The minutes presented herewith are not a verbatim transcription of the Regular Board meeting held in person and electronically July 27, 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
July 27, 2021

A Regular Meeting of the Board of Directors of the Rincon del Diablo Municipal Water District was held electronically on Tuesday, July 27, 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; Steve Plyer, Operations Manager; Gio Goggia, Engineering Technician; and Wanda Cassidy, Clerk of the Board.

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

Guests: Rick Vogt, Fire Chief, Escondido Fire Department; Dan Denham, Deputy General Manager, SDCWA; Catherine Green, Director, Orange County Water District; and Pamela Tobin, Director, San Juan Water District.

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). President Drake then called the meeting to order at 5:10 p.m., which was 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, Items 7-F. Approve Resolution No. 21-07: “Resolution of Rincon del Diablo Municipal Water District Board of Directors to Support San Juan Water District Director Pam Tobin as a Candidate for the Office of ACWA President.” and 7G. Approve Resolution No. 21-08: “Resolution of Rincon del Diablo Municipal Water District Board of Directors to Support Orange County Water District (OCWD) First Vice President Cathy Green as a Candidate for the Office of ACWA Vice President.” were also moved to follow Item 2-C.
PRESENTATION

Regional Collaboration for a Resilient Future. Dan Denham, Deputy General Manager, San Diego County Water Authority.

General Manager Baze introduced Dan Denham, Deputy General Manager for the San Diego County Water Authority (SDCWA). Mr. Denham presented “Regional Collaboration for a Resilient Future.” The purpose of the presentation was to provide an update from the SDCWA prospective and provide information regarding how the SDCWA is collaborating with member water agencies for a resilient future. The presentation included the SDCWA water source portfolio, innovative investments SDCWA has made in order to maintain their supply of water, legislation advocacy, resources and tools available to member agencies, recruitment, and the drought.

After the presentation, Mr. Denham answered the Directors' questions.

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 Murtland, the Board of Directors approved the following consent items:

1-B. General Fund Disbursements, June 2021.
1-C. Investment Report, June 2021.
1-D. Financial Statements, June 2021.
1-E. Board of Directors' Per Diem Fees and/or Expense Reports, June 2021.

by the following roll call vote:

Drake Aye
Murtland Aye
Naves Aye
Quist Aye
Welch Aye

After the vote, Director Naves requested additional information be provided in Item 1-B, General Funds Disbursements, in the future.
SECTION 2 – EMERGENCY PREPAREDNESS & FIRE SERVICES


Chief Vogt reported on the following:

- Fires – Wildfires are burning throughout California. Several local agencies have sent resources to those fires. San Diego County’s draw-down staffing program allows the County to send a total of six strike teams, each consisting of five engines and a leader, to fight fires throughout the State at any one given time. Currently, an increase in the number of retirements and vacancies has limited the number of strike teams to five. A California Office of Emergency Services crew from Station 6 is assisting in fighting the 200,000-acre Dixie Fire in Butte, California. The engine and crew are assigned for two-week periods. After each fourteen-day assignment, teams rotate and a new crew, consisting of a battalion chief and four crew, go up and relieve the initial crew while the engine remains in place. Chief Vogt then provided updates on additional fires include the Tamarind and Bootleg Fires.

- Personnel – Three fire paramedics were promoted to fire fighter paramedics and started the academy. Three new paramedics start in two weeks. Four EMTs are currently undergoing the recruitment process. There continues to be ongoing recruitment to fill vacancies.

- The Landscape Innovation Project has concluded. Station 7 was the last station to undergo the landscaping renovations. The Landscape Innovation Project began four and one-half years ago. The new landscaping will save time which can be used for training and other essential duties and requires less water.

- On Friday, July 23rd, the Fire Department responded to a drowning call. Unfortunately, the child did not survive. Chief Vogt reminded Directors that the incident serves as a reminder for drowning prevention and pool safety.

After the report, Chief Vogt answered the Directors’ questions.

SECTION 3 – PUBLIC INFORMATION & INTERGOVERNMENTAL RELATIONS

3-A. Receive and File Public Information & Intergovernmental Relations Committee Meeting Minutes of July 21, 2021.

