REVISION #1

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

BOARD MEETING

RAINBOW MUNICIPAL WATER DISTRICT
Tuesday, February 28, 2017
Closed Session – Time: 11:00 a.m.
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 4th 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.

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 until minutes for such meeting are approved. 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 Closed Session at 11:00 a.m. and Open Session at 1:00 p.m. Tuesday, December 6, 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. ROLL CALL: Brazier____ Hamilton_____ Mack____ Stewart_____

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

4. ORAL/WRITTEN COMMUNICATIONS FROM THE PUBLIC
OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD REGARDING CLOSED SESSION AGENDA ITEMS (Government Code § 54954.2).
Under Oral Communications, any person wishing to address the Board on matters regarding the Closed Session agenda should indicate their desire to speak by filling out and submitting a "Speaker's Slip" to the Board Secretary before the meeting begins. *Speaking time shall generally be limited to three minutes, unless a longer period is permitted by the Board President.*

5. CLOSED SESSION

A. Conference with Labor Negotiators (Government Code §54957.6 and §54957)

Agency Designated Representatives

Tom Kennedy
Karleen Harp

Discussions regarding labor negotiations for:

Rainbow Employee Association
Rainbow Association of Supervisor and Confidential Employees
Rainbow Exempt Employees

B. Conference with Legal Counsel–Anticipated Litigation (Government Code §54956.9(d)(2))
- One Matter

6. REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

Time Certain: 1:00 p.m.

7. PLEDGE OF ALLEGIANCE

8. REPEAT REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

9. REPEAT ADDITIONS/DELETIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)

(*) - Asterisk indicates a report is attached.

10. 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.*

11. ANNIVERSARY ACKNOWLEDGEMENT
A. Wayne Nault (10 Years)

***12. APPROVAL OF MINUTES**

A. January 24, 2017 - Regular Board Meeting

***13. 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 Brazier)
B. Representative Report (Appointed Representative)
- **1.** SDCWA
  - **A.** Summary of Board Meeting January 26, 2017
- **2.** CSDA
- **3.** LAFCO
- **4.** San Luis Rey Watershed Council
- **5.** Santa Margarita Watershed Council

C. Meeting, Workshop, Committee, Seminar, Etc. Reports by Directors (AB1234)
D. Directors Comments
E. Legal Counsel Comments
- **1.** Attorney Report: Brown Act Update (150152-0005)

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

A. Budget and Finance Committee
- **1.** January 10, 2017 Minutes

B. Communications Committee
- **1.** January 9, 2017 Minutes

C. Engineering Committee
- **1.** January 4, 2017 Minutes

(*) - Asterisk indicates a report is attached.

BOARD ACTION ITEMS

***15. DISCUSSION AND POSSIBLE SELECTION OF DIVISION THREE DIRECTOR AND APPROVAL OF RESOLUTION NO. 17-05, A RESOLUTION APPOINTING _____ AS DIRECTOR OF DIVISION THREE OF THE RAINBOW MUNICIPAL WATER DISTRICT**

(On December 31, 2016 Director Tory Walker resigned from the Board of Directors thereby leaving the Board seat for Division Three vacant. Staff advised the Registrar of Voters office of the vacancy and posted the notice of vacancy in the Division Three area as well as on the District website on December 7, 2016. In addition, the vacancy was announced in our RMWD newsletter as well as in an article in The Village News newspaper.)

***16. ADOPT RESOLUTION NO. 17-07 FIXING THE TIME AND PLACE OF HEARING AND MEETING ON PROPOSED WATER AVAILABILITY CHARGES FOR IMPROVEMENT DISTRICT NO. 1**

(As part of the annual process for setting the water availability charges for Improvement District No. 1, it is necessary to hold a public hearing on proposed charges. Proposed date is May 23, 2017 at the RMWD regular Board meeting.)

***17. DISCUSSION AND POSSIBLE ACTION TO CHANGE THE STATUS OF INACTIVE SERVICE ACCOUNTS TO ACTIVE TO BE IN COMPLIANCE WITH PROPOSITION 218**

(At present, there are 29 identified inactive accounts connected to the District's water distribution system that have not been assessed the monthly operations and maintenance fixed fees. There are different scenarios on how these accounts have acquired the inactive status. This item is to provide the Board of Directors the opportunity to consider courses of action, if any, to pursue.)

***18. DISCUSSION AND POSSIBLE ACTION TO APPROVE APPRAISAL OF THE WATER AND WASTEWATER SYSTEMS OWNED BY RAINBOW MUNICIPAL WATER DISTRICT**

(At the March 22, 2016 Board meeting, the Board of Directors approved a contract with Willdan Financial Services to review and analyze the District's capacity fees. The purpose of this appraisal is to provide District the fair market value of the real and tangible personal property owned by the District. This document will be used to calculate our capacity fees and for financial reporting purposes. A copy of the proposal has been provided under separate cover.)

***19. DISCUSSION AND POSSIBLE ACTION TO APPROVE PURCHASE OF PROPERTY FOR THE POTENTIAL LIFT STATION 1A SITE**

(Staff is requesting the Board consider purchasing APN 126-452-01, a 1.36-acre vacant lot adjacent to the Bonsall Village Center on Thoroughbred Lane, for the purchase price of $740,000 as the potential lift station site to eliminate the sewer siphon under the San Luis Rey River and pump wastewater through a pipeline attached to the Camino Del Rey Bridge.)

***20. DISCUSSION AND POSSIBLE ACTION TO APPROVE CONTRACT CHANGE ORDER FOR INSPECTION SERVICES FOR THE HORSE CREEK RIDGE DEVELOPMENT**

(The Horse Creek Ridge Development, which consists of 751 homes and a sports complex, has started construction which will include water and sewer pipelines, a sewer lift station and a pressure reducing station. These facilities are constructed by the Developer's contractor and ultimately owned, operated and maintained by the District. Staff is requesting the Board consider a contract change order with Hoch Consulting in the amount of $279,220.50 for As-Needed Inspection Services which is paid for by the Developer.)

***21. FISCAL YEAR 2016-17 MID-YEAR BUDGET REVIEW AND BUDGET ADJUSTMENTS**

(The District approves an annual budget each June that sets forth revenue and expenditure objectives. It is a good time to review the District's budget in January shortly after reaching the mid-year point, to evaluate revenues and expenditures to date, and to make adjustments as necessary in a prompt manner.)

(*) - Asterisk indicates a report is attached.

***22. CONSIDER ADOPTION OF RESOLUTION NO. 17-09 (1) AUTHORIZING THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY (THE "AUTHORITY") TO FORM A COMMUNITY FACILITIES DISTRICT WITHIN THE TERRITORIAL LIMITS OF THE RAINBOW MUNICIPAL WATER DISTRICT TO FINANCE CERTAIN PUBLIC IMPROVEMENTS AND DEVELOPMENT IMPACT FEES; (2) EMBODYING A JOINT COMMUNITY FACILITIES AGREEMENT SETTING FORTH THE TERMS AND CONDITIONS OF THE COMMUNITY FACILITIES DISTRICT FINANCING; (3) APPROVING AN ACQUISITION AGREEMENT BETWEEN THE DISTRICT AND THE DEVELOPER; AND (4) AUTHORIZING STAFF TO COOPERATE WITH THE AUTHORITY AND ITS CONSULTANTS IN CONNECTION THEREWITH**

(In December 2016, the RMWD Board approved Resolution 16-21 that authorized the District to join the California Statewide Community Development Authority (CSCDA). At the time of that approval, the Board was informed that there would be a subsequent action at a future Board meeting to approve a series of agreements that would facilitate the formation of a CFD for the DR Horton (Developer) in order to finance certain infrastructure and capacity fees.)

****22A. DISCUSSION AND POSSIBLE ACTION REGARDING EXECUTION OF THE SECOND AMENDMENT TO AMENDED AND RESTATED SEWER SERVICE AGREEMENT BETWEEN RAINBOW MUNICIPAL WATER DISTRICCT, PASSERELLE AND D.R. HORTON***

(This agenda item is for the approval of a revised sewer service agreement where D.R. Horton agrees to the increased capacity fee payment contingent upon the approval of the CFD and the successful issuance of bonds. If the CFD is not approved or the bonds are not sold, the increased capacity fee payment will not be paid.)

***23. DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 17-06 NOMINATING CANDIDATE(S) TO THE ACWA JPIA EXECUTIVE COMMITTEE**

(RMWD received an Election Notice for the 2017 ACWA JPIA Executive Committee election which will be held during the JPIA's Board of Directors' meeting on May 8, 2017, at the spring conference in Monterey, California. The Board may choose to support other agencies by concurring their nominee.)

***24. DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 17-08 NOMINATING CANDIDATE(S) TO THE SPECIAL RISK MANAGEMENT AUTHORITY (SDRMA) BOARD OF DIRECTORS**

(In accordance with SDRMA Sixth Amendment and Restated Joint Powers Agreement, RMWD received a Notice of Nominations for the SDRMA Board of Directors 2017 Election. Four seats are up for election. A complete packet of information and a draft Resolution No. 17-08 are being provided for Board consideration.)

25. DISCUSSION AND POSSIBLE ACTION TO APPROVE AN RMWD AWARD PROGRAM FOR THE 2017 SAN DIEGO CHAPTER CALIFORNIA SPECIAL DISTRICTS ASSOCIATION PUBLIC OUTREACH PROGRAM

(San Diego Chapter of the California Special Districts Association (CSDA) has put together a Video Contest public outreach program for high school students. In order to encourage more participation from our local high school students and teachers in their education about Special Districts, staff proposes to add an additional prize to be offered to high school students who reside within the RMWD service area.)

***26. RECEIVE AND FILE INFORMATION AND FINANCIAL ITEMS FOR NOVEMBER/DECEMBER 2016 AND JANUARY 2017**

- **A. General Manager Comments**
  - **1.** Meetings, Conferences and Seminar Calendar
- **B. Operations Comments**
  - **1.** Operations Report
- **C. Engineering Comments**
  - **1.** Engineering Report
- **D. Human Resource & Safety Comments**
  - **1.** Human Resources Report
- **E. Customer Service Comments**
  - **1.** Customer Service Report

(*) - Asterisk indicates a report is attached.

F. Finance Manager Comments

1. Credit Card Breakdown
2. Directors' Expense
3. Check Register
4. Water Sales Summary
5. RMWD Sewer Equivalent Dwelling Units (EDU's) Status

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

28. ADJOURNMENT - To Tuesday, March 28, 2017 at 1:00 p.m.

ATTEST TO POSTING:

FOR Hayden Hamilton
Secretary of the Board

2-23-17 @ 8:00 A.M.
Date and Time of Posting
Outside Display Cases

(*) - Asterisk indicates a report is attached.

DRAFT *DRAFT* *DRAFT*

**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
RAINBOW MUNICIPAL WATER DISTRICT
JANUARY 24, 2017**

1. **CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on January 24, 2017 was called to order by President Brazier at 1:00 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. President Brazier presiding.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL:**

Present: Director Brazier
Director Stewart
Director Mack
Director Hamilton

Absent: None

Also Present: General Manager Kennedy
Executive Assistant/Board Secretary Washburn
Legal Counsel Smith
Finance Manager Martinez
Operations Manager Milner
Engineering Manager Kirkpatrick
Human Resources Manager Harp
Superintendent Zuniga
Superintendent Walker
Administrative Analyst Gray
Associate Engineer Powers
Crew Leader Diaz

Six members of the public were present for Open Session.

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

There were no changes to the agenda.

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).**

Dorothea and Gerald Flanigan addressed the Board regarding workers who think they are going to go through their property all the time to access and repair surrounding properties due to the fact the water pipes were originally run in a ridiculous manner. She asked for a rerouting of the plumbing from this District RMWD at her property located at 3224 Gopher Canyon Road and

(*) - Asterisk indicates a report is attached.

parts of Disney Lane. She suggested since the line needs to be replaced, it should be located where RMWD can access the line without problems as well as without disrupting residents. She stated she was aware she would have to pay for a line from the meter up to her house.

Mr. Kennedy explained many pipelines and easements in the rural areas are on private property that were installed many years ago. He noted RMWD has rules that allow for remote meters because that was what the property owner wanted in order not to have to build extensions every time a new water meter was wanted. He stated where RMWD pipelines exist, the District does have legal easements where the District pipelines exist and thereby have the right to cross them as well as prohibit fences and other things as those easements were granted by the property owner as noted in the easement documents. He offered to take a look at the particular situation.

Mrs. Flanigan stressed workers would not be diagonally trespassing on their property to access 5-6 meters far away. Mr. Kennedy stated RMWD would follow the legal rights allowed according to the District's right of way; however, he would look at the exact easement language to ensure it was being followed.

Mr. Flanigan explained a situation that happened a few years ago that resulted in their decision that no workers would access their property.

President Brazier noted this was not something the Board could not solve today; however, she directed Mr. Kennedy to get the contact information so that he could investigate this matter further.

Mrs. Flanigan thanked the Board for their time and encouraged them to have an open mind.

***6. APPROVAL OF MINUTES**

A. December 6, 2016 - Regular Board Meeting

Motion:

To approve the minutes as written.

Action: Approve, Moved by Director Stewart, Seconded by Director Hamilton.

Vote: Motion carried by unanimous vote (summary: Ayes = 4).

Ayes: Director Brazier, Director Hamilton, Director Mack, Director Stewart.

7. 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 (President Brazier)

There was no report given.

B. Representative Report (Appointed Representative)

1. SDCWA

Mr. Kennedy mentioned SDCWA would be meeting on Thursday and wanted input from the RMWD Board regarding the Resolution to be considered that will put it on the record San Diego County is not in a drought. There was no objection from the Board.

Mr. Kennedy announced he would be serving as Chair on the Imported Water Committee this month in the absence of the current Chair.

2. CSDA

Mr. Kennedy noted an official representative should be appointed later in this meeting. He also mentioned RMWD would be leading the next quarterly meeting on February 16, 2017.

3. LAFCO

Mr. Kennedy reported the Special District Advisory Council cancelled its meeting this month.

4. San Luis Rey Watershed Council

President Brazier reported the recent meeting was cancelled.

5. Santa Margarita Watershed Council

There was no report given.

C. Meeting, Workshop, Committee, Seminar, Etc. Reports by Directors (AB1234)

There were no reports given.

D. Directors Comments

Director Mack stated he would like the Board to reconsider having the Mission Statement as well as pictures of the Board of Directors placed in RMWD's main lobby.

E. Legal Counsel Comments

A. Public Records Act (501668-0002)

Legal Counsel gave an update on the recent case from the California Supreme Court on the Public Records Act case. He noted the take away for water districts is that an agency will be required to first determine if a case is active or closed and if still active, then the entire invoice remains privilege to protect the confidentiality during the course of litigation. He said once a case is closed, a case-by-case analysis would need to take place.

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

A. Budget and Finance Committee

1. November 8, 2016 Minutes

2. December 13, 2016 Minutes

Mr. Stitle reported Mrs. Martinez was making good progress on the new accounting system.

B. Communications Committee
1. November 7, 2016
2. December 5, 2016

Mr. Kennedy reported RMWD had a booth at the Fallbrook Chamber of Commerce Expo last week at which two committee members volunteered to help. He noted there were more local businesses than public members present; however, great contacts were made.

C. Engineering Committee
1. November 2, 2016
2. December 7, 2016

Mrs. Kirkpatrick noted the committee elected to keep their same chair and vice chair in place. She also mentioned the committee was reviewing the capacity fee updates as well as discussed the AMI and Imported Return Flow projects.

BOARD ACTION ITEMS

***9. DISCUSSION AND POSSIBLE SELECTION OF DIVISION THREE DIRECTOR AND APPROVAL OF RESOLUTION NO. 17-05, A RESOLUTION APPOINTING _____ AS DIRECTOR OF DIVISION THREE OF THE RAINBOW MUNICIPAL WATER DISTRICT**

President Brazier explained the appointment process was at the will of the Board. It was decided to have the candidates address the Board.

Cristal Punaro introduced herself to the Board noting she and her husband were fairly new to the area and how her interest was to be involved in the community noting her background was in employee benefits, investments as a licensed stock broker, retirement plans, insurance, and group benefits. She stated she was readily available to serve as she thanked the Board for their consideration.

Peter Hensley introduced himself to the Board as a long-time resident and noted he has been the treasurer of the HOA where he has resided over the past 20 years. He stated his background was primarily in finance starting at a CPA firm, followed with becoming an assistant Corporate Controller, working for a large developer in Houston for a number of years, and finished up as a Chief Financial Officer. He noted he retired at 59 years old at which time he studied to become a financial planner which he did for 15 years. He mentioned he was currently a member of the RMWD Budget and Finance Committee and was readily available to serve on the Board. He concluded by noting his hobby was being a singer.

Director Stewart mentioned he had contacted the third candidate, Jim Fergus, upon hearing he would not be in attendance at this meeting. He stated he found Mr. Fergus' resume to be complete noting some of the background Mr. Fergus has with development.

Mr. Kennedy pointed out there are no rules and regulations as to how the Board makes an appointment to an open seat on the Board as long as it is within sixty days.

Director Mack suggested delay making a decision until the next meeting when Mr. Fergus could be in attendance. It was noted the Board must make a decision no later than March 1, 2017 or the County will make an appointment on the District's behalf. Director Stewart agreed with deferring this matter to the next Board meeting in order to meet the third candidate with the Board possibly having questions for the candidates at that time.

Motion:

Defer the appointment selection until the next Board meeting.

Action: Approve, Moved by Director Hamilton, Seconded by Director Mack.

Vote: Motion carried by unanimous vote (summary: Ayes = 4).

Ayes: Director Brazier, Director Hamilton, Director Mack, Director Stewart.

President Brazier thanked the candidates for attending this meeting. Director Stewart encouraged at least two of the candidates be present at the next meeting. It was noted the candidates would be notified of the next meeting date.

***10. APPROVAL OF RESOLUTION NO. 17-01 ESTABLISHING CHECK SIGNING AUTHORITY**

Mr. Kennedy explained this Resolution was necessary to update the list according to the changes on the Board of Directors.

Motion:

Approve Resolution No. 17-01.

Action: Approve, Moved by Director Hamilton, Seconded by Director Mack.

Vote: Motion carried by unanimous vote (summary: Ayes = 4).

Ayes: Director Brazier, Director Hamilton, Director Mack, Director Stewart.

***11. CONSIDERATION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 17-02, A RESOLUTION OF THE BOARD OF DIRECTORS OF RAINBOW MUNICIPAL WATER DISTRICT COMMENDING DENNIS SANFORD FOR HIS OUTSTANDING SERVICE AS A DIRECTOR AND BOARD PRESIDENT**

President Brazier noted Mr. Sanford's tremendous efforts during the LAFCO matter with FPUD, especially after initially coming from the opposite position.

Motion:

Approve Resolution No. 17-02 with tremendous thanks.

Action: Approve, Moved by Director Stewart, Seconded by Director Hamilton.

(*) - Asterisk indicates a report is attached.

Vote: Motion carried by unanimous vote (summary: Ayes = 4).

Ayes: Director Brazier, Director Hamilton, Director Mack, Director Stewart.

***12. CONSIDERATION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 17-03, A RESOLUTION OF THE BOARD OF DIRECTORS OF RAINBOW MUNICIPAL WATER DISTRICT COMMENDING RICHARD BIGLEY FOR HIS OUTSTANDING SERVICE AS A DIRECTOR**

Motion:

Approve Resolution No. 17-03.

Action: Approve, Moved by Director Mack, Seconded by Director Hamilton.

Vote: Motion carried by unanimous vote (summary: Ayes = 4).

Ayes: Director Brazier, Director Hamilton, Director Mack, Director Stewart.

***13. CONSIDERATION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 17-04, A RESOLUTION OF THE BOARD OF DIRECTORS OF RAINBOW MUNICIPAL WATER DISTRICT COMMENDING TORY WALKER FOR HIS OUTSTANDING SERVICE AS A DIRECTOR**

Motion:

Approve Resolution No. 17-04.

Action: Approve, Moved by Director Hamilton, Seconded by Director Stewart.

Vote: Motion carried by unanimous vote (summary: Ayes = 4).

Ayes: Director Brazier, Director Hamilton, Director Mack, Director Stewart.

***14. CONSIDER REVISION OF EXISTING AGREEMENT (#99-026) BETWEEN RAINBOW MUNICIPAL WATER DISTRICT AND OAK CREST ESTATES, INC. CO-OP**

Mr. Kennedy noted the location of the Oak Crest Estates mentioning how RMWD has been cooperatively operating a wastewater treatment facility for the 110 units since the 1980's. He explained how recently the State changed their requirements stating a certain level of certification has changed. He pointed out the required certification was not available to those who work for RMWD since they do not work full time at a higher level plant. He said since the State came down with the new rules, he notified Oak Crest that RMWD would pay to hire an operator for 120 days in order to renegotiate a new contract so that Oak Crest could take over full payment. He pointed out RMWD's work at Oak Crest would scale way back; however, RMWD would remain a co-permittee which is favorable to a plant of this age.

Mr. Kennedy talked about the amendment to the agreement which will have all operational duties handled by another contractor and how the new contract has very stringent indemnity and protections for RMWD in the event a mistake is made. He explained after the Oak Crest Board deliberated, they decided they would rather have RMWD administer the contract within since the District has more skill with these sorts of contracts. He pointed out Oak Crest agreed to pay 100% of the contactor's cost as well as pay RMWD $100 for staff time involved with administering the contract. He added Oak Crest also agreed that should RMWD's or the contractor's cost change, Oak Crest will need to pay those costs as well and should they refuse to do so, RMWD will cancel the contract and pull out of the permit which would not be favorable for Oak Crest at the State level.

President Brazier asked Mr. Kennedy if he saw any downsides or pitfalls. Mr. Kennedy explained although there are always risks with wastewater systems, he believes staff tried to mitigate the risk in this case as much as possible with the indemnity clauses as well as with the contractor holding the most risk.

Director Mack inquired as to the 120-day requirement. Mr. Kennedy explained when the State sent out a form to reclassify the plant, the manner in which it would be reclassified would mean to have a certified operator. He stated due to the long standing relationship between RMWD and Oak Crest Estates, an agreement was reached to give the Oak Crest Estates Board of Directors 120 days to make a decision as to how Oak Crest could best take over the responsibility of the plant.

Discussion ensued.

Motion:

Option 1 - Approve newly revised agreement between Rainbow Municipal Water District and Oak Crest Estates, Inc., Co-Op.

Action: Approve, Moved by Director Hamilton, Seconded by Director Stewart.

Vote: Motion carried by unanimous vote (summary: Ayes = 4).

Ayes: Director Brazier, Director Hamilton, Director Mack, Director Stewart.

***15. DISCUSSION AND POSSIBLE ACTION ON ADMINISTRATIVE CODE VARIANCE REQUEST TO ALLOW EXCHANGE FOR LARGER METER TO MULTIPLE METERS ON THE SAME PROPERTY**

Natalie Helling explained how she and her husband had initially purchased their property and that when they were in escrow, her husband had inquired as to whether the two 1" meters could replace the 2" meter on the property to which he was told it would not be a problem. She stated after the close of escrow when her husband came to RMWD and met with staff at which time an agreement was reached; however, the next day he was informed by RMWD it was against the District's policy to have one or more meter on a single parcel. She said her husband returned to RMWD and met with additional staff from various departments after which he was told it would be okay to have different 1" meters, but there would be no credit as initially thought. She said at this time she was asking for clarification as to where this matter stands and to have their request to split the 2" meter into two 1" meters be granted.

Mrs. Kirkpatrick pointed out the property is located next to RMWD's Canonita Tank. She explained RMWD's Administrative Code allows credit for a larger meter to be split into multiple smaller meters; however, the request for it to be on the same lot was rare. She stated the request before the Board now was for a variance to receive credit for the larger meter (which is in the Administrative Code), but to allow it to be installed on one lot as opposed to multiple lots.

Mr. Kennedy stated due to the fact this was a rare situation, staff wanted to bring it to the Board for consideration. He noted there did not appear to be any operational issues with granting this request.

Director Stewart inquired about RMWD accessing the tank. It was confirmed the District would have access.

Mr. Kennedy pointed out the one thing that may come into question is serving an agriculture portion of this property with a ¾" meter; however, that was not being considered at this time. Mrs. Helling noted the main request at this time was to exchange the 2" meter to two 1" meters.

Director Brazier mentioned there may be other customers who would like to request the same type of change. Director Hamilton asked if a precedence exists in terms of multiple meters on single properties. Mrs. Kirkpatrick confirmed there were some other properties with this type of arrangement. Mr. Kennedy stated any matters such as this which would involve a variance to the Administrative Code would need to be brought before the Board for consideration.

Director Mack inquired as to whether there would be a risk should the Board approve this request and then deny another. Legal Counsel explained as long as there was a fair and rational decision making process documented, the District would not be at a high level of risk. Director Mack stressed he really did not like the idea of these matters being considered on a case-by-case basis and suggested specific criteria be spelled out in an amended Administrative Code. Director Stewart pointed out per the Administrative Code, requests such as this would require Board approval. Mr. Kennedy explained staff considered altering the Administrative Code; however, one cannot predict every situation that may come into play. He said based on this particular situation being an isolated one and the first in more than ten years, it was determined it would be best to bring it to the Board for consideration.

Discussion followed.

Motion:

Approve the variance and allow the exchange and credit of the 2-inch meter to multiple smaller meters to be installed on the same property with the proviso the Engineering Manager approves the location of the meters to be installed.

Action: Approve, Moved by Director Stewart, Seconded by Director Hamilton.

Vote: Motion carried by unanimous vote (summary: Ayes = 4).

Ayes: Director Brazier, Director Hamilton, Director Mack, Director Stewart.

(*) - Asterisk indicates a report is attached.

***16. DISCUSSION AND POSSIBLE ACTION TO ADOPT ORDINANCE NO. 17-01 AMENDING AND UPDATING RMWD ADMINISTRATIVE CODE SECTION 3.01.010-REGULAR MEETINGS**

Director Stewart stated he would prefer having the November/December meeting scheduled for the first Tuesday in December as opposed to the second Tuesday in November.

Motion:

Keep the current calendar in place with the fourth Tuesday of the month with the exception of the November/December meeting be held the first Tuesday in December.

Action: Approve, Moved by Director Stewart, Seconded by Director Hamilton.

Vote: Motion carried by unanimous roll call vote (summary: Ayes = 4).

Ayes: Director Brazier, Director Hamilton, Director Mack, Director Stewart.

It was suggested the Closed Session of the February 28, 2017 meeting start at 11:00 a.m. and should the discussion not be completed by the start of the Regular Board meeting, the Board could reconvene into Closed Session at the end of Open Session.

***17. DISCUSSION AND POSSIBLE APPOINTMENT OF BOARD OFFICERS AND REPRESENTATIVES**

President Brazier pointed out those selected to attend meetings as the official District representative will be paid a per diem for each meeting.

Director Stewart stated he was interested in the San Luis Rey Watershed Council. President Brazier pointed out the Council was making greater progress than in the past; however, they were still looking for an agricultural member. It was noted the meetings were now being held at the Pala Tribal Center the Monday before RMWD's Regular Board meetings at 12:30 p.m.

The nominations were made as follows:

Director Helene Brazier to serve as President.

