



5. SEATING OF ALTERNATES
6. ADDITIONS/DELETIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)
7. PUBLIC COMMENT RELATING TO ITEMS NOT ON THE AGENDA (Limit 3 Minutes)
- \*8. APPROVAL OF MINUTES
  - A. August 9, 2022
9. GENERAL MANAGER COMMENTS
10. FINANCE MANAGER COMMENTS
11. COMMITTEE MEMBER COMMENTS
12. IN-HOUSE JANITORIAL ANALYSIS
- \*13. VARIANCE REQUEST FOR CUSTOMER ROSAS-RAMIREZ
14. AUDIT UPDATE
15. REVIEW OF THE MONTHLY BOARD FINANCE PACKET
16. LIST OF SUGGESTED AGENDA ITEMS FOR THE NEXT SCHEDULED BUDGET AND FINANCE COMMITTEE MEETING
17. ADJOURNMENT

**ATTEST TO POSTING:**

*Pam Moss*

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Pam Moss  
Secretary of the Board

10-07-2022 @ 11:20 a.m.

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Date and Time of Posting  
Outside Display Cases

**MINUTES OF THE BUDGET AND FINANCE COMMITTEE MEETING  
OF THE RAINBOW MUNICIPAL WATER DISTRICT  
AUGUST 9, 2022**

1. **CALL TO ORDER:** The Budget & Finance Committee meeting of the Rainbow Municipal Water District was called to order on August 9, 2022 by Chairperson Nelson in the Board Room of the District Office at 3707 Old Highway 395, Fallbrook, CA 92028 at 1:01 p.m. *(All meetings are being held with in-person attendance following County and State COVID guidelines as well as virtually.)* Chairperson Nelson presiding.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL:**

**Present:** Member Hensley, Member Johnson, Member Nelson.

**Absent:** Member Stewart.

**Also Present:** General Manager Kennedy, Finance Manager Largent, Accounting Supervisor Rubio, Engineering Technician Rubio, Information Systems Specialist Espino.

**Also Present Via Teleconference or Video Conference:**

Alternate Williams, Information Technology Manager Khattab, Grant Specialist Kim.

One member of the public was present in person, via teleconference or video teleconference.

4. **INSTRUCTIONS TO ALLOW PUBLIC COMMENT ON AGENDA ITEMS FROM THOSE ATTENDING THIS MEETING VIA TELECONFERENCE OR VIDEO CONFERENCE**

Mr. Nelson read aloud the instructions for those attending the meeting via teleconference or video conference.

5. **SEATING OF ALTERNATES**

No alternates were seated.

6. **ADDITIONS/DELETIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)**

There were no amendments to the agenda.

7. **PUBLIC COMMENT RELATING TO ITEMS NOT ON THE AGENDA (Limit 3 Minutes)**

There were no comments.

**\*8. APPROVAL OF MINUTES**  
A. June 14, 2022

**Motion:**

**To approve the minutes.**

**Action: Approve, Moved by Member Hensley, Seconded by Member Johnson.**

**Vote: Motion carried by unanimous vote (summary: Ayes = 3).**

**Ayes: Member Hensley, Member Johnson, Member Nelson.**

**Absent: Member Stewart.**

**9. GENERAL MANAGER COMMENTS**

Mr. Kennedy talked about the water cutbacks and what the District could expect. Discussions followed.

**10. FINANCE MANAGER COMMENTS**

Mrs. Largent reported the District was currently in the middle of year-end in preparation of the audit scheduled for September.

**11. COMMITTEE MEMBER COMMENTS**

There were no comments.

**\*12. AMENDING AND UPDATING ADMINISTRATIVE CODE SECTION 5.02.010 – CENTRALIZED PURCHASING**

Ms. Largent explained these updates to the Administrative Code purchasing policy will require RMWD to follow numerous extra guidelines in the event it accepts federal monies. She mentioned the importance of having these guidelines in place prior to taking federal funds as well as pointed out the most onerous work would be ensuring these procurement rules are followed for all procurements once federal monies are accepted.

Mr. Hensley inquired as to the percentage of likelihood a request for federal funds would be made and approved. Mr. Kennedy answered 100%. Ms. Largent added RMWD would prefer not to accept \$50,000 and be subject to these rules; therefore, seeking larger sums of money would be best.

Ms. Johnson asked about the projected indirect costs associated with seeking federal grants. Mr. Kennedy answered there would be some costs; however, it was unknown exactly what they would total. Discussion ensued.

Mr. Nelson requested clarification on some of the amendments in terms of why they were necessary if RMWD was already following these steps already. Ms. Largent and Mr. Williams provided clarification, respectively. Discussion ensued.

