



**MINUTES
BOARD OF DIRECTORS REGULAR MEETING
THURSDAY, JANUARY 10, 2019
8:30 AM**

INTRODUCTION

A Regular Meeting of the Board of Directors of the Rancho California Water District was held on Thursday, January 10, 2019, at the appointed meeting place of the Board, the Board Room of the District's Administrative Headquarters Building, located at 42135 Winchester Road, Temecula, California.

ROLL CALL

President Bill Wilson called the meeting to order at 8:30 AM. A quorum was declared with the following directors being present.

| | |
|-----------------|--------------------|
| Bill Wilson | President |
| Danny Martin | Sr. Vice President |
| Carol Lee Brady | Board Member |
| Angel Garcia | Board Member |
| Lisa Herman | Board Member |
| William Plummer | Board Member |
| John Rossi | Board Member |

Also present were members of the District staff and others, including but not limited to, General Counsel Jim Gilpin of Best Best & Krieger, General Manager Jeff Armstrong, Assistant General Manager-Engineering & Operations Eva Plajzer, Director of Administration Jason Martin, Director of Human Resources Eileen Dienzo, Jake Wiley Engineering Manager-CIP & Development, Water Operations Manager Rich Ottolini, Public Affairs Manager Meggan Valencia, Public Information Officer Grace Cardenas, Datacenter Operations Supervisor Dale Badore, Finance Analyst Bill Moses, Senior Administrative Assistant Milin Ream, Administrative Services Supervisor/Deputy District Secretary Denise Todd, and District Secretary Kelli Garcia.

Present in the audience were Eastern Municipal Water District Director Steve Corona and Chris Johnson.

PLEDGE OF ALLEGIANCE

Sr. Vice President Martin led the Pledge of Allegiance to the Flag.

ADDITIONS TO AGENDA

Items may be added to the Agenda in accordance with Section 54954.2(b)(2) of the Government Code (Brown Act), upon a determination by a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of Rancho California Water District after the Agenda was posted.

There were no additions to the Agenda.

APPROVAL OF AGENDA

President Wilson entertained a motion to approve the Agenda of the Regular Meeting of the Board of Directors of the Rancho California Water District of January 10, 2019, as presented.

MOTION: Director Herman moved to approve the Agenda of the Regular Meeting of the Board of Directors of the Rancho California Water District of January 10, 2019, as presented. Director Plummer seconded the motion, and it carried as follows:

RESULT: **APPROVED [UNANIMOUS]**

MOVER: Lisa Herman, Board Member

SECONDER: William Plummer, Board Member

AYES: Wilson, Martin, Brady, Garcia, Herman, Plummer, Rossi

PUBLIC COMMENT

An opportunity was given for any person to address the Board of Directors (Board) upon any subject not identified on the Agenda, but within the jurisdiction of the Rancho California Water District. For items not listed on the Agenda, the Brown Act imposes limitations on what the Board may do during public comment. As to matters on the Agenda, persons will be given an opportunity to address the Board when the matter is considered.

There was no public comment.

ITEM 1. APPROVAL OF MINUTES

MOTION: It was moved by Director Rossi and seconded by Director Brady to approve the subject minutes, as presented and referenced below. The motion carried as follows:

RESULT: **APPROVED [UNANIMOUS]**

MOVER: John Rossi, Board Member

SECONDER: Carol Lee Brady, Board Member

AYES: Wilson, Martin, Brady, Garcia, Herman, Plummer, Rossi

A. Consider Approval of Minutes of the Board of Directors' Regular Meeting of December 13, 2018 and Special Meeting of December 20, 2018

ITEM 2. CONSENT CALENDAR

Consent Calendar items are expected to be routine and non-controversial, to be acted upon by the Board of Directors (Board) at one time without discussion. If any Board member, staff member, or interested person requests that an item be removed from the Consent Calendar, it shall be removed so that it may be acted upon separately.

Hearing no requests to remove any items for separate discussion, President Wilson entertained a motion to approve the Consent Calendar, as presented.

