

The minutes presented herewith are not a verbatim transcription of the Regular Board meeting held October 14, 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
October 14, 2014**

A Regular meeting of the Board of Directors of the Rincon Del Diablo Municipal Water District was held on Tuesday, October 14, 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, Draper

DIRECTORS ABSENT:

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

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

In a motion by Director Drake, seconded by Director Towne, by a vote of 5-0, the Board of Directors passed the following consent items:

- 1-A Minutes of the Regular Board of Directors Meeting of September 9, 2014.
- 1-B General Fund Disbursements, September 2014.
- 1-C Investment Portfolio Report, August 2014.
- 1-D Financial Statements, July and August 2014.
- 1-E Board of Directors Per Diem Fees and/or Expense Reports, September 2014.

SECTION 2 – FIRE SERVICES; EMERGENCY PREPAREDNESS & OPERATIONAL READINESS

- 2-A Resolution No. 14-59.1, "Designation of Agents to the State of California Office of Emergency Services.

General Manager Greg Thomas provided an overview of Resolution No. 14-59.1, "Designation of Agents to the State of California Office of Emergency Services. The Office of Emergency Services required an updated resolution appointing the General Manager, Director of Administration and Finance and Director of Engineering and Operations as authorized signers for Emergency Funding.

In a motion by Director Drake, seconded by Director Towne, by a vote of 5-0, the Board of Directors adopted Resolution No. 14-59.1, "Designation of Agents to the State of California Office of Emergency Services.

- 2-B 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:

- Update on SDG&E providing an extra helicopter in addition to the one they already have, bringing the total operating helicopters in the County to six. County Fire still bringing on third helicopter and will stage at Olivenhain Reservoir.
- Area still in high fire danger, through cooler weather helps.

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

SECTION 3 – PUBLIC INFORMATION & INTERGOVERNMENTAL RELATIONS

There was no report.

SECTION 4 – FINANCE, INSURANCE & PERSONNEL

There was no report.

SECTION 5 – OPERATIONS; ENGINEERING & LONG-RANGE PLANNING

5-A Grant a Certificate of Compliance for the Stone Parking Lot Expansion, Escondido Research and Technology Center, ID-1 Service area.

Senior Engineer Randy Whitmann provided an overview of the Certificate of Compliance for the Stone Parking Lot Expansion, Escondido Research and Technology Center, ID-1 Service area. After the update, Senior Engineer Randy Whitmann responded to questions from the Board of Directors.

In a motion by Director Drake, seconded by Director Murtland, by a vote of 5-0, the Board of Directors authorized the Grant of Certificate of Compliance for the Stone Parking Lot Expansion, Escondido Research and Technology Center, ID-1 Service area.

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 (SDCWA) Authority meeting including:

- Provided an update on various SDCWA Committee meeting Agenda items.
- Based on Director Murtland comments related to Rates, General Manager Greg Thomas provided a brief on the direction all the GM’s were tasked with from September SDCWA Director’s Meeting in regards to Fiscal Sustainability & Rates for 2016.
- Provided an update on current statewide Reservoir Levels.
- Following comments related to the Colorado River, Gerald Shoaf, Legal Counsel, Redwine & Sherrill provided an overview of the River Rights Allocation and Percentages.
- Provided update on State Water Project Allocations.
- Provided update on State Water Resource Control Board (SWRCB).
- Provided update on Desal Plant construction and engineering tour.

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 Murtland:

- Provided recap of his recent Bay Delta Tour hosted by Metropolitan Water District & SDCWA.
- Update on meeting with Congressman Hunter and potential for receiving Water Resources and Reform Development Act (WRRDA) funding.

Director Draper:

- Recapped attendance at the Water Smart Innovations Conference in Las Vegas.

Director Towne:

- Recapped Attendance at CSDA Annual Conference held in Palm Springs.

Director Drake:

- Recapped Presentation provided at the East Escondido Rotary Club.

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

Adopt a resolution at the November Board of Directors Meeting supporting Director Drake to be nominated to the ACWA/JPIA Executive Board. He currently serves on the Workers Compensation Committee.

