



**MINUTES  
BOARD OF DIRECTORS REGULAR MEETING  
THURSDAY, MARCH 08, 2018  
8:30 AM**

**INTRODUCTION**

A Regular Meeting of the Board of Directors of the Rancho California Water District was held on Thursday, March 08, 2018, 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 Bennett Drake called the meeting to order at 8:30 AM. A quorum was declared with the following directors being present.

Bennett Drake	President
Bill Wilson	Sr. Vice President
Carol Lee Brady	Board Member
Angel Garcia	Board Member
Lisa Herman	Board Member
Danny Martin	Board Member
William Plummer	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, Assistant General Manager-CFO/Treasurer Rick Aragon, Chief Engineer Andrew Webster, Director of Human Resources Eileen Dienzo, Director of Administration Jason Martin, Construction Contracts Manager Heath McMahan, Water Operations Manager Rich Ottolini, Field Services Manager Randy Crowell, Human Resources Analyst Lisa Martinez, Public Affairs Manager Meggan Valencia, Public Information Specialist Grace Cardenas, Water Resources Manager Jeff Kirshberg, Administrative Services Supervisor/Deputy District Secretary Denise Todd, Senior Administrative Assistant Milin Ream, Field Service Worker II-Construction Steve Drew, Field Service Worker II-Construction Cash Nicolson, Field Services Foreman-Construction Esdreas Ruelas, Field Services Supervisor Keith Friddle, and District Secretary Kelli Garcia.

Present in the audience were Joe Kuebler of Eastern Municipal Water District, Consultant Bob Mackinnon, Andy Sells of Joint Powers Insurance Authority (JPIA), and Melody McDonald JPIA Executive Committee member.

## **PLEDGE OF ALLEGIANCE**

Sr. Vice President Wilson 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.

At this time, General Manager Jeff Armstrong solicited the Board of Directors (Board) to consider adding two items not appearing on the Agenda as posted, regarding a special staff recognition, and an action item concerning the ballot for the impending Riverside Local Agency Formation Commission (LAFCO) Special District election.

In accordance with Government Code Section 54954.2(b)(2), President Drake called for a two-thirds vote from the Board to add the items to the Agenda.

**MOTION:** Director Martin moved to declare that there is a critical need to take action on an item that arose subsequent to the posting of the meeting agenda, and to place on the Agenda two items with regard to having the Board take action on the ballot for the Riverside LAFCO Special District election, and to recognize staff for their innovation in safety. Director Wilson seconded the motion, and it carried as follows:

**RESULT:** **APPROVED [UNANIMOUS]**

**MOVER:** Bennett Drake, President

**SECONDER:** Bill Wilson, Sr. Vice President

**AYES:** Drake, Wilson, Brady, Garcia, Herman, Martin, Plummer

## **APPROVAL OF AGENDA**

President Drake announced that the following items would be added to the Agenda and reviewed under Recognitions and Action items.

### **Staff Recognition for Innovation in Safety**

### **Review and Consider Ballot to Vote for a LAFCO Regular Special District Member - Western Riverside County and LAFCO Special District Member of the Countywide Redevelopment Oversight Board**

President Drake entertained a motion to approve the Agenda of the regular meeting of the Board of Directors of the Rancho California Water District of March 8, 2018, as revised.

**MOTION:** Director Brady moved to approve the Agenda of the regular meeting of the Board of Directors of the Rancho California Water District of March 8, 2018, as revised. Director Garcia seconded the motion, and it carried as follows:

**RESULT:** **APPROVED [UNANIMOUS]**

**MOVER:** Carol Lee Brady, Board Member

**SECONDER:** Angel Garcia, Board Member

**AYES:** Drake, Wilson, Brady, Garcia, Herman, Martin, Plummer

## **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. RECOGNITIONS**

### **ADD-ON ITEM: STAFF RECOGNITION FOR INNOVATION IN SAFETY**

General Manager Jeff Armstrong addressed the Board of Directors to recognize Rancho California Water District staff members Steve Drew and Cash Nicholson for their innovation to safety by fabricating a water deflection shield. By way of a video clip, Mr. Armstrong explained how the deflection tool operates and the safety aspect it brings by allowing staff to access a shut-off valve in the event of a blown fire hydrant. He further noted the realized savings of \$10,000 over the course of the year by utilizing the water deflection shield.