Received and filed Public Information & Intergovernmental Relations Committee meeting minutes of July 21, 2021.
3-B. Focus on Conservation. Update on District Conservation Programs, Regional Water Supplies, Statewide Water Resource Outlook, and Legislation.

Julia Escamilla, Public Information Officer, began her presentation with an article on water theft. Ms. Escamilla reported that millions of gallons of water are being stole by tapping into fire hydrants, rivers, and even small family homes and farms. Although water theft is a long-running issue, the intensifying drought has driven the thefts to record levels as reservoirs dry up and bandits make off with stolen water, which is often used to cultivate the growth of illegal marijuana crops.

Ms. Escamilla then provided the Focus on Conservation Report. Northern California precipitation is extremely below average. The average level is at 51.8 inches and the current precipitation level is at 23.2 inches. This is below the drought level of 2015; however, it is above the driest year of 1976. Lake Shasta is following the same trend. It is slightly below the 2015 drought level, however significantly above the driest year. It is currently at 25% of historical average and at 33% of capacity. Lake Oroville is slightly different. It is at approximately the same level of the driest year in 1977 and is at 45% of historical average and at 25% of capacity. Lake Mead is following the same trend and is currently 35% full. Lakes Mohave and Havasu have had very little change and are both are 93% full. The massive reservoir on the Colorado River hit a new historic low on July 24, dropping below 3,555.1 feet in elevation. The previous low was set in 2005. The last time the reservoir was this low was in 1969, when it was first filled. It is currently at 33% of its capacity.

The drought monitor indicates that there is little change from last month. The only change shows Mono County moved from severe drought to extreme. The Signature Wildfire Potential Outlook for August shows increased spreading across Montana, North Dakota, Wyoming, and Idaho. California and San Diego remain the same. The temperature shows a 30% probability that it will be warmer than usual from August to October. Precipitation shows a 30% probability that San Diego will receive less rain than usual.

After a discussion on drought, Ms. Escamilla answered questions from Directors.

Legal Counsel Alfred Smith provided a written report on recent legislation pertaining to the District including:

A $267.1 billion budget was passed by the Legislation on June 14th. The Budget Act of 2021 authorized $3.475 billion for water and drought resiliency. Water-related deals include:

- $1 billion in CARES Act funding is being provided to the State Water Resources Control Board for water bill arrearages.
$1.385 billion in one-time funding for water and wastewater infrastructure is available, of which $650 million will be available for drinking water projects, $650 million for wastewater projects, and $85 million for groundwater cleanup and water recycling projects. (There is an understanding between the Legislature and the Governor that more funding will be forthcoming as negotiations on budget trailer bills are completed.)

- $30 million in one-time funding is available for water rights data modernization.
- $4.2 billion in reimbursement authority and 21 permanent positions to oversee cleanup of contaminants including PFAS have been approved.
- $763 million for Department of Water Resources and local assistance emergency drought support and relief efforts was approved.

Additional water related legislation includes:

- The Water Shutoff Moratorium Executive Order will be expiring on September 30th.
- AB 377, (R. Rivas, D-Hollister) – Water Quality. The Assembly Appropriations Committee postponed its hearing of the bill on May 20. AB 377 is now a two-year bill and will not be eligible to advance until 2022.
- AB 1434 (Friedman, D- Glendale) – Indoor Residential Water Use Standard. This bill proposes to change the indoor standard. AB 1434 was recently made a two-year bill.
- SB 322 (Dodd, D-Napa) – Water Affordability Assistance Program. SB 322 provides a fund to be used for 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 Committee with a significant amendment and is contingent on an appropriation, as currently there is no funding source. SB 322 is currently being considered in the Assembly Utilities and Energy Committee.
- SB 223 (Dodd) – Discontinuation of Residential Water Service. SB 223 would have changed the rules for when a water agency could shut off a residential customer for non-payment. SB 223 also required an evaluation of arrearage management plans. Additionally, SB 223 would have required water agencies to use non-ratepayer revenue to offer debt forgiveness; prohibit residential shut off until a customer account was delinquent for 12 days, and the delinquency exceed $400 (exclusive of late charges and exceeded interest). SB 223 was held on the Senate Appropriation’s Suspense File and is no longer moving through the legislative process in 2021.
- SB 323 (Caballero, D-Salinas) – Legal Action on Water and Sewer Services Rates. Existing law established a 120-day statute of limitations for challenging certain local government fees and charges. SB 323 would
establish a similar 120-day statute of limitations for water and sewer rates. SB 323 was passed by the Senate on a vote of 34-1-5 and is now being considered in the Assembly Appropriations Committee.