Director Bill Stewart to serve as Vice President.

Director Hayden Hamilton to serve as Board Secretary.

Finance Manager Vanessa Martinez to serve as Treasurer.

Director Michael Mack to serve as CSDA representative.

Director Hayden Hamilton to serve as Santa Margarita Watershed Council representative.

Director Bill Stewart to serve as San Luis Rey Watershed Council representative.

(*) - Asterisk indicates a report is attached.

Director Michael Mack to serve as ACWA representative and Bill Stewart to serve as ACWA alternate representative.

General Manager Tom Kennedy to serve as SDCWA representative.

Motion:

To approve all nominations.

Action: Approve.

Vote: All nominations were approved by unanimous vote (summary: Ayes = 4).

Ayes: Director Brazier, Director Hamilton, Director Mack, Director Stewart.

Discussion ensued regarding the various CSDA and ACWA conferences.

BOARD INFORMATION ITEMS

18. UPDATE ON ACQUISITION WITH D.R. HORTON FOR FORMATION OF A COMMUNITY FACILTIES DISTRICT (CFD)

Mr. Kennedy stated staff expected to have information on this matter by this meeting date; however, the legal documents are not prepared as of yet. He when he approached D.R. Horton about increasing the sewer fee rate to be paid to RMWD, D.R. Horton stated they would leave the negotiations.

President Brazier proposed some questions that should be asked prior to the next Board update on this matter. She asked Mr. Kennedy to research the records to explain what took place with this particular property in order to assist the Board in making decisions on matters such as this in the future. Mr. Kennedy noted this matter goes back as far as 1987 when this was the Hewlett Packard property; however, he would research it as far back as possible.

Discussion ensued regarding the difference between connection fees and disconnected fees.

Director Stewart asked for confirmation that D.R. Horton told RMWD the $2.75 million was their final number and should RMWD not accept that offer, then D.R. Horton would choose not to do a Mello-Roos which in turn would mean RMWD would not collect $2.75 million. Mr. Kennedy confirmed this was true.

Director Stewart asked when RMWD takes over this subdivision, would all the infrastructure already be installed by D.R. Horton and would RMWD have any technical capital investment. Mr. Kennedy explained the District would have some technical capital investments associated with the upsizing for this project as well as other developments which will be partially paid for from different development fees.

Mr. Kennedy confirmed what D.R. Horton had initially paid to RMWD, that amount was short by approximately $5 million. Director Stewart stated with D.R. Horton approaching RMWD regarding putting a Mello-Roos on this project, it would mean RMWD would collect $2.75 million with the District having very little liability risk as was discussed at the December 6, 2016 Board meeting.

It was noted this matter would come back to the Board at their February meeting.

***19. RECEIVE AND FILE INFORMATION AND FINANCIAL ITEMS FOR NOVEMBER/DECEMBER 2016 AND JANUARY 2017**

A. General Manager Comments
- **1.** Meetings, Conferences and Seminar Calendar

B. Communications
- **1.** Ratepayer Letters

C. Operations Comments
- **1.** Operations Report

D. Engineering Comments
- **1.** Engineering Report

E. Customer Service Comments
- **1.** Customer Service Report

F. Human Resource & Safety Comments
- **1.** Human Resources Report

G. Finance Manager Comments
- **1.** Interim Financial Statement
- **2.** Credit Card Breakdown
- **3.** Directors' Expense
- **4.** Check Register
- **5.** Water Sales Summary
- **6.** RMWD Sewer Equivalent Dwelling Units (EDU's) Status

Mr. Kennedy spoke on the letter to be sent regarding the drought declaration which was provided as a handout. He also talked about the WaterFix handouts provided for the Board's reference and possible discussion at a later time.

Motion:

To receive and file information and financial items.

Action: Approve, Moved by Director Stewart, Seconded by Director Mack.

Vote: Motion carried by unanimous vote (summary: Ayes = 4).

Ayes: Director Brazier, Director Hamilton, Director Mack, Director Stewart.

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

It was noted the draft asset valuation study, appointment the Division 3 Director, and the D.R. Horton matter should be on the next agenda for Open Session and the Memorandum of Understanding (MOU) discussion would be on the next agenda for Closed Session.

(*) - Asterisk indicates a report is attached.

21. ADJOURNMENT - To Tuesday, February 28, 2017 at 11:00 a.m. Closed Session and 1:00 p.m. Open Session.

The meeting was adjourned with a motion made by Director Brazier and seconded by Director Hamilton to a regular meeting on February 28, 2017 at 11:00 a.m. for Closed Session and 1:00 p.m. for Open Session.

The meeting was adjourned at 3:58 p.m.

Helene Brazier, Board President

Dawn M. Washburn, Board Secretary

(*) - Asterisk indicates a report is attached.

San Diego County Water Authority

SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING
JANUARY 26, 2017

9-1. Approve a Resolution Declaring an End to Drought Conditions in San Diego County.
The Board adopted Resolution No. 2017-01, declaring an end to drought conditions in San Diego County and imploring Governor Brown and the State Water Resources Control Board to end the statewide drought emergency and rescind drought emergency water use regulations for areas no longer in drought conditions.

9-2. Retirement of Director.
The Board adopted Resolution No. 2017-02 honoring John Linden upon his retirement from the Board of Directors.

9-3. Retirement of Director.
The Board adopted Resolution No. 2017-03 honoring DeAna Verbeke upon her retirement from the Board of Directors.

9-4. Retirement of Director.
The Board adopted Resolution No. 2017-04 honoring Mark Watton upon his retirement from the Board of Directors.

9-5. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed the monthly Treasurer's Report.

9-6. Water Authority Sponsorship of Legislation in the 2017 State Legislative Session.
The Board approved sponsorship of a legislative proposal to create a stakeholder workgroup process through the Department of Water Resources for development of long-term water use efficiency standards.

9-7. CLOSED SESSIONS
The Board approved termination of the legal contract with Denton's Law Firm, and move contract to Procopio Law Firm for the Shimmick/Obayashi litigation.

The Board approved an amendment of the Brownstein Hyatt Farber Shreck legal services contract to add $380,000.

The Board approved an amendment of the Brownstein Hyatt Farber Shreck legal services contract to add $830,000.

NOSSAMAN LLP | Memorandum

TO: Rainbow Municipal Water District

FROM: Alfred Smith

DATE: February 28, 2017

RE: Attorney Report: Brown Act Update
150152-0005

I. Introduction.

This attorney report provides an update on a recent case involving the Brown Act. On January 5, 2017, in *Hernandez v. Town of Apple Valley* (2016) (Case No. E063721), the Court of Appeal for the Fourth Appellate District ruled that an agenda with a "superficial description" violated the Brown Act, but a related land use initiative for a Walmart store did not violate the California Constitution.

The appellate court's opinion addresses important issues arising in connection with alleged violations of both the Ralph M. Brown Act and the California Constitution. The case centered on an allegedly defective agenda description for a land use initiative to amend a specific plan to allow a 30-acre commercial development anchored by a Walmart Supercenter ("the Initiative"). The court found a Brown Act violation because the agenda packet did not disclose the Board intended to take action to accept a gift from Walmart in order to pay for a special election to pass the Initiative.

II. Background.

The Brown Act provides that at least 72 hours before a regular meeting, the legislative body of the local agency, or its designee, shall post an agenda containing a "brief general description" of each item of business to be transacted or discussed at the meeting. A brief general description of an item generally need not exceed 20 words. With limited exceptions not relevant to the case, no action or discussion may be undertaken on any item not appearing on the posted agenda.

The relevant Town Council agenda read, simply, "Wal-Mart Initiative Measure" and contained a recommended action to "Provide direction to staff." The agenda did not state that a vote approving the special election or approving the agreement to accept the funds was an action item at the meeting.

The Town ultimately adopted three resolutions at the meeting, including a resolution calling for a special election on the initiative. The Town also adopted a

memorandum of understanding accepting $725,000 from Walmart to pay for the election. The resolutions were not on the agenda. In addition, the agenda did not provide a description of the Walmart initiative and the adopted resolutions did not mention the Walmart initiative in their text. The agenda and agenda packet also contained no information about the MOU.

Article II, section 12 of the California Constitution provides that:

> " No amendment to the Constitution, and no statute proposed by the electors by the Legislature or by initiative, that names any individual to hold any office, or names or identifies any private corporation to perform any function or to have any power or duty, may be submitted to the electors or have any effect."

The initiative text referred to the "fee title holder" (i.e., Walmart) and to the "developer," but did not refer to Walmart by name. The ballot materials accompanying the initiative stated that "VOTING YES ON MEASURE D will approve an upgraded new Walmart store and other businesses . . . ." The ballot argument in favor of the Initiative included language that "Walmart proposed a new, upgraded store offering more affordable, fresh groceries and expanded retail choices for Apple Valley's hardworking families."

III. Cure Request and Lawsuit.

A local resident sent a written request to the Town to cure the alleged Brown Act violations of taking action on the resolutions and MOU without the items appearing on the agenda. The resident alleged that he was concerned that Walmart paid to circumvent the "normal administrative vetting process" by paying for the special election. He alleged that he would have requested an elections report be prepared before the Town adopted the resolutions and called the special election so that the council and voters would be better informed. The Town declined to cure.

The resident then sued the Town, alleging that none of the actions taken appeared on the agenda, including the three resolutions and the MOU. He also argued that the initiative should be declared unconstitutional because it was clear to the electorate that the beneficiary of the initiative was Walmart, even if Walmart was not actually named in the initiative. The Town responded that the agenda was posted on its website, in the clerk's office, and at the public library. The Town also responded that the agenda packet prepared for the meeting included a summary of the initiative, the procedure that would be followed for the special election, and the resolutions that would be passed. As a result, according to the Town, there was substantial compliance with the Brown Act and no violation.

With respect to the initiative itself, the Town responded that while residents and others may have known the development would include a Walmart, the question was

whether Walmart was named in the four corners of the initiative. It was not. The Town and Walmart argued that the initiative should be approved unless there was a clear and unmistakable constitutional violation. They argued the identification of Walmart in extraneous materials was not a violation of the California Constitution as a matter of law. Moreover, the Town argued that the trial court could sever any illegal provisions while leaving most of the initiative intact.

The trial court ruled that the Town Council's actions and the initiative were invalid, void, and unenforceable, and thus set aside the approvals.

IV. Court's Analysis.

The Court of Appeal stated that it did not address whether an agency may comply with the Brown Act by providing an agenda packet with the agenda, if the agenda itself does not describe the resolutions to be adopted. Nevertheless, while the Court's analysis focused primarily on the failure of the agenda and agenda packet to include any information regarding the MOU, which allowed the allowed the Town to accept a gift from Walmart in order to pay for the special election, the Court held that "the Town's action of putting the Initiative on the ballot was properly found null and void by the trial court as the Town Council's decision to put the Initiative on the ballot was done so in violation of the Brown Act." Thus, the Court did in fact address whether an agency may comply with the Brown Act by providing an agenda packet with the agenda where the agenda does not describe each item of business, and the answer is no.

The Court considered the plain and commonsense meaning of the initiative's language, which used words such as "developer" and "owner" but did not name or identify Walmart. The Court also considered the practical implications of the plaintiff's argument, and noted that invalidating the initiative by looking "outside" to the related ballot materials to identify Walmart would allow "any land use initiative to be invalidated as one only would need to establish the company who intended to develop the property or owned the property, even though the Initiative itself makes no reference to the entity." The Court concluded that nothing in article II, section 12 was intended to be so broadly interpreted.

V. Conclusion.

The *Hernandez* decision addresses important issues arising under both the Brown Act and the California Constitution. Although the Court purported to not address the issue, it did in fact conclude that Brown Act compliance requires a description of *each* item of business to be transacted or discussed. The Court also ruled that the text of a land use initiative controls; and even if it is known that an initiative will benefit a particular entity, the initiative is not invalid under article II, section 12 for not naming the entity.

The Court's decision makes it clear that that (1) where a private entity funds a special election, the funding source must be disclosed in the Board's agenda packet; and (2) when a public agency intends to vote on the agreement to accept funds from the private entity, the agenda must disclose the intended action item by the Board.

MINUTES OF THE BUDGET AND FINANCE COMMITTEE MEETING OF THE RAINBOW MUNICIPAL WATER DISTRICT JANUARY 10, 2017

1. **CALL TO ORDER**: The Budget & Finance Committee meeting of the Rainbow Municipal Water District was called to order by Chairperson Stitle on January 10, 2017 in the Board Room of the District Office at 3707 Old Highway 395, Fallbrook, CA 92028 at 1:03 p.m. Chairperson Stitle, presiding.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL:**

Present: Member Stitle, Member Ross, Member Hensley, Member Clyde, Member Moss.

Also Present: General Manager Kennedy, Executive Assistant Washburn, Alternate Martinez, Engineering Manager Kirkpatrick, Associate Engineer Powers.

One member of the public was present.

4. **SEATING OF ALTERNATES**

Mr. Stitle stated no alternates were necessary due to full member attendance.

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

Mr. Stitle noted Item #13 had been addressed at the December committee meeting.

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

Ms. Brazier pointed out she was at the last meeting; however, it was not noted in the minutes. Ms. Washburn later pointed out it was in the minutes under Item #3 as "One member of the public was present".

COMMITTEE ACTION ITEMS

7. **COMMITTEE MEMBER COMMENTS**

Mr. Hensley asked how RMWD planned to make up the revenue lost over the past five years. Mr. Kennedy explained the steps taken to make projections as well as noting how managing reserves coupled with the incoming development will improve RMWD's position. He noted there will need to be a great deal of proper financial planning. Discussion followed.

*8. **APPROVAL OF MINUTES**

A. December 13, 2016

Motion:

To approve the minutes as written.

Action: Approve, Moved by Member Clyde, Seconded by Member Ross.

Vote: Motion carried by unanimous roll call vote (summary: Ayes = 5).

Ayes: Member Stitle, Member Ross, Member Hensley, Member Clyde, Member Moss.

9. REVIEW CAPACITY FEE STUDY

It was noted this study was not yet complete.

Mrs. Martinez provided an audit update noting it would be completed this month.

10. REVIEW ADMINISTRATIVE CODE SECTIONS 5.03.080 AND 5.03.220

Mrs. Martinez noted the bulk of the review had to do with investment policy. Discussion followed.

Mrs. Martinez agreed to take the investment types and create a chart or spreadsheet to show RMWD was in compliance. Mr. Hensley also recommended the chart or spreadsheet show when bonds or notes are callable as well as the dates they are called.

The committee continued by reviewing Administrative Code Section 5.03.220 – Cash Reserves Policy. Discussions ensued.

It was decided reports on the cash reserves would be created and provided to the committee at the next meeting.

11. REVIEW THE FOLLOWING:

A. Income Statement
B. Balance Sheet
C. Cash Flow

Mr. Kennedy provided the committee with weather forecasts for their reference.

12. DEVELOPER UPDATE

Mrs. Kirkpatrick pointed out the new and updated water development projection report that was provided to the committee. She explained the new information included stating how many linear feet of water or sewer pipelines are going in for each development. She noted "PRS" was "Pressure Reducing Stations" and "LS" was "Lift Station". She mentioned the Horse Ridge Creek development was building a lift station on Pankey Road.

Mrs. Kirkpatrick explained part of the information was staff forecasting for staffing based on how much more pipes as well as how many more permits and pressure stations need to be maintained. She gave an update on the Lift Station 1 project, the Polo Club development, and Warner Ranch.

Discussion ensued.

Mr. Clyde inquired as to the definition of the "wheeling fee". Mr. Kennedy explained this was all part of the Meadowood project that was still in the preliminary stages.

13. DISCUSSION AND POSSIBLE ACTION TO APPOINT 2017 COMMITTEE OFFICERS

This item was not addressed per Item #5.

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

It was noted the Administrative Code review, asset valuation, and the audit and cash reserve reports should be on the next committee agenda.

15. ADJOURNMENT

Motion:

To adjourn the meeting.

Action: Adjourn, Moved by Member Clyde, Seconded by Member Ross.

Vote: Motion carried by unanimous roll call vote (summary: Ayes = 5).

Ayes: Member Stitle, Member Ross, Member Hensley, Member Clyde, Member Moss.

The meeting adjourned at 2:05 p.m.

_____

Harry Stitle, Committee Chairperson

_____

Dawn M. Washburn, Board Secretary

MINUTES OF THE COMMUNICATIONS COMMITTEE MEETING OF THE RAINBOW MUNICIPAL WATER DISTRICT JANUARY 9, 2017

1. **CALL TO ORDER** – The Communications Committee Meeting of the Rainbow Municipal Water District on January 9, 2017 was called to order by Chairperson Daily at 3:30 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. Chairperson Daily, presiding.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL:**

Present:	**Member Daily, Member Kirby, Member Hamilton, Alternate Gray.**
Absent:	**Member Kurnik.**
Also Present:	**General Manager Kennedy, Executive Assistant Washburn, Engineering Manager Kirkpatrick.**

One member of the public was present.

4. **SEATING OF ALTERNATES**

It was noted for the record that Alternate Gray would be participating in this meeting.

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

There were no changes to the agenda.

6. **PUBLIC COMMENT RELATING TO ITEMS NOT ON THE AGENDA**

There were no comments.

COMMITTEE ACTION ITEMS

*7. **APPROVAL OF MINUTES**

A. December 5, 2016

Mr. Hamilton noted his name was missing from the roll call as well as in the votes on Items #7, #9, and #14.

Motion:

Approve the minutes as revised.

Action: Approve, Moved by Member Hamilton, Seconded by Alternate Gray.

Vote: Motion carried by unanimous vote (summary: Ayes = 4).

Ayes: Member Daily, Member Kirby, Alternate Gray, Member Hamilton.

8. DISCUSSION REGARDING COMMITTEE MEMBERSHIP

It was noted this item was to address having two Board Members on the committee; however, with Ms. Brazier officially resigning from the committee prior to today's meeting this matter was no longer necessary for Committee action.

Mr. Daily thanked Ms. Brazier for keeping the committee going by volunteering to serve as a member when membership was low as well as for her work during her tenure. He also welcomed Mr. Hamilton as the newest Director appointed to serve on this committee.

9. WELCOME PACKET UPDATE

Mrs. Kirkpatrick shared the updated welcome video.

Mrs. Gray talked about the informational material to be included in the new RMWD welcome packets. Mr. Hamilton recommended the District's emergency number as well as information on how to read your bill be provided in the welcome packets.

Discussion ensued regarding additional items RMWD may want to include in the packets.

10. COMMUNICATIONS PLAN/TOPICS

Mrs. Gray solicited the committee for ideas for 2017 newsletter topics list. It was noted new development, the groundwater and IPR matter, and reinforcing items from the strategic plan are potential newsletter items.

Discussion ensued.

11. REVIEW AND ANALYSIS OF RMWD RELATED MEDIA STORIES

Mr. Daily noted the most recent news stories were on desalination which he was following.

12. COMMITTEE MEMBER COMMENTS

There were no comments.

13. LIST OF SUGGESTED AGENDA ITEMS FOR THE NEXT SCHEDULED COMMUNICATIONS COMMITTEE MEETING

It was noted project naming brainstorming session should take place at the next committee meeting.

14. ADJOURNMENT

Motion:

To adjourn.

Action: Approve, Moved by Member Hamilton, Seconded by Member Kirby.

Vote: Motion carried by unanimous vote (summary: Ayes = 4).

Ayes: Member Daily, Member Kirby, Alternate Gray, Member Hamilton.

The meeting adjourned at 4:30 p.m.

Mike Daily, Committee Chairperson

Dawn M. Washburn, Board Secretary

MINUTES OF THE ENGINEERING SERVICES COMMITTEE MEETING OF THE RAINBOW MUNICIPAL WATER DISTRICT JANUARY 4, 2017

1. **CALL TO ORDER** – The Engineering Services Committee Meeting of the Rainbow Municipal Water District on January 4, 2017 was called to order by Chairperson Prince at 3:00 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. Chairperson Prince, presiding.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL:**

Present: Member Prince, Member Stitle, Member Brazier, Member Kirby, Member Ratican, Alternate Robertson, Alternate Marnett.

Also Present: General Manager Kennedy, Engineering Manager Kirkpatrick, Engineering Technician Rubio.

Absent: Member Taufer.

Members of the public present: None.

4. **SEATING OF ALTERNATES**

Mr. Prince stated for the record that Mr. Marnett and Mr. Robertson would be taking voting seats. He announced that Mr. Murray resigned from the Engineering Committee effective immediately.

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

Mr. Prince recommended an addition to agenda item number eight to discuss moving an alternate member to replace the recent vacancy by Mr. Murray.

6. **PUBLIC COMMENT RELATING TO ITEMS NOT ON THE AGENDA**

There were no public comments.

COMMITTEE ACTION ITEMS

*7. **APPROVAL OF MINUTES**

A. December 7, 2016

Motion:

Accept the December 7, 2016 minutes.

Action: Approve, Moved by Member Brazier, Seconded by Member Kirby.

Vote: **Motion passed (summary: Ayes = 6, Noes = 0, Abstain = 1).**

Ayes: **Member Prince, Member Brazier, Member Kirby, Member Ratican, Alternate Robertson, Alternate Marnett.**

Abstain: **Member Stitle.**

8. DISCUSSION AND POSSIBLE ACTION TO APPOINT 2017 COMMITTEE OFFICERS

Mr. Prince and Mr. Stitle agreed to remain as Chairperson and Vice Chairperson for the Engineering Committee.

Motion:

Accept Chairperson Prince and Vice Chairperson Stitle as the Engineering Committee officers.

Action: **Approve, Moved by Alternate Robertson, Seconded by Member Kirby.**

Vote: **Motion passed by unanimous vote (summary: Ayes = 6).**

Ayes: **Member Prince, Member Brazier, Member Kirby, Member Ratican, Alternate Robertson, Alternate Marnett.**

Motion:

The Committee recommends to the Board to seat Alternate Member Robertson as a regular member.

Action: **Approve, Moved by Member Brazier, Seconded by Member Ratican.**

Vote: **Motion passed by unanimous vote (summary: Ayes = 6).**

Ayes: **Member Prince, Member Brazier, Member Kirby, Member Ratican, Alternate Robertson, Alternate Marnett.**

9. CAPACITY FEE UPDATE

Mr. Kennedy began discussion on the Draft Fee Capacity Study provided for review. He said there were still some questions on the calculations presented in the draft. He pointed out the consultant used standard AWWA meter multiples, which do not reflect the District's distinct customer classes. He has requested recalculations for the water meter equivalents and water capacity fees to ensure the calculations reflect clear values that are grouped correctly per consumption. Discussion ensued.

Mr. Kennedy pointed out the fire department requirement of 1" meters for fire sprinklers has recently changed to allow ¾" meters. He noted it was up to the fire department and the developer to determine the meter sizes.

Mr. Kennedy said a final draft report was expected within the next few days and would be distributed for review and comment. He plans to recommend the final report for adoption at the April 2017 Board Meeting.

10. AUTOMATIC METERING INFRASTRUCTURE (AMI) UPDATE

Mr. Kennedy said the District was continuing to work with SDG&E to perform hardware testing. He mentioned there were still some issues with the Itron contract regarding the warranty. He provided a copy of the proposed warranty terms from the District and Itron. He discussed the monthly endpoint failure rate and reimbursement amounts.

Mr. Marnett asked if the savings were dramatic to require AMI. Mr. Kennedy responded the savings were not dramatic, although AMI would reduce current labor costs on manual meter reading and provide customers better data to detect leaks and plan water usage more efficiently.

Mr. Kennedy pointed out the number one use for AMI was to obtain monthly water readings, although if the risk and cost are too high then it would not be worth it. Discussion ensued.

Mr. Kirby asked what SDG&E was gaining with the AMI program. Mr. Kennedy replied about .75 cents a meter per month.

11. SLR IMPORTED WATER RETURN FLOW UPDATE

Mr. Kennedy announced West Yost Consultants did not deliver the final product and their contract was terminated. He mentioned the District was currently negotiating a contract with RMC Consultant to conduct a preliminary review of the data and cost estimates collected from the West Yost contract. Discussion ensued.

12. LIST OF SUGGESTED AGENDA ITEMS FOR THE NEXT SCHEDULED ENGINEERING SERVICES COMMITTEE MEETING

- Admin Code Changes
- Capacity Fee Study

13. ADJOURNMENT

Motion:

To adjourn the Committee Meeting to February 1, 2017.

Action: Approve, Moved by Member Brazier, Seconded by Member Prince.

_____

Timothy Prince, Committee Chairperson

_____

Dawn M. Washburn, Board Secretary

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

BOARD ACTION

BOARD OF DIRECTORS

February 28, 2017

SUBJECT

DISCUSSION AND POSSIBLE SELECTION OF DIVISION THREE DIRECTOR AND APPROVAL OF RESOLUTION NO. 17-05, A RESOLUTION APPOINTING _____ AS DIRECTOR OF DIVISION THREE OF THE RAINBOW MUNICIPAL WATER DISTRICT

DESCRIPTION

On December 31, 2016 Director Tory Walker resigned from the Board of Directors thereby leaving the Board seat for Division Three vacant. Staff advised the Registrar of Voters office of the vacancy and posted the notice of vacancy in the Division Three area as well as on the District website on December 7, 2016. In addition, the vacancy was announced in our RMWD Newsletter as well as in an article in The Village News newspaper.

The person appointed to fill this vacancy will hold the seat until the next election, which will be November 2018; they may run for reelection at that time for a four-year term that will end in 2022.

In accordance with Government Code Section 1780, the Board has three options:

1. Appoint a resident of Division Three to serve the remainder of the term.
2. Call for a special election to fill the vacancy. In this case the election would likely be held in the next primary election. The District would pay the cost of the election.
3. If neither an appointment of a replacement nor a call for an election is completed within 60 days, the County Board of Supervisors may appoint the person of their choice to serve the remainder of the term.

At the December 6, 2016 Board meeting staff was directed to proceed with the solicitation of interested persons for the Board to consider for appointment to the Board. Interested persons were asked to contact the District with their name, address, contact information, and brief background of their education and experience as part of the application process no later than 12:00 p.m. on January 15, 2017. A list of prospective appointees will be forwarded to the Board prior to the meeting.

At the January 24, 2017 Board meeting, the Board decided to defer the appointment to the February 28, 2017 meeting at which time all interested candidates could be present to address the Board and answer any questions the Board may have.

POLICY

Government Code 1780

BOARD OPTIONS/FISCAL IMPACTS

The Board may appoint a successor for Director Tory Walker, hold a special election to allow voters to elect a successor, or allow the County Board of Supervisors to make the appointment. The appointee will hold the seat until December 7, 2018.

STAFF RECOMMENDATION

Staff supports Board direction.

Tom Kennedy
General Manager

February 28, 2017

RESOLUTION NO. 17-05

RESOLUTION OF THE BOARD OF DIRECTORS OF THE RAINBOW MUNICIPAL WATER DISTRICT APPOINTING _____ AS DIRECTOR OF DIVISION THREE OF THE RAINBOW MUNICIPAL WATER DISTRICT

WHEREAS, the Board of Directors of the Rainbow Municipal Water District has selected _____ at the Board meeting of February 28, 2017, to serve as the representative for Division Three of the Rainbow Municipal Water District; and

WHEREAS, _____ has agreed to serve as the appointed Director of Division Three of the Rainbow Municipal Water District;

NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED AND ORDERED by the Board of Directors of Rainbow Municipal Water District to appoint _____ for service as the Director of Division Three of the Rainbow Municipal Water District beginning on February 28, 2017 for the unfulfilled term expiring December, 2018 and;

BE IT FURTHER RESOLVED that the District is hereby directed to execute the Oath of Office and swear in _____ as soon as practical.