#### **A. Acceptance of Reimbursement from Joint Powers Insurance Authority (JPIA) from the Rate Stabilization Fund**

The Association of California Water Agencies Joint Powers Insurance Authority's (JPIA) Executive Committee member Melody McDonald addressed the Board of Directors by first introducing herself, as well as JPIA Executive Officer Andy Sells. Mr. Sells and Ms. McDonald presented Rancho California Water District (RCWD/District) a refund check in the amount of \$186,434.00, with Mr. Sells explaining that this amount is RCWD's portion for having achieved a good loss record, implementation of a good risk management policy and procedures, and safety practices. He further expressed that RCWD staff should be congratulated for this momentous accomplishment.

It was moved by Director Herman and seconded by Director Plummer to accept the reimbursement check from the JPIA, and it carried as follows:

**RESULT:** APPROVED [UNANIMOUS]  
**MOVER:** Lisa Herman, Board Member  
**SECONDER:** William Plummer, Board Member  
**AYES:** Drake, Wilson, Brady, Garcia, Herman, Martin, Plummer

**ITEM 2. APPROVAL OF MINUTES**

President Drake entertained a motion to approve the agenda of the Regular Meeting of the Board of Directors of the Rancho California Water District of March 8, 2018.

**MOTION:** Director Martin moved to approve the meeting minutes, as presented and referenced below. Director Plummer seconded the motion, and it carried as follows:

**RESULT:** APPROVED [UNANIMOUS]  
**MOVER:** Danny Martin, Board Member  
**SECONDER:** William Plummer, Board Member  
**AYES:** Drake, Wilson, Brady, Garcia, Herman, Martin, Plummer

**A. Consider Approval of Minutes of the Board of Directors' Special Meetings of January 18 and 25, 2018 and Regular Meeting of February 8, 2018**

**ITEM 3. 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 an item for separate discussion, President Drake entertained a motion to approve the Consent Calendar, as presented.

**MOTION:** Director Brady moved to approve the Consent Calendar, as referenced below. Director Martin seconded the motion, with the following resolution titled:

**Resolution No. 2018-3-1**

**Resolution of the Board of Directors of the Rancho California Water District, Riverside County, California, in Support of the City of Murrieta's Recycled Water Conversion Project, Authorizing the District's Application, and Approving Negotiation and Execution of a Cooperative Agreement with the United States Bureau of Reclamation for a Bay-Delta Restoration CALFED Water Use Efficiency Grant (Funding Opportunity No. BOR-MP-18-F002)**

The motion carried as follows:

**RESULT:**       **APPROVED [UNANIMOUS]**  
**MOVER:**        Carol Lee Brady, Board Member  
**SECONDER:**   Danny Martin, Board Member  
**AYES:**         Drake, Wilson, Brady, Garcia, Herman, Martin, Plummer

- A. Consider Approval of Financial Statements, January 31, 2018**
- B. Consider Approval of Treasurer's Report and Certification of Cash Sufficiency, as of January 31, 2018**
- C. Consider Ratifying of the Register of Audited Demands for the Period January 26 through February 22, 2018**
- D. Annual Review and Consideration of Ordinance No. 2014-4-1, Regarding Level of Compensation for Members of the Board of Directors**
- E. Consider Adoption of a Resolution Authorizing Application of Grant Funding from, and Approving Negotiation and Execution of an Agreement with the U.S. Bureau of Reclamation (USBR) for a Bay-Delta Restoration CALFED Water Use Efficiency Grant**

#### **ITEM 4. ACTION ITEMS**

##### **A. Request for Direction and Follow-up to the Board of Director's Workshop for the Vail Property**

General Manager Jeff Armstrong introduced the Agenda item by advising that staff will provide a status update on what has taken place at the RV Park since the January Board of Directors' workshop (Board), provide an appraisal update along with the Request for Qualifications/Request for Proposal process, and review an overall schedule timeline.

