The minutes presented herewith are not a verbatim transcription of the Regular Board meeting held electronically April 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

April 27, 2021

A Regular Meeting of the Board of Directors of the Rincon Del Diablo Municipal Water District was held telephonically on Tuesday, April 27, 2021 at 5:00 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; Tawni Alarid, Management Analyst; Gio Goccacia, Engineering Technician; and Wanda Cassidy, Clerk of the Board.

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

Guests: Jo MacKenzie, Director, Vista Irrigation; and Chandra Naves.

President Drake called the meeting to order at 5:00 p.m. General Manager Baze then introduced Jesus Duenas, the new Facilities Maintenance Worker. Following the introduction, Mr. Naves led the Board of Directors and attendees in the Pledge of Allegiance to the Flag of the United States of America.

After the Pledge of Allegiance, President Drake administered the Oath of Office to Ronald E. Naves, Jr, the new Division IV Director.

ADDITIONS/CHANGES TO AGENDA

There were no additions or changes to the agenda.

ORAL COMMUNICATIONS TO THE BOARD

Jo MacKenzie, Director for Vista Irrigation District called to request the District’s support and vote for the California Special Districts Association Southern District, Seat A. Ms.
MacKenzie is the incumbent for that seat. Ms. MacKenzie then updated Directors on CSDA activities and provided information regarding upcoming events.

PRESENTATION

Presentation of JPIA – ACWA Award. David A. Drake, ACWA – JPIA Executive Committee Director.

President Drake, a JPIA/ACWA Executive Board Member, presented General Manager Baze with a Rate Stabilization Fund Refund check in the amount of $37,742.46 and thanked staff for a job well done.

SECTION 1 - CONSENT ITEMS

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


by the following roll call vote:

Drake Aye
Murtland Aye
Naves Aye
Quist Aye
Welch Aye

Director Quist pulled Item 1-E, Board of Directors’ Per Diem Fees and/or Expense Reports, March, 2021. Director Quist requested clarification on a per diem form. After staff responded to the inquiry, President Drake asked for a motion:

In a motion by Director Drake and seconded by Director Quist the Board of Directors unanimously approved the following consent item:

1-E. Board of Directors' Per Diem Fees and/or Expense Reports, March, 2021.
by the following roll call vote:

Drake       Aye
Murtland    Aye
Naves       Aye
Quist       Aye
Welch       Aye

SECTION 2 – EMERGENCY PREPAREDNESS & FIRE SERVICES

There was nothing to report.

SECTION 3 – PUBLIC INFORMATION & INTERGOVERNMENTAL RELATIONS

3-A. Focus on Conservation – Update on District Conservation Programs, Regional Water Supplies, Statewide Water Resource Outlook, and Legislation.

Public Information Officer Julia Escamilla informed the Directors on Water Surveys. Ms. Escamilla reported the number of Home Water Surveys has been increasing annually. In addition, businesses have started requesting surveys. Ms. Escamilla works with Gabriel Michael of Blue Watchdog Conservation, Inc. when preparing the surveys. Ms. Escamilla reported Mr. Gabriel is responsible for the field work while Ms. Escamilla gathers data and prepares the reports. Home reports focus on landscape while business reports focus on landscape, people, processes, and fixtures. The commercial reports consist of the following sections: Site Characteristics, Water Use History, Indoor Inventory, an Indoor Analysis which includes recommendations for water savings, an Outdoor Analysis, and closing with Outdoor Recommendations and Contacts.

Legal Counsel Smith provided a written report and updated the Directors on the current legislative session. Highlights of the update included:

- AB 377 (R. Rivas – Hollister) sets the following goal: "All California surface waters shall be fishable, swimmable, and drinkable by January 1, 2050." AB 377 would make significant changes to the way that California manages water quality. AB 377 has undergone a series of amendments. The most recent round removes the requirement that surface waters of the State Board’s will be “fishable, swimmable and drinkable” by January 1, 2020. Those terms are replaced with a requirement that surface water of the State attain applicable beneficial uses by January 1, 2050. ACWA and California Municipal Utilities Association both have “oppose” positions.
• AB 1434 (Friedman D-Glendale) 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. Existing law requires DWR, in coordination with the State Water Resources Control Board, and in collaboration with input from stakeholders, to conduct necessary studies and investigations. Existing law further authorizes DWR and the State Water Board to jointly recommend to the Legislature a standard for indoor residential water use.

