The minutes presented herewith are not a verbatim transcription of the Regular Board meeting held electronically May 25, 2021. 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

May 25, 2021

A Regular Meeting of the Board of Directors of the Rincon Del Diablo Municipal Water District was held electronically on Tuesday, May 25, 2021, at 5:10 p.m.

Directors Present: Drake, Murtland, Naves, Quist, and Welch.

Directors Absent: None.

District Staff Present: Clint Baze, General Manager; Julia Escamilla, Public Information Officer; Jeffrey Umbrasas, Director of Administration and Finance; Karen Falk, Engineering Manager; Steve Plyler; Operations Manager; and Wanda Cassidy, Clerk of the Board.

Legal Counsel: Alfred E. Smith, Legal Counsel, Nossaman, LLC.

Guests: Brenda Estrada, Principal Engineer, West Yost.

Fire Chief Rick Vogt provided the Oral Report by Escondido Fire Department Regarding Current Events and Community Fire Readiness Relating to Improvement District E (ID E). Following the report, General Manager Baze introduced Michelle Tabancura, the new Customer Service Representative. President Drake then called the meeting to order at 5:10, followed by Director Murtland, who led the Board of Directors and attendees in the Pledge of Allegiance to the Flag of the United States of America.

ADDITIONS/CHANGES TO AGENDA

Item 2-C: Oral Report by Escondido Fire Department Regarding Current Events and Community Fire Readiness Relating to Improvement District E (ID E) was moved to the beginning of the meeting.

ORAL COMMUNICATIONS TO THE BOARD

There were no communications to the Board.
SECTION 1 - CONSENT ITEMS

In a motion by Director Welch and seconded by Director Quist, the Board of Directors unanimously approved the following consent items:

1-A. Minutes of the Board of Directors Budget Workshop of May 11, 2021.
1-B. Minutes of the Regular Board of Directors Meeting of April 27, 2021.
1-C. Minutes of the Special Board of Directors Meeting of April 21, 2021.
1-D. Minutes of the Regular Board of Directors Meeting of April 13, 2021.
1-E. Minutes of the Special Board of Directors Meeting of April 7, 2021.
1-F. General Fund Disbursements, April 2021.
1-I. Board of Directors’ Per Diem Fees and/or Expense Reports, April 2021.

by the following roll call vote:

Drake  Aye
Murtland Aye
Naves  Aye
Quist  Aye
Welch  Aye

Following the vote, staff answered Directors questions.

SECTION 2 – EMERGENCY PREPAREDNESS & FIRE SERVICES


Received and filed Emergency Preparedness & Fire Services Committee meeting minutes of May 5, 2021.

2-B. Adopt Resolution No. 21-858.29, “A Resolution of the Board of Directors of the Rincon del Diablo Municipal District Reaffirming an Already Established Special Tax for Fiscal Year 2021-22 on Properties within the Boundaries of Improvement District E (ID-E).”

After a brief discussion, President Drake asked for a motion:

In a motion by Director Welch and seconded by Director Quist, the motion to adopt Resolution No. 21-858.29, “A Resolution of the Board of Directors of the Rincon del
Diablo Municipal District Reaffirming an Already Established Special Tax for Fiscal Year 2021-22 on Properties with the Boundaries of Improvement District E (ID-E) was unanimously approved by the following roll call vote:

Drake       Aye
Murtland    Aye
Naves       Aye
Quist –     Aye
Welch -     Aye


Chief Vogt reported on the following:

- Structural Fire – There was a significant structural fire on May 10th on Lost Oak Lane. There were no injuries.
- Vegetation Fire – There was a vegetation fire near Deer Springs and Interstate 15 on May 22nd.
- Fire Season - Fire season has begun. An engine team was sent to Riverside to assist with a 200-acre vegetation fire. Previously an engine was sent to Santa Barbara. Year-to-date in California there have been 2,400 fires with 14,700 acres burned compared to 1500 with 2,600 acres burned last year.
- AB 38 – Effective July 1, 2021, home sellers will be required to provide documentation to buyers stating that the property is in compliance defensible space laws and/or any local vegetation management ordinances.

After the report, Chief Vogt reminded Directors to maintain defensible space and be prepared. He then answered the Directors’ questions.

2-D. San Diego County Water Authority Mutual Aid Agreement.

General Manager Baze reported this item was previously taken to the Emergency Preparedness and Fire Services Committee for discussion.