PASSED, APPROVED AND ADOPTED at a Regular meeting of the Board of Directors of the Rainbow Municipal Water District held on the 28th day of February, 2017 by the following vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Helene Brazier, Board President

ATTEST:

_____
Dawn Washburn, Board Secretary

Cristal (Beardsley) Punaro
3510 Esterlina Drive
Fallbrook, CA 92028
(951) 852-0914

Submitted for consideration to the Rainbow Water District's Board position

Employment Overview

- **1978 - 85**: Manager in the Hotel business. I was transferred to various cities in the southeast (Knoxville, Chattanooga, Nashville, TN) in progressively more responsible positions with Holiday Inns, Inc. and later with the Maxwell House Hotel in Nashville, TN where I was Corporate Sales Manager.
- **1986 - 94**: District Representative for Thrivent, a fraternal benefit society (then known as Aid Assn. for Lutherans). Insurance and security licensed.
- **1994 - 98**: Home raising small children.
- **1998 - 06**: Public Speaking position with UnumProvident, the world's largest provider of disability insurance. I gave presentations to groups of employees at client corporations who offered Unum's benefits. My job was to explain the various coverages available in layman's terms - these included disability, long term care, life insurance and other supplementary coverage.
- **2006 - 2008**: Account Manager for American Fidelity Insurance. Responsible for several school district's accounts where we offered various supplemental benefits to employees including 403b retirement options and various types of insurance products.

In 2008 I retired and started studying and practicing sustainable growing practices. I am currently enrolled in a Permaculture Design certification course which is a form of property design that is quite common in Australia and involves natural water conservation techniques and pretty much centers on building soil. I have taken courses on soil microbiology and have been immersed in an earnest self-education program for 6 years.

LICENSES
Although I allowed them to expire, I held various securities licenses: Series 7, Series 66 (a combination of the 63 and 65) as well as insurance licenses for life & health, annuities, and long term care insurance, including a CA Partnership long term care license. I have a clean record with all of these, never having had a complaint to my knowledge.

EDUCATION
2 years, CA School of Court Reporting

CHARITIABLE ORGANIZATIONS
Since retiring I've been involved in several charities:

- **Hope through Education**, a not-for-profit organization originally started and funded by SDG&E.
- **Gowns of Grace**, working with hospitals, providing assistance to families.

James K. Fergus
P.O. Box 2533
Fallbrook, CA 92088
760-803-7090
jameskevinfergus@yahoo.com

Objective

To obtain an executive/ project management position in real estate development

Summary

Developer of Master Planned Communities - ranging from acquisition, due diligence and design to disposition. Team leadership responsibilities have included product research, design, entitlements to use (land use, infrastructure, and legal), agency and property owner negotiations, homebuilder liaisons/deliveries, environmental compliance, community associations representation and detailed cost estimating/budgeting.

Employment History

1992- Present
Partner, The Roston Company, Poway, CA
The Fergus Group, Inc (TFG)

Partner in Charge of Master Planned Community design, entitlements, and infrastructure solutions, in the Phoenix Metro Area. Representative projects include:

-Westpark, Buckeye, AZ - an 1100 acre, 4000 unit community, featuring neighborhoods set amid parks, schools and a freeway commercial center.

-Cottonflower, Goodyear, AZ - a 220 acre, 822 unit community with parks and trails.

-Wildflower Ranch, Goodyear, AZ - a 300 acre, 1200 unit community featuring neighborhoods sited along a mile-long central park.

Sales for each of these projects have been in parcels to area/national homebuilders and in a mapped or finished lot condition, depending upon the market.

TFG – Johnson Ranch- Project responsibilities included design, entitlements and disposition of this controversial 1700-acre project, in Temecula, CA, representing Johnson Machinery Company.

TFG – Ivanhoe Ranch, San Diego – 200 lot, up-scale golf community. Start-up responsibilities include: product development, ETU/legal research, preliminary design, project costs/economics.

1987- 1992
Vice President- Residential Development, Rancon Financial Corporation
Temecula, CA

Principal in charge of Master Planned Communities in Southwest Riverside County, CA. Responsibilities included team management in the acquisition, design, entitlements and disposition of multiple large acre assemblages: Alta Murrieta, Stoneridge, Menifee Ranch and McSweeney Ranch.

1985- 1987
Director of Planning, Markborough California, Inc.
Irvine, CA

Responsibilities included design, entitlements, and pre-construction activities associated with a high amenity, master planned community in Southwestern Riverside, CA: Sunnymead Ranch.

1978- 1985
Associate, Phillips Brandt Reddick Consulting
Irvine, CA

Responsibilities included lead planner activities associated with large, Master Planned Communities throughout Orange County, California and Texas. Examples included: Coto de Caza, Avco Coastal (Now Monarch Beach)-E.I.R., and Talega Valley (O'Neill Ranch).

1975-1978
City Planner: Cities of Fullerton and Anaheim, CA.

Responsibilities included zoning administration, and General Plan preparation.

Education

Master of Urban Planning, California Polytechnic University, Pomona
Bachelor of Arts, Anthropology, University of California, Irvine

Other

Avocado Rancher

All America Swimmer - College

January 20, 2017

James Fergus- Bio- Water Resources Experiences

As mentioned in my resume, my career has been in the design and implementation of Master Planned Communities- primarily in the Inland Empire and Phoenix Metro Area.

Functioning at a Principal or Partner level, I have been responsible for all 'front-end' activities, including interactions with jurisdictions such as Water Districts and other local entities. We typically purchased large acreages, unentitled, 'from the farmer', and literally started from the ground-up, in determining services, design and ETU.

Regarding services- and water resources, I have assembled teams of engineers—of all stripes- we would present our projects, needs and issues, and suggested improvements to the various water districts. We primarily met with the GM's, Engineering and support staffs. Occasionally, if there was an issue, we would meet with Board members. We were always treated fairly (even if we didn't agree with a decision/ ruling).

Back to water and wastewater development: Because I led teams dealing with raw land, we literally started with the first building blocks of demands and system capacities. From there, existing facilities were examined, capital improvements devised, costs determined and agreements/ fundings arranged.

On the 'water front', this covered everything from finding water sources, drilling/ connecting, storage/treatment and delivery. With wastewater- we typically dealt with piping and participation, with districts and others, in development of new facilities or expansions to existing treatment facilities. From time-to-time, public funding (CFD's/ ID's) was considered and implemented.

I hope this snap-shot of my water resources experiences is helpful. I probably have overlooked something, but will be pleased to discuss how I can bring these experiences to the benefit of RMWD.

References are available, if requested.

JF

MIGUEL E. GASCA

1904 Wilt Road, Fallbrook, CA92028
Cell Phone: (909) 844-3802

EDUCATION

MBA 1981 – Southern Illinois University, Edwardsville, IL
Field of Concentration: Management and Finance

BS Civil Engineering 1974 – Loyola Marymount University
Field of Concentration: Water Supply and Waste Treatment

CONTINUING EDUCATION

Geographic Information Systems, 12 unit
Environmental Health Risk Assessment, 2 day
40 hr Hazardous Materials Management
P3E Project Scheduling, 10 days
Facilitator, Instructor Training, 2 weeks
Six Sigma Green Belt Training, 2 week

SECURITY CLEARANCE/REGISTRATION

Clearance Current
California Board of Engineering Registration, EIT #34818
California Dept of Real Estate, Salesperson License #01775060

PROFESSIONAL HISTORY

Apogean Group, LLC; 2009 to present
TRW/Northrop Grumman, Ballistic Missile Di/Missile Engineering Ctr; 1974 to 2009
Board of Directors, Running Springs Water District; 1979 to 1987

SUMMARY OF EXPERIENCE

Mr. Gasca served at various levels of responsibility for a prime aerospace company, ranging from Staff Engineer to Systems Integration Manager, in many specialty areas of Systems and Civil engineering. Typical tasks involved master planning, technical and laboratory studies, as well as management and contractual documentation. System Engineering responsibilities have included: ground system integration manager during development of a liquid booster target system and a commercial solid rocket motor system. The facility projects have included: protective structures, technical facilities/buildings (operational, support, deployment, test, training and manufacturing), a coal powered heating plant, transmission lines, water tanks, storm drains, railroads, roads, and bridges at locations in the United States.

Subsequent to retiring in 2009, he formed Apogean Group, a company of senior scientists and engineers. Apogean provides corporate memory reach back, mentoring younger engineers. It also assists in reconstituting the industrial base serving the US Air Force; primarily thru the ongoing development of the Southern California Association of Small Aerospace Companies.

Mr. Gasca spent two, 4-year terms (three years as president) on the Board of Running Springs Water District, Independent Water District, overseeing the management of an organization providing water, sewer, Regional waste treatment, fire, paramedics, ambulance, lighting, and park services to a community of 10,000 in the San Bernardino mountains.

APOGEAN GROUP, LLC

December 2009 to Present, Director

Serving as Director of Business Development and Technical Services for Apogean Group, LLC. Providing consulting services to Defense industry and public sector, local governments in the areas of strategic planning, system integration, facilities and environmental. Preferred subcontractor to TASC, PARSONS, Northrop Grumman, Kelly Space & Technology.

March 2011 to Present, Senior Ground Systems Engineer – TASC (USAF/SMC/SDL)

Providing Ground System technical support and mentoring thru subcontract on Propulsion Application Program/Large Class Stage/Medium Class Stage. Prepared Statements of Work, CDRL/DIDS, TRDs, CONOPS documents, Factory to Launch Flows. Prepared documentation to support Source Selection process conducted to select Launch Vehicle Integrator. Planned, established and supported conduct of Working Groups and major Technical Interchange Meetings.

July 2011 to Present, Program Manager – PARSONS (DTRA)

Providing Missile System Engineering support for Cooperative Threat Reduction Program – II, IDIQ Contract, as subcontractor to Parsons company, Pasadena, CA

NORTHROP GRUMMAN (TRW)

May 2004 to December 2009, Senior Project Manager

Served as Ground Systems Lead for IT&E IPT of MDA/Kinetic Energy Interceptor Program. Managed support staff, developing technical, schedule and cost inputs, interfacing with Interceptor, Launcher and C2BMC IPTs. Responsible for definition of Test/Production Receipt to Launch Flow, logistics/range support planning, missile/AUR manufacture and final field assembly, integration & checkout, including requirements and ICD definition, design/procurement of all necessary GSE/GFE and facilities, and development of associated procedures and training. Conducted facilities bed down siting study to determine best CONUS location for field assembly and launch complex

September 2001 – Aug 2004, Senior Project Manager

Serving as Level II Ground Systems IPT Lead for MDA/SDMC/Targets Liquid Booster Development Program. Managing support staff, developing technical, schedule and cost inputs, interfacing with Orbital Sciences, Integrating Associate Contractor. Responsible for definition of Concept of Operations, logistics/range support planning, booster manufacture and final field assembly, integration & checkout, including definition and development of procedures and training, and design/procurement of all necessary GSE/GFE and facilities

Feb – Sept 2001, Senior Staff Engineer, GMD/GBI

Provided systems engineering support to MDA/Boeing Ground Midcourse Defense/Ground Based Interceptor staff. Developed plans and schedules for Boost Vehicle development, integration and test. Supported development and maintenance of risk management system for GBI: Boost Vehicle and EKV IPTs. Performed requirements verification activities in support of ship readiness and flight readiness reviews

April 2000 – Feb 2001, Senior Staff Engineer, IPIC

Supported development of plans and schedules for five, ICBM Prime Integration Contract projects. Converted Propulsion Stage Replacement Engine Program, Microsoft Project schedule into Primavera format for integration into IPIC Master Schedule System. Prepared Peacekeeper Deactivation Planning Report for IPIC ground systems

1998-2000, Senior Project Manager/Proposal Manager

Served as Proposal Manager and Program Manager for Defense Threat Reduction Agency/CTR Russian ICBM Silo Elimination Project. Oversaw development of technical and cost inputs to the Parsons Company, prime contractor serving as TRW lead for proposal effort.

Provided staff support to VAFB office. Developed hard copy library of Minuteman and Peacekeeper drawings. Provided 10 MTS online access to JEDMICS, an Air Force digitized drawing database. Established critical assets database to support maintenance of key test/checkout equipment

Provided engineering support to TRW Components International for marketing efforts directed at providing support to the Brazilian government at the Alcantara Spaceport. Supported TCI and the Japanese NASDA, space agency, defining space facilities being developed on Christmas Island, Republic of Kiritibati for Hope-X Program

1996-1998, National Missile Defense/GBI Contract, System Deployment Team

Provided Deployment inputs to winning proposal submitted to BMDO for NMD/LSI CD contract. Interfaced with, Lockheed Martin, Raytheon, and various subcontractors. Developed both NMD System Deployment and GBI deployment concepts and schedules. Managed development of Baseline Concept Description Document. Prepared initial System Deployment Basis of Estimate. Developed deployment process description narrative. Defined deployment IMP/IMS. Managed development of IMP/IMS for sub-IPTs: Production, Deployment, ES&H, and Sustainment. Served as Deployment IT evaluator for SRA tools committee. Managed preparation of radar siting trade study. Prepared statement of work paragraphs for System Deployment IT and deployment sub-IPT. Prepared tailored CDRLs for deployment sub-IPT. Identified key personnel to support seven different functional areas. Identified potential subcontractors for environmental support; prepared draft SOW

1995-96, Evolved Expendable Launch Vehicle, Ground Segment Lead System Engineer

Systems Engineering representative supporting Alliant Tech Systems Ground Segment IPT, one of two Level 2 IPTs. Responsible for providing Systems Engineering and Integration support to six, Integrated Product Development teams: Mission Payload/Booster Integration, Mission Assurance, Launch Operations and Program Support, Launch Operations Control Systems, Ground Support Equipment, and Facilities. Conducted basing trade study to select ER and WR final assembly and launch facilities. The program met all milestones, ending in the successful completion of the Low Cost Concept Validation Phase. During the phase, the Air Force issued two Contractor Performance Assessment Reports. All categories for both CPARs were awarded green and blue codings.

Further responsibilities included development of Systems Requirements Analysis, defining Mil-Stds and Mil-Specs to be used as compliance or reference documents, establishment of ICD management system, development of Integrated Deployment Activation Schedules document, environmental documentation review, preparation of EWR/UDS submittals and management of manpower budget.

1992-95, Proposal Manager, Technical Writer, Facilitator

Served as Proposal Manager for the DNA sponsored, SS-18 Ukrainian Silo Dismantlement Program. Established technical and cost volume teams. Led dismantlement concept development. Implemented the utilization of GIS tools.

Provided technical writing support to development of the NMD Volume of the BMDO-sponsored, BMC^3/SE&I Program. Provided three members of technical staff to support IMS development and assisted in delivery of product.

Served as Continuous Process Improvement/IPT Facilitator for various AF/BMO and company IPTs. Trained by Coopers and Lybrand. Taught succeeding CPI/IPT classes of facilitators.

1989-91, Ground Systems Integration Manager, TRW Launch Vehicle Systems

Provided master planning for design and construction of commercial launch vehicle ground systems, including infrastructure and facilities at both Western and Eastern Range and ground support equipment for operations and maintenance. Dealt with key subcontractors: Bechtel, Westinghouse, and Thiokol in development of criteria and critical interfaces. Performed trade studies/analyses, and prepared RFPs, SOWs, and specifications. Interfaced with Eastern Range and Western Range.

1985-89, Deployment Support Section Head

Supervised 14 members of staff that developed field deployment concepts, system networks, timelines, costs and schedules for Peacekeeper, Small Missile and Rail Garrison intercontinental ballistic missile programs. Developed Statement of Work for selection of Boeing, Peacekeeper field deployment contractor. Drafted Memorandums of Agreement, Base Support Requirement Documents, and Host/Tenant Support Agreements. Oversaw development of pre-operational logistics support planning, and Packaging, Handling, and Transportation of all system assets to the field. Established and managed a critical, system ICD Construction Surveillance Team, part of the Air Force Site Activation Task Force. Served as Secretariat for Phase-Down IPT that planned SATAF deactivation at F. E. Warren AFB

1981-85, Senior Member of Technical Staff, Deployment Engineering

Planned and implemented assembly and checkout of 23 Peacekeeper operational, maintenance, and test facilities, including associated infrastructure subsystems at Cheyenne, WY; Omaha, NE; and Ogden, UT. Developed with Martin Marietta, Boeing, GE, AVCO, Westinghouse, and three stage motor contractors – Thiokol, Hercules, Aerojet, the Assembly and Checkout Technical Analysis for Peacekeeper operational, A&CO, maintenance, and test facilities. Planned a Field Management Information Center/System. Performed systems engineering analysis and trade studies, prepared manpower, equipment, and facility cost estimates for DoD and Congressional approval. Briefed the USAF Facilities Acquisition Board at Pentagon, Defense Safety Board, and developed Forms 1391 and 585 to justify Military Construction Program funding. Supported Peacekeeper EIS public hearings in WY, CO, NE, and UT

1974-81, MTS, Facilities, Siting and Environmental Engineering Department

Prepared criteria documents, specifications, and associated documentation for the management and execution of design/construction for the 11 facility, MX Missile Test Complex at Vandenberg AFB, CA. Interfaced with Corps of Engineers Los Angeles, Sacramento, and Omaha districts, the Air Force and their design engineering firms and building contractors to

ensure incorporation of system requirements. Interfaced with the CA State Historic Preservation Office, Native American groups, and Fish and Wildlife Service during development and review of environmental impact statements to assure a coordinated plan for system development and impact mitigation. Supported the requirements definition, design, and construction of MX Buried Trench Construction Technology Validation and Test Program involving 5-1/2 miles of 13-foot internal diameter, pre-cast and cast-in-place concrete pipe at Stoval, AZ. Performed silo/facility surveys for Minuteman III Upgrade Program, soils analyses for modeling nuclear effects of scaled structures, and trade studies for various missile basing modes

RUNNING SPRINGS WATER DISTRICT, 1979 - 1987

Elected for two terms (8 years) to the Board of Directors of an Independent Special District. Served as President for 3 years. Infused system engineering principles and strategic planning into organization. Guided implementation of Master Plans for all services: Water, Sewer, Regional Waste Treatment, Fire, Paramedics, Ambulance, Lighting, Park & Recreation. Secured Federal funding thru Farmers Home Administration, and $1.5 Million loan from Safe Drinking Water Bond law of 1976 for 3yr/8 mile, water main replacement project. Restructured billing to fund infrastructure depreciation and O&M separate from water used, while protecting senior citizen population with base water unit. Developed employee incentive program to help improve district capability. Elected to board of San Bernardino County Association of Independent Special Districts, and served as programs chairman.

PROFESSIONAL ACTIVITIES

National Council on System Engineering; Inland Empire Chapter member, 1992 - present.

American Society of Civil Engineers: Associate Member, 1973 - 1985. Los Angeles Section, San Bernardino/Riverside Branch Legislative Committee Chairman, 1979 - 1981. Delegate to California Legislative Council for Professional Engineering, Sacramento

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

BOARD ACTION

BOARD OF DIRECTORS

February 28, 2017

SUBJECT

ID 1 Hearing

DESCRIPTION

As part of the annual process for setting the water availability charges for Improvement District No. 1, it is necessary to hold a public hearing on the proposed charges.

A. Set 1:00 p.m., May 23, 2017 as the time, and District Headquarters as the place for conducting a public hearing on the entry of charges and fees for Improvement District No. 1.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Government Code Section 54954.6; Water Code Sections 71630, 71631.5, and 71632

Strategic Plan Focus Area Four: Fiscal Responsibility; Fiscally responsible, transparent and sustainable approaches to managing and forecasting the District's finances.

BOARD OPTIONS/FISCAL IMPACTS

Assessment provides approximately $475,000 of revenue to District. Failure to set hearing will impact tax revenue.

STAFF RECOMMENDATION

It is recommended that the Board of Directors approve Resolution No. 17-07, Fixing the Time and Place of Hearing and Meeting on Proposed Water Availability Charges for Improvement District No. 1.

Tom Kennedy
General Manager

2/28/17

RESOLUTION NO. 17-07

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE RAINBOW MUNICIPAL WATER DISTRICT
FIXING THE TIME AND PLACE OF HEARING
AND MEETING ON PROPOSED WATER AVAILABILITY CHARGES
FOR IMPROVEMENT DISTRICT NO. 1**

WHEREAS, Sections 54954.6 of the Government Code provides for public hearings prior to adoption of new or increased taxes or assessments; and

WHEREAS, Section 71630 of the Water Code authorizes the Board of Rainbow Municipal Water District to establish in each fiscal year water standby assessments or water availability charges in any portion of the District to which water is made available by the District, whether water is actually used or not; and

WHEREAS, Section 71631.5 of the Water Code provides that the standby assessment of availability charge for an improvement district shall not exceed $30 per acre per year for each acre of land on which the charge is levied or $30 per year for a parcel less than one acre; and

WHEREAS, Section 71632 of the Water Code provides that the ordinance fixing a standby assessment or availability charge may be adopted by the Board only after adoption of a resolution setting forth the particular schedule or schedules of charges or assessments proposed to be established by the ordinance and after hearing on said resolution; and

WHEREAS, information and matters have been presented to, and considered by, the Board of Directors regarding the existence, location and financial requirements of the system making water available to lands within Improvement District No. 1; and

WHEREAS, it is deemed necessary and desirable by the Board of Directors that water availability charges be levied on lands within Improvement District No. 1, and that said water availability charges shall be uniform through said areas;

NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED AND ORDERED, by the Board of Directors of the Rainbow Municipal Water District as follows:

1. That the schedule of water availability charges proposed to be established for all areas within Improvement District No. 1 for the fiscal year 2017-2018 shall be as follows:

   For each separately assessed parcel of land of one acre or more in size: $10.54 for each acre and for each fractional part of an acre.

   For each separately assessed parcel of land less than one acre in size: $10.54.

2. That the Charges shall be fixed in said amounts for parcels of land as shown on the last equalized assessment roll of the County of San Diego, State of California. Said charges shall be collected in the same form and manner as county taxes are collected for the fiscal year 2017-2018. Said charges shall be a lien upon the property and shall be of the same force and effect as other liens for taxes and their collection, may be enforced by the same means as provided for the enforcement of liens for state and county taxes.

3. That a public hearing before the Board of Directors of Rainbow Municipal Water District shall be held at 1:00 p.m. on Tuesday, May 23, 2017 at the office of the District, 3707 Old Highway 395, Fallbrook California, 92028 for the purpose of considering the adoption of an Ordinance which will fix and establish said water availability charges.

4. That the Secretary shall cause a notice of the time and place of the hearing to be given by publishing a notice in a newspaper of general circulation, printed and published within the county, once a week for two successive weeks. Such publication shall occur once a week or oftener, with at least five days intervening between the respective publication dates not counting such publication dates. The period of notice commences upon the first day of publication and terminates at the end of the fourteenth day, including therein the first day.

5. That the Secretary has caused written notice of the hearing to be mailed, as required by law, to each person to whom a parcel of real property described in the proposed charge is assessed on the last equalized assessment roll. Such notice shall be mailed to the address shown on the last equalized assessment roll or such other address known to the Secretary.

6. That at the time stated in the notice, the Board of Directors shall hear and consider all objections or protests, if any, to this Resolution and may continue the hearing from time to time. Upon the conclusion of the hearing, the Board of Directors may adopt, revise, change, reduce, or modify an assessment or charge, or overrule any or all objections.

PASSED AND ADOPTED at a meeting of the Board of Directors of the Rainbow Municipal Water District held on the 28th day of February, 2017 by the following vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Helene Brazier, Board President

ATTEST:

_____
Dawn M. Washburn, Board Secretary

This Resolution supersedes Resolution No. 16-05 passed and adopted on February 23, 2016.

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

BOARD ACTION

BOARD OF DIRECTORS

February 28, 2017

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO CHANGE THE STATUS OF INACTIVE SERVICE ACCOUNTS TO ACTIVE TO BE IN COMPLIANCE WITH PROPOSITION 218

BACKGROUND

At present, there are 29 identified inactive accounts connected to the District's water distribution system that have not been assessed the monthly operations and maintenance fixed fees. Some of these inactive accounts meet the criteria of being designated as an active account and should be assessed the monthly service charge in order to be in compliance our rules and Proposition 218. This situation was brought to our attention by a ratepayer becoming aware of an adjacent vacant property connected to the District's distribution system not receiving a monthly bill from RMWD, as they themselves incur the monthly fees on their parcel. As a result, staff did some research and have found there are presently 29 identified inactive accounts that are connected to the District's system, that do not receive a bill. There are different scenarios on how these accounts have acquired the inactive status which will be described later in this report.

Utility fees are subject to a number of limitations on how the proceeds of those fees are used under Article XIII D, Section 6(b) of the California Constitution, commonly referred to as Proposition 218. Among these is Section 6(b)(4), which states: No fee or charge may be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question. Courts have concluded the "immediately available" requirement is logically focused on the agency's conduct, not the property owner's. As long as the agency has provided the necessary service connections at the charged parcel and it is only the unilateral act of the property owner (either in requesting termination of service or failing to pay for service) that causes the service not to be actually used, the service is "immediately available" and a charge for the service is a fee rather than an assessment (assuming the other substantive requirements of a fee are satisfied).

Most of these inactive accounts meet the requirement of water service being immediately available to the property, and fall within the guidelines of Proposition 218 to be assessed the minimum monthly operations and maintenance fixed fee. Minimum monthly account charges are a very common feature of water rates because water utilities have very large fixed costs and only a small portion of their costs relates to how much water is consumed. Water agencies must maintain their entire system and pay a staff to do so, whether they sell one drop of water or sell all the water they can deliver.

An incident that caused several accounts to become temporarily inactive was the Rice Fire. On October 22, 2007 a fire erupted in the northern area of Rainbow's service district that lasted until October 28, 2007. The fire destroyed over 200 homes, other structures and cost over $6 million to contain the fire. The fire directly affected over 265 District service accounts. The Board of Directors at the time felt the need to provide relief and recovery help to the fire victims. As such, on December 4, 2007 the Board of Directors directed staff to suspend the monthly fixed fees to the customers affected by the fire, up until December 31, 2008 the suspension of fees would expire. It appears 12 accounts affected by this suspension did not get properly reclassified into an active status after the suspension of the monthly fees expired.

The remaining 17 inactive water accounts have suspended fixed monthly water service charges with varying scenarios. There are 11 accounts that have a lateral in the ground. A lateral is the pipe that transports water used from the property to the District's water system. Of those 11 accounts, there are 8 accounts that have a meter installed with a locked service stop. The remaining 3 accounts do not have a meter in the ground, only a lateral with a service stop that is locked is present. A meter can easily be installed on these 3 accounts with laterals within a few hours' time. All 11 accounts would be considered to have water service "immediately available".