MOTION: Director Plummer moved to approve the Consent Calendar, as presented. Director Garcia seconded the motion, and it carried as follows:

RESULT: **APPROVED [UNANIMOUS]**

MOVER: William Plummer, Board Member

SECONDER: Angel Garcia, Board Member

AYES: Wilson, Martin, Brady, Garcia, Herman, Plummer, Rossi

- A. Consider Approval of Financial Statements - November 30, 2018**
- B. Consider Approval of Treasurer's Report and Certification of Cash Sufficiency, as of November 30, 2018**
- C. Consider Ratifying Register of Audited Demands for the Period November 21 through December 21, 2018**

ITEM 3. ACTION ITEMS

- A. Consider Amending Administrative Code Chapter 3, Section 3.16 - Naming of District Facilities**

Addressing the Board of Directors (Board), General Manager Jeff Armstrong announced that said item was initially reviewed at the December 20 Planning and Administration Committee (Committee) meeting, and was moved to the Board without a recommendation.

Providing some background, Mr. Armstrong reported that Rancho California Water District (RCWD/District) does not currently adhere to the formal naming process outlined in Administrative Code Chapter 3, Section 3.16 (Policy), as stated. He explained briefly the process in which staff currently names facilities, which begins during the design phase and the planning process for future capital improvement projects. He advised that most facility names are usually geographically related; however, there are currently five RCWD facilities that have been named after individuals.

Summarizing the item discussion from the Committee meeting, Mr. Armstrong highlighted the key takeaways as follows:

1. Initial discussion was related to renaming Vail Dam. When Vail Dam was taken off the Agenda, the issue shifted to renaming the Vail Lake RV Park. – *(Per general counsel, amending the Policy was not needed/required in order for KEI to change the name for marketing purposes.)*
2. Rewording the finality of the language within the Policy by softening “Shall not.”

At this time, Director Brady advised that amending the Policy language regarding “shall not” should perhaps be tabled for further discussion at a later date.

Following discussion related to the Vail Lake RV Park name and KEI using a marketing name versus a permanent name, Director Plummer submitted the following motion.

MOTION: It was moved by Director Plummer and seconded by Director Herman to keep the Policy as is. The motion carried as follows:

RESULT: **APPROVED [6 TO 1]**

MOVER: William Plummer, Board Member

SECONDER: Lisa Herman, Board Member

AYES: Wilson, Martin, Brady, Herman, Plummer, Rossi

NAYS: Garcia

B. Consider Ratifying Appointments to the Standing Policy Committees for Calendar Year 2019

Hearing no comments on the proposed appointments to Rancho California Water District’s District) Standing Policy Committees, President Wilson entertained a motion from the Board of Directors.

MOTION: Director Plummer moved to ratify the appointments to the District’s standing policy committees for calendar year 2019, as follows:

2019 STANDING POLICY COMMITTEE MEMBERSHIPS:

FINANCE & AUDIT COMMITTEE

Angel Garica - Chairman

Danny Martin

William Plummer

Lisa Herman - Alternate

PLANNING & ADMINISTRATION COMMITTEE

Carol Lee Brady - Chairman

Lisa Herman

John Rossi

Angel Garcia - Alternate

ENGINEERING & OPERATIONS COMMITTEE

Danny Martin - Chairman

Carol Lee Brady

William Plummer

John Rossi - Alternate

Director Garcia seconded the motion, and it carried unanimously.

RESULT: APPROVED [UNANIMOUS]
MOVER: William Plummer, Board Member
SECONDER: Angel Garcia, Board Member
AYES: Wilson, Martin, Brady, Garcia, Herman, Plummer, Rossi

C. Consider Adoption of Resolution Authorizing Persons to Sign Checks on Accounts of Said District, and Rescinding Resolution No. 2018-3-5

With the recent vacancy on the Board of Directors (Board) being filled, General Manager Jeff Armstrong requested the Board consider adoption of a resolution adding Director John Rossi as an authorized signer on Rancho California Water District (District) accounts.

MOTION: It was moved by Director Herman and seconded by Director Brady to adopt the resolution authorizing persons to sign checks on accounts of said District, and Rescinding Resolution No. 2018-3-5. The Resolution is titled:

Resolution No. 2019-1-2

Resolution of the Board of Directors of the Rancho California Water District, Riverside County, California, Authorizing Persons to Sign Checks on Accounts of Said District, and Rescinding Resolution No. 2018-3-5

The motion carried as follows:

RESULT: ADOPTED [UNANIMOUS]
MOVER: Lisa Herman, Board Member
SECONDER: Carol Lee Brady, Board Member
AYES: Wilson, Martin, Brady, Garcia, Herman, Plummer, Rossi

ITEM 4. INFORMATION ITEMS

There was no discussion on the following item(s); however, Director Herman inquired on one of the claims listed on the Claims Activity Report to which Director of Administration Jason Martin provided clarification.

