District Memberships."

There were no requests.

6-E District Activities Report (DAR), August 2014.

General Manager Thomas discussed the calendar of events and upcoming District activities with the following changes in committee meetings:

- The Engineering and Long-Range Planning (ELRP) Committee rescheduled from Oct 6 to Oct 13<sup>th</sup>.
- The Finance, Insurance & Personnel (FIP) Committee rescheduled from Oct 16<sup>th</sup> to Oct 21<sup>st</sup>.

6-F San Diego County Water Authority (SDCWA) Officer Positions.

Director Murtland requested feedback from the Board of Directors on his voting requirements as Rincon's SDCWA representative and passed out information in regards to the nominations to the SDCWA Officer Positions.

6-G Call for Nominations to LAFCO.

General Manager Greg Thomas provided a brief on Nominations for an open position for independent Special District Commissioner to LAFCO and solicited if any Rincon Directors were interested. He stated that Director McKenzie from Vista Irrigation District would fleet up from alternate to primary and this could be alternate position.

## **SECTION 7 – GENERAL MANAGER'S REPORT**

7-A General Manager's Oral Report.

General Manager Greg Thomas reported on the following:

- Provided a copy of the final Strategic Plan and Trifold to the Board of Directors.
- Noted that Rincon Water has reduced consumption 18% for August 2014 as compared to August 2013. Thanked efforts of customers and staff.
- Update on efforts to earn District of Distinction and that the plan in coordination with other Districts is to bring on a CSDA Instructor for a one-day workshop after the November 4<sup>th</sup> elections.
- Provided information and applications on the Call for Nominations in regards to the Water Authority conducting a Water Academy on October 28<sup>th</sup>.
- Briefed on selection of Consultant for Rate Study.

The Board of Directors recessed to Closed Session at 8:47p.m. President Quist reconvened to Open Session at 9:13p.m. Scott Heil, Legal Counsel reported out of Closed Session with no reportable action.

8-B Closed Session

- a. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION (Paragraph (1) of subdivision (d) of Section 54956.9) Name of case: Dion v. Rincon del Diablo Municipal Water District, San Diego Superior Court Case No. 37-2013-00070999-CU-WT-NC



- b. CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION  
Significant exposure to litigation pursuant to paragraph (2) or (3) of  
subdivision (d) of Section 54956.9: One case.

**SECTION 8 – LEGAL MATTERS**

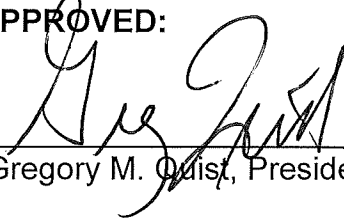
8-A District Counsel Oral Report.

Nothing to report.

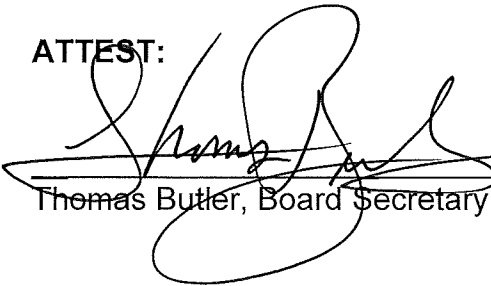
**ADJOURNMENT**

There being no further business before the Board of Directors, the meeting was adjourned by President Quist at 9:14p.m.

**APPROVED:**

  
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Gregory M. Quist, President

**ATTEST:**

  
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Thomas Butler, Board Secretary