For the remaining 6 inactive meters, the customer has paid the capacity fees for a water meter but a lateral or a meter were not found to be installed. These 6 accounts would not be considered to have water service "immediately available". These services would not be assessed the monthly fixed fees until the situation changes to make water services immediately available.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Five: Customer Service – RMWD provides reliable, quality water to our customers. The District also provides top quality customer service by meeting customer needs, being responsive, providing timely communication and being financially responsible. In part of delivering excellent customer service, staff strives to remain fair and equitable to each individual ratepayer. By not charging these inactive accounts that can have water services immediately available to them upon request would be in contrary to fairness. As there are several other ratepayers in comparable situation that are being charged the monthly fixed fees by the District.

BOARD OPTIONS/FISCAL IMPACTS

Depending on the course of action the Board of Directors decides to pursue, it can range from no fiscal impact to slight increase in recognition of fixed revenues. Additionally, dependent on if the Board moves forward with assessing these accounts, and if account holders have the option to downsize or abandon the meter can impact fiscally as well.

STAFF RECOMMENDATION

Staff recommends to the Board the following courses of action options:

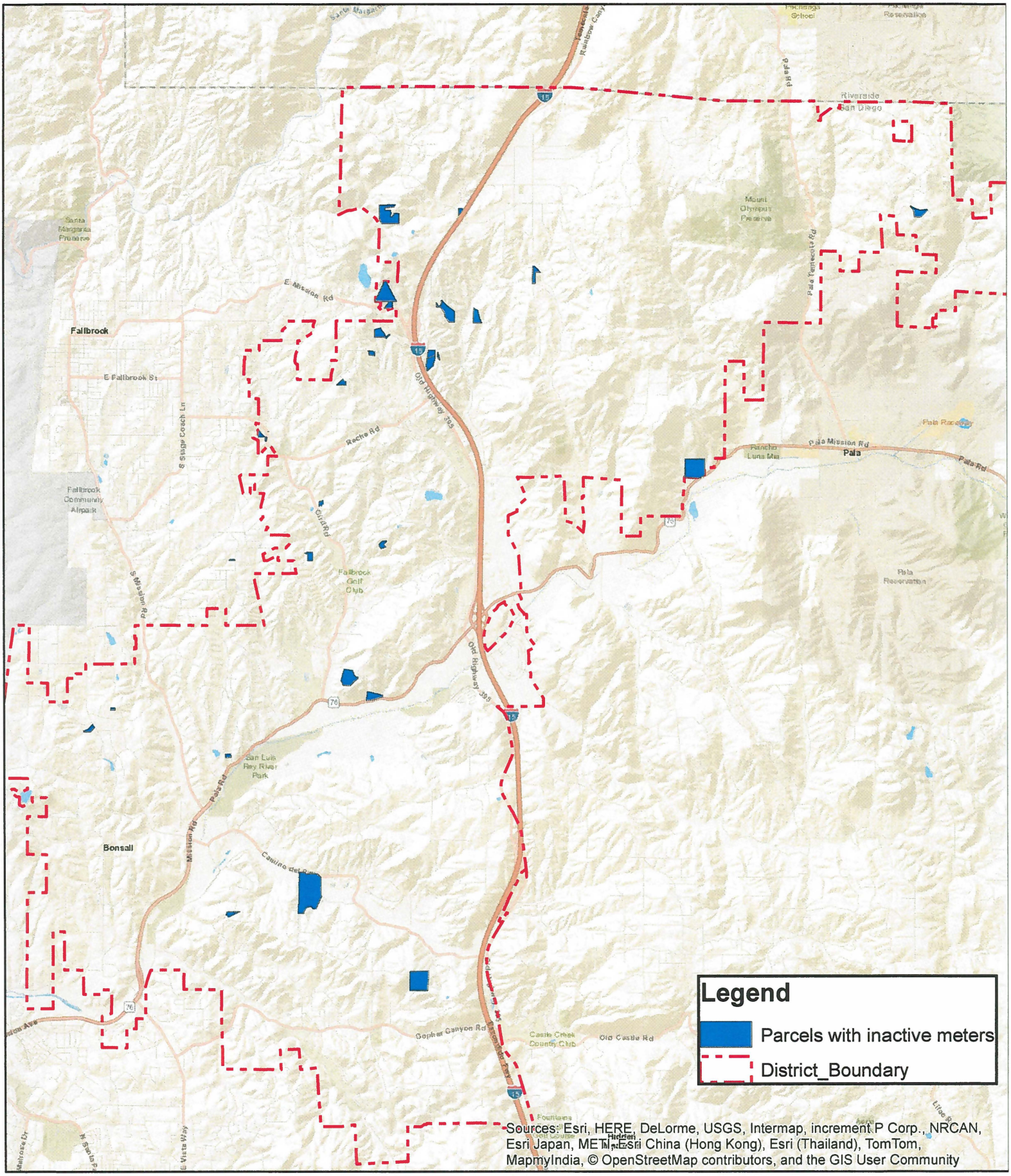
1. Authorize and direct the General Manager to move forward in pursuing charging the 23 inactive accounts the monthly fixed fees that have water service "immediately available". Prior to doing so, staff will contact each potentially affected property owner in writing of the intent of the District and give 60 days' advance notice of the initiation of the monthly fixed fees. We will also attempt contact by telephone where valid numbers are available. Advise the property owners the option to downsize to lessen the monthly fixed fee or abandon the meter if they choose not to incur a monthly fix fee.
2. Retain the status quo. It should be noted that this option can potentially have legal ramifications from current ratepayers.
3. Direct staff to further research different approach and options.

ATTACHMENTS

1. Exhibit A – List of Accounts
2. Exhibit B – Map of Inactive Accounts

Tom Kennedy
General Manager

02/28/2017



N

RAINBOW MUNICIPAL WATER DISTRICT

0 0.475 0.95 1.9 2.85 3.8 Miles

Parcels with inactive Meters

DISCLAIMER:

This map represents a visual aid intended to assist Rainbow Municipal Water District personnel with the management of the Water System facilities. Data provided hereon is not a guarantee of actual field conditions nor a substitute for record drawings and field verification.

INACTIVE ACCOUNTS

	APPL #	REFERENCE #	SERVICE ADDRESS	SIZE	REASON FOR INACTIVATION
1	246	2702462	2888 NUESTRA LANE	3/4	FIRE
2	589	0105892	4274 STERLING VIEW	11/2	FIRE
3	593	0105932	B MISSION RIDGE	2	FIRE
4	898	0108982	3862 E MISSION RD	11/2	FIRE
5	1027	0110270	725 YUCCA ROAD	3/4	FIRE
6	1526	0415261	3809 LAKETREE DRIVE	1	FIRE
7	1673	0116731	4260 A STERLING VIEW DR	3/4	FIRE
8	2754	0127541	121 AVO ROAD EAST	2	FIRE
9	3657	4036570	367 RANGER RD	2	FIRE
10	3803	2438033	TAZA ROAD	2	FIRE
11	4093	2440930	TAZA RD. & RICE CANYON	11/2	FIRE
12	5458	0154581	3593 LOS HERMANOS RD	1	FIRE
	APPL #	REFERENCE #	SERVICE ADDRESS	SIZE	REASON FOR INACTIVATION

	APPL #	REFERENCE #	SERVICE ADDRESS	SIZE	Status
1	7728	2177281	RAINBOW GLEN RD	2	Lateral in ground without a meter.
2	7729	2177291	RAINBOW GLEN RD	2	Lateral in ground without a meter.
3	7691	4276910	RECHE RD	1	Lateral in ground without a meter.
4	6441	1064410	PICO RD	2	Lateral/ meter not found.
5	7677	3176770	CHATEAU ST JEAN	1	Lateral/ meter not found.
6	7784	2177840	RAINBOW GLEN RD	1	Lateral/ meter not found.
7	7785	2177850	STERLING VIEW	1	Lateral/ meter not found.
8	7560	0375600	RANCHO HEIGHTS RD	1	Lateral/ meter not found.
9	8005	2480050	PALA DEL NORTE	3	Lateral/ meter not installed.
10	7667	0676670	HIGHLAND OAKS LN	1	Meter in ground and locked
11	4171	2941712	SOLANA REAL	1	Meter in ground and locked
12	1686	2616860	GIRD RD	4	Meter in ground and locked
13	2000	1220000	CAMINO DEL REY	3	Meter in ground and locked
14	7055	1470551	FALLSBRAE ROAD	3/4	Meter in ground and locked.
15	2169	1721691	MONSERATE HILL	2	Meter in ground and locked.

INACTIVE ACCOUNTS

16	2791	1727913	MONSERATE HILL	2	Meter in ground and locked.
17	2564	2625642	VIA RANCHEROS	2	Meter in ground and locked.
	APPL #	REFERENCE #	SERVICE ADDRESS	SIZE	Status

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

BOARD ACTION

BOARD OF DIRECTORS

February 28, 2017

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE APPRAISAL OF THE WATER AND WASTEWATER SYSTEMS OWNED BY RAINBOW MUNICIPAL WATER DISTRICT

BACKGROUND

At the March 22, 2016 Board meeting, the Board of Directors approved a contract with Willdan Financial Services (WFS) to review and analyze the District's capacity fees. A critical part of that process was to determine the actual market value of the District's assets. The total value of the water and wastewater system is a big component of capacity fees, so having an accurate representation of the value of the existing system was critical to that effort. The current asset valuation on the District's balance sheet is roughly $80 Million. WFS and their subcontractor Hartman Consultants performed site visits to all District facilities, spending over a week in the field. During these inspections, WFS documented conditions of the infrastructure, reviewed our current planning documents, and valued our property, equipment, and inventory.

DESCRIPTION

The purpose of the appraisal is to provide District the fair market value of the real and tangible personal property owned by the District. This document will be used to calculate our capacity fees and for financial reporting purposes.

The appraised valued the District's water system at $396M and our wastewater system at $43M for a total of $439M. This represents an increase of nearly $360 Million on our bottom line - a 448% increase!

The current capacity fee study that is underway is using these values to calculate the system buy in component of future capacity fees. Once these revised values are approved by the Board we can complete the capacity fee study. That project is nearing completion and a draft set of fees is expected to be available for initial review at the March Board meeting.

For financial reporting purposes we need to present this appraisal to our auditor for review. Since this re-valuation of assets will make a significant change to our net position, we need to make sure that the document is fully reviewed and vetted by our auditors. We would expect a significant effort on the part of the auditor, including a detailed letter explaining their process of evaluation and approval to be included in the FY17 audit.

There are implications for how our depreciation expenses will change once our asset valuation goes up so dramatically. Depreciation expenses are considered operating expenses but do not directly affect our cash flow. As our asset valuations go up, so do our depreciation expenses. Staff will be working with the Budget and Finance Committee to develop policies related to the level of cash funding of depreciation required to maintain our Capital Improvement reserves. The goal is to properly fund asset replacement and rehabilitation projects with the smallest rate impacts.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Two: Asset Management – this appraisal establishes the total value of our assets and allows for appropriate cost recovery for system buy in by developers. Further, it establishes a baseline for future evaluation of asset replacement schedules.

BOARD OPTIONS/FISCAL IMPACTS

1. Approve the July 13, 2016 Appraisal Report by Willdan Financial Services
2. Direct staff to provide additional information for review at a future Board meeting.

STAFF RECOMMENDATION

Staff recommends Option 1.

Vanessa Martinez 02/28/2017
Finance Manager

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

BOARD ACTION

BOARD OF DIRECTORS

February 28, 2017

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE PURCHASE OF PROPERTY FOR THE POTENTIAL LIFT STATION 1A SITE

BACKGROUND

The District currently maintains a sewer siphon under the San Luis Rey River near the Camino Del Rey Bridge. We have been working with Kennedy Jenks and Associates (KJ) to design improvements to our Lift Station 1 (LS1) and surrounding pipelines, which require replacement as they are undersized for current and predicted future flows. In addition, certain sections of these pipelines and LS1 are showing signs of deterioration. This initial project concept included an upsize of the sewer siphon for the ultimate predicted flows. KJ submitted a pre-design report summarizing the required improvements. In order to upsize the existing sewer siphon for the predicted ultimate flows, a new siphon must be horizontally directionally drilled (HDD) under the San Luis Rey River at a depth of approximately 80 feet deep to avoid going in and out of the bedrock. Due to the maintenance issues of the current siphon and the anticipated maintenance issues from a larger and deeper siphon, District staff, in consultation with the Engineering Services Committee, determined that for the long term operational benefit of the District, we should avoid the installation of a replacement siphon. Also, located adjacent to our existing siphon are cultural grinding stones, making the feasibility of actually being able to construct a replacement siphon extremely difficult, if not impossible. In order to eliminate the sewer siphon, the District must construct a new lift station on the upstream side of the river crossing and pump wastewater through a pipeline attached to the Camino Del Rey Bridge.

DESCRIPTION

After being given instructions to identify potential sites for a lift station, KJ submitted a technical memorandum for the evaluation of location alternatives for the lift station site upstream of the siphon. We are referring to this lift station as LS1A. Several alternative locations for the LS1A site have been investigated and excluded due to cultural artifacts, designated mitigation land, shallow bedrock, site constraints, and excessive excavation depth. The technical memorandum is attached. The recommended site is APN 126-452-01 located adjacent to the Bonsall Village Center on Thoroughbred Lane. It is currently 1.36 acres of vacant land. The Engineering Services Committee has reviewed the report and recommend we pursue the recommended property.

An appraisal of the property was done in May 2016. The site appraised for $740,000. Land acquisitions are exempt from environmental review pursuant to Section 1561(b)(3) of the of State California Environmental Quality Act (CEQA) guidelines. The proposed land acquisition qualifies for a "Common Sense" Exemption from CEQA as it states that CEQA only applies to projects with the potential for causing a significant effect on the environment. A notice of exemption for the proposed land acquisition was filed on July 5, 2016 and a 35-day review period was completed with no comments. CEQA requirements related to the purchase of this property have been satisfied. Other environmental review will be required during the design of the LS1A site, and will commence following acquisition of the site.

Should the Board approve the purchase, any subsequent actions with regard to the purchased parcel will be separately considered. If, for example, the Board subsequently determines that it would like to follow KJ's recommendation that LS1A be constructed on the property, the District will evaluate the potential environmental consequences of that decision and what documentation is required under CEQA at that time. Likewise, the consequences of either re-selling or leasing the property would be separately considered following the parcel's acquisition.

During closed session in December the Board gave direction to offer the appraised amount to the owner. Working with our General Counsel, the property owner has been contacted and provided documentation regarding information on selling land to a public agency. The owner has agreed to the appraisal offer and submitted the attached letter. A purchase agreement was drafted by the District General Counsel and is attached.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Two: Asset Management. This procurement is part of our planning for expansion of wastewater services to the region.

CAPITAL IMPROVEMENT PROGRAM

Lift Station 1A site =	$740,000
Lift Station 1A site improvements =	$4,345,000
Gravity Sewer =	$370,000
Forcemain over Camino Del Rey Bridge to Old River Road =	$1,110,000
LS1 to LS2 Gravity Sewer on Old River Road =	$2,690,000
Design and Staff time =	$460,000
Total =	**$9,715,000**

BOARD OPTIONS/FISCAL IMPACTS

The current estimate for the LS1A site, gravity sewer and forcemain is $9,715,000 and the District currently has sufficient funds in the Wastewater Expansion and Wastewater Capital Reserves to fund this purchase and the project. A cash flow projection for this project is enclosed.

1. Authorize General Manager to execute purchase agreement with the Lashanko Family 2001 Trust for APN 126-452-01 for a total of $740,000.

2. Direct staff to pursue alternative sites for the lift station

3. Direct staff to pursue the original siphon project

STAFF RECOMMENDATION

Staff recommends Option 1.

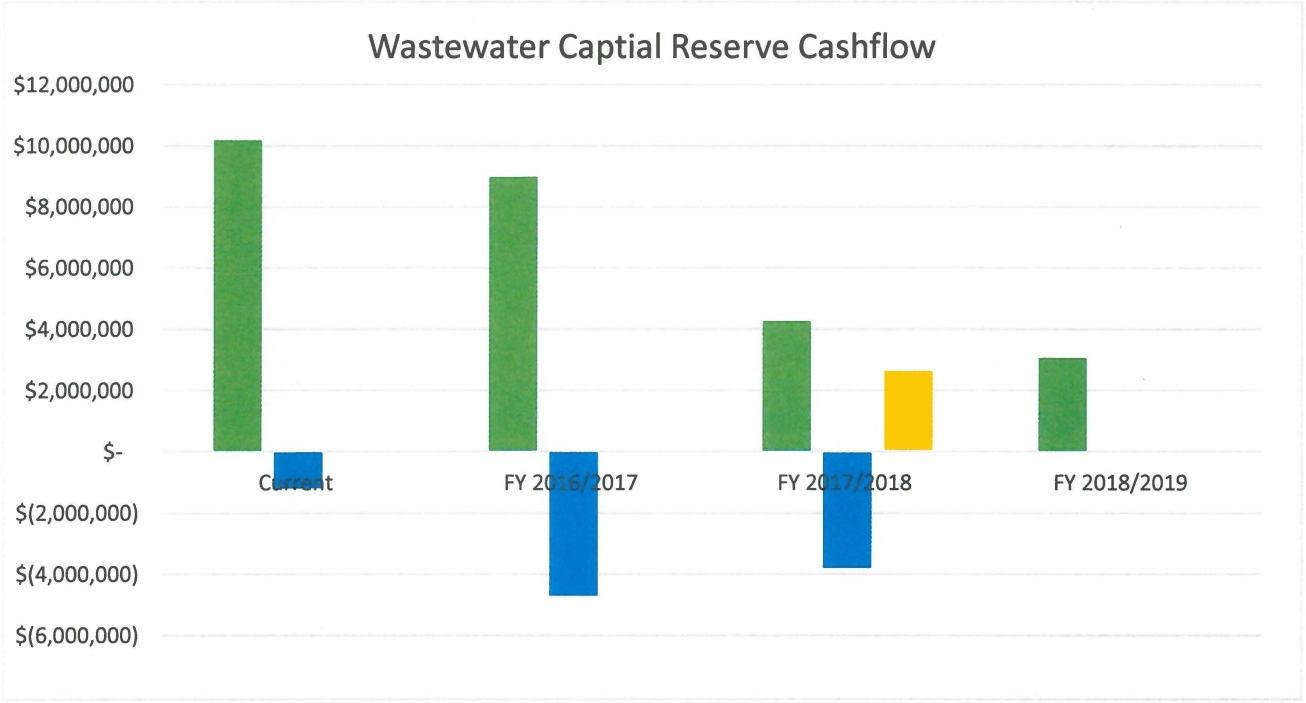
Sherry Kirkpatrick 02/28/2017
Engineering Manager

Lift Station 1A Cash Flow Projection

Wastewater Expansion	$	9,014,756
Wastewater Rehabilitation	$	1,157,801
Wastewater Capital Reserves Total	**$**	**10,172,557**
LS1A project	$	9,715,000

	Expenditures	Anticipated Capacity Fees	Total
Current			$ 10,172,557
FY 2016/2017	$ (1,200,000)	$ -	$ 8,972,557
FY 2017/2018	$ (4,715,000)	$ -	$ 4,257,557
FY 2018/2019	$ (3,800,000)	$ 2,600,000	$ 3,057,557

*no anticipated capacity fee revenue until FY 2018/2019



Kennedy/Jenks Consultants

6 July 2016

Technical Memorandum

To: Sherry Kirkpatrick

From: Corey Young/Tucker Southern

Subject: Lift Station 1 Replacement Project – Evaluation of LS1A Location Alternatives
K/J 1444101.00

Introduction

The Rainbow Municipal Water District (District) is a special district that provides water and wastewater collection to an unincorporated area of northern inland San Diego County. The District, which covers approximately 49,800 acres, is responsible for providing sewer service to over 1,905 households and businesses. The service area is comprised of primarily gravity flow system of collection pipes, six lift stations and 10.5 miles of transmission main. All wastewater collected within the District is transmitted to the San Luis Rey Wastewater Treatment Plant (SLRWTP), which is owned and operated by the City of Oceanside. The District owns, through contract, capacity to treat 1.5 million gallons of sewage per day at the SLRWTP. The District does not currently provide wastewater treatment of any kind; however, the District maintains the pipelines and pumping equipment from the District to the connection (outfall) to the City of Oceanside.

Purpose & Scope

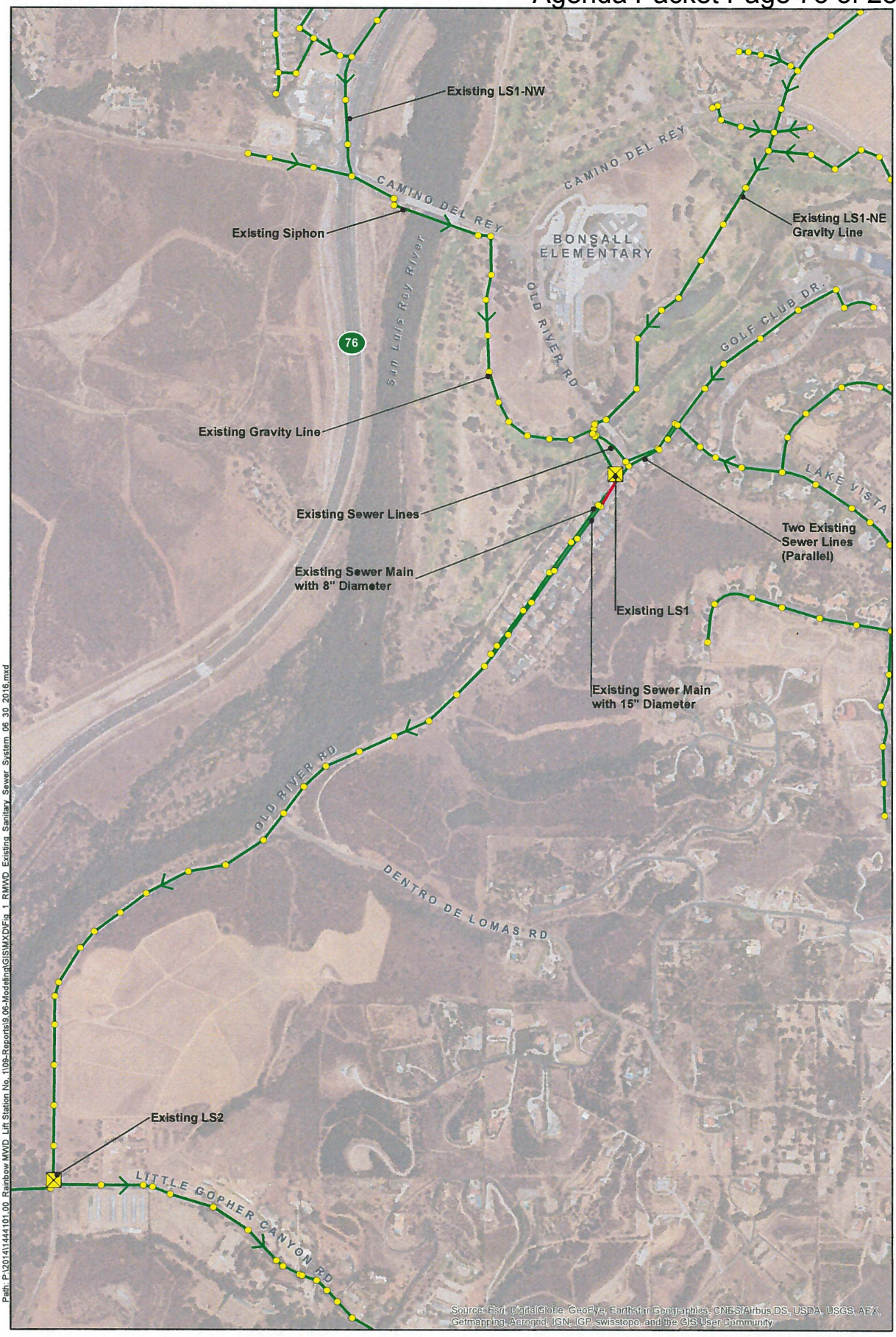
The existing Lift Station 1 (LS1) is fed by two primary sewer lines, the Northwest Interceptor (LS1-NW) and the Northeast Interceptor (LS1-NE). The LS1-NW Interceptor lies along State Highway 76, where multiple sewer lines collect to it. The LS1-NW Interceptor then flows under the San Luis Rey River and along Old River Road to Moosa Creek, where it combines with the LS1-NE Interceptor. Once the two interceptors combine, the sewage flows under Moosa creek by gravity to the existing LS1. LS1 pumps through a relatively short, force main, which discharges into a gravity sewer line located in Old River Road. It then travels almost 7,500 feet to Lift Station 2 (LS2).The existing Lift Station 1 (LS1) and associated sewer system, are depicted in Figure 1

Kennedy/Jenks provided a Draft Lift Station 1 Replacement Preliminary Design Report in November 2014 (Draft PDR) that provided analysis and recommendations for improvements to LS1 and other adjacent facilities identified by the District. After further review and discussion with the District, it was determined that the District wishes to avoid the installation of a replacement inverted siphon across the San Luis Rey River (River). As a result, a new lift station will need to be constructed on each side of the River, LS1A on the northwest side and LS1B on the Southeast side. LS1B is proposed in the original LS1 replacement location along Old River Road on a lot within the new Golf Green Estates Development. Several alternate

© Kennedy/Jenks Consultants, Inc.

locations for the LS1A site have been investigated and excluded due to cultural artifacts, designated mitigation land, shallow bedrock and excessive excavation depth. This Technical Memorandum (TM) identifies and evaluates additional alternate LS1A locations.

© Kennedy/Jenks Consultants, Inc.



Path: P:\2014\1444101.00 Rainbow MWD Lift Station No. 1\09-Reports\9.06-Modeling\GIS\MXD\Fig_1_RMWD_Existing_Sanitary_Sewer_System_06_30_2016.mxd

Legend

- Existing Lift Stations
- Existing Force Main
- Existing Manhole
- Existing Gravity Sewer
- Flow Direction

Kennedy/Jenks Consultants

Lift Station1 Replacement Project
Rainbow Municipal Water District
Fallbrook, California

Existing Sanitary Sewer System

KJ 1444101.00
Figure 1

Background Information

The District has provided information about the existing sewer system as well as future predictions of development that will affect the sanitary sewer system associated with LS1. This information was analyzed in the Draft PDR and presented again herein in order to accurately evaluate each section of the existing system included in this project.

The existing and future flows are needed in order to determine the specifics of recommended improvements. The current Average Dry Weather Flow (ADWF) has been obtained from the sanitary sewer model provided by the District. Flow from future development has been calculated by multiplying the predicted EDU's by 250 gallons per day (GPD). 250 GPD is the District standard multiplier for designing new sewer systems. The District's Wastewater Master Plan provides peaking factors to obtain the Peak Dry Weather Flow (PDWF) and Peak Wet Weather Flow (PWWF). The new lift stations must have the capacity for PWWF. Although the 2016 Wastewater Master Plan provides a PDWF peaking factor of 1.15 and a PDWF peaking factor of 1.93, the 2006 Wastewater Master Plan utilizes a more conservative 1.5 PDWF peaking factor and 2.5 PWWF peaking factor. To provide a more conservative design, the design flow of lift stations LS1A and LS1B have been determined based on the 2006 Wastewater Master Plan. Table 1 presents the ultimate ADWF, peak dry weather flow (PDWF), peak wet weather flow (PWWF), and design flow for LS1A, LS1B and the gravity linefeed by both lift stations which feeds LS2.