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Ms. Johnson recommended staff consider the benefit of having part of the grant writing funds set aside for a consultant who has already been awarded a federal grant. Mr. Kennedy pointed out RMWD has a grant specialist on staff who has managed these types of grants previously.

**Motion:**

**To recommend the Board adopt staff recommendation Option 1 - Approve attached Administrative Code Changes to Section 5.02.010,**

**Action: Approve, Moved by Member Johnson, Seconded by Member Hensley.**

**Vote: Motion carried by unanimous vote (summary: Ayes = 3).**

**Ayes: Member Hensley, Member Johnson, Member Nelson.**

**Absent: Member Stewart.**

**\*13. VARIANCE REQUEST FOR CUSTOMER SALINE**

Ms. Largent provided background on this matter noting it was reminiscent of a few different situations RMWD realized as part of the Water Service Upgrade Project (WSUP) program where meter reads were coming through at zero or inaccurate. She noted there were a handful of these matters, including Gilligan Groves.

Ms. Largent explained after giving the customer's request considerable thought, especially since RMWD did issue a decent adjustment initially, it seemed egregious on the District's behalf to have made had an error for such a long period of time; therefore, she was proposing RMWD issue a flat 50% adjustment. She pointed out RMWD's Administrative Code does state it is the customer's responsibility when a meter is reading zero; however, since every single meter has since been exchanged with a new meter, staff deemed an amendment to the Administrative Code would not be necessary.

Mr. Hensley inquired as to whether the proposed flat 50% adjustment has been relayed to the customer. Ms. Largent stated staff told the customer his request would be taken to the Board for an amount slightly less than what is currently being proposed. Mr. Hensley asked for the dollar amount requested. Ms. Largent stated the customer asked for an amount slightly less than the \$12,374.00 staff was requesting. She also confirmed the customer would accept this amount if approved.

Mr. Nelson asked for clarification on the amounts and series of events provided in the draft action letter. Mr. Kennedy suggested a table be included in the action letter.

Ms. Johnson pointed out this was evidently a retired member of the RMWD community and how after looking at all the information, the amount proposed by staff seemed fair. Ms. Largent stated the proposal before the committee would treat this customer the same as any others who experienced this same type of scenario.

Mr. Hensley asked for confirmation that the customer agrees with the amount they must pay to RMWD was reasonable. Ms. Largent confirmed this was correct.

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**DRAFT**

**DRAFT**

**Motion:**

**The Board approve staff recommendation Option 1 – Approve an additional variance credit of \$6,360, bringing the total amount credited to \$12,372, 50% of the amount underbilled for the three-year period.**

**Action: Approve, Moved by Member Hensley, Seconded by Member Johnson.**

**Vote: Motion carried by unanimous roll call vote (summary: Ayes = 3).**

**Ayes: Member Hensley, Member Johnson, Member Nelson.**

**Absent: Member Stewart.**

**14. REVIEW OF THE MONTHLY BOARD FINANCE PACKET**

Ms. Rubio reviewed the information contained in the monthly finance packet that was provided as a handout. Ms. Largent pointed out the report provided was preliminary.

**15. LIST OF SUGGESTED AGENDA ITEMS FOR THE NEXT SCHEDULED BUDGET AND FINANCE COMMITTEE MEETING**

It was noted an audit update and the June/July preliminary finance report should be on the next committee meeting agenda.

**16. ADJOURNMENT**

**The meeting was adjourned by Chairperson Nelson.**

The meeting adjourned at 1:52 p.m.

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**Flint Nelson, Committee Chairperson**

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**Dawn M. Washburn, Board Secretary**

### BOARD OF DIRECTORS

September 27, 2022

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### SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE A VARIANCE FROM ORDINANCE 21-03 TO ALLOW A LOT, LARGER THAN 0.5 ACRES, TO QUALIFY FOR CAPACITY CLASS B 3/4" METER AND APPROVE THE NEW WATER SERVICE APPLICATION (Division 3)

### BACKGROUND

The District identifies specific rate classes under District Ordinance No. 21-03 that are assigned to parcels according to meter size. Meter sizes are recommended based on lot size and water usage. According to Ordinance 21-03, "Lot size less than 21,780 sqft (0.5 acres) may qualify for a 3/4 inch meter."

The property owner of APN 124-340-54-00, Evette Rosas-Ramirez, has requested a variance from Ordinance 21-03 to apply for a new 3/4 inch water service on a 2 acre parcel. According to the attached variance application (See Attachment A), the customer would like to apply for a 3/4 inch meter to be installed for their 2,490 sqft home that is being built. They state that they have no plans of planting a grove, landscaping, or having livestock- they currently have 10 oak trees that do not need to be watered. They said their house will only be using 30 units/month due to the house only having 3 bedrooms. However, the meter will need to be used for prepping the land for the construction of their home.