After a brief overview of the Mutual Aid Agreement, Staff answered questions from Directors. Director Drake then asked for a motion:

In a motion made by Director Welch and seconded by Director Drake, a motion to authorize the General Manager to execute the Mutual Aid Agreement with the San Diego
County Water Authority was unanimously approved by the following roll call vote:

Drake Aye
Murtland Aye
Naves Aye
Quist Aye
Welch Aye

SECTION 3 – PUBLIC INFORMATION & INTERGOVERNMENTAL RELATIONS

3-A. Legislative Update.

Legal Counsel Alfred Smith provided a written report and updated the Directors on the Governor’s Drought Proclamation, the Senate Drought and COVID-19 Water Debt Relief Package, and current legislative session. Highlights of the update included:

- Drought Proclamation – On April 21, Governor Newsom issued a regional drought emergency proclamation which directed state agencies in 41 of the State’s 53 counties, not including San Diego County, to take specific actions to prepare for worsening drought conditions.
- Senate’s Drought and COVID-19 Water Debt Relief Package (Senate Budget Plan on Drought, Safe Drinking Water, Water Supply Reliability and Ratepayer Assistance) – The Senate Budget Committee on Resources, Environmental Protection and Energy released a $3.41 billion budget plan for drought, safe drinking water, water supply reliability and ratepayer assistance on April 28 that was considered at a meeting of the Subcommittee on April 29. They are hopeful this package will be passed by June 15th.
- AB 377 (R. Rivas – Hollister) – The initial goal of: “All California surface waters shall be fishable, swimmable, and drinkable by January 1, 2050” has been amended to “All California surface waters shall be fishable, swimmable, and drinkable by January 1, 2050.” Due to the number of terms that will need to be addressed by the Legislature, this bill was converted to a two-year bill and will be brought back next year.
- AB 1434 (Friedman D – Glendale) – This bill would establish, beginning January 1, 2023, until January 1, 2025, the standard for indoor residential water use as 48 gallons per capita daily. The bill would establish, beginning January 1, 2025, the standard as 44 gallons per capita daily and, beginning January 1, 2030, 40 gallons per capita daily. ACWA is encouraging agencies to oppose this bill.
• SB 323 (Caballero) – This bill is related to the statute of limitations of Prop 218 challenges. This bill would authorize a local agency or interested person to bring a validation action in a superior court to determine the validity of a fee or charge for water and sewer service. SB 323 passed out of the Senate Government and Finance Committee on March 25, following a hearing in which ACWA staff and members testified in support. The bill passed out of the Senate Government and Finance Committee and is currently on the Senate Floor.

• SB 223 (Dodd) – This bill would prohibit water agencies from discontinuing water service due to nonpayment. Numerous Proposition 218 concerns have been expressed in conjunction with SB 223. ACWA and the California Municipal Utilities Association worked with the bill’s author to develop suggested amendments addressing the Proposition 218 issues. Opposition has now been withdrawn, and this item is now moving forward.

• SB 222 (Dodd) – Water Affordability Assistance Program. This bill would establish the Water Affordability Assistance Funds (Fund) in the State Treasury. The Fund would provide water affordability assistance for drinking water and wastewater services to low-income ratepayers and ratepayers who are experiencing economic hardship. This bill passed out of the Senate Appropriations with a major amendment related to appropriations and funding.

• AB 1500 (Garcia) – Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022 – If approved by the voters, this bill would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022. If approved by the voters, this legislation would authorize the issuance of bonds in the amount of $6.7B pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, and workforce development programs.

• SB 45 (Portantino) - Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022 – If approved by the voters, this bill would enact the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022. If approved by the voters, this legislation would authorize the issuance of bonds in the amount of $5.51B pursuant to the State General Obligation Bond Law to finance projects for wildfire prevention, safe drinking water, drought preparation, and flood projections programs.

After the report, Staff and Mr. Smith answered questions from Directors.
SECTION 4 – FINANCE, INSURANCE & PERSONNEL


Received and filed Finance, Insurance, and Personnel Committee meeting minutes of April 19, 2021.

4-B. Identity Theft Oral Report.

General Manager Baze reported the Administrative Code Section 1925, Identity Theft Prevention Policy, requires that the District’s General Manager provide periodic reports to the Board of Directors on the effectiveness of the policy.

Mr. Baze and Director of Administration and Finance Jeff Umbrasas informed the Directors that since the last report in 2020, the District has had no instances of a red flag.

The policy also requires staff review the policy. Staff has reviewed the policy and determined that no revisions are necessary at this time.