Table 1: Ultimate Flows

Item	Section	ADWF (GPD)	PDWF (GPD)	PWWF (GPD)	PWWF (GPM)	Design Flow (GPM)
1	LS1A	1,528,329	1,757,578	2,949,675	2,048	2,700
2	LS1B	382,650	440,048	738.515	513	650
3	Combined Flow	1,910,979	2,197,626	3,688,190	2,561	3,200

The District has also provided access to their GIS resources, which provides data and as-built drawings for the District's existing facilities. Figure 2 provides an overview from the District's GIS map of the infrastructure within the vicinity of the proposed alternative locations.

The infrastructure shown in Figure 2 is utilized in the design of LS1A to determine what manholes and laterals lie within the vicinity of the proposed LS1A locations, as well as determine if the use of existing manholes is plausible and where points of connection to the District's existing system would be reasonable. The GIS site further provides the invert and rim elevations for each manhole, which are used to determine the approximate invert elevation for

 © Kennedy/Jenks Consultants, Inc.

the proposed LS1A, as discussed in the following sections. Table 2 provides the invert and rim elevations of all pertinent manholes and laterals.

Table 2: Existing Infrastructure Characteristics

ID	Rim Elevation	Invert
N_3-89	184	173.72
N_3-45	175	163.96
M-3_66[1]	169	157.31
M-3_38	176	158.12
M-3_37	176	158.31
M-3_36	184	159.29
M-3_56	172	158.95

Note:
1) M-3_66 precedes the single sewer lateral to be captured in these alternatives. The invert elevation of the sewer lateral is 157.5.

The GIS site has been utilized along with Google Earth to determine the approximate manhole rim and invert elevations, based on the following assumptions:

- Google Earth provides an accurate depiction of topography and surface elevations
- GIS invert elevations of manholes N-3_84 and N-3_45 are incorrect. Correct elevations are depicted in as-built #569-B.
- All pipeline sizes and slopes will conform to the District's gravity main design criteria, as shown in Table 3.

Table 3: Gravity Main Design Criteria

Criteria	Value
Manning's "n"	0.013
Design flow	PWWF
Design d/D, diameter > 12"	0.75
Design d/D, diameter ≤ 12"	0.5
Minimum velocity	2 ft/s
Maximum velocity	10 ft/s
Pipe Material	PVC ASTM F679 for lines up to 15 ft deep PVC AWWA C900 or C905 for lines 15 ft or deeper

© Kennedy/Jenks Consultants, Inc.

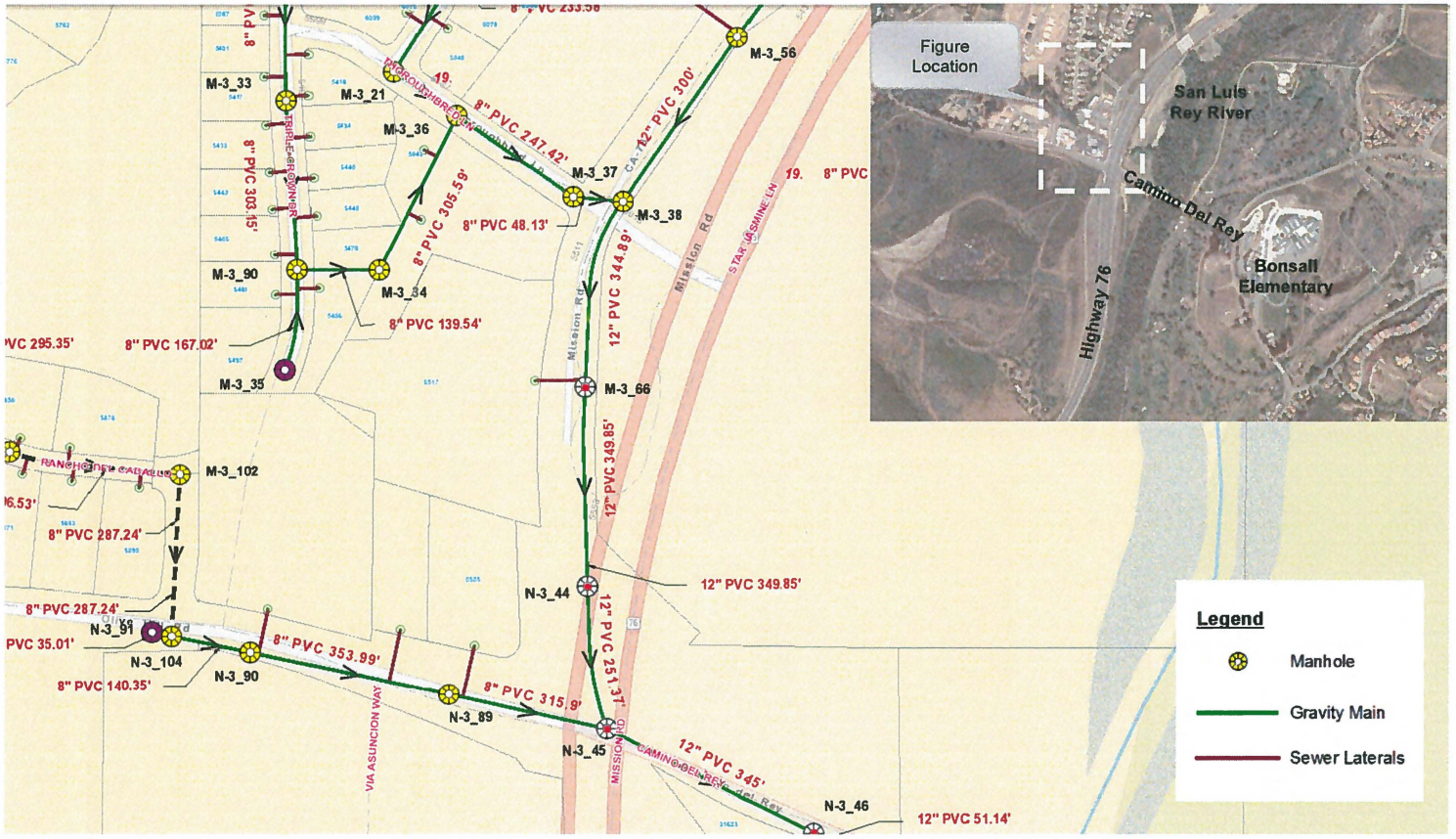


Figure 2: Proposed LS1B Vicinity - Existing Wastewater Infrastructure

© Kennedy/Jenks Consultants, Inc.

Identification and Selection of Alternatives

The following section defines the feasible alternatives for the location of the LS1A pump Station and specifies the reasoning behind the selected alternative. Alternatives identified for consideration are listed below and Presented in Figure 3:

1. Primary Alternative – South side of Thoroughbred Lane
2. Secondary Alternative – Area between Hwy 76 and the frontage road on the north side of Thoroughbred Lane
3. Other Alternatives (eliminated from consideration for reasons given):
    a. Southeast corner of intersection of Hwy 76 and Olive Hill Road/Camino Del Rey – Cultural resource mitigation would be required, which may conflict with the desired schedule and budget
    b. Northeast corner of intersection of Hwy 76 and Olive Hill Road/Camino Del Rey – Recently allocated as mitigation property for the Hwy 76 construction project
    c. Northwest corner of intersection of Hwy 76 and Olive Hill Road/Camino Del Rey – not enough space for lift station facilities and suitable access
    d. Southwest corner of intersection of Hwy 76 and Olive Hill Road/Camino Del Rey – Shallow bedrock and elevated existing ground elevation requiring deep/difficult excavation and increased cost
    e. North side of Thoroughbred Lane (across from Primary Alternative) – Expensive because it is not subdivided and difficult to acquire because it is the potential site for a future medical center
    f. Southwest corner of intersection of Hwy 76 and S. Mission Road – requires reverse crossing of San Luis Rey River tributary north to the lift station, resulting in excessive wet well depth and cost

The following design assumptions pertain to both the Primary and Secondary Alternatives:

- The three locations from which wastewater must be conveyed are Olive Hill Road, Thoroughbred Lane, and along Highway 76.
- A new manhole will be installed in between N-3_89 and N-3_45 (depicted in Figure 2 and defined in Table 2), which is assumed to have an invert elevation of 168.84.
- The pipeline from Olive Hill Road will be 8 inches in diameter with a slope of 1.9% to capture the sewer lateral preceding M-3_66, shown in Figure 2. Connection from the sewer lateral will continue as an 8-inch pipeline with a slope of 0.4%.
- The new pipeline from Thoroughbred Lane and the Highway 76 sewer lines to the LS1A wet wells will be 18 inches in diameter with a minimum slope of 0.7%.

© Kennedy/Jenks Consultants, Inc.

Legend

Identified Alternatives:

- Primary Alternative
- Secondary Alternative
- Alternative 3a
- Alternative 3b
- Alternative 3c
- Alternative 3d
- Alternative 3e
- Alternative 3f

**Note: Locations identified on this map are under consideration and are NOT identified as actual developable locations*

N

Kennedy/Jenks Consultants

Lift Station1 Replacement Project
Rainbow Municipal Water District
Fallbrook, California
Identified Alternatives Considered for the Location of LS1A

KJ 1444101.00

Figure 3

Path: P:\2014\1444101.00_Rainbow_RWD_Lift_Station_No_1\09_Reports\9.06_Modeling\GIS\MXD\Fig_4_RMWD_IdentifiedAlternativesUnderConsideration.mxd

Primary Alternative – Further Discussion

The primary alternative entails the property lying southwest of Thoroughbred Lane. This property is approximately 1.36 acres located in close proximity to local businesses and has the potential to be subdivided, both of which require consideration for this alternative. Two options are applicable to this location:

- Option 1: Utilize the east half of the property to house the pump station and sell the west half of the property. The west half of the property is potentially more favorable for selling, resulting in lower net land acquisition cost.
- Option 2: Utilize the west half of the property to house the pump station and sell the east half of the property. This option has a lower surface elevation and shorter gravity line feeding it, resulting in a more shallow wet well and lower construction cost.

Figure 4 depicts the approximate split of the property and accompanying influent manhole for each option.

Figure 4: Primary Alternative – Option 1 and 2 Overview

© Kennedy/Jenks Consultants, Inc.

Secondary Alternative

The Secondary Alternative lies directly adjacent to Highway 76, as shown in Figure 5. This location is approximately 0.31 acres has been noted as property that Caltrans would like to sell The merits of the Primary and Secondary Alternatives are discussed in the section below entitled "Alternative Selection."

Figure 5: Secondary Alternative Overview

© Kennedy/Jenks Consultants, Inc.

Alternative Selection

For ease of discussion, a comparison of the Primary and Secondary Alternatives is provided in Table 4.

Table 4: Alternative Selection Comparison

Alternative	Advantages	Disadvantages
Primary	• Greater area promoting constructability • Security of Fencing • Ease of vehicular access • Minimized emergency storage basin depth	• Greater land acquisition cost • Proximity to residential
Secondary	• Lower land acquisition costs • Separation from residential	• Limited vehicular access • Inadequate space for entire site to be fenced • Reduced emergency storage basin volume or increased depth

Primary Alternative Option 2 (utilization of the west side of the property) entails placing the lift station on a steeply sloped hill, whereas Option 1 (utilization of the east side of the property) lies at a considerably lower elevation, which saves construction costs through minimizing required grading as well as wet well depth. Similarly, Option 1 provides an influent manhole that lies southwest of Thoroughbred Lane, which minimizes the distance required to redirect existing wastewater , thus requiring a less deep influent manhole. Although the available property of Option 2 may be more easily sold, the construction cost savings and overall benefits to constructability have been deemed prefereable. As such, the Primary Alternative Option 1 has been chosen to pursue in design of the Primary Alternative due to its location and topography.

The Secondary Alternative provides a backup location in the event the property for the Primary Alternative is not able to be acquired. The secondary alternative location provides separation from the existing residential developments, which is advantageous for any sanitary sewer lift station. It also has a low surface elevation, similar to the Primary Alternative, Option 1, which lessens construction costs; and is able to collect flows from Thoroughbred Lane and along Highway 76 by replacing Manhole M-3_38, depicted in Figure 2. However, due to the small size of the proposed parcel (approximately 0.31 acres) and the separation into two disjointed areas,

 © Kennedy/Jenks Consultants, Inc.

not all of the amenities can be provided to the same degree as the Primary Alternative. For example, the emergency storage basin would either need to be reduced in capacity to fit within the given area or be expanded deeper, which prevents its capability to gravity flow back to the wet well. Furthermore, the layout and proximity to Highway 76 and limited area would inhibit accessibility and constructability. As such, this location has been chosen as a secondary alternative. Additional information and discussion regarding the Secondary Alternative is provided with the Primary Alternative in later sections.

Alternative Design Criteria

This section describes the conceptual design of LS1A at the Option 1 location described in previous sections.

Design Flows

LS1A will have a design flow (maximum capacity with one pump out of service) of 2,700 gpm. which exceeds the 2006 Wastewater Master Plan PWWF (2,550 gpm). For this conceptual design, the design flows will remain consistent with the 2006 Wastewater Master Plan flows; however, further investigation of the peaking factors will be performed in the design phase. This approach provides some safety factor for predicted flows and is consistent with the District's Design Manual and the Draft PDR.

Wet Well Design

Similar to LS2 and Horse Creek Ranch Lift Station, LS1A will have two wet wells, equal in size. Each wet well will have two submersible pumps. As shown in Figure 6, an upstream manhole will divert flow to both wet wells. A connecting pipe between the two wet wells will equalize the water level in both wet wells. One slide gate will be installed at each wet well and at the pipe that connects each wet well to the flow splitting manhole. An additional slide gate will be installed at the northern wet well at the pipe that connects the two wet wells. The three slide gates will allow for isolation of each wet well.

 © Kennedy/Jenks Consultants, Inc.

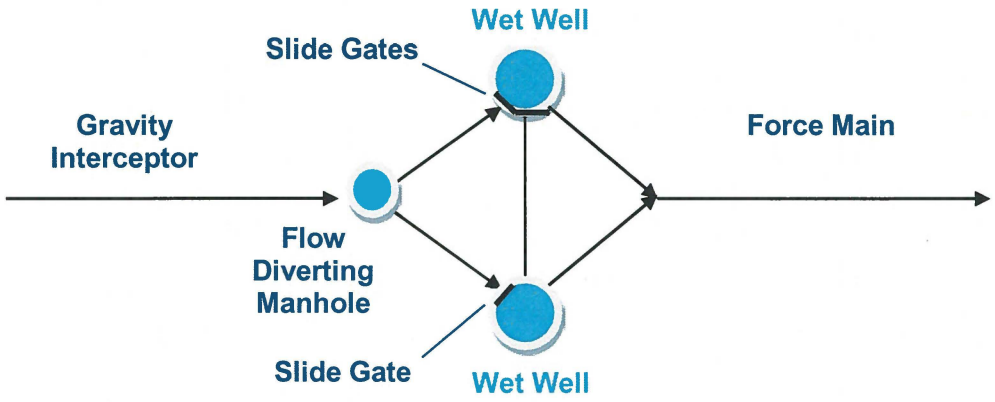


Figure 6: LS1A Wet Well Schematic

The design is based on the District's Design Manual, published in December 2011. However, although a wet well/dry well pump station is recommended in the District's Design Manual, at the direction of District staff a submersible pump station will be utilized. Two recent projects: LS2 and Horse Creek Ranch Lift Station do not have dry wells, and District staff is satisfied with the design.

Force Main

LS1A's force main discharges into a new discharge manhole (MH #80) and has a total length of 4,400 feet. The force main will convey wastewater south beside Highway 76 until Olive Hill Road, at which point the force main will turn east toward the San Luis Rey River. The force main will utilize a jack and bore under Highway 76, after which it will utilize the Camino Del Rey bridge to cross the San Luis Rey River, for which coordination with San Diego County will be required. The force main will then continue to a point adjacent to LS1B, where the two combine. High points, such as prior to the jack and bore locations and after the bridge crossing, will be equipped with air vacuum valves, which will discharge to the nearest gravity manhole.

Based on the criteria presented in Table 5, the pipe diameter is 14 inches for the force main from LS1A to MH #80. Note that, due to the limited potential lift station locations, the force main is required to be almost a mile long; thus, the retention time during low flow periods may exceed the Districts design criteria of 6 hours. The resulting detention times due to the length of this force main and the volume of the wet wells results in the need for an odor mitigation system at LS1A.

© Kennedy/Jenks Consultants, Inc.

Table 5: Force Main Design Criteria

Criteria	Value
Design flow	Max pump station discharge
Minimum cover	4 ft
Minimum velocity	3 ft/s
Maximum velocity	8 ft/s
Maximum retention time in pipe	6 hours
Pipe material	Class 200, PVC C900 or C905

Emergency Storage Basin

In accordance with the District's Design Manual, an emergency storage basin will be provided for the lift station. The emergency storage basin, in combination with the lift station wet wells, will have a storage volume equal to six hours of ADWF, which is approximately 380,000 gallons for LS1A. Table 6 provides design criteria for the emergency storage basins.

Table 6: Emergency Storage Basin Design Criteria

Sizing Criteria	
Item	**LS1A**
Duration	6 hours
Flows (ADWF)	1,060 gpm
Required capacity (including volume in wet wells)	380,000 Gallons

LS1A Primary and Secondary Alternative Design

The following sections provide the preliminary design of the Primary and Secondary Alternative locations. Both alternatives are included for comparison.

Wet Well Design

The required total active operating volume for the wet wells is 2,625 gallons for LS1A. Assuming each wet well has a diameter of eight feet, the required active operating depth of each wet well is 3.5 feet, all of which must be located below the invert of the inflow pipe per the District Design Manual. The submersible pumps require a minimum submergence level of 4 feet above the

 © Kennedy/Jenks Consultants, Inc.

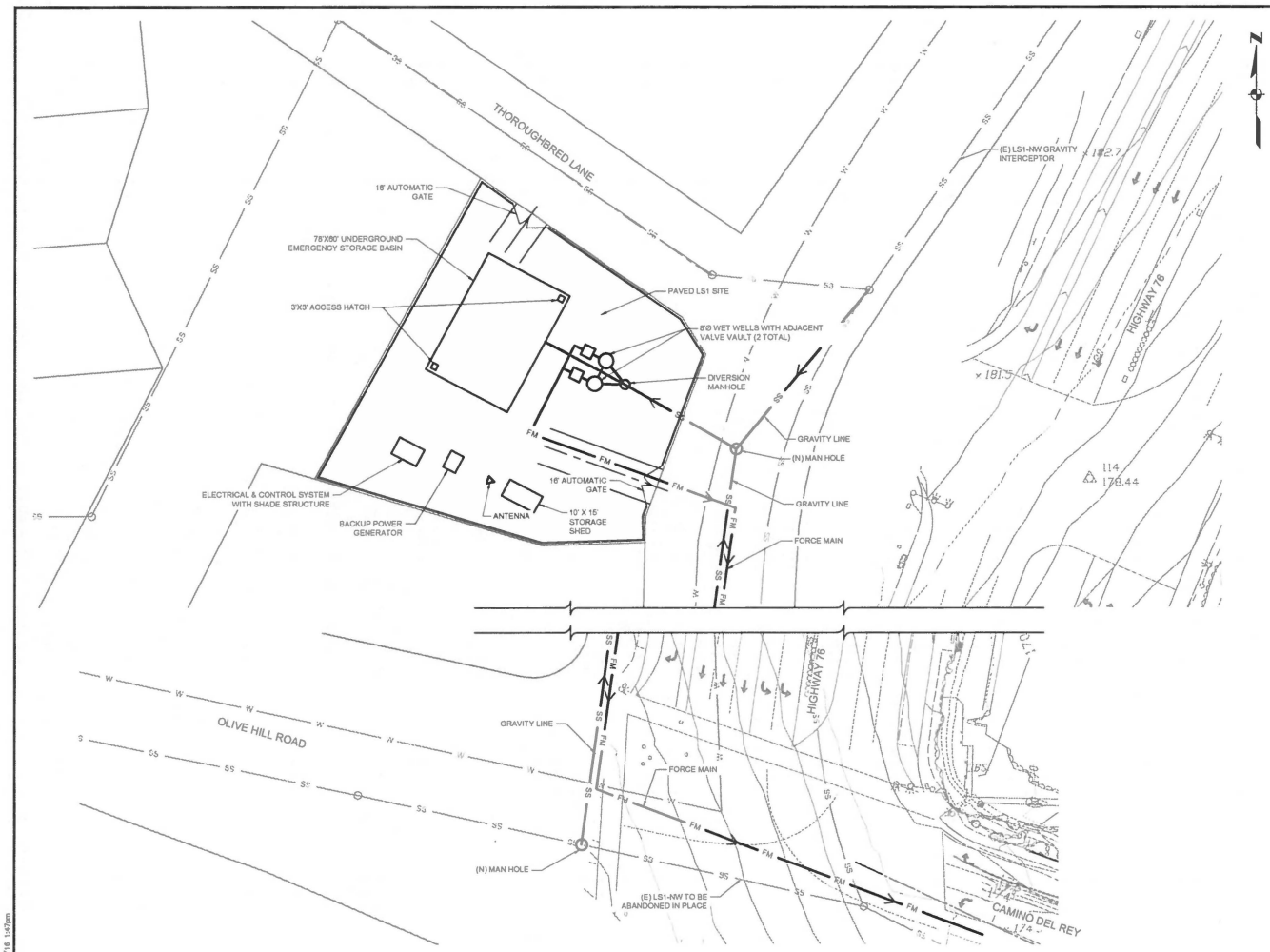
floor. Therefore, the invert of the wet well must be a minimum of 7.5 feet below the invert of the inflow pipe. The Emergency Storage Basin volume must always be accessible and must be capable of draining by gravity back to the wet well in the event the levels in the wet wells rise to the Emergency Storage Basin inlet/outlet pipe . The invert of the combined inlet outlet of the Emergency Storage Basin will be provided at the top of pipe elevation in the divergence manhole and sloped to allow flow by gravity from the Basin back to the manhole. The layout and section of the Primary LS1A site are provided in Figure 7 and Figure 8, respectively. The layout of the Secondary LS1A site is provided in Figure 9.

The specific wet well parameters for each pump station are provided in Table 7.

Table 7: Wet Well Characteristics

Wet Well Parameters	Primary	Secondary
No. of Wells	2	2
Wet Well Diameter	8 feet	8 feet
Min. Active Operating Volume	2,625 gallons	2,625 gallons
Active Operating Depth	3.5 feet	3.5 feet
Submergence Depth	4 feet	4 feet
Rim Elevation	180 feet	172 feet
Inflow Pipe Invert Elevation (I.E.)	156.7 feet	156.7
Wet Well Invert Elevation	149.2 feet	149.2
Min. Wet Well Depth	~31 feet	~31 feet

© Kennedy/Jenks Consultants, Inc.



SITE PLAN

0 20 40 60
1 =30'

Figure 7

NOT FOR CONSTRUCTION

Underground Service Alert
DIGALERT
Call: TOLL FREE 1-800 227-2600
TWO WORKING DAYS BEFORE YOU DIG

BASIS OF BEARING
COORDINATE SYSTEM: XX.XX
DESCRIPTION: XX.XX

VERIFY SCALES
BAR IS ONE INCH ON ORIGINAL DRAWING
0 1
IF NOT ONE INCH ON THIS SHEET, ADJUST SCALES ACCORDINGLY

RAINBOW
3707 OLD HWY 395
FALLBROOK, CA 92028

EXISTING UTILITY DISCLAIMER NOTE

APPROVAL OF THIS PLAN BY THE RAINBOW MUNICIPAL WATER DISTRICT DOES NOT CONSTITUTE A REPRESENTATION AS TO THE ACCURACY OF THE LOCATION OF, OR THE EXISTENCE OF ANY UNDERGROUND UTILITY PIPE OR STRUCTURE WITHIN THE LIMITS OF THIS PROJECT. THE DISTRICT ACCEPTS NO RESPONSIBILITY FOR ANY REIMBURSEMENT DUE TO ADDITIONAL FACILITIES OR TIME DELAYS AS A RESULT OF THESE ADDITIONAL FACILITIES

REV.	BY	DATE	REVISIONS	APPR.	DATE

DESIGNED BY: XX DRAWN BY: XX CHECKED BY: XX

SUBMITTED BY:

ENGINEER NAME HERE R.C.E. XXXXX EXP. X/X/XX

DATE:

PLANS PREPARED BY:

Kennedy/Jenks Consultants
9665 GRANITE RIDGE, SUITE 210
SAN DIEGO, CA 92123
OFFICE 858-676-7500 / FAX: 858-292-1694
1444101*00

RAINBOW MUNICIPAL WATER DISTRICT
LIFT STATION NO. 1 REPLACEMENT PROJECT

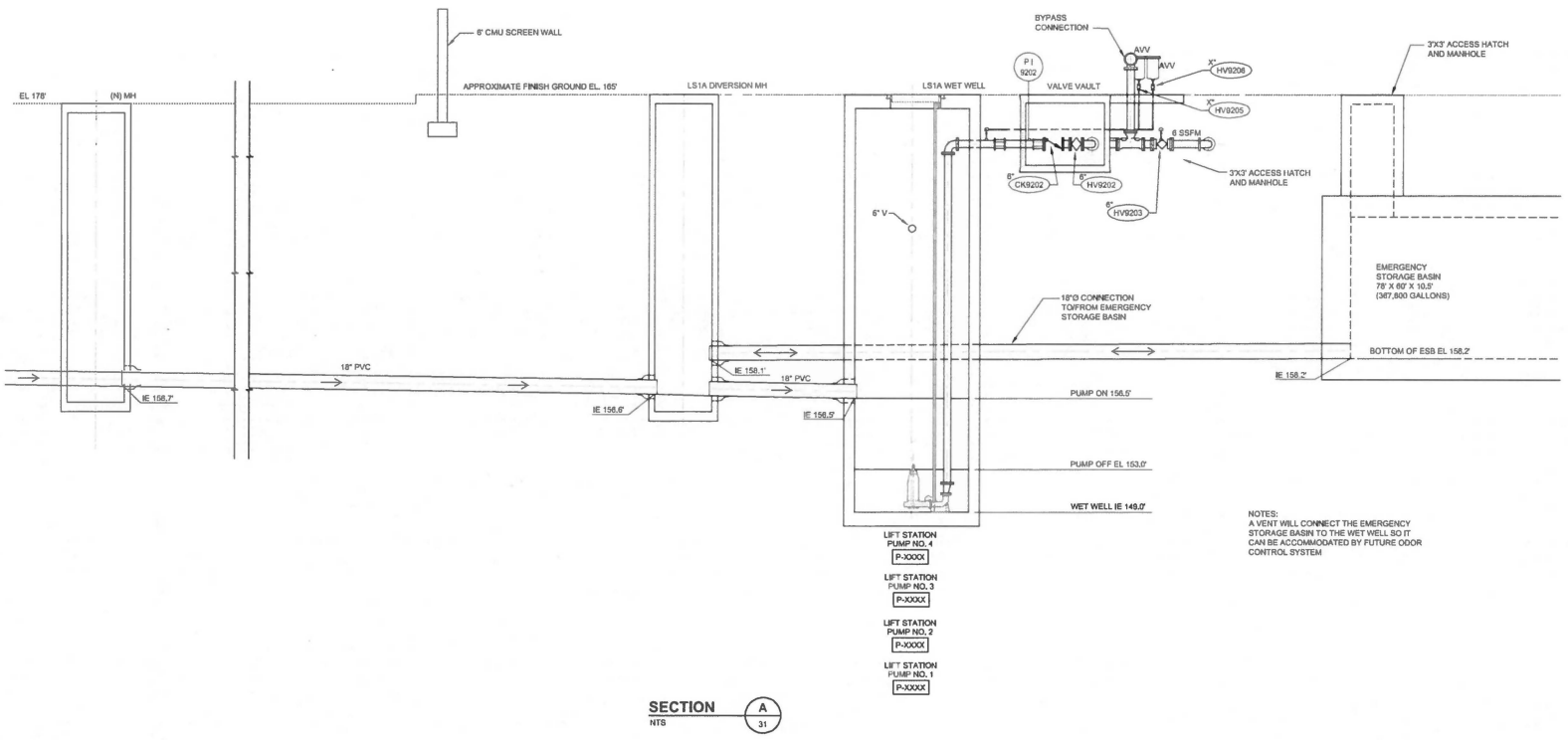
CONCEPTUAL LIFT STATION SITE PLAN

PRESSURE ZONE: XX HWL= XX FT / FL= XX FT

SHEET NO. XX OF 47 SHTS
FILE NO. X-X

ENG. JOB # XXXXX LIFT STATION NO. 1 REPLACEMENT

M:\Powdlers\JOBS\1444100.00 Rainbow MWD\1444100.00-CNSC.dwg 05/17/18 1:47pm



SECTION A / 31
NTS

Figure 8

NOT FOR CONSTRUCTION

Underground Service Alert
DIGALERT
Call: TOLL FREE 1-800 227-2600
TWO WORKING DAYS BEFORE YOU DIG

BASIS OF BEARING
COORDINATE SYSTEM: XX.XX
DESCRIPTION: XX.XX

VERIFY SCALES
BAR IS ONE INCH ON ORIGINAL DRAWING
0 1
IF NOT ONE INCH ON THIS SHEET, ADJUST SCALES ACCORDINGLY

RAINBOW
3707 OLD HWY 395
FALLBROOK, CA 92028

EXISTING UTILITY DISCLAIMER NOTE

APPROVAL OF THIS PLAN BY THE RAINBOW MUNICIPAL WATER DISTRICT DOES NOT CONSTITUTE A REPRESENTATION AS TO THE ACCURACY OF THE LOCATION OF OR THE EXISTENCE OF ANY UNDERGROUND UTILITY PIPE OR STRUCTURE WITHIN THE LIMITS OF THIS PROJECT. THE DISTRICT ACCEPTS NO RESPONSIBILITY FOR ANY REIMBURSEMEN DUE TO ADDITIONAL FACILITIES OR TIME DELAYS AS A RESULT OF THESE ADDITIONAL FACILITIES.