District staff has determined that a reasonable amount of time to assess usage is 12 months. For a parcel to move to a 3/4" rate class they should not exceed 50 units (one unit equals one hundred cubic feet ["CCF"]) of water use per month on average, for any 12- month period, based on the 12-month rolling average (month determined by scheduled meter reading cycle). This is a new service, so there is not a history of usage.

There is not a past precedence for allowing the customer to choose to purchase a smaller meter size without usage history. This would be a departure from the recommendations of the capacity class study and set fees. Staff does not recommend granting this variance. In April the Board ruled against a similar variance request by not allowing a meter smaller than 1" for a new meter install on a 2.17 acre parcel.

### DESCRIPTION

The capacity charges were developed by Wildan and Raftelis through a comprehensive study and analysis of the value of District assets and the maximum day use patterns of existing customers with particular meter sizes. The reference meter size for capacity class B is 3/4-inch. According to the Raftelis analysis, the maximum allowable usage for capacity class B is 50 units (one unit equals one hundred cubic feet ["CCF"]) per month, or 1.38 AF/yr. The lot size requirement was included in the ordinance to protect the District from customers over using their intended capacity.

### ATTACHMENTS

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**POLICY/STRATEGIC PLAN KEY FOCUS AREA**

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Strategic Focus Area Five: Customer Service. This type of agreement allows the Board to fit the requests of an individual customer based on their specific use patterns which fall outside the expectations covered by the existing policy.

**BOARD OPTIONS/FISCAL IMPACTS**

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If the Board approves the variance, the customer will save \$9,527 in capacity fees. If they decide to upsize in the future, the customer will have to pay the difference in the current capacity fees at that time as well as an inspection deposit and material fees.

- 1) Approve the variance to Ordinance 21-03 to allow a property larger than 0.5 acres to qualify for capacity class B and approve the New Water Service Agreement.
- 2) Deny the variance request.
- 3) Provide other direction to staff.

**ENVIRONMENTAL**

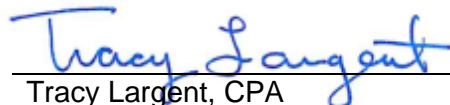
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In accordance with CEQA guidelines Section 15378, the action before the Board does not constitute a “project” as defined by CEQA and further environmental review is not required at this time.

**STAFF RECOMMENDATION**

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Staff recommends Option 2.



Tracy Largent, CPA  
Finance Manager

September 27, 2022





## ADMINISTRATIVE CODE VARIANCE APPLICATION

PROPERTY OWNER OR PRIMARY ACCOUNT HOLDER INFORMATION	
Owner Name: <i>Evette Rosas-Ramirez</i>	Telephone No.: <i>760-443-3542</i>
Address: <i>3429 Diego Estates</i>	
Email Address: <i>Momasonia45@gmail.com</i>	Account No.:

LOCATION OF PROPOSED ADMINISTRATIVE CODE VARIANCE		
Address: <i>3429 Diego Estates Dr. fallbrook</i>	APN:	Acres:

SUPPORTING INFORMATION
Specific section(s) of the Administrative Code for which this variance is being requested ( <i>attach additional pages if needed</i> ):

Reason why the variance should be approved including how the intent of the Administrative Code will be met ( <i>attach additional pages if necessary</i> ):  <i>We are requesting a 3/4" meter to be installed instead of a 1". Due to the fact we are building a small house of 2490 sq. ft. w/a garage. We do have 2 acres, but are not planting any grove or any landscaping. No live stock either. our household only will be using 30 units of water per month, only 3 bedrooms.</i>
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Rainbow Municipal Water District (District) Provisions: *noist currently has 10 oak trees that need watering*

The purpose of a variance is to provide flexibility in application of regulations necessary to achieve the purposes of the Administrative Code. A variance is intended to resolve practical difficulties or unnecessary physical hardships that may result from strict adherence to the policies contained in the Administrative Code. The cost to the applicant of strict adherence with any provision of the Administrative Code shall not be the sole reason for granting a variance. This application is subject to the approval of the District Board of Directors.

I hereby certify that all information provided in this application is true.

