



**RAINBOW MUNICIPAL WATER DISTRICT**

**Tuesday, March 22, 2016**

**Open Session - Time: 1:00 p.m.**

**THE PURPOSE OF THE REGULAR BOARD MEETING IS TO DISCUSS THE ATTACHED AGENDA**

**District Office**

**3707 Old Highway 395**

**Fallbrook, CA 92028**

**Board Agenda Policies**

Board of Directors Meeting Schedule Regular Board meetings are normally scheduled for the 4<sup>th</sup> Tuesday of the month with Open Session discussions starting time certain at 1:00 p.m.

Breaks It is the intent of the Board to take a ten minute break every hour and one-half during the meeting.

Public Input on Specific Agenda Items and those items not on the Agenda, Except Public Hearings Any person of the public desiring to speak shall fill out a "Speaker's Slip", encouraging them to state their name, though not mandatory. Such person shall be allowed to speak during public comment time and has the option of speaking once on any agenda item when it is being discussed. Speaking time shall generally be limited to three minutes, unless a longer period is permitted by the Board President.

Public Items for the Board of Directors' agenda must be submitted in writing and received by the District office no later than 10 business days prior to a regular Board of Directors' Meeting.

Agenda Posting and Materials Agendas for all regular Board of Directors' meetings are posted at least seventy-two hours prior to the meeting on bulletin boards outside the entrance gate and the main entrance door of the District, 3707 Old Highway 395, Fallbrook, California 92028. The agendas and all background material may also be inspected at the District Office.

You may also visit us at [www.rainbowmwd.com](http://www.rainbowmwd.com).

Time Certain Agenda items identified as "time certain" indicate the item will not be heard prior to the time indicated.

Board meetings will be recorded on CD's as a secretarial aid. If you wish to listen to the recordings, they will be available after the draft minutes of the meeting have been prepared. There is no charge associated with copies of CD's. Recordings will be kept for two years. Copies of public records are available as a service to the public; a charge of \$.10 per page up to 99 pages will be collected and \$.14 per page for 100 pages or more.

If you have special needs because of a disability which makes it difficult for you to participate in the meeting or you require assistance or auxiliary aids to participate in the meeting, please contact the District Secretary, (760) 728-1178, by at least noon on the Friday preceding the meeting. The District will attempt to make arrangements to accommodate your disability.

(\*) - Asterisk indicates a report is attached.

Notice is hereby given that the Rainbow Municipal Water District Board of Directors will hold Open Session at 1:00 p.m. Tuesday, March 22, 2016, at the District Office located at 3707 Old Highway 395, Fallbrook, CA 92028. At any time during the session, the Board of Directors Meeting may adjourn to Closed Session to consider litigation or to discuss with legal counsel matters within the attorney client privilege.

## **AGENDA**

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**
- 3. ROLL CALL: Sanford\_\_\_\_\_ Walker\_\_\_\_\_ Brazier\_\_\_\_\_ Bigley\_\_\_\_\_ Stewart\_\_\_\_\_**
- 4. ADDITIONS/DELETIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)**
- 5. ORAL/WRITTEN COMMUNICATIONS FROM THE PUBLIC  
OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD REGARDING ITEMS NOT ON THIS AGENDA (Government Code § 54954.2).**

Under Oral Communications, any person wishing to address the Board on matters not on this agenda should indicate their desire to speak by filling out and submitting a "Speaker's Slip" to the Board Secretary before the meeting begins. *No action will be taken on any oral communications item since such item does not appear on this Agenda, unless the Board of Directors makes a determination that an emergency exists or that the need to take action on the item arose subsequent to posting of the Agenda (Government Code §54954.2). Speaking time shall generally be limited to three minutes, unless a longer period is permitted by the Board President.*
- 6. ANNIVERSARY ACKNOWLEDGEMENT**
  - A. Victor Veenstra (15 Years)**
- \*7. APPROVAL OF MINUTES**
  - A. February 23, 2016 - Regular Board Meeting**
- 8. BOARD OF DIRECTORS' COMMENTS/REPORTS**

Directors' comments are comments by Directors concerning District business, which may be of interest to the Board. This is placed on the agenda to enable individual Board members to convey information to the Board and to the public. There is to be no discussion or action taken by the Board of Directors unless the item is noticed as part of the meeting agenda.

  - A. President's Report (Director Sanford)**
  - B. Representative Report (Appointed Representative)**
    - 1. SDCWA**
      - a. Summary of Formal Board of Directors' Meeting February 25, 2016**
    - 2. CSDA**
    - 3. LAFCO**
      - a. 2015-2016 Special Districts Mailed-Ballot Election Results**
      - b. Election to the LAFCO's Special Districts Advisory Committee Notification**
    - 4. San Luis Rey Watershed Council**
    - 5. Santa Margarita Watershed Council**
  - C. Meeting, Workshop, Committee, Seminar, Etc. Reports by Directors (AB1234)**
  - D. Directors Comments**

(\*) - Asterisk indicates a report is attached.