Concerns have been expressed by multiple water agencies and industry groups that AB 1434 will derail the process currently underway by DWR and the State Water Board to implement the comprehensive water conservation and drought planning legislation of 2018 — AB 1668 (Friedman) and SB 606 (Hertzberg). AB 1434 lowers the standards set forth in AB 1668 and SB 606 from 55 to 48 gallons per capita per day with a phased decrease over time. This has raised concerns given the lack of justification for why the SB 606/AB1668 standards are not sufficient when they have not even been implemented yet, and why new legislation has been introduced prior to DWR's completion of its indoor water use study.

• SB 223, authored by Senator Dodd (D — Napa), would create new requirements for water systems — most notably, adoption of an "arrearage management plan," by which customers with delinquent balances would have their debt forgiven. Numerous Proposition 218 concerns have been expressed with SB 223.

Among other things, Proposition 218 prohibits public water agencies from charging rates that exceed the proportional costs of the service attributable to the parcel. This prevents public water agencies from using ratepayer revenues to subsidize other ratepayers within the same customer class because such a practice would result in some customers paying more than the cost of service. Some of the new requirements proposed in SB 223 present direct conflicts with Proposition 218.

ACWA and the California Municipal Utilities Association continue to work with the bill's author to develop suggested amendments addressing the Proposition 218 issues.

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

3-B. Update on the Proposed Rainbow Municipal Water District and Fallbrook Public Utility District Reorganizations to Detach from the San Diego County Water Authority and Annex to Eastern Municipal Water District.
General Manager Baze provided an update on the proposed Rainbow Municipal Water District and Fallbrook Public Utility District Reorganizations. Mr. Baze reported the reorganization has been receiving local newspaper coverage. The most notable concern is whether the reorganization would require a local or countywide election.

SECTION 4 – FINANCE, INSURANCE & PERSONNEL


General Manager Baze brought forward Ordinance 21-99-AB. After a brief discussion, President Drake asked for a motion:

In a motion by Director Quist and seconded by Director Welch, in a 4-1 vote, the Board voted to maintain director compensation at $160 per meeting and no more than 10 meetings in a calendar month by the following roll call vote:

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

4-B. ACWA/JPIA Rate Stabilization Refund Check.

General Manager Baze brought forward Rate Stabilization Refund Check. The District maintains insurance coverage for property, automobile, and general liability, as well as workers’ compensation through ACWA/JPA. Each year, annual previous payments are made for that coverage. And quarterly premium payments are made for workers’ compensation coverage.

Since 1999, ACWA/JPIA has maintained a Rate Stabilization Fund to help stabilize fluctuating cycles of refunds and bills for prior policy years. On an annual basis, the Rate Stabilization Fund is reconciled and in instances when the resulting balance in the fund meets specific criteria, a refund is provided to participating agencies, based upon their positive experience in the program, low loss ratios and below average claim history.

For the policy year ending September 30, 2020, the District received a Rate Stabilization Fund refund from ACWA/JPIA in the amount of $37,742.46. In previous years, the check was deposited into operating revenue, and the operating expense budget was increased. The District “Special Salary Awards” expense
account was increased by half of the check with the “Safety Services & Programs” expense account receiving the other half. Management is requesting the Board of Directors approve the $37,742.46 refund be deposited in the operating revenue, and that operating expense budget be increased accordingly. The District’s “Special Salary Awards” expense account will be increased by $18,871.23 to provide bonus checks to staff and the District’s “Safety Services & Programs” expense account will be increased by $18,871.23 in order to provide for additional safety materials and resources for staff.

After discussion, President Drake asked for a motion:

In a motion by Director Quist and seconded by Director Welch, the motion to receive the Rate Stabilization Refund, to approve budget adjustments of $18,871.23 to the Special Salary Awards GL Account and $18,871.23 to the Safety Services & Programs GL Account, and to recognize the District’s and staff’s commitment to safety was passed by the following roll call vote:

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

4-C. Potable Water Purchase Historical Rates, Charges, and Costs.

Director of Administration and Finance Jeff Umbrasas brought forward Potable Water Purchase Historical Rates, Charges, and Costs. This information was requested by the Board at a previous meeting.

Mr. Umbrasas reported that between FY 13/14 and FY 19/20, the District’s total potable water purchase costs have decreased 9.7%, or an average of 1.6% per year. While SDCWA commodity rates and fixed charges have both increased over time, reduction in water purchase volume and customer demand have had a larger influence in reducing overall water purchase costs. Regardless, potable water purchases costs, on average, comprise between 61% and 66% of the District’s total Operations & Maintenance budget, and continue to be the largest driver of expenses and one of the largest drivers of water rates.