Mr. Baze and Staff then answered Directors’ questions.

4-C. Credit Card Fees.

Director of Administration and Finance Jeff Umbrasas brought forward Credit Card Fees. Staff requested that the Board of Directors weigh the costs and benefits of credit fees and discuss whether the temporary credit card fee waiver put in place during the COVID-19 pandemic, should continue once the COVID-19 restrictions are lifted.

After discussion and after Staff answered questions from Directors, President Drake asked for a motion:

In a motion made by Director Welch and seconded by Director Quist, a motion to continue to waive credit card fees contingent upon the results of the Rate Study and exploring financial institutions and negotiating with Tyler for lower credit card processing fees was unanimously passed by the following roll call vote:

<table>
<thead>
<tr>
<th></th>
<th>Aye</th>
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<tbody>
<tr>
<td>Drake</td>
<td>Aye</td>
</tr>
<tr>
<td>Murtland</td>
<td>Aye</td>
</tr>
<tr>
<td>Naves</td>
<td>Aye</td>
</tr>
<tr>
<td>Quist</td>
<td>Aye</td>
</tr>
<tr>
<td>Welch</td>
<td>Aye</td>
</tr>
</tbody>
</table>
4-D. Introduction of FY 2021-22 and FY 2022-23 Operating and Capital Budget.

Director of Administration and Finance Jeff Umbrasas brought forward the FY 2021-22 and FY 2022-23 Operating and Capital Budget. A draft of the budget was initially presented at the May 11, 2021, Budget Workshop.

Mr. Umbrasas provided a PowerPoint presentation on the budget. The budget is a two-year, zero-based budget and is based on historical actuals, current knowns, and future estimates and assumptions. The presentation included an overview of both revenues and expenses for the Potable Water Fund, the Recycled Water Fund, the Sewer Fund, the Fire Fund, and Debt Service. Also included were updates on the 2-year short-term and the 7-year long-term CIP plan were also included in the budget process.

After the presentation, Mr. Umbrasas and General Manager Baze answered Directors’ questions.

The formal Budget will be taken to the June 22, 2021, Regular Board of Directors’ Meeting for formal approval.

SECTION 5 – OPERATIONS; ENGINEERING & LONG-RANGE PLANNING

5-A. Receive and Operations; Engineering and Long-Range Planning Committee Meeting Minutes of April 29, 2021.

Received and filed Operations; Engineering and Long-Range Planning Committee meeting minutes of April 29, 2021.


President Drake opened the Public Hearing for the Draft 2020 Urban Water Management Plan, the Water Shortage Contingency Plan, and the Addendum to the 2015 Urban Water Management Plan at 6:40 p.m. The hearing to consider public comments on the draft 2020 Urban Water Management Plan, the Water Shortage Contingency Plan, and the addendum to the 2015 UWMP to address Delta Reliance is a requirement of the approval process.

General Manager Baze introduced Engineering Manager Karen Falk and Brenda Estrada, Principal Engineer, West Yost, who provided a PowerPoint presentation on the following documents:
• Urban Water Management Plan (Plan) – The Urban Water Management Planning Act, which is overseen by the California Department of Water Resources, mandates that any urban water supplier serving more than 3,000 customers or 3,000 AFY of supply is required to update the long-range water planning document every five years. The Plan evaluates water supply and demand through 2045 and ensures adequate availability and reliability of water supplies to meet current and project future demand. The document is updated every 5 years and is required for the District to be eligible for State grants and loans.

• Water Shortage Contingency Plan (WSCP) – The Department of Water Resources requires urban water supplies prepare a plan to discuss potential actions the District could take to address supply shortages due to a catastrophe, drought, or other supply disruption. The WSCP also outlines the District’s response to the new regulation requiring the District prepare and submit an Annual Water Supply and Demand Assessment starting in 2021.

• 2015 UWMP Update – This addendum is to meet the requirements of the Delta Plan Policy WR-P1 “Reduce Reliance on the Delta through Improved Regional Water Self-Reliance.” This additional appendix mirrors what was prepared by SDCWA and Metropolitan Water District in their UWMPs. The 2020 UWMP will also meet these requirements.

Staff and Ms. Estrada then answered questions from Directors. There were no public speakers or comments regarding the documents during the hearing. Director Drake closed the Public Hearing at 7:02 p.m.

These documents will be taken to the June 22, 2021, Regular Board of Directors’ Meeting for adoption.

SECTION 6 – SEWER

Nothing to report.