At this time, Assistant General Manager-CFO/Treasurer Rick Aragon provided a status update on RV Park operations at Vail Lake. He was pleased to announce that through some discussion and discovery with Urban Parks Concessionaires (UPC), in reference to planning for the appraisal, realized that UPC's staffing costs were less than originally anticipated. Following some discussion with District staff, UPC has agreed to commit \$200,000.00 of funding towards some much-needed maintenance/esthetic refurbishes to the RV Park. Referencing a few PowerPoint (PP) slides, Mr. Aragon illustrated a series of rehabilitation pictures and their corresponding details:

- Rehabilitation projects being implemented:
  - Mini-golf playing surface replacement (almost complete)
  - Building siding repair for the Bunkhouse Bar (completed)
  - Restroom improvements, interior painting and new sinks (underway)
  - Replacement of the HVAC for the main office
  - Improve pool fencing for safety purposes
  - Arroyo Seco campground flood debris clean up
  - Replace rotted support post at the sales office
  - Upgrade of 6-8 RV spots in the Oaks campground
  - Increase in the marketing efforts

President Drake commented that committing funds towards an effort that could potentially change with a new lessee is a waste, and opined that it would be beneficial to have staff's efforts concentrated on moving forward with the Request for Qualifications (RFQ) process so the Board can reach a final decision. He further stated that the original lease negotiated with UPC was not to par and that the maintenance issues should have been addressed years ago.

Director Herman stated that UPC is not leasing the property, but rather acting as a manager for the park and taking direction directly from the District. She stated that even if a new lessee comes in and takes over the property, it will take several months to begin any type of rehabilitation/renovations. She further expressed that the park needs to keep maintenance at a certain level to ensure campers/customers are happy so they return.

Director Brady inquired as to the cost sharing related to the removal of the water slide at the RV park, which Mr. Aragon explained that UPC is going to hire the contractor to dismantle the slide and the District will utilize its heavy equipment to move the contents off-site and pay for any associated dump fees.

Next, Chief Engineer Andrew Webster addressed the Board to summarize the consensus that the Board reached at the January Workshop as follows:

1. Keep the property in lieu of selling it
2. Limit the RV Park rehabilitation to the existing permits
3. Start a new solicitation process for the RV Park rehabilitation

He further conveyed that subsequent to the workshop, an appraisal RFP was issued for the RV Park. Mr. Webster advised that as the appraisal is being completed, staff requests direction regarding the development of a proposed hybrid RFQ/RFP for the RV Park rehabilitation with the purpose to:

- Identify an updated pool of qualified candidates
- Secure project financial wherewithal for review by legal counsel and an independent financial consultant
- Review proposed preliminary RV Park rehabilitation concepts
- To select a qualified candidate or candidates to enter into negotiations.

At this time, lengthy discussion amongst the Board and staff ensued pertaining to, but not limited to, a ground lease agreement versus a concession agreement, agreement flexibility and control, overall vision and goals for the property, original reason for purchasing the property, establishing proposal terms and conditions, and contract performance provisions.

Next, Bob Mackinnon addressed the Board, at Director Wilson's request, to share his industry experience regarding the benefits of a ground lease agreement.

Subsequently, General Counsel Jim Gilpin conveyed the benefit of utilizing an independent financial review of a potential lessee and their credit worthiness in fulfilling what they propose in their RFP submission. The Board concurred with utilizing said services prior to any formal detailed presentations.

Director Garcia suggested the Vail Lake Ad Hoc Committee consider scheduling onsite visits with local potential lessees to acquire a firsthand experience for how they operate and manage their RV Parks.

Director Herman concurred with Director Garcia's suggestion and urged the Vail Lake Ad Hoc Committee members to take the time to plan such visits.

At this time, Mr. Webster reviewed the RQF/RFP timeline schedule with President Drake directing staff to add the onsite tours/visits to the schedule following lessee presentations.

**MOTION:** A motion was made by Director Wilson and seconded by Director Herman, to move ahead with a Hybrid RFQ/RFP approach as a ground lease. The motion carried unanimously.

Following the vote, Mr. Webster highlighted a PP slide outlining work items needed to execute a lease.

Mr. Gilpin suggested staff table direction from the Board regarding the pending items to the regular April Board meeting.

With no further discussion, President Drake moved to the next order of business.

Vote Results:

**RESULT:** APPROVED [UNANIMOUS]  
**MOVER:** Bill Wilson, Sr. Vice President  
**SECONDER:** Lisa Herman, Board Member  
**AYES:** Drake, Wilson, Brady, Garcia, Herman, Martin, Plummer

**ADD-ON ITEM: REVIEW AND CONSIDER BALLOT TO VOTE FOR A LOCAL AGENCY FORMATION COMMISSION (LAFCO) REGULAR SPECIAL DISTRICT MEMBER - WESTERN RIVERSIDE COUNTY AND LAFCO SPECIAL DISTRICT MEMBER OF THE COUNTYWIDE REDEVELOPMENT OVERSIGHT BOARD**

Addressing the Board of Directors (Board), General Manager Jeff Armstrong reported that the selection proceedings were being conducted by mail/email for the LAFCO Special District election and ballots need to be received by April 9, 2018, which is before the Board's regularly scheduled meeting of April 12, 2018. Therefore, he advised that the action item was added to today's meeting agenda.