Using total potable water purchase costs, including both commodity costs and fixed costs and the volume of water purchase annually, it is possible to calculate an annual “all-in” rate. While not a formal SDCWA rate, this “all-in” rate can be
used to show the relative change in the AF cost of water, adjusting for changes in volume.

Including both commodity costs and fixed charges, and adjusting for changes in water purchase volumes, the "all-in" rate for water purchases has increased by 31.0% between FY 13/14 and FY 19/20, or an average of 5.2% per year. Over the past 3 years, between FY 16/17 and FY 19/20, the "all-in" rate for water purchases has increased by 6.8%, or an average of 2.3% per year.

After the presentation, Mr. Umbrasas and staff answered questions from Directors.

SECTION 5 – OPERATIONS; ENGINEERING & LONG-RANGE PLANNING

5-A. Authorize to Select and Sign Professional Service (PSA) for Engineering Support Services.

General Manager Baze brought forward Authorize to Select and Sign a Professional Services (PSA) for Engineering Support Services. Mr. Baze reported with the increasing time developer projects are demanding, there is not adequate time for the Engineering Manager to dedicate to scheduled CIP projects. In addition, some developer projects may require the District to seek the professional services of an outside consultant.

Previously, John Christopher provided engineering services to the District when it required assistance in the past. Mr. Christopher is now available to the District and can provide those services as needed.

Management is requesting approval from the Board of Director to authorize the General Manager to approve a single Professional Services Agreement for as-needed engineering support services.

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

In a motion by Director Quist and seconded by Director Naves, the motion to authorize the General Manager to select and sign a Professional Services Agreement for Engineering Support Services was approved by the following roll call vote:

Drake – Aye
Murtland – Aye
Naves - Aye
Quist – Aye
Welch – Aye
SECTION 6 – SEWER

6-A. Sewer Treatment Plant Update.

General Manager Baze provided the Harmony Grove Village Sewer Treatment Plant update. Mr. Baze reported the plant is doing well. With the recent increase in the flow of the plant, the treatment operator considered increasing the number of trains from two to three, however, the flows have since decreased, and the third train was not activated.

Mr. Baze then reported quarterly scheduled lift station cleanings have increased to every two months. Prior to the scheduled cleaning, the operator will conduct a visual inspection to determine if the cleaning is necessary.

After the report, Directors Quist and Drake requested additional data on flow patterns, inflow and infiltration, wet well cleaning frequency, and any additional data that can be provided. It was agreed the requested information would be made available at the next Sewer Committee meeting.

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 SDCWA Board of Directors’ Meeting on April 22, 2021. The report included the following:

- Imported Water Committee – The meeting began with a discussion on MWD’s demand with a forecast of 1.35MAF in 2045. Following the discussion, the MWD delegates gave their reports, the MWD 2020 Integrated Water Resources Plan update was given, and the MWD’s rate review was presented. There were no MWD delegate reports. Additional reports were provided on the Colorado River and a hydrology update. In closing, the SDCWA General Manager was authorized to seek opportunities to leverage SDCWA’s water stored in Kern County up to 16,117AF so it may be used during state droughts.

After the Imported Water Committee met, the Board went into Closed Session. After Closed Session, the Board went into the Engineering and Operations Committee.

- Engineering and Operations Committee – The meeting began with a report on the new intake at the Desal Plant. The pilot plan is currently being
evaluated. The program cost is $2.2 million. A DWR grant of $562K will assist in funding the project. After the report, Goldy Herbon presented on Scripps study of western weather and water extremes.

- Legislation and Public Outreach Committee – The meeting began with the Committee recommending a number of positions on various bills. After the recommendation, the Washington and Sacramento reports were given.

- Administration and Finance Committee – The meeting began with the Monthly Treasurer’s Report on Investments and Cash Flow. The report was followed by the approval of an amendment and extension of the consolidated Memorandum of Understanding with Teamsters Local 911. In closing, the Committee adopted the updated statement of debt management and disclosure policy.

- Formal Meeting – At the Formal Meeting, the following items were discussed:
  - The retirement of Director Barnum, of Ramona Municipal Water District (MWD), was announced.
  - The Chairs next gave their reports.
  - Consent Items included the adoption of positions of various bills.
  - The issue of delivery of desal water to Vallecitos MWD was settled.
  - The Rainbow MWD and Fallbrook MWD request for detachment from SDCWA.
  - The issue with Oceanside’s proxy with Kim Thorner.