SECTION 7 – SDCWA DIRECTOR’S REPORT & DIRECTORS/STAFF ACTIVITIES REPORT

7-A. This portion of the agenda may be used by the SDCWA representative to make informal reports on activities.

Director Murtland reported on the following:
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- Personnel Changes – Directors Heinrichs, Cherashore, and Udrys of the City of San Diego are no longer on the SDCWA Board of Directors. Also, Mark Hattam, General Counsel for SDCWA, announced his retirement.
- LAFCO – SDCWA has been focusing on the Fallbrook Public Utility District and Rainbow Municipal Water District reorganization.
- Governance Workshop – SDCWA will be hosting a Governance Workshop.
- Budget Workshops – SDCWA will have two Budget Workshops in June.
- North County Work Group – The North County Work Group will be meeting on Wednesday, May 26th.

After the report, Director Murtland and staff answered questions from directors.

7-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 Naves had nothing to report.
- Director Welch reported on the Public Information and Inter-Governmental Relations (PIIGR) Committee meeting which took place on May 24, 2021, and the Poster Contest winners.
- Director Drake reported on the ACWA Conference, the CSDA Quarterly Dinner and LAFCO Forum, JPIA meeting, the upcoming CSDA Conference, and Tri-State.
- Director Quist reported on the ACWA Conference and the upcoming Urban Water Institute Conference.
- Director Murtland reported on COWU.

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

There were no requests.

7-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.”

Director Quist inquired about upcoming training and facility tours.

7-E. District Activities Report (DAR), April 2021.

Directors discussed committee assignments and upcoming calendar events.

7-F. Association of California Water Agencies (ACWA) Region 10 Call for Nominations.

General Manager Baze announced ACWA Region 10 is seeking ACWA members located within that region who are interested in leading the direction of ACWA for
the 2022-2023 term. The member of the Region 10 Board of Directors would also support the fulfillment of ACWA’s goals on behalf of members and serve as a key role in ACWA’s outreach efforts.

After discussion, no nomination was made.

7-G. Special District Ballot for an Alternate Member to San Diego Local Agency Formation Commission.

In a motion made by Director Quist and seconded by Director Welch, the Board of Directors unanimously approved to vote for Director David Drake for the Alternate Commission member of the San Diego LAFCO by the following roll call vote:

<table>
<thead>
<tr>
<th>Drake</th>
<th>Aye</th>
</tr>
</thead>
<tbody>
<tr>
<td>Murtland</td>
<td>Aye</td>
</tr>
<tr>
<td>Naves</td>
<td>Aye</td>
</tr>
<tr>
<td>Quist</td>
<td>Aye</td>
</tr>
<tr>
<td>Welch</td>
<td>Aye</td>
</tr>
</tbody>
</table>

SECTION 8 – GENERAL MANAGER’S REPORT

8-A. District Status as a Result of the COVID-19 Pandemic.

General Manager Baze provided the following information related to COVID-19.

- 1.46 million or 52.3 percent of the population are fully vaccinated as of May 23rd.
- The COVID-19 positive testing rate is 1.6 percent out of every 100,000 people as of May 23rd.
- There have not been any new community outbreaks.
- 6,000 tests taken on May 23rd had a .4 percent positivity rate.
- No new deaths have been reported as of May 23rd. Total deaths for San Diego County are 3,749.
- San Diego County will begin a vaccination pilot program for workers commuting from Mexico.
- Several agencies are developing telecommuting policies as a result of COVID-19.

General Manager Baze then updated Directors on the CCVID-19 status of other North County water agencies and SDCWA.
8-B. General Manager’s Oral Report.

General Manager Baze reported the following:

- Staff evaluations are due by the end of June and are currently underway.
- Finance is in the process of closing out FY 2020-21.
- Peter Kuchinsky, Senior Risk Management Consultant for JPIA, conducted a risk assessment for the Harmony Grove Village Sewer Treatment Plant. Staff has reviewed the recommendations (placards, ballasts, reflector tape, and training) and are working on an implementation plan.
- Grants
  - Prop 84 Phase 3 WaterSmart Grant – This grant is currently in progress. The District is replacing meters to enable cellular reads. 1,065 cellular endpoints have been installed and 250 meters were replaced, collectively retrofitting the entire ID A service area. The District is moving forward with a plan for meter replacements (as needed) and cellular endpoint retrofits for ID 1 in the upcoming fiscal years.
  - Water Infrastructure Improvements for the Nation – The District submitted a grant application for two recycled pump stations.
  - COVID-19 Grants – The District has no sewer projects, however, there may be an opportunity for power upgrades at the Sewer Treatment Plant.
  - Recycled Water Grants – There is no recycled water available to the District so the District is currently unable to apply for recycled water grants.