Continuing, Mr. Armstrong conveyed that Director Angel Garcia expressed an interest in serving as a Member of the Regular Special District commission - Western Riverside County, and his nomination form was submitted to LAFCO accordingly. He further noted that Rancho California Water District (RCWD/District) staff supports a District Board member on LAFCO and believes it is consistent with RCWD's strategic objectives related to Stakeholder involvement.

**MOTION: Ballot A - LAFCO Regular Special District Member - Western Riverside County**

A motion was made by Director Drake to cast RCWD's vote preference for Ballot A, the Regular Special District Member - Western Riverside County as: 1) Angel Garcia, 2)

Phil Williams and, 3) David Hoffman. Director Martin seconded the motion, and it carried as follows:

**RESULT:**       **ADOPTED [6 TO 0]**  
**MOVER:**        Bennett Drake, President  
**SECONDER:**    Danny Martin, Board Member  
**AYES:**         Drake, Wilson, Brady, Herman, Martin, Plummer  
**ABSTAIN:**     Angel Garcia

**MOTION: Ballot B - LAFCO Special District Member of the Countywide Redevelopment Oversight Board**

A motion was made by Director Drake to cast RCWD's vote for Phil Williams of Elsinore Valley Municipal Water District for LAFCO Special District Member of the Countywide Redevelopment Oversight Board. The motion was seconded by Director Herman, and carried as follows:

**RESULT:**       **ADOPTED [UNANIMOUS]**  
**MOVER:**        Bennett Drake, President  
**SECONDER:**    Lisa Herman, Board Member  
**AYES:**         Drake, Wilson, Brady, Garcia, Herman, Martin, Plummer

**B. Consider Opposing Senate Bill 623, the Safe and Affordable Drinking Water Act Budget Trailer Bill and Supporting Assembly Bill 2050**

Public Affairs Manager Meggan Valencia addressed the Board of Directors to provide a brief recap on Senate Bill (SB) 623, the Safe and Affordable Drinking Water Act Budget Trailer Bill (BTB), and Assembly Bill (AB) 2050.

Reporting on the bills seeking Board opposition, Ms. Valencia advised that the BTB and SB 623 (Monning) are essentially the same bill with some amendments that do not address Rancho California Water District's (RCWD) needs. Both SB 623 and the BTB are intended to fill gaps in funding for disadvantaged communities and low-income residents without access to safe drinking water. She conveyed that RCWD agrees with said intent, but opposes the tax on drinking water, as it is not the appropriate method to solving this social issue for the State.

Continuing, Ms. Valencia expounded on Eastern Municipal Water District and the California Municipal Utilities Association work to draft AB 2050, Caballero. She reported that AB 2050 would create the Small System Water Authority Act of 2018, providing a valuable tool to prevent chronically non-compliant water systems from serving contaminated water to Californians. She further reported that AB 2050 gives an alternative to the water tax by proposing to merge non-compliant water systems into a larger more robust public water system that can take advantage of improved economies of scale and enhanced financial capacity.

Addressing a comment from President Drake regarding outreach, Ms. Valencia advised that staff would prepare opposition and support letters to send to legislatures; however, explained that RCWD's customer outreach would take a broader effort focused on education.

Following review and discussion, President Drake entertained a motion from the Board.



**MOTION:** Director Martin moved to have the Board take an oppose position on SB 623 and on the Safe and Affordable Drinking Water Act Budget Trailer Bill, and support AB 2050. President Drake seconded the motion, and it carried as follows:

**RESULT:** **APPROVED [UNANIMOUS]**

**MOVER:** Danny Martin, Board Member

**SECONDER:** Bennett Drake, President

**AYES:** Drake, Wilson, Brady, Garcia, Herman, Martin, Plummer

At this time, President Drake called for a short 10-minute break.