- AB 1500 (E. Garcia): AB 1500 would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022. This bill is on hold, pending further budget negotiations with the State’s $75 billion surplus.

- SB 45 (Portantino) - Wildfire Prevention. SB 45 would enact the Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022 authorizing the issuance of bonds in the amount of $5.51 billion pursuant to the State General Obligation Bond Law to finance projects for a wildfire prevention, safe drinking water, drought preparation, and flood protection program. With the State announcing a $75 billion surplus, questions were raised about issuing general obligation bonds for $5.5 billion. SB 45 is in the Senate inactive file.

Water Use Efficiency/Conservation Update related to the State Water Board and Water Loss Performance Stands:

- The Department of Water Resources and the State Water Board continue to implement the comprehensive water conservation and drought planning legislation of 2013, AB 1668 (Friedman) and SB 606 (Hertzberg). This includes Indoor Water Use Study, Residential Landscape Area Measure (LAM) and Outdoor Irrigation Standards, and Commercial, Industrial, and Institutional (CII) Irrigation Standard and Performance Measures.

After the report, Mr. Smith answered the Directors’ questions.

SECTION 4 – FINANCE, INSURANCE & PERSONNEL

4-A. Adopt Resolution No. 21-817.31, “Establishing the Limit for Appropriations of Proceeds of Tax Subject to Limitation for Fiscal Year 2021-22, in Compliance with Article XIII-B of the Constitution of the State of California.”

General Manager Baze introduced Director of Administration and Finance Jeff Umbratas, who brought forward Adopt Resolution No. 21-817.31, “Establishing the Limit for Appropriations of Proceeds of Tax Subject to Limitation for Fiscal Year 2021-22, in Compliance with Article XIII-B of the Constitution of the State of California.” Each year, the Board of Directors is required by State Law to establish the District’s Proposition 4 appropriation limits for Rincon del Diablo’s Parent District, Improvement Districts (ID) 1, ID-A, and ID-E. The calculation of the appropriate limit is based upon an adjustment factor formula utilizing information provided by the State of California Department of Finance. Current year property
taxes received for ID-1, ID-A, and ID-E (Fire District) are within the applicable appropriations limits and it is expected that future years will remain within limits as well.

After discussion, Mr. Umbrasas answered questions from Directors. President Drake then asked for a motion:

In a motion made by Director Quist and seconded by Director Welch, the Board of Directors approved Resolution No. 21-817.31, “Establishing the Limit for Appropriations of Proceeds of Tax Subject to Limitation for Fiscal Year 2021-22, in Compliance with Article XIII-B of the Constitution of the State of California.” by the following vote:

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<tr>
<td>Drake</td>
<td>Aye</td>
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<td>Murtland</td>
<td>Aye</td>
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<td>Naves</td>
<td>Aye</td>
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<td>Quist</td>
<td>Aye</td>
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<td>Welch</td>
<td>Aye</td>
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4-B. Write-off Customer Account Balances and Void Stale Dated Checks for Fiscal Year 2020-21.

Mr. Umbrasas brought forward Write-off Customer Account Balances and Void State Dated Checks for Fiscal Year 2020-21. Staff is requesting that the Board approve of the write-off of certain customer account balances and to void state dated checks as part of the fiscal year-end closing process.

Mr. Umbrasas reported writing-off the amounts owed to the District does not relieve or absolve delinquent customers of financial responsibility. Amounts owed over $20 are forwarded to a collection agency for further action, and if they remain unpaid, the information is supplied to the appropriate credit reporting agencies. These amounts will remain in the collections process, even if written-off.

It has also been the general policy of the District not to refund amounts less than $1 when customers terminate service with the District unless the customer specifically requests a refund. No such occurrences occurred this year and none are included in the list of write-offs.