*Evette R. Ramirez* \_\_\_\_\_ 9-27-22  
 Owner Signature Date

3707 Old Highway 395 • Fallbrook, CA 92028  
 Phone: (760) 728-1178 • Fax: (760) 728-2575 • [www.rainbowmwd.com](http://www.rainbowmwd.com)



# WATER SERVICE CONNECTION APPLICATION

RAINBOW MUNICIPAL WATER DISTRICT  
 (760) 728-1178; Fax (760) 728-2575  
 3707 Old Highway 395  
 Fallbrook, CA 92028

DISTRICT USE ONLY	
Account No.	Book:
APP No:	Cap Class:
SW EDU:	SW Code:
Mtr Resize Form:	DS to:      US to:

Date: 9-19-22  
 Owner's Name: evette Rosas-Ramirez Telephone No.: 760-443-3542  
 Billing Address: 523 Hatherly St City/ST: Vista Zip: 92083  
 Service Address: 3429 Diego Estates City/ST: Fallbrook Zip: 92028  
 APN No: \_\_\_\_\_ Lot No.: \_\_\_\_\_ No. of Acres: 2  
 Owner's Authorized Agent: Sonia Palacio Telephone No.: \_\_\_\_\_  
 Contractor: Nick Keserovich License No.: 553201

CHARGES	AMOUNT	CIRCLE APPLICABLE
RMWD Capacity	\$	METER SIZE REQUESTED: <div style="display: flex; justify-content: space-around; font-size: small;"> <span>5/8"</span> <span>3/4"</span> <span>1"</span> <span>1.5"</span> <span>2"</span> <span>3"</span> <span>4"</span> </div>
SDCWA Capacity	\$	LAND USE FACTOR: Open Space Recreation or Conservation <div style="display: flex; justify-content: space-between; font-size: x-small;"> <span>Single Family</span> <span>Multi-Family</span> <span>Commercial</span> <span>Institutional</span> </div>
SDCWA Treatment	\$	
Material	\$	<div style="display: flex; justify-content: space-between; font-size: x-small;"> <span>Home</span> <span>Grove</span> <span>Irrigation</span> <span>Livestock</span> <span>Landscape</span> <span>Fire Service</span> </div>
Inspection	\$	<div style="display: flex; justify-content: space-between; font-size: x-small;"> <span>Nursery</span> <span>Pond</span> <span>Pool</span> <span>Septic</span> <span>Vacant Land</span> <span>Well</span> <span>Bypass</span> </div>
Line Payback	\$	
*Other:	\$	*Additional fees may be required in areas requiring special services.
<b>TOTAL COST</b>	<b>\$</b>	

The Owner/Agent listed above, hereby requests that Rainbow Municipal Water District ("District") provide water service to the service address listed.

The Owner/Agent agrees to assume full responsibility for all charges on this account from the effective date of service and to abide by the District's policies and regulations. The Owner/Agent further agrees to notify the District when responsibility for this account ceases and to provide a forwarding address for the closing bill. If the Owner/Agent's account becomes overdue, the District retains the right to discontinue service after sufficient notification and to charge any applicable penalties and late fees. Responsibility for delinquent water bills by a tenant rests with the Owner/Agent. (State Water Code 71618, 72100 & 82101)

The Owner/Agent agrees to notify the District immediately of any proposed changes in their water system that allows injection of fertilizer or any other substance into the irrigation system or connection of any other water sources to their system. When the District Cross Connection Control Specialist determines the need for a reduced pressure principal backflow (RP), the Owner/Agent hereby agrees to abide by District policy to install an approved RP and maintain it at their expense.