**\*9. COMMITTEE REPORTS (Approved Minutes have been attached for reference only.)**

- A. Budget and Finance Committee
  - 1. February 9, 2016 Minutes
- B. Communications Committee
  - 1. January 11, 2016 Minutes
  - 2. February 1, 2016 Minutes
- C. Engineering Committee
  - 1. January 6, 2016
  - 2. February 3, 2016

**\*10 CONSENT CALENDAR**

**A. DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 16-08 COMMENDING JACK GRIFFITHS FOR HIS SERVICE ON THE BOARD OF DIRECTORS**

*(Jack Griffiths served as the Division 2 director on Rainbow Municipal Water District's Board from January 2005 to January 2016. Resolution No. 16-08 commends Jack Griffiths for his dedicated service.)*

*(Staff Recommendation: The Board approve Resolution No. 16-08.)*

**B. DISCUSSION AND POSSIBLE ACTION REGARDING REQUEST TO DEFER PROPERTY OWNED BY MICHAEL AND VICTORIE DARNLEY FROM CHARGES FOR WATER AVAILABILITY AND IMPROVEMENT DISTRICT ASSESSMENTS**

*(On June 28, 2011 Rainbow MWD adopted Resolution 11-08 establishing a procedure for a property owner to request a deferral of water service standby assessments for Improvement District No. 1 (ID#1) and for a Board to authorize the deferral when certain requirements are met by the property owner.)*

*(Staff Recommendation: Approve the deferral of Assessor's Parcel Number 110-220-20-00 from water availability charges or improvement district assessments subject to the above listed requirements and direct General Manager to execute written agreement with the property owner. This option will reduce RMWD tax revenues by approximately \$453.32 per year based on the current assessment level of \$10.54 per acre.)*

**C. DISCUSSION AND POSSIBLE ACTION TO APPROVE ORDINANCE NO. 16-05 AMENDING AND UPDATING ADMINISTRATIVE CODE SECTIONS 5.01 AND 8.03**

*(The accounts payable section of the Administrative Code is being updated as it was limited to only one method of payment. By broadening its payment choices Rainbow can utilize any which option that seems most appropriate for each particular obligation. The additional payment options can offer the following benefits to the District such as cost savings, efficiency, and secured remittance. The character of service language is being added to the Administrative Code as many water users have drastically changed their usage of the property. This will allow the customer an option once a year to change their character of service, as long as the proposed change meets what is prescribed in the Administrative Code character of service section, accordingly to how the property is being utilized.)*

*(Staff Recommendation: The Board adopt Ordinance No. 16-05 amending and updating the Administrative Code Sections 5.01 and 8.03.)*

**D. DISCUSSION AND POSSIBLE ACTION TO ADOPT ORDINANCE NO. 16-04 AMENDING AND UPDATING RMWD ADMINISTRATIVE CODE SECTION 1.02.020 – CONFLICT OF INTEREST CODE**

*(Due to language missing from the listed job descriptions within the Conflict of Interest Code, Section 1.02.020 of the RMWD Administrative Code need to be amended accordingly.)*

*(Staff Recommendation: The Board adopt Ordinance No. 16-04 amending and updating Administrative Code Section 1.02.020.)*

(\*) - Asterisk indicates a report is attached.

## **BOARD ACTION ITEMS**

**\*11. DISCUSSION AND POSSIBLE ACTION ON ORDINANCE NO. 16-06 RELATED TO WATER METER DOWNSIZING AND LIMITED TERM FIXED FEE ABATEMENT PROGRAM**

*(The District performed a Cost of Service study as required by State Law during the preparation of the revised water rates that were adopted in late 2015. As part of this process, the apportionment of fixed and variable costs was evaluated in accordance with industry standards and there were changes to the fixed fees for most of our customer classes. As part of this cost of service study, both the water rate consultant and our General Counsel recommended changes to the policy related to locked off meters.)*

*(Staff Recommendation: Approve Ordinance 16-06 as written.)*

**\*12 DISCUSSION AND POSSIBLE ACTION TO APPROVE A VARIANCE FROM THE DISTRICT'S STANDARD SPECIFICATIONS AND ALLOW A CUSTOMER TO INSTALL TWO SERVICES USING THE SAME LATERAL**

*(Effective January 1, 2016 the District enacted new rate charges for customer accounts. These rates were based on a Cost of Service study in compliance with State law and Proposition 218. Some customer accounts were greatly affected by this change. Mr. Mahr owns two vacant properties in the District. He would like to downsize his 2" meter to two 1" meters. The Engineering Committee has reviewed the situation and recommend the Board allow the downsize on the same lateral. This is a unique situation and that approval of this variance in no way should be construed as approval of a similar action in a different circumstance.)*