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 process for applying for COVID-19 reimbursements.
- Director Drake inquired about pH and TDS numbers.
- Director Quist reported on Urban Water Institute meetings regarding the upcoming August conference. The conference typically is held in San Diego, however, due to COVID-19, this year’s conference will be virtual.
- 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.”

There were no requests.


Director Quist commented on how well investments are doing. General Manager Baze announced the Customer Services Representative interviews were held. In closing, Directors inquired about Safe Driver Training.

7-F. Discussion on District COVID-19 Policy.

Directors were provided with the COVID-19 Emergency Response Plan.

General Manager Baze provided an update on the District’s COVID-19 policy. The lobby opened a month ago. Staff continue to follow California and County of San Diego Health Orders. Staff is required to wear a mask once they arrive at the facility, however, can take them off at their workstation regardless of whether or not they have received the vaccine.

Following the report, Directors discussed COVID-19 vaccinations.

SECTION 8 – GENERAL MANAGER’S REPORT

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

General Manager Baze had nothing additional to report.

8-B. General Manager’s Oral Report.

General Manager Baze had nothing additional to report.

SECTION 9 – LEGAL MATTERS


Legal Counsel Alfred Smith provided a written report on recent development involving virtual meeting requirements under the Ralph M. Brown Act. The Governor’s executive orders temporarily suspended portions of the Brown Act that limit the use of teleconferencing for public meetings. Three pending bills propose various methods for addressing the Brown Act’s virtual meeting requirements once the pandemic ends.
Assembly Bill 703 – Continues Option for Virtual Meetings

Assembly Member Blanca Rubia (D – West Covina) introduced AB 703. This bill would codify the Executive Order’s virtual meeting opportunities. This bill permanently allows virtual meetings. The bill further removes many of the Brown Act’s existing requirements for virtual meetings.

The bill generally allows virtual meetings to operate under the Brown Act’s standard meeting procedures (for public notice, public comment, and public ability to observe the meeting). When agencies post the agenda or other notices, the agencies would also post instructions for joining virtually.

The bill would remove the current requirements that each teleconference location be identified and accessible to the public. The bill would also remove the requirement that at least a quorum of the members of the legislative body participate from within the boundaries of the local agency. The bill further requires that agencies develop a virtual meeting procedure to receive and swiftly resolve requests for reasonable accommodation for individuals with disabilities.

Assembly Bill 361 – Virtual Meetings for Declared Emergencies Only

Assembly member Rivas (D- Hollister) introduced AB 361. This bill is sponsored by the California Special Districts Association (“CSDA”). AB 361 would allow virtual meetings with newer, streamlined procedures, but only if the purpose of the meeting is to declare a local emergency or if the meeting occurs during a period of a declared local emergency. Under AB 361, most teleconferencing after the pandemic would likely need to occur under existing Brown Act rules.

During a local emergency, AB 361 would eliminate the Brown Act’s existing requirement to identify and provide public access to a director’s virtual meeting location. Further, a majority of directors would not have to join the virtual meeting from within the physical boundaries of the agency’s jurisdiction.

AB 361 requires legislative bodies that hold teleconferenced meetings under these conditions to do all of the following:

- Provide notice of the meeting and post agendas as otherwise required;
- Allow members of the public to access the meeting;
- Provide an opportunity on the agenda for the public to address the legislative body directly; and
- Conduct the teleconference meetings in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body.
Assembly Bill 339 – Mandatory Virtual Meetings with Translation Services

AB 339 has been jointly introduced by Cristina Garcia (D – Los Angeles) and Alex Lee (D – Fremont). AB 361 and AB 703, if passed, will provide the option for public boards to hold virtual meetings. AB 339, on the other hand, goes a step further by requiring public boards to continue to provide virtual access for the public, even if all of the board members attend in-person.

AB 339 mandates virtual access both by calling in and by Internet. AB 339 further requires that agencies provide closed captioning (on-screen text for those who cannot hear audio) for virtual participants. The instructions for virtual participation would have to be posted with the agenda. Agencies would also have to provide a place for the public to go to provide in-person comments — even in states of emergency.

Finally, AB 339 would not only require virtual access, it would also add new 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 5 percent or more of the jurisdiction’s population.

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

9-B. Closed Session

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 if Rincon Water is involved. No action is required on our part at this time.)

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

There was nothing to report.

ADJOURNMENT
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There being no further business before the Board of Directors, the meeting was adjourned by President Drake at 7:43 p.m.

APPROVED:  
David A. Drake, President  

ATTEST:  
Wanda Cassidy, Clerk of the Board