REV	BY	DATE	REVISIONS	APPR.	DATE

DESIGNED BY: XX DRAWN BY: XX CHECKED BY: XX

SUBMITTED BY:

ENGINEER NAME HERE R.C.E. XXXXX EXP. X/X/XX

DATE:

PLANS PREPARED BY:

Kennedy/Jenks Consultants
9665 GRANITE RIDGE, SUITE 210
SAN DIEGO, CA 92123
OFFICE 858-676-7500 / FAX: 858-292-1694
1444101*00

RAINBOW MUNICIPAL WATER DISTRICT

LIFT STATION NO. 1 REPLACEMENT PROJECT

MECHANICAL SECTION LIFT STATION 1A

PRESSURE ZONE: XX HWL= XX FT / FL= XX FT

SHEET NO. XX OF 47 SHTS

FILE NO: 144410100-32

ENG. JOB # XXXXX LIFT STATION NO. 1 REPLACEMENT

M:\Procedures\2014\144410.00 Rainbow MRP\144410100-32-LS1A.dwg 05/17/16 1:31pm

Underground Service Alert
DIGALERT
Call TOLL FREE 1-800 227-2600
TWO WORKING DAYS BEFORE YOU DIG

BASIS OF BEARING
COORDINATE SYSTEM: XX.XX
DESCRIPTION: XX.XX

VERIFY SCALES
BAR IS ONE INCH ON ORIGINAL DRAWING
0 1
IF NOT ONE INCH ON THIS SHEET, ADJUST SCALES ACCORDINGLY

RAINBOW Municipal Water District
3707 OLD HWY 395
FALLBROOK, CA 92028

EXISTING UTILITY DISCLAIMER NOTE
APPROVAL OF THIS PLAN BY THE RAINBOW MUNICIPAL WATER DISTRICT DOES NOT CONSTITUTE A REPRESENTATION AS TO THE ACCURACY OF THE LOCATION OF OR THE EXISTENCE OF ANY UNDERGROUND UTILITY, PIPE, OR STRUCTURE WITHIN THE LIMITS OF THIS PROJECT. THE DISTRICT ACCEPTS NO RESPONSIBILITY FOR ANY REALIGNMENT DUE TO ADDITIONAL FACILITIES OR TIME DELAYS AS A RESULT OF THESE ADDITIONAL FACILITIES.

REV	BY	DATE	REVISIONS	APPR.	DATE

DESIGNED BY: XX DRAWN BY: XX CHECKED BY: XX

SUBMITTED BY:
ENGINEER NAME HERE R.C.E. XXXXX EXP. X/X/XX
DATE:

PLANS PREPARED BY:
Kennedy/Jenks Consultants
9665 GRANITE RIDGE, SUITE 210
SAN DIEGO, CA 92123
OFFICE 858-576-7500 / FAX: 858-292-1694
1444101*00

RAINBOW MUNICIPAL WATER DISTRICT
LIFT STATION NO. 1 REPLACEMENT PROJECT
CONCEPTUAL LIFT STATION SITE PLAN
PRESSURE ZONE: XX HWL= XX FT / FL= XX FT

SHEET NO. XX OF 47 SHTS
FILE NO. X-X
ENG. JOB # XXXXX LIFT STATION NO. 1 REPLACEMENT

Figure 9
NOT FOR CONSTRUCTION

Pump Design

As previously mentioned, LS1A will be provided with two pumps in each wet well, with the intent to leave provisions to house the fourth pump once it is required. The pumps will be sized to exceed peak wet weather flow, which is 2,550 gpm with any two of the four in service. Table 8 provides design parameters for the submersible pumps within the lift station.

The pumps will be non-clog submersible-type, with the capability to pass a 3-inch sphere, which is in accordance with the District's Design Manual.

At peak wet weather flow, the total dynamic head required for the primary alternative is approximately 75 feet. Due to the increased distance of the secondary alternative, the total dynamic head for the secondary alternative is expected to be slightly greater than 75 feet.

Table 8: Pump Parameters

Pump Parameters	Primary	Secondary
No. of Pumps	4	4
Pump Configuration	2 duty +2 standby	2 duty +2 standby
Pump Type	Submersible	Submersible
PWWF	2,550 gpm	2,550 gpm
Pump Station Design Flow	2,700 gpm	2,700 gpm
Design Flow of Each Pump	1,350 gpm	1,350 gpm
TDH Required	75 feet	>75 feet[1]
Minimum Pump Motor Size	60 hp	60 hp

Notes:
1) The required TDH of the Secondary Alternative is projected to be higher due to its greater proximity from the connection at LS1B.

Emergency Storage Basin

The emergency storage basin will be fed by a connection from the manhole immediately upstream of the wet wells. This combined inlet/outlet shall be provided at the low point of the emergency storage basin with the floor sloped to the pipe and the pipe will be sloped away from the basin to provide a gravity feed back to the wet wells after the emergency event is over. This connection will be provided above the top of the sewer main feeding the wet wells so that it is only used when the system has backed up both wet wells and can be automatically activated without mechanical or electrical controls.

The maximum level in the emergency storage basin must be below the lowest potential spill elevation of the upstream gravity sewer. This allows the entire Emergency Storage Basin to fill without the backup causing one of the upstream manholes or service connections to overflow.

© Kennedy/Jenks Consultants, Inc.

Two hatches will be provided at opposite ends of the emergency storage basin to provide access for cleaning after an emergency event. The slope of the floor towards the inlet/outlet pipe will assist in cleaning along with potable water hose bibs located near both hatches.

Table 9 provides detailed design criteria for the emergency storage basins of the Primary and secondary alternatives.

Table 9: Emergency Storage Basin Design Criteria

Item	Primary	Secondary
Maximum Capacity	380,000 gallons	201,500 gallons[1]
Storage Duration	6 hours	3 hours
Maximum Water EL[2]	169 feet	169 feet
Basin I.E.	158.2 feet	158.2 feet
Top of Roof Slab, EL (assuming 18-inch thick)	170.5 feet	170.5 feet-
Side Water Depth @ Shell	10'-6"	10'-6"
Finish grade above storage basin	180 feet	172 feet-
Plan Dimensions[3]	78' x 60'	135' x 19'

Notes:

1) Volume of the Secondary Alternative emergency storage basin is dependent on the depth of the basin. Due to the limited available land, the basin will require a greater depth than the Primary Alternative to provide the same storage volume.

2) The maximum water elevation of the emergency storage basin provides 3 feet of separation from the lowest rim elevation of the upstream manholes depicted in Figure 2, to ensure no overflowing of the existing system.

3) The placement of the emergency storage basin is contingent on each alternative. The Primary Alternative contains enough land to house the emergency storage basin directly north of the pump station wet wells. On the other hand, the secondary alternative does not contain enough land to house both the pump station and the emergency storage basin on the same side of Thoroughbred Lane. As such, the emergency storage basin must be re-sized to fit on the property north of Thoroughbred Lane, and the pipeline will be required to span below the road to connect to the emergency storage basin.

© Kennedy/Jenks Consultants, Inc.

Opinion of Probable Cost

An AACE Class 5 opinion of probable cost, with a projected range variation of -30% to 50%, is provided in Appendix A for the LS1A Primary Alternative. A summary of the costs is provided in Table 10.

Table 10: Opinion of Probable Cost

	Capital Cost
Lift Station 1A Site	$4,345,000
Gravity Sewer	$370,000
Force Main	$1,110,000
Total	**$5,825,000**

Enclosure(s) (1)

cc:

© Kennedy/Jenks Consultants, Inc.

Appendix A

© Kennedy/Jenks Consultants, Inc.

OPINION OF PROBABLE CONSTRUCTION COST

KENNEDY/JENKS CONSULTANTS

Project: Rainbow MWD Lift Station No. 1

Building, Area: Lift Station 1A Site Including Emergency Storage

Prepared By: RDR/JLH
Date Prepared: 5/11/2016
K/J Proj. No. 1444101*00

Current at ENR
Escalated to ENR

Estimate Type:

Conceptual [x] Construction [ ]
Preliminary (w/o plans) [ ] Change Order [ ]
Design Development [ ] @ % Complete

Spec. No.	Item No.	Description	Qty	Units	Materials $/Unit	Materials Total	Installation $/Unit	Installation Total	Sub-contractor $/Unit	Sub-contractor Total	Total
DIVISION 2 - Site Work											
		Site Improvements									
		9" CSBC	1,333	SY	$6.90	$9,200.00	$1.31	1,747			10,947
		3" Asphalt	1,333	SY					$15.70	20,933	20,933
		Landscaping	1	LS					$10,000.00	10,000	10,000
		Excavation for Wall Footing	614	lf			$6.00	3,684			3,684
		Storm Drainage	1.00	LS	$15,000.00	$15,000.00	$15,000.00	15,000			30,000
		Lift Station/Manhole Combined									
		Shoring - LS	3,600	VSF	$14.00	$50,400.00	$10.00	36,000			86,400
		Excavation - LS	1,000	cy			$10.00	10,000			10,000
		Haul & Dispose Excess Soil	809	cy			$9.52	7,700			7,700
		Emergency Storage									
		Excavation	4,302	CY			10.00	43,022			43,022
		Haul & Dispose Excess Soil	2,057	cy			$9.52	19,582			19,582
		Backfill &Compact	2,720	CY			$10.00	27,200			27,200
		Shoring	6,892	SF	14.00	$97,888.00	10.00	69,920			167,808
		Compaction	921	CY			67.00	61,719			61,719
		Dewatering	3.5	month	$25,000.00	$87,500.00					87,500
		Shade Structure									
		Excavation	28	CY			40.00	1,037			1,037
		Haul & Dispose Excess Soil	34	cy			$9.52	321			321
		Compaction	15	CY			15.00	222			222
SUBTOTAL - DIVISION 2						$259,988.00		$297,154.13		$30,933.33	$588,076.47
DIVISION 3 - Concrete											
		Emergency Storage									
		Concrete Slab	284	CY	220.00	62,370	250.00	70,875			133,245
		Concrete Walls	168	CY	180.00	30,240	380.00	63,840			94,080
		Concrete Columns	44	CY	550.00	24,444	1,100.00	48,889			73,333
		Suspended Slab	284	CY	355.00	100,843	1,340.00	379,890			480,533
		Waterstops	564	LF	10.00	5,640	15.00	8,460			14,100
		Water Testing	1	LS	20,000.00	20,000	20,000.00	20,000			40,000
		Shade Structure									
		Concrete Slab	6	CY	250.00	1,563	300.00	1,875			3,438
	AV Pad	Concrete Slab	1	CY	250.00	231	300.00	278			509
		7.5' x 10' generator pad	1	ea	$615.00	615	$455.00	455			1,070
		10' x 15' storage shed pad	150	sf	$2.21	332	$1.20	180			512
		20' x 10' electrical system pad	200	sf	$2.21	442	$1.20	240			682
		Valve vaults 504	1	ea	$2,500.00	2,500	$1,500.00	1,500			4,000
		Valve vaults 875LA	1	ea	$7,500.00	7,500	$3,000.00	3,000			10,500
	LS1A	8 ft diameter wet well (34' deep)	2	ea	$35,000.00	70,000	$15,000.00	30,000			100,000
	Div MH	4 ft diameter manhole 22' deep	1	ea	$6,505.00	6,505	$6,000.00	6,000			12,505
		6 ft concrete mason wall unit Footing	614	lf	$10.00	6,140	$15.00	9,210			15,350
SUBTOTAL - DIVISION 3						$339,164.43		$644,891.67			$983,856.09
DIVISION 4 - Masonry											
		6 ft CMU Wall Fence	3,684	VSF	$10.00	$36,840.00	$12.00	$44,208.00			81,048
SUBTOTAL - DIVISION 4						$36,840.00		$44,208.00			$81,048.00
DIVISION 5 - Metals											
		Emergency Storage									
		Ladder	2	EA	2,000.00	4,000	500.00	1,000			5,000
		Roof Hatch	2	EA	3,000.00	6,000	500.00	1,000			7,000
		Shade Structure									
		Steel Deck	128	SF	25.00	3,200	33.00	4,224			7,424
		Steel Columns	40	LF	100.00	4,000	50.00	2,000			6,000
		Steel Beams	73	LF	50.00	3,650	50.00	3,650			7,300
		Steel Plates	5	SF	100.00	544	50.00	272			817
		Bolts	38	EA	8.00	304	35.00	1,330			1,634
		Anchor Bolts	16	EA	16.00	256	35.00	560			816
		Lift Station									
	LS	Ladders	1	ea	$4,925.00	4,925	$592.00	592			5,517
	LS/VVs	Hatches	3	ea	$3,000.00	9,000	$500.00	1,500			10,500
	Site	18-foot double gate - wrought iron	2	ea	$2,000.00	4,000	$687.75	1,376			5,376
SUBTOTAL - DIVISION 5						$39,879.44		$17,503.72			$57,383.17
DIVISION 7 - Thermal and Moisture Protection											
	ES	Waterproofing	14,652	SF					19	278,388	278,388
SUBTOTAL - DIVISION 7										$278,388.00	$278,388.00
DIVISION 9 - Finishes											
		Coatings on Shade Structure	1	LS	$500.00	$500.00	$500.00	$500.00			$1,000.00
SUBTOTAL - DIVISION 9						$500.00		$500.00			$1,000.00
DIVISION 11 - Equipment											
		Submersible Pumps	4	ea	$19,461.00	$77,844.00	$2,500.00	$10,000.00			$87,844.00
		Submersible Pumps (spare)	2	ea	$14,595.75	$29,191.50					$29,191.50
		Gate Motor Operator	1	ea	$1,500.00	$1,500.00	$1,600.00	$1,600.00			$3,100.00
SUBTOTAL - DIVISION 11						$108,535.50		$11,600.00			$120,135.50
DIVISION 15 - Mechanical											
		Lift Station Influent GM:									
		18" PVC Piping	40	lf	$15.00	$600.00	$8.85	$274.00			$874.00
		18" DI Tee	1	ea	$4,875.00	$4,875.00	$505.00	$505.00			$5,380.00
		14" PVC Piping	30	lf	$13.00	$390.00	$5.73	$171.90			$561.90
		6" PVC Piping		lf	$3.28		$2.92				
		4" x 6" DI reducer	3	ea	$525.00	$1,575.00	$123.00	$369.00			$1,944.00
		Lift Station Discharge FM:									
		14" PVC tee	2	ea	$685.00	$1,370.00	$133.00	$266.00			$1,636.00
		14" x 6" DI Reducer	2	ea	$890.00	$1,780.00	$237.00	$474.00			$2,254.00
		Trenching /Bedding 6"	150	lf	$3.00	$450.00	$10.00	$1,500.00			$1,950.00
		6" DI Piping	150	lf	$32.00	$4,800.00	$14.85	$2,227.50			$7,027.50
		4" x 6" DI Reducer	4	ea	$207.00	$828.00	$104.00	$416.00			$1,244.00
		6" DI 90-deg elbow	10	ea	$229.00	$2,290.00	$115.00	$1,150.00			$3,440.00
		6" DI 11.25-deg bend	2	ea	$99.50	$199.00	$57.50	$115.00			$314.00
		6" Check valve	4	ea	$1,150.00	$4,600.00	$228.00	$912.00			$5,512.00
		6" Plug valve	8	ea	$1,725.00	$13,800.00	$440.00	$3,520.00			$17,320.00
		6" DI Tee	6	ea	$1,075.00	$6,450.00	$201.00	$1,206.00			$7,656.00
		6" Mechanical Coupling	8	ea	$211.00	$1,688.00	$55.50	$444.00			$2,132.00
		6" Flange Cplg Adapter	8	ea	$250.00	$2,000.00	$150.00	$1,200.00			$3,200.00
		Hose Connection	2	ea	$500.00	$1,000.00	$260.00	$520.00			$1,520.00
		2" Air release/vacuum valve	4	ea	$570.00	$2,280.00	$52.50	$210.00			$2,490.00
		Meter (mech install)	2	EA			$500.00	$1,000.00			$1,000.00
		Air Vac Small Piping	120	LF	$20.00	$2,400.00	$25.00	$3,000.00			$5,400.00
		Pipe supports and miscellaneous	2	ls	$1,000.00	$2,000.00	$2,000.00	$4,000.00			$6,000.00
		Slide gate	2	ea	$4,950.00	$9,900.00	$502.00	$1,004.00			$10,904.00
		Floor drain	2	ea	$232.00	$464.00	$71.00	$142.00			$606.00
SUBTOTAL - DIVISION 15						$65,739.00		$24,626.40			$90,365.40
DIVISION 16 - Electrical											
		Generator – 100 kW	1	LS					$37,500.00	$37,500.00	$37,500.00
		Switchboard/Utility Service Entrance	1	LS					$30,000.00	$30,000.00	$30,000.00
		Motor Control Center	1	LS					$80,000.00	$80,000.00	$80,000.00
		Automatic Transfer Switch - 200A	1	LS					$2,500.00	$2,500.00	$2,500.00
		Conduit, Wiring	1	LS					$20,000.00	$20,000.00	$20,000.00
		Grounding	1	LS					$2,500.00	$2,500.00	$2,500.00
		Miscellaneous Electrical	1	LS					$25,000.00	$25,000.00	$25,000.00
		Testing, Training, Startup	1	LS					$10,000.00	$10,000.00	$10,000.00
SUBTOTAL - DIVISION 16										$207,500.00	$207,500.00
DIVISION 17 - Instrumentation											
		Radio & appurtenances	1	LS					$10,000.00	$10,000.00	$10,000.00
		Instrumentation	1	LS					$80,000.00	$80,000.00	$80,000.00
		Testing, Training, Startup	1	LS					$10,000.00	$10,000.00	$10,000.00
		Control Panel	1	LS					$50,000.00	$50,000.00	$50,000.00
		PLC & SCADA programming	1	LS					$10,000.00	$10,000.00	$10,000.00
SUBTOTAL - DIVISION 17										$140,000.00	$140,000.00
		Subtotals				$850,646.37		$1,040,283.92		$701,029.33	$2,591,959.63
		Division 1 Costs	@	10%		$ 85,064.64		$ 104,028.39		$70,102.93	$259,195.96
		Subtotals				$935,711.01		$1,144,312.32		$771,132.27	$2,851,155.59
		Taxes - Materials Costs	@	8.00%		$ 74,856.88					$74,856.88
		Subtotals				$1,010,567.89		$1,144,312.32		$771,132.27	$2,926,012.47
		Taxes - Labor Costs	@					$ -			
		Subtotals				$1,010,567.89		$1,144,312.32		$771,132.27	$2,926,012.47
		Contractor Markup for Sub	@	12%						$92,535.87	$92,535.87
		Subtotals				$1,010,567.89		$1,144,312.32		$863,668.14	$3,018,548.34
		Contractor OH&P	@	15%		$ 151,585.18		$ 171,646.85			$323,232.03
		Subtotals				$1,162,153.07		$1,315,959.16		$863,668.14	$3,341,780.37
		Estimate Contingency	@	30%							$1,002,534.11
		Subtotals									$4,344,314.48
		Total Estimate									**$4,345,000.00**

OPINION OF PROBABLE CONSTRUCTION COST

KENNEDY/JENKS CONSULTANTS

Project: Rainbow MWD Lift Station No. 1

Building, Area: Gravity Sewer - Olive Hill Road and Highway 76

Estimate Type:

Conceptual [x] Construction [ ]
Preliminary (w/o plans) [ ] Change Order [ ]
Design Development [ ] @ % Complete

Prepared By: RDR/JLH
Date Prepared: 5/11/2016
K/J Proj. No. 1444101*00
Current at ENR
Escalated to ENR

Spec. No.	item No.	Description	Qty	Units	Materials $/Unit	Materials Total	Installation $/Unit	Installation Total	Sub-contractor $/Unit	Sub-contractor Total	Total
DIVISION 2 - Site Work											
		Surveying	1	ls			$1,000.00	$1,000.00			1,000.00
		Bypass pumping	1	ls	$1,000.00	$1,000.00	$5,000.00	$5,000.00			6,000.00
		Sawcut Pavement	2,100	LF			$2.00	$4,200.00			4,200.00
		Remove Pavement	933	SY			$7.50	$7,000.00			7,000.00
		Trenching									
		18" PVC Piping 15' deep	150	lf			$49.56	$7,433.99			7,433.99
		8" PVC Piping 4' wide , 15' deep	900	lf			$49.56	$44,603.91			44,603.91
		Trench Boxes 4	1	month	$4,500.00	$4,500.00					4,500.00
		Pipe Installation									
		18" PVC Piping	150	lf	$30.00	$4,500.00	$14.87	$2,231.10			6,731.10
		8" PVC Piping	900	lf	$6.15	$5,535.00	$4.09	$3,678.30			9,213.30
		Pipe Bedding									
		18" PVC Piping	150	lf	$9.05	$1,357.50	$6.59	$988.92			2,346.42
		8" PVC Piping	900	lf	$3.63	$3,267.00	$2.64	$2,375.82			5,642.82
		Sewer Lateral Connections	6	EA	$250.00	$1,500.00	$500.00	$3,000.00			4,500.00
		Traffic Controls - Flaggers	14	DY			$2,040.00	$28,560.00			28,560.00
		Traffic Controls - Equipment	1	LS			$15,000.00	$15,000.00			15,000.00
		Pavement Replacement									
		9" CSBC	933	SY	$6.90	$6,440.00	$1.76	$1,638.37			8,078.37
		3" Asphalt	933	SY					$15.70	$14,653.33	14,653.33
		Stripping Repairs / Replace	1,050	LF					$0.30	$315.00	315.00
		Dewatering - piping	1,050	LF			$5.00	$5,250.00			5,250.00
		Abandonment - manhole	11	ea	$500.00	$5,500.00	$1,000.00	$11,000.00			16,500.00
SUBTOTAL - DIVISION 2						$33,599.50		$142,960.41		$14,968.33	$191,528.24
DIVISION 3 - Concrete											
MH2 to 36		5 ft diameter manhole 14' deep avg	2	ea	$7,900.00	$15,800.00	$5,500.00	$11,000.00			$26,800.00
SUBTOTAL - DIVISION 3						$15,800.00		$11,000.00			$26,800.00

Subtotals		49,400	153,960	14,968	218,328
Division 1 Costs	@ 10%	4,940	15,396	1,497	21,833
Subtotals		54,339	169,356	16,465	240,161
Taxes - Materials Costs	@ 8%	4,347			4,347
Subtotals		58,687	169,356	16,465	244,508
Taxes - Labor Costs	@				
Subtotals		58,687	169,356	16,465	244,508
Contractor Markup for Sub	@ 12%			1,976	1,976
Subtotals		58,687	169,356	18,441	246,484
Contractor OH&P	@ 15%	8,803	25,403		34,206
Subtotals		67,490	194,760	18,441	280,691
Estimate Contingency	@ 30%				84,207
Subtotals					364,898
Total Estimate					**370,000**

OPINION OF PROBABLE CONSTRUCTION COST

KENNEDY/JENKS CONSULTANTS

Project: Rainbow MWD Lift Station No. 1

Building, Area: Force Main

Estimate Type:

Conceptual [x] Construction [ ]
Preliminary (w/o plans) [ ] Change Order [ ]
Design Development [ ] @ % Complete

Prepared By: RDR/JLH
Date Prepared: 5/11/2016
K/J Proj. No. 1444101*00

Current at ENR
Escalated to ENR

Spec. No.	item No.	Description	Qty	Units	Materials $/Unit	Materials Total	Installation $/Unit	Installation Total	Sub-contractor $/Unit	Sub-contractor Total	Total
DIVISION 2 - Site Work											
		Surveying	1	ls			$5,000.00	$5,000.00			5,000.00
		Bypass pumping	1	ls	$1,000.00	$1,000.00	$1,000.00	$1,000.00			2,000.00
		Sawcut Pavement	8,200	LF			$2.00	$16,400.00			16,400.00
		Remove Pavement	1,822	SY			$7.50	$13,666.67			13,666.67
		Trenching									
		14" Pipe Trench 6' deep	4,100	lf			$15.00	$61,500.00			61,500.00
		Pipe Installation									
		14" PVC Pressure Piping in Trench	4,100	lf	$22.00	$90,200.00	$38.94	$159,644.16			249,844.16
		14" DI Pipe on Bridge	350	lf	$45.00	$15,750.00	$31.36	$10,974.60			26,724.60
		14" PVC Pipe Fittings	14	EA	$490.00	$6,860.00	$2,288.99	$32,045.83			38,905.83
		Air Vac Valve Assembly	3	EA	$250.00	$750.00	$500.00	$1,500.00			2,250.00
		Pipe Supports on Bridge	58	EA	$300.00	$17,500.00	$700.00	$40,833.33			58,333.33
		Pipe Bedding									
		14"Piping	4,100	lf	$6.15	$25,215.00	$5.80	$23,783.53			48,998.53
		Traffic Controls - Flaggers	44	DY			$2,040.00	$89,760.00			89,760.00
		Traffic Controls - Equipment	1	LS			$2,000.00	$2,000.00			2,000.00
		Pavement Replacement									
		9" CSBC	1,822	SY	$2.30	$4,191.11	$1.31	$2,387.11			6,578.22
		2" CSTC	1,822	SY					$3.96	$7,216.00	7,216.00
		3" Asphalt	1,822	SY					$15.30	$27,880.00	27,880.00
		Stripping Repairs / Replace	4,100	LF					$0.30	$1,230.00	1,230.00
SUBTOTAL - DIVISION 2						$161,466.11		$460,495.23		$36,326.00	$658,287.34
DIVISION 3 - Concrete											
SUBTOTAL - DIVISION 3											

Subtotals			$161,466	$460,495	$36,326	$658,287
Division 1 Costs	@	10%	$16,147	$46,050	$3,633	$65,829
Subtotals			$177,613	$506,545	$39,959	$724,116
Taxes - Materials Costs	@	8.00%	$14,209			$14,209
Subtotals			$191,822	$506,545	$39,959	$738,325
Taxes - Labor Costs	@					
Subtotals			$191,822	$506,545	$39,959	$738,325
Contractor Markup for Sub	@	12%			$4,795	$4,795
Subtotals			$191,822	$506,545	$44,754	$743,120
Contractor OH&P	@	15%	$28,773	$75,982		$104,755
Subtotals			$220,595	$582,526	$44,754	$847,875
Estimate Contingency	@	30%				$254,363
Subtotals						$1,102,238
Total Estimate						**$1,110,000**

OPINION OF PROBABLE CONSTRUCTION COST | **KENNEDY/JENKS CONSULTANTS**

Project: Rainbow MWD Lift Station No. 1 Replacement

Building, Area: :Lift Station 1A

Prepared By: JLH
Date Prepared: 5/11/2016
K/J Proj. No.: 1444101*00

Estimate Type: X **Conceptual** | **Construction**
Preliminary (w/o plans) | **Change Order**
Design Development @ | **Complete**

Current at ENR
Escalated to ENR N/A
Months to Midpoint of Construct

SUMMARY BY AREA

ITEM DESCRIPTION				TOTAL
Lift Station 1A Site Including Emergency Storage				4,345,000
Gravity Sewer				370,000
Force Main				1,110,000
				5,825,000

Estimate Accuracy	
50%	-30%

Estimated Range of Probable Cost		
50%	Total Est.	-30%
$8,737,500	**$5,825,000**	**$4,077,500**

Notes:
Does not include Lift Station 1B or Lift Station 1 NE pipeline. Does not include Demo Existing Lift Station 1.
Site Prep for Lift Station 1A assumed minimal
Contaminated Soils and Hazardous Materials Removal & Disposal are not included
Assumes Native Backfill is Suitable for Backfill of Pipe Trenches
Assumes Groundwater Level is below excavations
Escalation is not included.