*(Engineering Committee and Staff Recommendation: Grant a variance from the District's Standard Specifications regarding the requirement of the having one meter on one lateral for Mr. Mahr.)*

**\*13. DISCUSSION AND POSSIBLE ACTION TO AWARD A PROFESSIONAL SERVICES CONTRACT TO PREPARE THE WATER AND WASTEWATER ASSET COST AND CAPACITY FEE STUDY**

*(The District, working with Atkins, is nearing completion on an update to its potable water and wastewater Master plans. Potential development within the District could add approximately 2,700 EDUs with additional proposed developments outside the District which could be annexed into the District increasing the number of EDUs to approximately 4,300. It is crucial we revisit and develop capacity fees described in this study to capture the appropriate amount of fees from the upcoming future development.)*

*(Staff Recommendation: Appropriate \$150,000 from the remaining funds of the Master Plans project into the asset cost and capacity fee study. Authorize staff to negotiate a contract to prepare the water and wastewater asset costs and capacity fee study not to exceed \$115,285 with Willdan Financial Services.)*

**\*14. DISCUSSION AND POSSIBLE ACTION REGARDING EXECUTION OF A SECOND AMENDMENT TO JOINT AGREEMENT TO IMPROVE SUBDIVISION, JOINT LIEN CONTRACT AND HOLDING AGREEMENT FOR SAN DIEGO TRACT NO. 5012-1**

*(The Gilligan development consists of 13 lots south of Morro Reservoir on Catherine Road shown in the enclosed Figure. Improvements related to the District consist of approximately 3,825 feet of water main to serve the development. There are no sewer improvements as the development is on septic. This amendment releases Bank of America from the lien and holding agreement and assigns First American Trust to assume all obligations of Bank of America.)*

*(Staff Recommendation: Authorize the General Manager to execute Joint Agreement to Improve Subdivision, Joint Lien Contract and Holding Agreement for San Diego Tract No. 4750-1.)*

**\*15. DISCUSSION AND POSSIBLE ACTION ACCEPTING THE AUDIT REPORT FOR FISCAL YEAR ENDING JUNE 30, 2015**

*(The District contracts with an independent Certified Public Accountant (CPA) to have its financial statement audited. For fiscal year ending June 30, 2015 the audit was conducted by the CPA firm of Hosaka, Rotherham & Company.)*

*(Staff Recommendation: The Board of Directors adopt the June 30, 2015 audit of the District by the CPA firm of Hosaka, Rotherham & Co.)*

(\*) - Asterisk indicates a report is attached.

**\*16. DISCUSSION AND POSSIBLE ACTION REGARDING CSDA BOARD OF DIRECTORS CALL FOR NOMINATIONS, SEAT B**

*(On February 19, 2016, RMWD received notification that the CSDA Elections and Bylaws Committee is looking for Independent Special District Board Members or their General Managers who are interested in leading the direction of the California Special Districts Association for the 2017-2019 term. The deadline for receiving nominations is May 20, 2016.)*

*(Staff supports Board direction.)*

**\*17. RECEIVE AND FILE INFORMATION AND FINANCIAL ITEMS FOR JANUARY/FEBRUARY 2016**

**A. General Manager Comments**

1. Meetings, Conferences and Seminar Calendar

**B. Communications**

1. Ratepayer Letters
2. Fallbrook Food Pantry
3. Rescission of Conservation Order

**C. Construction & Maintenance Comments**

1. Construction and Maintenance Report
2. Valve Maintenance Report
3. Garage/Shop Repair

**D. Water Operations Comments**

1. Water Operations Report
2. Electrical/Telemetry Report

**E. Wastewater Comments**

1. Wastewater Report

**F. Operations Comments**

1. Water Quality Report
2. Cross Connection Control Program Report

**G. Engineering Comments**

1. Engineering Report

**H. Customer Service Comments**

1. Field Customer Service Report
2. Meters Report

**I. Safety Comments**

1. Safety Report

**J. Human Resources Comments**

1. Property/Liability and Workers' Compensation Longevity Distribution

**K. Finance Manager Comments**


1. Interim Financial Statement - January
2. Visa Breakdown
3. Directors' Expense-January
4. Check Register
5. Water Usage Report-January
6. RMWD Sewer Equivalent Dwelling Units (EDU's) Status

**18. LIST OF SUGGESTED AGENDA ITEMS FOR THE NEXT REGULAR BOARD MEETING**

(\*) - Asterisk indicates a report is attached.

19. ADJOURNMENT - To Tuesday, April 26, 2016 at 1:00 p.m.

ATTEST TO POSTING:

  
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Helene Brazier  
Secretary of the Board

3-15-16 @ 9:00 A.M.  
Date and Time of Posting  
Outside Display Cases