**C. Consider Approval of California Public Employees' Retirement System (CalPERS) Additional Contribution and Adoption of the Appropriate Resolution**

Following a brief recess, Assistant General Manager-CFO/Treasurer Rick Aragon Addressed the Board of Directors (Board) and reported that the Agenda item has been previously reviewed in successive sessions; however, summarized that it addresses a major issue facing Rancho California Water District (RCWD/District) and other surrounding California public agencies relating to pension payments. At minimum, Mr. Aragon advised that the District's payment for unfunded liability would be going from \$1.8 million this year to \$3.2 million within five years. The other related element is that in terms of unfunded liability, he advised that RCWD is currently sitting at \$34 million, which equates to a 70 percent funded status. The general rule is the lower the funded status the higher the payments will have to be due to interest on the unfunded portion.

To address the matter, Mr. Aragon reported that staff has designed a two-pronged solution, which involves a total \$21 million dollar payment split between two different methods, as follows:

1. \$10.5 million direct payment to California Public Employees' Retirement System (CalPERS) to address the liability portion, which will cause an automatic reset of the payment required each year. (Savings of approximately \$11 million over a 24-year period.)
2. \$10.5 million placed in a Section 115 trust, which allows the District full discretion over investments/risk and option of reimbursement.

Utilizing said method, Mr. Aragon conveyed that the District has the potential to achieve a reduction in pension liability/payments, and earn additional return through the Section 115 trust investments.

Next, Mr. Aragon reviewed staff's recommendation to adopt the appropriate resolution authorizing the following:

- A lump-sum contribution of \$10.5 million to CalPERS for the District's Pension Plan from the District's Debt Service/Capital Improvement Fund;
- That future payments made against the Unfunded Accrued Liability portion of the annual required pension payment may be made from the property tax assessment revenues and reserves, if available; and
- For a maximum of a 24-year loan from the Rancho Division to the Santa Rosa and Wastewater Division for their share of the CalPERS and Section 115 trust contribution.

Continuing, Mr. Aragon presented staff's analysis and expounded that with the minimum required payments, the District is anticipated to pay off its unfunded pension liability in 24 years. However, he noted that this is estimated to be reduced to 15 years with an additional \$21 million contribution and to 19 years with an additional \$10.5 million.

President Drake stated that he does not support staff's current method of a total \$21 million dollar payment and opined that he would consider a \$10.5 million total payment.

Addressing a question posed by Director Martin as to how the District reached the point of needing \$21 million, Mr. Aragon advised that essentially the issue is with CalPERS and lack of actual investment returns, funding benefit enhancements, and overall demographic assumptions.

Following review and discussion, President Drake entertained a motion from the Board.

**MOTION:** Director Plummer moved to approve staff's recommendation. Director Herman seconded the motion, and the resolution is titled:

#### **Resolution No. 2018-3-2**

#### **Resolution of the Board of Directors of the Rancho California Water District, Riverside County California, Authorizing an Additional One-Time Contribution to the California Public Employees' Retirement System and For Related Matters**

The motion carried by the following vote:

**RESULT:** ADOPTED [5 TO 2]  
**MOVER:** William Plummer, Board Member  
**SECONDER:** Lisa Herman, Board Member  
**AYES:** Wilson, Brady, Garcia, Herman, Plummer  
**NAYS:** Bennett Drake, Danny Martin

#### **D. Consider Adoption of Rancho California Water District Resolutions Pertaining to Administrative Aspects**

Presenting the Agenda item, General Manager Jeff Armstrong requested the Board of Directors (Board) consider adoption of resolutions pertaining to the recent restructuring of Rancho California Water District (District) staff positions, and to direct staff to update the District's Administrative Code accordingly, with the Resolutions titled:

#### **Resolution No. 2018-3-3**

#### **Resolution of the Board of Directors of the Rancho California Water District, Riverside County, California, Authorizing Facsimile Signatures for District Checking Accounts, and Rescinding Resolution No. 2017-1-1**

and

**Resolution No. 2018-3-4**

**Resolution of the Board of Directors of the Rancho California Water District, Riverside County, California, Authorizing the Assistant General Manager-Chief Financial Officer/Treasurer and General Manager to File and Affix Liens Against Real Properties for Uncollectible Debts, and Rescinding Resolution No. 2015-11-9**

**and**

**Resolution No. 2018-3-5**

**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. 2017-12-2**

**and**

**Resolution No. 2018-3-6**

**Resolution of the Board of Directors of the Rancho California Water District, Riverside County, California, Designating Persons to Authorize Financial Transactions of the District's Deferred Compensation Plan Accounts, and Rescinding Resolution No. 2015-11-7**