After the report, General Manager Baze answered directors’ questions.

SECTION 9 – LEGAL MATTERS


Legal Counsel Alfred Smith provided a written report on two recent developments, the first relates to AB 339 as it relates to the Brown Act, and the second, a CEQA decision that provides protection to local agencies under the exhaustion of administrative remedies doctrine.

Brown Act Update

On March 17, 2020, Governor Newsome issued Executive Order Number N0-29-20, which suspended portions of the Brown Act limiting the use of teleconferencing for public meeting. The Governor’s Executive Order will sunset when the
pandemic ends. Looking forward to what provisions will govern virtual meetings post-pandemic, Assembly members Cristina Garcia and Alex Lee jointly introduced AB 339. As originally introduced, AB 339 would require local agencies to continue providing the public with virtual access to board meetings, even if all of the board members attend in-person. AB 339 originally mandated virtual access both by phone and by internet. AB 339 further required that agencies provide closed captioning for virtual participants. Finally, AB 339 also proposed additional provisions to the Brown Act requiring public agencies to provide live translation services during all meetings, including real-time translators during all meetings and a translation of all agendas and meeting instructions into all languages spoken by five percent or more of a jurisdictions' population.

At a recent legislative hearing, the California Assembly Local Government Committee substantially amended AB 339. The bill now applies only to cities and counties with populations of 250,000 or more. In addition, the scope of AB 339 was narrowed to simply require an option for the public to participate in meetings by either phone or internet.

CEQA Update

In 2015, a community group appealed the Napa County Planning Commission’s decision to approve a project to expand an aggregate operation in Napa County. The group challenged the expansion on a variety of issues, such as whether dust from the quarry blasting contains health-damaging particles. The group further argued that blasting in the expanded quarry would disturb users of the adjacent wilderness park. After hearing the appeal, the Board of Directors rejected the group’s contentions, certified the EIR, and approved the Project with modifications.

The group petitioned for a writ of mandate alleging the EIR was deficient in multiple distinct ways. The trial court denied the petition as to each alleged deficiency, including an express finding that the group failed to exhaust administrative remedies. The group filed an appeal. The court stated that the policy behind the administrative exhaustion requirement is to ensure the local public agency with presumed expertise has the “opportunity to receive and respond to articulated factual issues and legal theories before its actions are subjected to judicial review,” and has an “opportunity to act and to render litigation unnecessary.” Exhaustion is a jurisdictional prerequisite, not a matter of judicial discretion, and presents a question of law reviewed de novo by appellate courts.

Although several recent California appellate decisions have found against local agencies on the exhaustion of administrative remedies doctrine, this case provides a solid precedent for agencies facing CEQA lawsuits by plaintiffs who did not specifically assert each of their objections for consideration prior to Board approval. The decision also affirms that to properly demonstrate administrative
exhaustion, the plaintiff must show compliance with the procedures set forth in CEQA and also the procedures applicable to the local agency in question.

9-B. Closed Session

The meeting was in Closed Session from 7:50 p.m. to 8:10 p.m.

a. CONFERENCE WITH LEGAL COUNSEL – LITIGATION, Litigation pursuant to Government Code Section 54956.9(d)(4): San Diego County Office of Education, et al. v. The County of San Diego, et al. (This is a long-term item related to dissolution of redevelopment agencies and successor agencies and will remain on the agenda as long as Rincon Water is involved. No action is required on our part at this time.)

b. PUBLIC EMPLOYEE EVALUATION OF PERFORMANCE - Pursuant to Government Code Section 54957(b)(1). Title: General Manager.

c. CONFERENCE WITH LEGAL COUNSEL - Pursuant to Government Code Section 54956.9 (d)(4) to discuss potential litigation (one case).

There was nothing to report.

Open Session

President Drake reported in Closed Session, the Board of Directors assigned an Ad Hoc Committee consisting of Directors Drake and Quist to prepare General Manager Baze’s evaluation.

ADJOURNMENT

There being no further business before the Board of Directors, the meeting was adjourned by President Drake at 8:15 p.m.
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APPROVED:_____________________________________
          David A. Drake, President

ATTEST:________________________________________
         Wanda Cassidy, Clerk of the Board