Stale dated checks are those which have not been redeemed for three or more years. These unclaimed amounts are intended to be returned to the District’s fund balance. Several efforts have been made to contact the payees with no success. As per Government Code Sections 50050-50056, the District has published
consecutive notices in the local newspaper for a period of over 45 days as a final
attempt to get payees to claim their funds.
After Mr. Umbrasas answered questions, President Drake requested a motion:

In a motion by Director Quist, and seconded by Director
Welch the Board of Directors, by the following roll call
vote, unanimously authorized the writing off of customer
account balances in the amount of $3,580.09 and the
voiding of state dated checks in tea mound of $1,499.51

Drake Aye
Murtland Aye
Naves Aye
Quist Aye
Welch Aye

SECTION 5 – OPERATIONS; ENGINEERING & LONG-RANGE PLANNING

5-A. Consider Approval of Quitclaim of District Easement on APN 224-580-13 (1381
Portola Ave).

General Manager Baze stated this item was discussed at the July Board of
Director’s meeting.

The property owner of APN 224-580-13, located at 1381 Portola Avenue,
requested the District quitclaim the District’s rights in an easement at the property.
The pipeline within the easement was abandoned following installation of new
waterlines within the public right-of-way.

At the July Board of Directors’ meeting, Director Welch expressed her concerns
regarding indemnification and releases of liability. After discussion, it was agreed
that legal counsel would review the quit claim and add the appropriate verbiage to
address the concerns.

Staff brought back two versions of the quit claim that acknowledge the
indemnification and requested the Board of Directors approve execution of one of
the versions.

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

In a motion by Director Quist, and seconded by Director
Welch the Board of Directors, by the following roll call
vote, unanimously approved Attachment B, the Quit
Claim which includes an indemnification and release of liability clause that requires the signature of the applicant, by the following roll call vote:

Drake         Aye
Murtland      Aye
Naves         Aye
Quist         Aye
Welch         Aye

SECTION 6 – SEWER

There was 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:

- Legislative and Public Outreach – The Legislative and Public Outreach Committee adopted a position of Support on HR 3877 relating to the Salton Sea Improvements Act. Lobbying reports were provided by the Washington and Sacramento lobbying firms.
- Admin and Finance Committee staff is working on the Long-Range Financial Plan. The Plan will be presented to the Board of Directors at the September 23rd Meeting. The Admin and Finance Committee will be holding special meetings on August 12th and 18th. Regional water sales projections were discussed and showed less dependence on MWD with IID transfers of 200 KAF from now until 2026.
- Imported Water – 50 counties are currently under Emergency Drought Conditions. San Diego County is not one of those counties. There was a long-closed session on the MWD cases and Wade case. Also, the Board approved an amendment of the agreement with M Strategic Communications for continued consulting services through July 31, 2023, by $460,000 for a period of twenty-three additional months with a total contract funding not to exceed $2,000,000.
- During Closed Session the Board authorized the General Manager and/or the General Counsel to sign a contract with Brownstein Hyatt Farber Schreck for $3,605,592 for MWD litigation and MWD policy/service area issues, and
QSA, Salton Sea, and Colorado River issues, and related matters for a two-year period. In addition, the Board authorized the General Manager and/or the General Counsel to sign a contract with Keker Van Nest & Peters for $2,700,000 for all MWD rate litigation cases and legal services on any other matters that may relate to those cases for a two-year term.

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 reported on the PIIGR Committee, training, and upcoming conferences.
- Director Welch reported on the PIIGR Committee, trainings, and upcoming conferences.
- Director Drake reported that he was elected to be the Alternate Special District Commissioner and that he met with San Diego LAFCO Executive Officer Keene Simonds.
- Director Quist reported he has been working on the upcoming Urban Water Institute Conference, which is being held at the Costa Mesa Westin on September 8th and 9th.
- Director Murtland had nothing further to report.

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.”

There were no requests.


Directors discussed the following:
- Customer Billing Related to COVID-19 and whether the District could potentially be eligible for CARES ACT funding.
- The District Engineer has submitted her resignation. Consultant John Christopher will be providing engineering services.
- Updates to the District calendar.
7-G. Approve Resolution No. 21-07: “Resolution of Rincon del Diablo Municipal Water District Board of Directors to Support San Juan Water District Director Pam Tobin as a Candidate for the Office of ACWA President.”

President Drake introduced San Juan Water District Director Pam Tobin. Ms. Tobin requested that the Directors show support for her candidacy for the office of ACWA President by approving Resolution No. 21-07: “Resolution of Rincon del Diablo Municipal Water District Board of Directors to Support San Juan Water District Director Pam Tobin as a Candidate for the Office of ACWA President.” Ms. Tobin stated her qualifications and then answered Directors’ questions.