LAW OFFICES OF
LARRY G. LUSHANKO

Larry G. Lushanko, Esq.
Brittney L. Lushanko, Esq.

1241 E. Mission Road
Fallbrook, California 92028
Telephone: (760) 728-9899
Facsimile: (760) 728-9499
Email: office@lushankolaw.com

February 13, 2017

Via U.S. Mail and Email: skirkpatrick@rainbowmwd.com
Sherry Kirkpatrick
Rainbow Municipal Water District
3707 Old Highway 395
Fallbrook, CA 92028

Re: Offer to Purchase 1.37 Acre Vacant Property

Dear Ms. Kirkpatrick,

This letter is in response to Rainbow Municipal Water District's ("RMWD") December 15, 2016 offer to purchase our 1.37 acre parcel of property at Mission Road and Thoroughbred Lane, Bonsall, CA (APN 126-452-01-01) for the appraisal price of $740,000. We would like to proceed with the sale of the property to RMWD subject to the execution of a formal Purchase and Sale Agreement. I notice that the appraisal is dated May 1, 2016 which is going on nearly a year. Would it be possible to obtain an updated appraisal? On the other hand, I do not want to delay the closing date of the proposed sale.

We look forward to consummating the sale as soon as practical.

Sincerely,

LARRY G. LUSHANKO

AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS

This AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS ("**Agreement**") is made and entered into by and between the **RAINBOW MUNICIPAL WATER DISTRICT** (herein, "**Buyer**"), and **LARRY G. LASHANKO AND PAMELA LASHANKO, Trustees of the LASHANKO FAMILY 2001 TRUST dated May 28, 2001** ("**Seller**"), with reference and respect to the "**Recitals**" set forth in paragraphs A, B and C below. Buyer and Seller are sometimes individually referred to herein as "**Party**" and collectively as "**Parties**." The Parties hereto have executed this Agreement on the dates set forth below next to their respective signatures. However, this Agreement shall only be and become effective as of the date, following all legally required notices and hearings, the Agreement has been approved by Buyer's governing body, or its delegated representative, and signed as well as delivered by all Parties ("**Effective Date**"). Buyer may, but need not, confirm the Effective Date to Seller as of the later of the date indicated on the signature page below that (i) this Agreement has been approved as to form, executed and dated by Buyer and (ii) Seller has executed and dated this Agreement, Seller hereby agreeing that if Seller has not dated this Agreement at the time Seller delivers the same to Buyer or Escrow Agent, then Buyer or Escrow Agent may date the same as of the date of delivery and/or receipt.

RECITALS

A. Seller is the owner in fee simple of certain real property located at the southwest corner of Mission Frontage Road & Thoroughbred Lane in the City of Bonsall, County of San Diego, State of California, designated as Assessor Parcel Number 126-452-01-00 as more particularly described in EXHIBIT 1 attached hereto and incorporated herein by this reference ("**Property**").

B. Buyer desires to acquire the Property from Seller in connection with the LS1 Project ("**Project**"). Seller shall convey to Buyer a fee interest in the Property, including, without limitation, any and all improvements located thereon, for any and all purposes, as described in the Grant Deed attached hereto as EXHIBIT 2 and incorporated herein by reference (hereinafter referred to as the "**Grant Deed**).

C. Seller is willing to sell, grant and convey the Property to Buyer on and subject to the terms set forth in this Agreement, Seller and Buyer hereby acknowledge and agree that the Property is being acquired: (i) for public use and is necessary for the construction, operation and/or maintenance of the Project; and (ii) pursuant to this Agreement in lieu of a condemnation action or proceeding and/or an action or proceeding in the nature of eminent domain.

NOW, THEREFORE, in consideration of the foregoing facts and circumstances, the covenants, agreements, representations and/or warranties contained herein, as well as other good and valuable consideration, the receipt and sufficiency of which is acknowledged by each of the Parties, the Parties hereto do hereby agree as follows:

AGREEMENT

1. PURCHASE AND SALE.

1.1 Property. Seller agrees to sell the Property to Buyer upon and subject to the terms and conditions set forth herein.

1.2 Purchase Price. The total purchase price for the Property is **SEVEN HUNDRED FORTY THOUSAND DOLLARS AND NO CENTS ($740,000.00)** ("**Purchase Price**"). It is understood and agreed between the Parties that payment of the Purchase Price includes, without limitation, payment for any and all improvements on or to the Property.

1.3 Payment of Purchase Price. At the Closing (defined below), Buyer shall pay to Seller through Escrow (also defined below) the Purchase Price, payable in cash, by cashier's or certified check or by wire transfer.

2. ESCROW.

2.1 Opening of Escrow. Within ten (10) business days following the Effective Date, Seller and Buyer shall open an escrow ("**Escrow**") for the conveyance of the Property with Commonwealth Land Title Company, National Commercial Services, which is located at 4100 Newport Place, Suite 120, Newport Beach, CA 92660 ("**Escrow Holder**"). For purposes of this Agreement, the Escrow shall be deemed open on the first date after the Effective Date that Escrow Holder shall have received a fully executed copy of this Agreement from Seller and Buyer ("**Opening of Escrow**"). Escrow Holder shall notify Buyer and Seller, in writing, of the date Escrow is opened ("**Opening Date**").

2.2 Escrow Instructions. This Agreement constitutes the joint basic escrow instructions of Buyer and Seller for conveyance of the Property. Either an original or a copy of this Agreement, fully executed by the Parties, shall be delivered to Escrow Holder upon the Opening of Escrow. Buyer and Seller shall execute, deliver and be bound by any reasonable and customary supplemental or additional escrow instructions of Escrow Holder ("**Additional Instructions**") or other instruments as may be reasonably required by Escrow Holder in order to consummate the transaction contemplated by this Agreement. However, any such Additional Instructions shall not conflict with, amend or supersede any portions of this Agreement unless expressly consented or agreed to in writing by both Seller and Buyer. In the event of any conflict or any inconsistency between this Agreement and such Additional Instructions, this Agreement shall govern and control unless otherwise specifically agreed to in writing by the Parties.

2.3 Close of Escrow. For purposes of this Agreement, "**Closing**" means the closing or close of Escrow by the recordation in the Official Records of San Diego County, California, of the Grant Deed, as well as the disbursement of funds and distribution of any other documents by Escrow Holder, all as described in this Agreement. Subject to the satisfaction of the conditions precedent below, Closing is to occur _____ ( ) days following the Opening Date ("**Closing Date**"); provided, however, that Closing and, therefore, the Closing Date may be extended as provided in Section 8.7 below; and provided, further, that Closing may occur upon such earlier or later date as the Seller and Buyer mutually agree to in writing or as otherwise provided in this Agreement. Buyer and Seller may mutually agree to change the Closing Date by

joint written notice to Escrow Holder. The Closing shall be conditioned upon satisfaction, or written waiver by the Party for whose benefit the condition exists, of all conditions precedent thereto. In the event the Escrow is not in a condition for the Closing to occur by the Closing Date for any reason other than the uncured breach of either Buyer or Seller, then any Party who is not then in default of the terms of this Agreement may terminate this Agreement as provided in Article 6. If no (and until a) notice of termination as provided in Article 6 is received by Escrow Holder, Escrow Holder is instructed to proceed with Closing as soon as possible.

2.4 Costs of Escrow. Due to Buyer's status as a public entity, pursuant to California Revenue and Taxation Code Section 11922, no documentary transfer tax will be payable with respect to the conveyance(s) contemplated by this Agreement. Similarly, pursuant to California Government Code Section 27383, no recording fees will be payable with respect to the recording of the Grant Deed. Buyer shall pay the reasonable and customary costs of any Title Policy (defined below). Buyer shall pay the Escrow fees and any notary fees attributable to the conveyance of the Property. Buyer shall also pay the additional costs, if applicable, associated with any title endorsements requested by Buyer. Escrow Holder shall endeavor to provide an estimated Closing costs statement to Buyer and Seller at least three (3) days prior to the Closing Date.

2.5 Buyer's Conditions Precedent to Close of Escrow. The Closing and Buyer's obligation to acquire the Property and pay the Purchase Price is subject to the satisfaction of the following conditions for Buyer's benefit (or Buyer's waiver thereof, it being agreed that Buyer may waive any or all of such conditions; provided, however, that the occurrence of the Closing shall not waive or release any breach of or failure to perform under this Agreement by Seller not actually known to Buyer on or prior to the Closing Date):

2.5.1 Seller shall have tendered into Escrow all documents required of Seller pursuant to this Agreement.

2.5.2 Seller shall have completed in a timely fashion all of Seller's obligations which are to be completed prior to the Closing as provided in this Agreement.

2.5.3 Escrow Holder shall have received an irrevocable commitment from the Title Company to issue any Title Policy required pursuant to this Agreement, subject only to the Permitted Exceptions, as set forth in more detail in Article 3 below.

2.5.4 All representations and warranties of Seller hereunder shall be true and correct as of the Effective Date and as of the Closing.

2.5.5 All property taxes and assessments attributable to the Property to the date of Closing shall have been paid by Seller before delinquency and shall be current as of the Closing; provided, however, that, to the extent the same are available, the Purchase Price proceeds may be used to make such payments.

2.5.6 Buyer shall have approved Escrow Holder's estimated Closing costs statement.

2.5.7 Buyer shall have determined that the Property is suitable for Buyer's intended use and development, as set forth in more detail in Article 4 below.

2.6 Seller's Conditions Precedent to Close of Escrow. The Closing and Seller's obligation to convey the Property are subject to the satisfaction of the following conditions for Seller's benefit (or Seller's waiver thereof, it being agreed that Seller may waive any or all of such conditions) on or prior to the Closing Date:

2.6.1 Buyer shall have tendered into Escrow all payments and documents required of it pursuant to this Agreement.

2.6.2 Buyer shall have completed in a timely fashion all of its obligations which are to be completed prior to the Closing as provided in this Agreement.

2.6.3 Seller shall have approved Escrow Holder's estimated Closing costs statement.

2.7 Buyer's Payments and Documents. Not less than one (1) day prior to Closing, Buyer shall pay or tender (as applicable) to Escrow Holder the following-described funds and documents (in recordable form, as necessary or appropriate):

2.7.1 The Purchase Price.

2.7.2 Funds required to pay the Escrow fees, recording fees and notary fees attributable to the conveyance of the Property as well as the costs of any Title Policy, and the additional costs, if applicable, associated with any title endorsements requested by Buyer payable by Buyer pursuant to Section 2.4 of this Agreement.

2.7.3 Funds required to pay any additional reasonable charges customarily charged to buyers in accordance with common escrow practices in San Diego County.

2.7.4 Such other documents and funds required of Buyer under this Agreement and, to the extent reasonable, customary or usual, by Escrow Holder in the performance of its contractual or statutory obligations.

2.8 Seller's Documents. No less than one (1) day prior to Closing, Seller shall pay or tender (as applicable) to Escrow Holder the following-described funds and documents (in recordable form, as necessary or appropriate):

2.8.1 A fully executed and acknowledged original of the Grant Deed.

2.8.2 A fully executed original of a bill of sale and assignment agreement (the "Assignment") in the form attached hereto as EXHIBIT 3.

2.8.3 A FIRPTA (Foreign Investment in Real Property Tax Act) Certificate/Non-Foreign Status Affidavit complying with Federal laws, rules and requirements and an appropriate California Form 593 (for example, Form 593-C); Buyer's failure to provide either instrument may result in tax withholding, payment and the like in accordance with applicable laws, rules and regulations.

2.8.4 Such other documents required of Seller under this Agreement and, to the extent reasonable, customary or usual, by Escrow Holder in the performance of its contractual or statutory obligations, including, without limitation, such reasonably, customary and usual instruments as are required in connection with the issuance of any Title Policy, such as a seller's statement, owner's affidavit, gap indemnity and the like.

2.9 Escrow Holder Responsibilities. Upon the Closing, Escrow Holder is authorized and instructed to:

2.9.1 Pay Seller and charge Buyer for any fees, charges and costs payable under this Agreement, including, but not limited to, Sections 2.7 and 2.8 above. Before such payments or charges are made, Escrow Holder shall notify Buyer and Seller of the fees, charges and costs necessary to clear title and proceed with Closing.

2.9.2 Record the Grant Deed, as well as any other instruments, as appropriate, delivered through Escrow.

2.9.3 Subject to Subsection 2.8.2 above, withhold from funds otherwise payable to Seller at Closing such amount as Buyer is required to withhold therefrom pursuant to the following: (i) California Revenue and Taxation Code Section 18662 (i.e., 3 1/3% of the total sales price) and timely submit such sums to the California Franchise Tax Board, unless Buyer is relieved of such withholding requirements under the provisions of said Section 18662; and (ii) Federal laws, rules and/or regulations, including, without limitation, those identified in Subsection 2.8.2 and timely pay over such funds to the appropriate Federal agency or authority, unless Buyer is relieved of such withholding requirements under the provisions of such laws, rules and regulations by Seller's provision of (and Seller actually provides) an appropriate affidavit(s) and/or statement(s). Further, deliver to each Party copies of all such withholding forms, affidavits and/or certificates.

2.9.4 Disburse such other funds and deliver such other documents to the Party or Parties entitled thereto.

2.9.5 Cause any Title Policy to be issued.

2.10 Notices. All communications from Escrow Holder to either Buyer or Seller shall be directed to the addresses and in the manner established in Section 8.1 below for notices, demands and communications between Buyer and Seller.

3. TITLE.

3.1 Condition of Title; Title Policy. It is a condition to Closing for Buyer's benefit that the Property be subject only to the Permitted Exceptions and that the Grant Deed be superior to any lien or encumbrance which, through foreclosure or other enforcement, could cause such interest to be wiped out as a junior interest. At, and as a condition of, Closing for Buyer's benefit, Commonwealth Land Title Company, Newport Beach, California (that is, Escrow Holder; "**Title Company**") shall be prepared to issue to Buyer, upon Closing, a policy of title insurance (whether a CLTA, ALTA or ALTA extended coverage policy, as determined by Buyer, the "**Title Policy**") in an amount equal to the Purchase Price, showing the Property

subject only to the Permitted Exceptions. Escrow Holder shall cause Title Company to issue the Title Policy to Buyer upon the occurrence of the Closing.

3.2 Permitted Exceptions. The term "**Permitted Exceptions**" as used herein shall mean the following conditions and exceptions to title or possession:

3.2.1 A lien to secure payment of general and special real property taxes and assessments, not delinquent.

3.2.2 A lien of supplemental taxes assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code accruing on or after the Closing; provided, however, that, notwithstanding anything contained in this Agreement to the contrary, Seller shall be responsible and liable for all taxes that relate to any period prior to the Closing, including, without limitation, supplemental taxes which are not assessed or charged and/or which do not become due or owing until after the Closing.

3.2.3 Matters affecting the condition of title created by or with the consent of Buyer.

3.2.4 Other exceptions to title disclosed by the Title Report (as defined in Section 3.3 below) which have been approved in writing by Buyer prior to the Closing.

3.3 Title Report. Buyer shall endeavor to obtain and provide to Seller, within ten (10) calendar days following the Opening of Escrow or as soon as reasonably possible thereafter, a standard preliminary report from the Title Company, together with copies of the underlying documents relating to the Schedule B exceptions set forth in such report (collectively, the "**Title Report**").

4. SUITABILITY AND CONDITION OF PROPERTY.

4.1 Determination of Suitability and Approval of Environmental and Other Conditions. It is a condition precedent to Closing for Buyer's benefit that Buyer has determined that the Property is suitable for Buyer's intended use, as determined by Buyer in its sole discretion. Prior to the Closing Date, Buyer shall determine whether the Property is suitable and shall provide to Seller and Escrow Holder its written notice of such determination; provided, however, that any failure of Buyer to provide notice shall be deemed approval; and, in connection with any disapproval, Buyer may, but need not, include its election to extend the Closing Date as provided in Section 8.7 below. In the event Buyer determines that the Property is suitable, such determination by Buyer shall not alter or diminish Seller's covenants, agreements, representations and/or warranties made herein or under law, unless a representation or warranty is expressly and specifically waived in writing in whole or in part by Buyer. In the event Buyer determines that the Property is not suitable, then Buyer may terminate this Agreement as provided in Section 6.1 below.

4.2 Inspections, Testing and Right of Entry. Prior to Closing, Buyer may conduct, at Buyer's sole expense, such inspections and testing of the Property, including, without limitation, any improvements thereon, as Buyer may desire or deem appropriate, in Buyer's sole discretion, to determine the suitability of the Property for Buyer's intended use. In conducting such inspections and testing, Buyer shall endeavor to minimize damage to the Property, as well

as any improvements thereon, and shall, in the event the Closing fails to occur, return the Property, including the improvements thereon, to their condition prior to the inspections and testing, except that Buyer shall have no responsibility or liability for returning the Property to its prior condition to the extent that any change or modification resulted from (i) reasonable wear and tear, (ii) force majeure or (iii) any other cause not within the reasonable control of Buyer, including, without limitation, the acts or omissions of any person or entity other than Buyer and/or its agents, representatives, employees and contractors (collectively, "**Representatives**"). Seller hereby grants to Buyer and its Representatives permission and a license to enter upon the Property at all reasonable times prior to the Closing Date for the purpose of conducting such inspections and testing.

5. SELLER'S ACKNOWLEDGMENT, WAIVER AND RELEASE.

5.1 Full Satisfaction. Seller acknowledges that, in accordance with applicable provisions of California law, Seller may be entitled to the payment of relocation expenses, payments for loss of goodwill, inverse condemnation, unlawful pre-condemnation conduct, and other benefits and reimbursements other than and/or in addition to those expressly provided for in this Agreement (collectively, "**Benefits**") in connection with Buyer's acquisition of the Property as well as the other matters covered herein. Seller acknowledges and agrees that payment and receipt of the Purchase Price includes, without limitation, full payment of, for and with respect to the Benefits, including, without limitation, just compensation, lease bonus value, business goodwill, furniture, fixtures and equipment, precondemnation damages, claims of inverse condemnation, attorneys' fees, costs, interest, and any and all other damages in complete settlement of all claims, causes of action and demands of Seller against Buyer because of Buyer's purchase of the Property and for any and all claims arising from or relating to the purchase and sale which is the subject of this Agreement. Consistent with the foregoing as well as Section 9.2 below, Seller, on behalf of itself and its heirs, executors, administrators, successors, and assigns, acknowledges that Buyer's performance under this Agreement constitutes full and complete satisfaction of Buyer's obligations to provide the Benefits to Seller and to compensate Seller not only for the purchase of the Property, but also for construction and/or operation of the Project.

5.2 Waivers and Releases. Seller hereby waives, to the maximum legal extent, any and all claims, demands, remedies and causes of action for damages, liabilities, losses, injuries, costs and/or expenses, including attorneys' fees, arising out of, resulting from or related to Buyer's acquisition of the Property, including, without limitation, construction and/or operation of the Project. The Parties hereto agree that this Agreement is a settlement of claims in order to avoid litigation and shall not, in any manner, be construed as an admission of the fair market value of the Property, or of any liability by any Party. Seller, on behalf of Seller as well as Seller's heirs, executors, administrators, successors and assigns, hereby fully releases Buyer, its successors, assigns and Representatives, from any and all claims and causes of action by reason of any damage which has been sustained, or may be sustained, as a result of (i) Buyer's purchase of the Property or any preliminary steps thereto or (ii) the construction and/or operation of the Project, including, without limitation, its use.

5.3 The foregoing acknowledgment(s), waiver(s) and release(s), as set forth in Section 5.1 and 5.2 above, shall survive the Closing as well as the recording of the Grant Deed.

5.4 Notice to Others. If Seller sells, transfers, assigns or otherwise conveys the Property or any interest in the Property, Seller shall notify the purchaser, successor,

assignee or other transferee of the existence and terms of this Agreement, including, without limitation, the Grant Deed and the obligations, liabilities and duties as well as the rights and remedies of the Parties. Neither Buyer nor any other person or entity shall have any obligation, liability or duty to compensate any purchaser, successor, assignee, lessee or other transferee for the interests, rights and remedies granted to or obtained by Buyer under or pursuant to this Agreement or justifying the Property or any of them.

6. TERMINATION, DEFAULTS AND REMEDIES.

6.1 Exercise of Rights to Terminate. In the event Buyer elects to exercise its right to terminate this Agreement and the Escrow as provided in Section 2.3, 6.3 or 8.6, then Buyer may so terminate by giving notice, in writing, of such termination to Seller and Escrow Holder. In the event Seller elects to exercise its rights to terminate this Agreement and the Escrow as provided in Section 2.3 or 6.2, then Seller may so terminate by giving notice, in writing, of such termination to Buyer and Escrow Holder. In either such event, Buyer shall pay all Escrow Holder and Title Company termination fees and charges (collectively, "**Termination Costs**"). Upon such termination, all obligations and liabilities of the Parties under this Agreement, excepting the obligation of Buyer to pay Termination Costs as provided herein and any other obligations which expressly survive termination, shall cease and terminate.

6.2 Buyer's Breach. In the event Buyer breaches any obligation under this Agreement that Buyer is obligated to perform prior to the Closing, and fails to cure such breach within five (5) business days after Buyer's receipt of written notice of such breach from Seller, then Seller, as its sole and exclusive remedy, may terminate this Agreement and the Escrow by giving notice, in writing, of such termination to Buyer and Escrow Holder and seek damages for such breach; provided, however, that damages in such event shall be limited to the actual reasonable costs and expenses incurred by Seller for services provided by or costs reimbursed to unrelated and unaffiliated third parties, including the fees of unrelated and unaffiliated attorneys, in connection with the negotiation of and performance under and pursuant to the terms of this Agreement. In such event, Buyer shall pay all Termination Costs. Upon such termination, all obligations and liabilities of the Parties under this Agreement, except for Buyer's obligations for Seller's damages, as limited herein, and to pay Termination Costs as provided above in this Section 6.2 and any other obligations which expressly survive termination, shall cease and terminate.

6.3 Seller's Breach. In the event Seller breaches any obligation under this Agreement that Seller is to perform prior to the Closing, and fails to cure such breach within five (5) business days of receipt of written notice of such breach from Buyer, then Buyer may, at Buyer's option, (i) terminate this Agreement and the Escrow by giving notice, in writing, of such termination to Seller and Escrow Holder, or (ii) initiate and prosecute an action for specific performance of this Agreement. Should Buyer elect to terminate this Agreement and the Escrow as provided herein, then Buyer shall pay all Termination Costs and, upon such termination, all obligations and liabilities of the Parties under this Agreement, excepting (1) Buyer's obligation to pay Termination Costs as provided in this Agreement and (2) any other obligations that expressly survive termination, shall cease and terminate.

6.4 Return of Funds and Documents; Release of Liability as to Escrow Holder. In the event Escrow Holder terminates this Escrow as a result of having received notice, in writing, from Buyer or Seller of its election to terminate the Escrow as provided herein, then

Escrow Holder shall terminate the Escrow and return all funds, less Termination Costs, as appropriate, and documents to the Party depositing the same. Further, the Parties hereby release Escrow Holder, and shall hold Escrow Holder free and harmless, from all liabilities associated with such termination excepting for Escrow Holder's obligations to return funds and documents as provided herein.