**and**

**Resolution No. 2018-3-7**

**Resolution of the Board of Directors of the Rancho California Water District, Riverside County, California, Authorizing Persons to Make Telephone/Wire Transfers of Funds Between Accounts of Said District, and Rescinding Resolution No. 2017-1-2**

**and**

**Resolution No. 2018-3-8**

**Resolution of the Board of Directors of the Rancho California Water District, Riverside County, California, Authorizing Investment of Monies in the State of California Local Agency Investment Fund, and Rescinding Resolution No. 2017-1-3**

**and**

**Resolution No. 2018-3-9**

**Resolution of the Board of Directors of the Rancho California Water District, Riverside County, California, Delegating Signature Responsibility to the General Manager for Various Public Documents, and Rescinding Resolution No. 2017-1-5**

**and**

**Resolution No. 2018-3-10**

**Resolution of the Board of Directors of the Rancho California Water District, Riverside County, California, Authorizing Electronic Mail Signatures for Financial Accounts Held with Bank of New York Mellon Trust Company, and Rescinding Resolution No. 2015-11-10**

**MOTION:** It was moved by Director Plummer and seconded by Director Brady to adopt the aforementioned resolutions regarding Rancho California Water District's administrative aspects, and direct staff to update the District's Administrative Code accordingly. The motion carried as follows:

**RESULT:** **ADOPTED [UNANIMOUS]**

**MOVER:** William Plummer, Board Member

**SECONDER:** Carol Lee Brady, Board Member

**AYES:** Drake, Wilson, Brady, Garcia, Herman, Martin, Plummer

**ITEM 5. INFORMATION ITEMS**

There was no discussion on the following items:

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

**ITEM 6. EXECUTIVE REPORTS**

**A. General Counsel's Report**

General Counsel Jim Gilpin provided a reminder regarding an upcoming event at the Nixon Library and an informational webinar that the Board of Directors may have an interest in attending.

**B. General Manager's Report**

General Manager Jeff Armstrong provided a brief update on his attendance at the Riverside County Water Task Force meeting.

**C. Board Members' Comments and Reports**

Director Garcia commented on attending his first quarterly meeting with the general

manager and his meeting with Director of Administration Jason Martin to gain a better understanding of the Rancho California Water District's technology infrastructure. Referencing a prior action taken by the Board regarding the Riverside County Local Agency Formation Commission Special District election, Director Garcia expressed his appreciation and support of the Board and looks forward to seeing the election outcome.

Director Plummer commented on his recent attendance at the California Association of Sanitation Agencies/Association California Water Agencies Annual Washington D.C. Conference and provided detailed highlights regarding the various meetings/sessions he attended with our congressional constituent's.

There being no further Board member comments, President Drake announced a 10-minute break to be followed by adjournment to closed session.

## **ITEM 7. 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 LABOR NEGOTIATORS (Per Government Code § 54957.6) – Negotiators: Labor Counsel Bradley Neufeld, Esq.; General Manager Jeff Armstrong; Assistant General Manager-Chief Financial Officer/Treasurer Rick Aragon; Assistant General Manager-Engineering & Operations Eva Plajzer; and Director of Human Resources Eileen Dienzo –Employee Organization: Rancho California Water District Employees’ Association**
- B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – Significant Exposure to Litigation (Per Government Code Section 54956.9 (c)) One (1) Potential Case**
- C. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION – (Per Government Code Section 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**
- D. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION (Per Government Code § 54956.9 (a)) – United States vs. Fallbrook Public Utility District, Case No. 1247**
- E. 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**
- F. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION (Per Government Code § 54956.9 (a)) – Rancho California Water District vs. CR&R, Case No. MCC1601125**
- G. PUBLIC EMPLOYEE PERFORMANCE EVALUATION – Title: General Manager (Per Government Code § 54957)**

Director Wilson left the meeting during closed session discussion at 11:36 AM.

Director Martin left the meeting at 11:43 AM.

The Board reconvened in open session at 11:45 AM, whereby General Counsel Jim Gilpin announced that there were no reportable actions.

**ITEM 8. ADJOURNMENT**

There being no further business to come before the Board of Directors, the meeting adjourned at 11:45 AM.