- A. Claims Activity Report for the Month of December**
- B. Activity Report, Committees of the Board for the Month of December**
- C. Newspaper Articles**

ITEM 5. EXECUTIVE REPORTS

A. General Counsel's Report

General Counsel Jim Gilpin advised that it is time to file annual Form 700's, which need to be completed and submitted by April 12, 2019. He further announced that Best Best & Kreiger would be hosting a webinar on January 23 for Assembly Bill 1234 Ethics Training.

B. General Manager's Report

General Manager Jeff Armstrong reported on a couple of updates. First, he provided an update on the Notice of Interest related to the Federal Emergency Management grant opportunity for the Vail Dam design. From his last update, he advised that somehow two submittal's were submitted, which resulted in one approval and one rejection. He advised that the rejection concerns were addressed and staff is now working on preparing the official grant opportunity of \$3.8 million, with the assistance of an outside consultant.

Next, Mr. Armstrong reported on a conference call he and Director of Human Resources Eileen Dienzo had regarding potential training conducted by speaker Freeman Michaels. He advised that staff inquired on three various trainings from group-to-team, dynamic, and half-day intensive training sessions. Mr. Armstrong noted that staff anticipates the proposals by the end of January and will bring them back to the Board of Directors (Board) for review and consideration.

Concluding his updates, Mr. Armstrong commented on his attendance at the Western Municipal Water District retail agency general manager's meeting. At said meeting, he reported that he was pleased to announce Director Rossi being appointed to the Rancho California Water District Board. As well, an informational update regarding The Metropolitan Water District of Southern California's (MWD) supply situation was provided, indicating that MWD's current allocation is at 10 percent.

C. Board Members' Comments and Reports

Director Rossi took a moment to express his thanks for the opportunity to serve on the Board of Directors (Board).

Director Martin congratulated Director Rossi to his first official Board meeting.

Director Garcia commented on his attendance at the Metropolitan Water District of Southern California's (MWD) meeting which was preceded by MWD's new Chairwoman Ms. Gloria Gray. He further noted his attendance at a Murrieta Chamber of Commerce event.

Next, Director Brady and President Wilson also congratulated Director Rossi.

With no further Board member comments, President Wilson announced a short break to be followed by adjournment to closed session.

ITEM 6. CLOSED SESSION

At any time during the regular session, the Board may adjourn to closed session to consider litigation, personnel matters, or to discuss with legal counsel matters within attorney-client privilege. Discussion of litigation is within the attorney-client privilege and may be held in closed session. Authority: Government Code Section 54956.9

- A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Per Government Code § 54956.8) - Property: VAIL LAKE RV RESORT 38000 Highway 79 South, Temecula, CA. District Negotiators: General Manager Jeff Armstrong, Assistant General Manager-CFO/Treasurer Rick Aragon, Assistant General Manager-Engineering & Operations Eva Plajzer, and

General Counsel James Gilpin. Negotiating Parties: Kampgrounds Enterprises Incorporated, Paydar Properties Incorporated, and Urban Park Concessionaires. Under Negotiations: Price & Terms

- B. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION (Per Government Code § 54956.9 (a)) Rancho California Water District vs. Linda R. Davis, Trustee of the Linda R. Davis Family Income Trust, U/A Dated 01/01/1997; Southern California Addiction Center, Case No. MCC1800189
- C. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION (Per Government Code § 54956.9 (a)) – United States vs. Fallbrook Public Utility District, Case No. 1247
- D. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION (Per Government Code § 54956.9 (a)) – United States of America et al. vs. J-M Manufacturing Company, Inc. Case No. 5:06-CV-00055-GW

The Board reconvened to open session at 9:13 AM, whereby General Counsel Jim Gilpin announced that there were no reportable actions.

ITEM 7. ADJOURNMENT

There being no further business to come before the Board of Directors, the meeting adjourned at 9:13 AM.