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 meetings:

- The Finance, Insurance & Personnel Committee Meeting has been rescheduled from October 16th to October 21st.
- The Regular Board of Directors Meeting has been rescheduled from November 11th to November 12th due to Veteran's Day officially being the 11th and a federal holiday.
- The Engineering and Long-Range Planning (ELRP) Committee rescheduled from November 27th to November 19th.
- The Finance, Insurance & Personnel Committee Meeting has been rescheduled from December 11th to December 22nd.

SECTION 7 – GENERAL MANAGER'S REPORT

7-A General Manager's Oral Report.

General Manager Greg Thomas reported on the following:

- Provided the monthly drought update and passed out information concerning water use comparisons by Rincon Water consumer classification.

- Update on SDCWA Thank You promotion related to the Drought.
- Passed out information and provided update on state & regional water storage levels and impacts due to drought actions.
- Discussed ACWA 2014 Fall Conference on December 2nd – 5th and solicited the Board of Directors who will be attending the conference.
- Provided information in regards to the November 15th District Picnic.
- Provided information in regards to Director's Quist, Drake and Draper Sexual Harassment training due by the end of 2014.
- Provided update on IRWM Round three approval, that being Rincon Water's WaterSmart project was approved and determining when funds will be dispersed by DWR.
- Provided information in regards to the District being a Voting site on November 3rd and 4th.
- Provided handout on Chatham Brothers Superfund Site and impacts to water table/aquifer in lower ID 1 area.

SECTION 8 – LEGAL MATTERS

8-A District Counsel Oral Report.

Gerald Shoaf, Legal Counsel briefed the Board of Directors on who will be assuming the duties as the new District Legal Counsel due to Scott Heil's resignation from Redwine and Sherrill. Mr. Heil informed the Board he is moving in to a different area of law and really appreciated the years working with Rincon Water. Gerald Shoaf will be the primary District Legal Counsel with Gerald Eagans providing backup.

The Board of Directors recessed to Closed Session at 7:20p.m. President Quist reconvened to Open Session at 7:55p.m. Gerald Shoaf, Legal Counsel reported out of Closed Session after discussions were held in regards to the disposition of a claim from The Original Sand Crab Tavern, Inc. made against the District. President Quist called for a motion to the claim as follows:

In a motion by Gerald Shoaf of Redwine and Sherrill, seconded by the Board of Directors, the claim of The Original Sand Crab Tavern Inc. dated September 5th, 2014, and received by the District on September 9th, 2014, by a vote of 5-0, be denied in its entirety and directed the Board Secretary to provide the statutory required Notice of Denial to the claimant at the address given on the claim.

8-B Closed Session

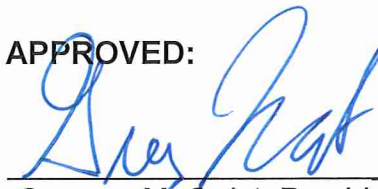
- a. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION (Paragraph (1) of subdivision (d) of Section 54956.9) Name of case: Dion v. Rincon del Diablo Municipal Water District, San Diego Superior Court Case No. 37-2013-00070999-CU-WT-NC

- 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.
- c. Discussion on District Counsel services.

ADJOURNMENT

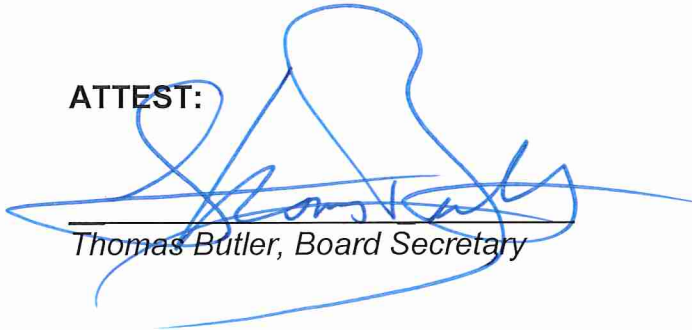
There being no further business before the Board of Directors, the meeting was adjourned by President Quist at 7:58p.m.

APPROVED:



Gregory M. Quist, President

ATTEST:



Thomas Butler, Board Secretary