Director Drake then asked for a motion:

In a motion made by Director Welch and seconded by Director Naves, the Board of Directors approved Resolution No. 21-07: “Resolution of Rincon del Diablo Municipal Water District Board of Directors to Support San Juan Water District Director Pam Tobin as a Candidate for the Office of ACWA President” by the following vote:

- Drake: Aye
- Murtland: Aye
- Naves: Aye
- Quist: Abstain
- Welch: Aye

7-G. Approve Resolution No. 21-08: “Resolution of Rincon del Diablo Municipal Water District Board of Directors to Support Orange County Water District (OCWD) First Vice President Cathy Green as a Candidate for the Office of ACWA Vice President.”

President Drake introduced Orange County Water District Fire Vice-President Cathy Green. Ms. Green requested that the Directors show support for her candidacy for the office of ACWA Vice-President by approving Approve Resolution No. 21-08: “Resolution of Rincon del Diablo Municipal Water District Board of Directors to Support Orange County Water District (OCWD) First Vice President Cathy Green as a Candidate for the Office of ACWA Vice President.” Ms. Green stated her qualifications and then answered the Directors’ questions.

Director Drake then asked for a motion:

In a motion made by Director Welch and seconded by Director Naves, the Board of Directors approved Resolution No. 21-08: “Resolution of Rincon del Diablo Municipal Water District Board
of Directors to Support Orange County Water District (OCWD) 
First Vice President Cathy Green as a Candidate for the Office of ACWA Vice President” by the following vote:

Drake       Aye  
Murtland    Abstain 
Naves       Aye  
Quist       Abstain 
Welch       Aye  


General Manager Baze brought forward Urban Water Institute 28th Annual Water Conference Sponsorship. Urban Water Institute is requesting the District support the 28th Annual Water Conference with a sponsorship. For the past several conferences, the District has supported the conference at a level of $1,000. After a brief discussion, President Drake asked for a motion:

In a motion made by Director Quist and seconded by Director Welch, the Board of Directors approved the $1,000 Lanyard Sponsorship by the following vote:

Drake       Aye  
Murtland    Aye  
Naves       Aye  
Quist       Aye  
Welch       Aye  

7-I. General Manager’s Salary Adjustment Based on Performance Evaluation for FY 2020-21.

General Manager Baze introduced General Manager’s Salary Adjustment Based on Performance Evaluation for FY 2020-21. During Closed Session, the Board of Directors conducted the General Manager’s annual performance evaluation.

This item was to discuss the General Manager’s salary adjustment based on his performance for FY 2020-21. After discussion, President Drake asked for a motion:

In a motion by Director Quist and seconded by Director Welch, by the following roll call vote, the Board approved a salary increase of 10 percent, or $20,000 per year for a total salary of $220,000 annually and a vacation accrual increase from 8.7308 hours to 10 hours per pay period for General Manager Baze.
Board of Directors' Regular Meeting  
July 27, 2021  
Page 13

Drake  Aye  
Murtland Aye  
Naves  Aye  
Quist  Aye  
Welch  Aye

SECTION 8 – GENERAL MANAGER’S REPORT

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

General Manager Baze updated Directors on the most recent COVID-19 statistics and regulations regarding masks and vaccinations.

8-B. General Manager’s Oral Report.

General Manager Baze reported the following:

- With Senior Engineer Karen Falk leaving the District, General Manager Baze has contracted John Christopher to assist with engineering responsibilities.
- General Manager Baze will be off on Friday, July 30th.
- General Manager Baze will be attending the Tri-State Conference from August 9th to August 13th.

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

SECTION 9 – LEGAL MATTERS


9-B. Closed Session

The meeting went into Closed Session at 7:16 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 the district's 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).

Closed session adjourned to open session at 8:27 p.m.

9-C. Open Session

Legal counsel reported there was no reportable actions taken during closed session.

ADJOURNMENT

There being no further business before the Board of Directors, the meeting was adjourned by President Drake at 8:45 p.m.

APPROVED: ________________________________

David A. Drake, President

ATTEST: ________________________________

Wanda Cassidy, Clerk of the Board