**BY SIGNING BELOW, OWNER/AGENT DECLARES UNDER PENALTY OF PERJURY AS FOLLOWS:**

1. I have the following legal authority to submit an application for a water service connection as set forth above:
  - I am the legal owner of the parcel(s) subject to this request and have attached proof of ownership.
  - I am an authorized agent of the owner of the parcel(s) subject to this request and have attached proof of such authorization hereto.
2. I will immediately notify the General Manager of the District if any of the following occur at any point prior to completion of the water service connection application process:
  - a. I cease to have authority to request a water service connection at the subject property; or
  - b. There is a proposed change in ownership of the parcel(s) subject to this application. (See Section 6 below)
3. I hereby request that the District approve water service to the service address and for the use listed on this application with the understanding that all costs for installation, materials, appurtenances, and inspection shall be paid by Owner/Agent. Prior to starting work, Owner/Agent shall comply with the following requirements:
  - a. Obtain District approved improvement plans for construction of a water service connection to the main.
  - b. Obtain District approval for a connection to an existing water service.
  - c. Obtain the necessary State of California/San Diego County permits or approvals relative to the water service connection construction work; and if required, a State Highways Utilities Encroachment Permit and/or a County Encroachment Permit per the District's Construction Standards Manual.
  - d. Obtain approvals or permits for the service connection from utility companies, as applicable.
  - e. Work within the Right of Way shall be performed by a Contractor with an "A" license. The Contractor shall contract the District Inspector to schedule a preconstruction meeting and provide materials submittals for review and approval.
  - f. For parcels of over one acre, the owner agrees to have the property inspected for verification of the proper size meter.
  - g. Customers living in high pressure areas (150 PSI or above) will be required to sign a *Notice of High Water Pressure Condition* form and agrees to install a pressure regulator on their side of the meter. Customers living in low pressure areas (20 PSI) will be required to sign a *Notice of Low Water Pressure Condition* form and agrees to install at his/her cost a booster system to be owned, operated and maintained by the Owner/Agent, his/her successors and assigns.
  - h. Owner/Agent understands that the District assumes no responsibility for damage or injury due to water pressure.
4. Approval of this application for service is contingent upon payment in full of all water service connection fees, service charges, delinquent water bills and penalties due and charged to or against said property by the District.
5. A water service connection application is issued for a term of two years from the date of issuance. **The Date of Issuance of this water connection application is \_\_\_\_\_ and the expiration date is \_\_\_\_\_.** If the connection is not made prior to the expiration date, this water service connection application shall expire and all rights of the water service connection application holder resulting from the issuance of such application shall terminate. Fees paid with a water service connection application that has expired will be refunded, minus administrative costs, to the application listed on the application.

If, prior to the expiration date of the water service connection application, a building permit has been issued by the County of San Diego or governing agency for the building or buildings described in this application, and a copy of the building permit is provided to the District, the application shall not expire and need not be renewed. In such case, the District's application shall expire upon the expiration of the building permits.

If connection complying with all District Standards is made prior to the expiration of the application (or building permit per above), the application will become an authorized water service permit for the subject property(s) to receive potable water from the District's water system in accordance with all District rules and regulations related to the use described in this water service connection application. Once a service connection is made to the District facilities and extended to the property, the account is considered active and will incur water service charges per District policy.

6. If Owner/Agent desires to sell the property during the term of this water service connection application and transfer the water service connection application with the same parcel of land and use, the applicant must submit written notice of the proposed transfer to the District. The new owner must then complete a new application and the expirations date will remain the same.

7. I acknowledge that this request is subject to, and approval is conditioned on, compliance with current District policy. I agree that compliance with the conditions of this water service connection application shall be binding on the applicant, successors or assigns, and subsequent property owners. Prior to sale or transfer of this property after water service connection, I agree to provide written notice of the conditions set forth herein to the new property owner.
8. In the event the District incurs any costs or suffers any damage as a result of misrepresentation, any failure to notify District of a change in authority for this water service connection application, a change in ownership of the parcel(s) subject to this application, a change in control of water service under District policy, determination that this request is improper for any reason, or unauthorized use of the water service connection, I understand and agree that I will be solely responsible for, and will indemnify, defend and hold the District harmless from any such costs and damages, including, but not limited to, the District's reasonable attorney fees.
9. I acknowledge that the District has the right to refuse or to discontinue water service at any time to protect the District from any fraud or for noncompliance with, or violation of, any District policy, ordinance, rule or regulation of the District arising from this request.
10. The District shall endeavor to furnish continuous and sufficient supply of water to its Customers to avoid any shortage or interruptions of delivery. It cannot, however, guarantee complete freedom from interruptions. The District will not be liable for interruptions or shortage of supply, nor for any loss or damage occasioned by its failure to supply water. (Administrative Code Section 8.010.010)

**Owner/Authorized Agent**

**Rainbow Municipal Water District**

Date: 9-27-20

Date: \_\_\_\_\_

Name: Evette Rosas-Ramirez

Name: \_\_\_\_\_  
District Representative

Signature: *Sonia Palacios*  
Owner/Agent's Signature

Signature: \_\_\_\_\_

**DISTRICT USE ONLY**

If the applicant is not the legal owner of the property, describe the evidence submitted by the applicant to show his or her legal authority to make this request:

**Cross Connection**

An approved Reduced Pressure Principal Backflow Preventer (RP) is required depending upon the degree of hazard on sizes 1" and under. For service 1½" and larger an approved RP is mandatory on a potable water service connection. RPs must be tested by a Certified Tester immediately after they are installed, relocated or repaired prior to service connection.

Certified Tester Name	R/P Serial Number	Pass/Fail	Meter Unlock Date
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Notes: \_\_\_\_\_

CC Technician Signature	Position	Date
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**Final Inspection**

Longitude -117.      Latitude 33.      Alt. \_\_\_\_\_      Way Point \_\_\_\_\_

Inspector Signature	Position	Date
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