

**MINUTES OF THE ENGINEERING AND OPERATIONS COMMITTEE MEETING
OF THE RAINBOW MUNICIPAL WATER DISTRICT
AUGUST 4, 2026**

1. **CALL TO ORDER** – The Regular Engineering and Operations Committee (E&O) meeting was held in the District Board Room, 3707 Old Highway 395, Fallbrook, CA 92028, with information for remote public participation listed on the agenda. The meeting was called to order at 1:00 p.m.

Directors Present: Hoffman, Irvine

Staff Present: General Manager Wiley, Information Technology Manager Khattab, Engineering and CIP Manager Williams, Chief Operations Manager Gutierrez, Administrative Analyst Montano, Administrative Analyst Barrow, District Secretary Quintanar, Finance Manager Shilkov

Additional Attendees: Joe Wendt- Peterson Structural Engineers, Bryan Rall – Atlas, Richard Maher- KDM Meridian, Morteza Mirshekari, Robert Lin

2. **PUBLIC COMMENT**

Robert Lin, a resident of Malabar Ranch, Fallbrook explained that his neighborhood contains large lots, many with orchards and hillside irrigation. Historically, the water pressure was approximately 120 PSI in the area, and that pressure was sufficient for the homes at higher elevations to irrigate their properties. Following work on the La Canada Pipeline Replacement Project, the water pressure dropped to the extent that irrigation systems are nonfunctional. He stated that he had spoken to his neighbors and their landscaping services provider, Gothic Landscaping, and learned that everyone was experiencing the same issue. He asked if the water pressure could be restored to 100 PSI.

Mr. Wiley reported that the pressure in that area was high, above 200 PSI. Part of the La Canada Pipeline Replacement project was to reduce the pressure in that area to reduce breaks and extend the life of the pipelines. Mr. Wiley and Chief Operations Manager Gutierrez explained the efforts to date to balance the pressure, including the plan to replace the pressure regulators in front of the meters on La Canada to increase the pressure as a temporary resolution. A future project may be the installation of a pressure station at Via Monserate. Brief discussion followed in regard to the pressure of the nearby fire hydrants, maintained at sufficient pressure.

3. **DISCUSSION ITEMS**

- A. Termination of the District's Water Tank Maintenance Contract and Addenda with USG Water Solutions (Districtwide)

Engineering and CIP Manager Williams provided background on the services provided by USG. The original agreement was entered into in 2003 and has had multiple amendments since. At the August 2024 Board meeting, staff presented options to terminate the contract with USG or negotiate new terms to address the District's concerns. The Board approved termination if the negotiations failed. Following months of meetings, the District and USG were able to come to acceptable terms to address the District's concerns and schedule of work. The amendment provided a four-year schedule to recoat the interiors of eight tanks. Of the existing twelve steel tanks, these tanks have been deferred the longest. The amendment further adds an annual

meeting to discuss the proposed schedule, and language to how the tanks must be coated. The agreement continued to be year-to-year with the anniversary date on December 10th. At the November 2024 meeting, the Board approved an amended agreement to continue tank maintenance with USG. In two years, only one tank and portions of two other tanks have been serviced, and the tanks have been out of service for much longer than desired.

Staff recommended termination of the contract, and bringing the work in-house. Engineering will take the lead with bidding and contract oversight. Staff also explained the time sensitivity for Board action to terminate the contract in accordance with the terms of the contract. There is a cost to terminate the agreement, estimated at \$228,257 for the facilities the contractor installed. The Committee was in support of presentation to the Board of Directors with the recommendation for termination.

B. Status Update on the Existing Morro Tank

Mr. Williams reported that the tank was built in 1972, and distress and movement was observed within a few years of construction. Periodic investigations began in the early 1980s and the District is currently contracted with Atlas to determine replacement or tank retrofit options, KDM Meridian for monitoring of vertical settlement and horizontal movement of the tank, and Peterson Structural Engineers for a structural condition assessment. Staff does not foresee imminent catastrophic failure of the tank, and recommend continuation of operation at 50 percent of capacity, and replacement of the tank in five to ten years. Retrofit is not recommended. In the future, a hydraulic model will be helpful in determining the need to replace the tank, which is estimated to cost approximately \$14M.

Director Irvine asked staff to evaluate replacement of the tank on a new footprint. Resident Robert Lin suggested consideration to operate at less than 50 percent, if the stability of the tank declines. This item was brought to the Committee as an informational item, with no recommended Board action at this time.

C. Notice Of Completion and Acceptance of the Paving Restoration for the La Canada Road Pipeline Replacement Project (Division 3)

Mr. Williams explained that the paving portion of this project needs to be closed out, and the Notice of Completion is for LC Paving and Sealing, Inc. (LC Paving). Mr. Wiley added that the paving plan was developed in accordance with the County's requirements, and because the District was able to provide the base material through the District's contract with Perrault, the contractor agreed to slurry and seal the road at no extra cost. The Committee concurred with staff's request for Board approval.

D. Eagles Perch Project Update

Mr. Williams reported that great progress is being made to obtain easements and five have been executed to date. Staff is not aware of any residents who are opposed to the proposed project.

4. ADJOURN - The meeting was adjourned at 1:43 p.m.