7. REPRESENTATIONS AND WARRANTIES.

7.1 Seller's Representations and Warranties. Seller hereby represents, warrants, covenants and agrees to and for the benefit of Buyer that the following statements are true and correct as of the Effective Date, and shall be true and correct as of Closing, and Seller acknowledges and agrees that the truth and accuracy of such statements shall constitute a condition precedent to all of Buyer's obligations under this Agreement:

7.1.1 Authority. To Seller's knowledge, Seller owns the Property in fee simple. Seller has full power and authority to sell, transfer and/or otherwise convey the Property to Buyer and to perform its obligations pursuant to this Agreement. This Agreement and all other documents delivered by Seller to Buyer under or pursuant to this Agreement, at or prior to the Closing, have been, or will be, duly executed and delivered by Seller and are, or will be, legal, valid and binding obligations of Seller, sufficient to convey the Property to Buyer and are enforceable in accordance with their respective terms.

7.1.2 No Unrecorded Possessory Interests; No Agreements or Undertakings. To Seller's knowledge, there are no agreements for occupancy in effect for the Property and no unrecorded possessory interests or unrecorded agreements that would adversely affect Buyer's use of the Property. Seller will not enter into any agreements or undertake any obligations prior to Closing which will in any way burden, encumber or otherwise affect the Property without the prior written consent of Buyer, including, without limitation, any agreements for occupancy or use of the Property.

7.1.3 No Liens or Encumbrances. To Seller's knowledge, the Property is free and clear of and from liens or encumbrances, including without limitation easements, that could interfere with the intended use by Buyer; and, therefore, to Seller's knowledge, Buyer shall quietly enjoy its rights in and to the Property, as well as under the Grant Deed, without disturbance or inference by Seller or anyone claiming by, through or under Seller.

7.1.4 Leases. The Property is not (and, prior to the Closing, will not be) subject to a written or oral lease or any other contract or agreement to which Seller is a party (or a successor-in-interest to a party) pursuant to which a tenant or any other person or entity has any rights of possession or use that conflict with this Agreement or the Grant Deed.

7.1.5 Mortgage or Deed of Trust. The Property is not (and, prior to the Closing, will not be) subject to or encumbered by a mortgage, deed of trust or other security instrument made by or for the benefit of, or which benefits or benefitted, Seller pursuant to which a mortgagee, trustee, beneficiary or any other person or entity has any security interest or right(s) of possession or use or any other right(s) that otherwise conflict(s) with or that could diminish Buyer's rights and/or remedies under or pursuant to this Agreement or the Grant Deed.

7.1.6 Hazardous Materials. Seller is aware of and shall comply with its obligation under California Health and Safety Code Section 25359.7 to disclose information to Buyer regarding the environmental status of the Property. To Seller's knowledge, the Property and any contiguous real property owned by Seller is not in violation of any federal, state or local statute, regulation or ordinance relating to industrial hygiene or to environmental conditions on, under or about the Property, including, without limitation, soil and groundwater conditions underlying the Property which could affect the Property or its use. Neither Seller nor, to Seller's knowledge, any other person or predecessor in interest, has, except in accordance with applicable law, used, generated, manufactured, stored or disposed of on, under or about the Property, or transported to or from the Property, any "**Hazardous Materials**" as defined in any state, federal or local statute, ordinance, rule or regulation applicable to the Property, including, without limitation, any flammable materials, explosives, radioactive materials, hazardous or contaminated materials or substances, toxic or noxious materials, substances or related materials or substances, as well as any substance whose nature and/or quantity of existence, use, manufacture, disposal or effect render it subject to Federal, state or local regulation, investigation, remediation or removal as potentially injurious to public health or welfare.

7.1.7 Litigation. There are no claims, actions, suits or proceedings continuing, pending or, to Seller's knowledge, threatened (i) against or affecting Seller or the Property, or (ii) involving the validity or enforceability of this Agreement or of any other documents or instruments to be delivered by Seller at Closing, in either case, whether at law or in equity, or before or by any federal, state, municipal or other governmental department, board, commission, bureau, Buyer or instrumentality. Seller is not subject to, or in default under, any notice, order, writ, injunction, decree or demand of any court or any governmental department, board, commission, bureau, Buyer or instrumentality.

7.1.8 No Breach. The execution and delivery of this Agreement and the consummation of the transaction(s) contemplated by this Agreement will not violate or result in any breach of or constitute a default under or conflict with, or cause any acceleration of any obligation with respect to any provision or restriction of any lien, lease, agreement, contract, instrument, or, to Seller's knowledge, any order, judgment, award, decree, statute, regulation or ordinance, or any other restriction of any kind or character to which Seller is a party or by which Seller or the Property are bound.

7.1.9 No Condemnation or Other Proceedings. Exclusive of any action proposed or contemplated by Buyer, Seller is not aware of any contemplated condemnation of the Property or any portion thereof by any public agency, authority or entity. Seller understands that, if the transaction(s), including, without limitation, the acquisition(s), set forth in and/or contemplated by this Agreement had not been (or are not) successful, then staff for Buyer may have recommended (or may recommend) initiation of eminent domain proceedings to acquire the Property.

7.1.10 Knowledge Person. The Knowledge Person, as identified and defined in Section 7.3 below, is the person most likely to have knowledge of the items covered or intended to be covered by the knowledge limited provisions of this Section 7.1.

7.2 Survival of Representations and Warranties. Seller acknowledges and agrees that the covenants, agreements, representations and warranties of Seller set forth in this Agreement shall be true and correct on and as of the Effective Date as well as the Closing, and

Seller's liability for any breach, default or failure of the same, including, without limitation, any misrepresentation, shall survive not only the recordation of the Grant Deed, but also the Closing.

7.3 Seller's Knowledge. For the purposes of this Agreement, the phrase "to Seller's knowledge" shall mean the actual, personal (not constructive) knowledge of Larry G. Lashanko ("**Knowledge Person**"), without any obligation or duty to investigate or inquire.

8. OTHER.

8.1 Notices and Demands. All notices or other communications required or permitted between the Parties hereunder shall be in writing, and shall be (i) personally delivered, (ii) sent by United States registered or certified mail, postage prepaid, return receipt requested, (iii) sent by facsimile transmission with confirmation of receipt, or (iv) sent by nationally recognized overnight courier service (e.g., Federal Express or United Parcel Service), addressed to the Party to whom the notice is given at the address(es) provided below, subject to the right of any Party to designate a different address for itself by notice similarly given. Any notice so given by registered or certified United States mail shall be deemed to have been given on the third business day after the same is deposited in the United States mail. Any notice not so given by registered or certified mail, such as notices delivered by personal delivery, facsimile transmission or courier service, shall be deemed given upon receipt, rejection or refusal of the same by the Party to whom the notice is given. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice or other communication sent.

To Buyer:	Rainbow Municipal Water District Attn: Tom Kennedy 3707 Old Highway 395 Fallbrook, California 92028 Telephone: (760) 728-1178 Facsimile: (760) 728-2575
With a copy to:	Nossaman LLP 18101 Von Karman Avenue, Suite 1800 Irvine, CA 92612 Telephone: 949-833-7800 Facsimile: 949-833-7878 Attn: Bradford B. Kuhn
To Seller:	Lashanko Family 2001 Trust Dated May 28, 2001 Attn: Larry G. Lashanko, Trustee _____ _____, California _____ Telephone: (___) ___-____ Facsimile: (___) ___-____

8.3 Intentionally deleted.

8.4 Intentionally deleted.

8.5 Brokers and Sales Commissions. Seller has not and shall not incur, and Buyer will not be responsible or liable for and will not be required to pay, any sales or brokerage commissions and/or finder's fees for which Seller has incurred any obligation with respect to the transaction which is the subject of this Agreement.

8.6 Damage or Destruction. Should the Property be materially damaged or destroyed by fire, earthquake or other event without the fault of either Party at any time prior to Closing, this Agreement may be rescinded and terminated by Buyer; and, in such event, Buyer may reappraise the Property or any part of it Buyer desires to acquire and make an offer thereon.

8.7 Extension of Closing and Closing Date. Buyer may, upon written notice to Seller, extend the Closing Date and, therefore, the Closing for a reasonable period in order to satisfy or to provide time for others to satisfy the conditions to Closing in favor of Buyer set forth in this Agreement, including, without limitation, the following: (i) that, in accordance with Subsection 2.5.3 and Article 3 above, the Property is subject only to the Permitted Exceptions and that title to the same are otherwise acceptable to Buyer; (ii) that, in accordance with Subsection 2.5.7 and Article 4 above, Buyer has determined that the Property is suitable for Buyer's intended use; and (iii) that, in accordance with Subsection 2.5.4 and Article 7 above, Seller's representations and warranties are true and accurate and Buyer has received any consent(s), release(s) and/or subordination(s) required or contemplated by Subsections 7.1.4 and 7.1.5 above.

9. INCORPORATION OF RECITALS; WHOLE AGREEMENT.

9.1 Recitals. The preamble at the beginning of this Agreement as well as the Recitals set forth in paragraphs A, B and C immediately after the preamble are hereby incorporated into this Agreement as if set forth in full in this Section 9.1.

9.2 Whole Agreement. Consistent with Section 10.16 below, the Parties hereto acknowledge and agree that they have set forth the whole of their agreement in this instrument. Consistent with Sections 5.1, 5.2 and 5.3 above, the performance of this Agreement by Buyer constitutes the entire consideration for the Property, including, without limitation, the Grant Deed.

10. MISCELLANEOUS.

10.1 Survival of Covenants. The covenants, representations and warranties of both Buyer and Seller set forth in this Agreement shall survive the Closing as well as the recordation of the Grant Deed.

10.2 Required Actions of Buyer and Seller. Buyer and Seller agree to execute such instruments and documents and to diligently undertake such actions as may be reasonably, customarily or usually required in order to consummate the purchase and sale herein contemplated and shall use commercially reasonable efforts to accomplish the Closing in accordance with the provisions of this Agreement.

10.3 Time of Essence. Time is of the essence of each and every term, condition, obligation and provision of this Agreement.

10.4 Counterparts; Copies. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument. Except as required for recordation, the parties as well as Escrow Holder and Title Company shall accept copies of signatures, including, without limitation, electronically transmitted (for example, by e-mail, facsimile, PDF or otherwise) signatures.

10.5 Captions. Any captions to, or headings of, the articles, sections, subsections, paragraphs, or subparagraphs or other provisions of this Agreement are solely for the convenience of the Parties, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision of this Agreement.

10.6 No Obligations to Third Parties. Except as otherwise expressly provided in this Agreement, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the Parties to, any person or entity other than the Parties.

10.7 Exhibits. The Exhibits attached to this Agreement are hereby incorporated into this Agreement by this reference.

10.8 Waiver. The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision of this Agreement.

10.9 Governing Law; Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to any choice of law provisions thereof. Any and all legal actions brought to enforce or interpret the terms and provisions of this Agreement shall be commenced exclusively in a court of competent jurisdiction in the County of San Diego.

10.10 Buyer's Assignment. Buyer shall have the right, in its sole discretion, to assign this Agreement as well as its rights and remedies in, to and under the Property and the Grant Deed, and any right or obligation herein and therein, to any party of its choice without the prior consent or approval of Seller.

10.11 Successors and Assigns. This Agreement, as well as the Grant Deed, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties.

10.12 Ratification. This Agreement is subject to the approval and ratification by the Buyer's governing body or its delegated representative.

10.13 Severability. If any term or provision of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected.

10.14 Construction. This Agreement will be liberally construed to effectuate the intention of the Parties with respect to the transaction(s) described herein. In determining the

meaning of, or resolving any ambiguity with respect to, any word, phrase or provision of this Agreement, neither this Agreement nor any uncertainty or ambiguity herein will be construed or resolved against either Party (including the Party primarily responsible for drafting and preparation of this Agreement), under any rule of construction or otherwise, it being expressly understood and agreed that the Parties have participated equally or have had equal opportunity to participate in the drafting thereof.

10.15 Legal Fees. Each Party shall be responsible for payment of its own attorneys' fees with respect to negotiation and preparation of this Agreement and processing of the Escrow.

10.16 Entire Agreement; Amendment. This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and (together with the Grant Deed) contains the entire agreement between Buyer and Seller as to the subject matter hereof. The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the Parties hereto.

[Signatures on the following page]

SIGNATURE PAGE TO
AGREEMENT OF PURCHASE AND SALE
AND JOINT ESCROW INSTRUCTIONS

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date(s) set forth below next to their respective signatures.

Date: _____ ___, 2017

BUYER:

RAINBOW MUNICIPAL WATER DISTRICT

By: _____
Name: Tom Kennedy
Title: General Manager

APPROVED AS TO FORM:

_____
Name: Alfred Smith
Title: General Counsel

Date: _____ ___, 2017

SELLER:

LASHANKO FAMILY 2001 TRUST
dated May 28, 2001

_____
Name: Larry G. Lashanko
Title: Trustee

_____
Name: Pamela Lashanko
Title: Trustee

EXHIBIT LIST

Exhibit 1 - Legal Description of Property APN: 126-452-01-00

Exhibit 2 - Grant Deed

Exhibit 3 - Bill of Sale and General Assignment

EXHIBIT 1 TO
PURCHASE AND SALE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS

Legal Description of Property
APN: 126-452-01-00

That certain real property in the City of Bonsall, County of San Diego, State of California, described as follows:

LOT 1 OF COUNTY OF SAN DIEGO TRACT NO. 4350 , IN THE COUNTY OF SAN DIETO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 12306, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, FEBRUARY 02, 1988.

APN: 126-452-01-00

EXHIBIT 2 TO
PURCHASE AND SALE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS

FORM OF GRANT DEED

RECORDING
REQUESTED BY AND
WHEN RECORDED
MAIL TO:

Rainbow Municipal Water District
Attn: _____
_____, Suite ____
_____, California ____

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Portions APN(s.): 126-452-01-00

EXEMPT FROM RECORDING FEES PER GOVT. CODE §27383
EXEMPT FROM DOCUMENTARY TRANSFER TAX PER REV. & TAX CODE §11922

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, LARRY G. LASHANKO AND PAMELA LASHANKO, Trustees of the LASHANKO FAMILY 2001 TRUST dated May 28, 2001 ("**Grantor**"), hereby grants to RAINBOW MUNICIPAL WATER DISTRICT, a California _____ ("**Grantee**"), the real property in the City of Bonsall, County of San Diego, State of California described as follows:

See EXHIBIT A attached hereto and incorporated herein by reference.

SUBJECT TO:

1. Nondelinquent general and special taxes and assessments for the current fiscal year.

2. All covenants, conditions, restrictions, reservations, rights-of-way, easements and other matters of record or apparent.

[Signatures on following page]

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of the day of _____ ___, 2017.

GRANTOR:

LASHANKO FAMILY 2001 TRUST dated May 28, 2001

By: _____
Name: Larry G. Lashanko
Title: Trustee

By: _____
Name: Pamela Lashanko
Title: Trustee

[acknowledgments on next page]

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
)
County of San Diego)

On _____, before me, _____,
(insert name and title of the officer)

Notary Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature_____ (Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
)
County of San Diego)

On _____, before me, _____,
(insert name and title of the officer)

Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature_____ (Seal)

EXHIBIT A TO GRANT DEED

That certain real property in the City of Bonsall, County of San Diego, State of California, described as follows:

LOT 1 OF COUNTY OF SAN DIEGO TRACT NO. 4350 , IN THE COUNTY OF SAN DIETO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 12306, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, FEBRUARY 02, 1988.

APN: 126-452-01-00

EXHIBIT 3 TO
PURCHASE AND SALE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS

FORM OF BILL OF SALE AND GENERAL ASSIGNMENT

BILL OF SALE AND GENERAL ASSIGNMENT

THIS BILL OF SALE AND GENERAL ASSIGNMENT ("Agreement") is entered into as of this _____ day of _____, 2017, by LARRY G. LASHANKO AND PAMELA LASHANKO, Trustees of the LASHANKO FAMILY 2001 TRUST dated May 28, 2001 (the "Assignor"), in favor of RAINBOW MUNICIPAL WATER DISTRICT, a California _____ ("Assignee"), in connection with that certain Agreement of Purchase and Sale and Joint Escrow Instructions between Assignor as the "Seller" and Assignee as the "Buyer" dated as of [_____ ___], 2017, as the same has been or may be amended (the "Purchase Agreement") pursuant to which Assignor agreed to sell to Assignee the "Property" described therein. All terms with initial capital letters shall have the meaning ascribed thereto in the Purchase Agreement except as otherwise defined herein.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Bill of Sale. Assignor hereby grants, sells, transfers, assigns, conveys and delivers to Assignee any personal property with respect to or located on the Property (collectively, the "Assigned Property").

2. Assignment. Assignor hereby unconditionally assigns and transfers to Assignee all of Assignor's right, title and interest (but not obligations) in and to the following arising out of the Property (collectively, the "Assigned Rights"):

(a) all intangible personal property owned by Assignor and related to the use, ownership, operation, maintenance or development of the Property, including, without limitation: (i) all general intangibles (as defined in the Uniform Commercial Code effective in the State of California); and (ii) all guaranties and warranties relating to the Property or improvements thereon;

(b) any and all rights as declarant under any covenants, conditions and restrictions with respect to the Property, and all other rights relating to such covenants, conditions and restrictions;

(c) the right to all environmental claims or defenses with respect to the Property; and

(d) all legal and equitable claims, cause of actions and rights against any third parties with respect to the Property, including but not limited to, previous owners or developers of the Property, any contractors, subcontractors, consultants or other suppliers of materials or

services with respect to the Property, including all architects, engineers and designers with respect to any work performed on or with respect to the Property or any improvements thereon.

3. Successors. This Agreement shall be binding upon and inure to the benefit of the successors, assigns, personal representatives, heirs and legatees of Assignor and Assignee.

4. Further Assurances. Assignor shall execute and deliver to the Assignee any additional instrument or other document that Assignee reasonably requests to evidence the assignment of the Assigned Rights and the Assigned Property hereunder promptly upon request. Assignor shall cooperate and assist Assignee in obtaining any consents required to effectuate this Agreement.

[*Signature page follows*]

IN WITNESS WHEREOF, the Assignor has executed this Agreement as of the year and date first above written.

ASSIGNOR:

LASHANKO FAMILY 2001 TRUST
dated May 28, 2001

By: _____
Name: Larry G. Lashanko
Title: Trustee

By: _____
Name: Pamela Lashanko
Title: Trustee

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

BOARD ACTION

BOARD OF DIRECTORS

February 28, 2017

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE CONTRACT CHANGE ORDER FOR INSPECTION SERVICES FOR THE HORSE CREEK RIDGE DEVELOPMENT

BACKGROUND

The Horse Creek Ridge Development which is located east of the I-15 on Horse Ranch Creek Road is nearing the start of the construction of water and sewer improvements. See attached vicinity map for the location of the development. The development consists of a total of 751 homes and a sports complex. The District has been working with the developer, D.R. Horton through plan checking and coordination of the necessary facility improvements for the development. Facilities included for the District are water and sewer pipelines, a sewer lift station, and pressure reducing station.

DESCRIPTION

Inspection is a very important facet of asset management. Facilities installed by the Developer will ultimately be owned, operated and maintained by the District. The District inspects construction of new facilities for conformance with District standards, applicable code, and manufacturer requirements which will help to ensure optimized useful lives of the assets. Many premature failures we see today are due to lack of inspection. We find non mortared joints that lead to internal corrosion or installation methods that destroy the integrity of the pipe.

In 2015, the District staff solicited proposals from a number of firms for As-Needed Inspection Services. As part of that process we selected, and executed an agreement with, Hoch Consulting, a small local firm that has significant experience managing and inspecting construction of infrastructure for water and wastewater agencies in San Diego County. They have been assisting the District with inspection services and have proven to be a valuable consultant and are familiar with the work needed for the Horse Creek Ridge development. Attached is their proposal to supplement the District's single inspector and cover inspections for the Horse Creek Ridge Development. The development is anticipated to take 18 to 24 months to complete.

Approval of the executed change order is appropriate as a non-procurement, professional services sole source agreement, as there is no fiscal impact to the District and all costs are paid for by the developer. In addition, Hoch Consulting is a uniquely qualified, responsible vendor in light of its existing contract, history and understanding of the District's inspection standards, applicable codes, and manufacturer requirements. Under such circumstances, utilizing further District resources and funds to collect additional bids would be incongruous and would not result in an advantage to the District or the ratepayers.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area One: Asset Management. Skilled inspection during the construction of facilities is essential to ensuring that the assets perform without issues through their entire design lifespan.

BOARD OPTIONS/FISCAL IMPACTS

The developer has deposited inspection fees to the District that will cover all costs related to this contract. There is no fiscal impact to the District.

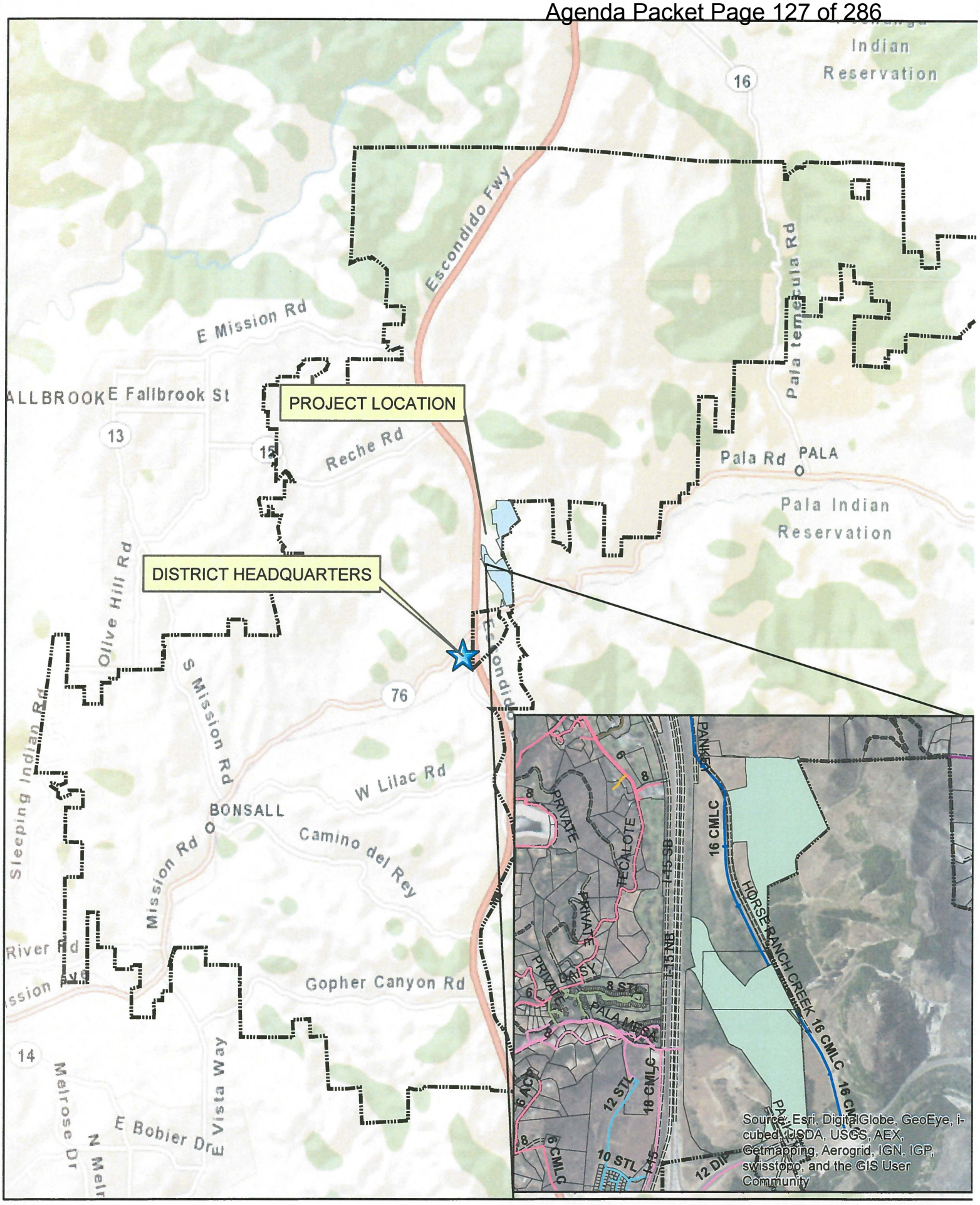
1. Authorize General Manager to execute change order for As-Needed Inspection Services contract with Hoch Consulting not to exceed $279,220.50.

2. Direct staff to pursue other options for inspection services.

STAFF RECOMMENDATION

Staff recommends Option 1.

Sherry Kirkpatrick 02/28/2017
Engineering Manager



N

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

HORSE CREEK RIDGE TM 5338

0 1,100 2,200 4,400 6,600 8,800 Feet

Hoch Consulting
3255 Moccasin Avenue
San Diego, CA 92117
(tel.) 858-431-9767
ahoch@hochconsulting.com
www.hochconsulting.com

February 7, 2017

Ms. Sherry Kirkpatrick, P.E.
Engineering Manager
Rainbow Municipal Water District
3707 Old HWY 395
Fallbrook, CA 92028

Subject: Horse Creek Ridge Construction Inspection Services

Dear Ms. Kirkpatrick:

Hoch Consulting is currently under contract to perform as-needed construction inspection services to supplement Rainbow Municipal Water District (Rainbow MWD) staff on upcoming development projects. The Horse Creek Ridge development, a 751 single family development, which will construct potable water, reclaimed water, and sewer infrastructure, including pipelines, appurtenances, a pressure reducing station, and a sewer lift station, that will ultimately be owned, operated, and maintained by Rainbow MWD. The Project is nearing construction and now has a well-defined scope of work and schedule. Accordingly, Rainbow MWD has requested a proposal for construction inspection services for the entire duration of construction, including special inspection, testing, and start-up services. Hoch Consulting has significant experience managing and inspecting construction of infrastructure for water and wastewater agencies in San Diego County, including significant experience with pipeline design and construction and sewer lift station design and construction. Our team's experience with design, construction, operations, and maintenance of water and wastewater infrastructure provides a breadth of knowledge based on design standards, construction means and methods, manufacturer standards, and professional association literature that is unparalleled in the Construction Management/Inspection industry. We propose Mr. Maverick Madsen as our primary inspector supplemented by Mr. Evan Morrill, E.I.T. Mr. Madsen has over twenty-five years of experience in Construction, Project Management, and Inspection of pipelines and pump stations in San Diego County, including experience with horizontal directional drilling (HDD). Mr. Morrill has two years of experience inspecting pipeline construction. Our team is poised to provide oversight in conformance with Rainbow MWD standards, applicable codes, and manufacturer requirements, which will help to ensure optimized useful lives of these assets. The following summarizes Hoch Consulting's proposed scope of services, schedule, and budget for these services.

Proposed Scope of Services:

Task 1: Construction Inspection Services

Hoch Consulting will provide as-needed construction inspection services for Rainbow MWD for projects that may include but are not limited to the Horse Creek Ridge Development. As-needed construction inspection services will ensure that construction conforms to the approved plans and specifications and is anticipated to include the following:

- *Construction Inspection* – Hoch Consulting will inspect construction on a daily basis to ensure compliance with the technical provisions of the project specifications and drawings. Key elements of the pipeline construction that Hoch Consulting anticipates inspecting include (1) pipeline alignment and grade, (2) placement of bedding and backfill, (3) use of proper deflection and pipe insertion methods, (4) protective wrappings – wax tape & polyethylene wraps, (4) hydrostatic testing, (5) leakage testing, (6) disinfection, and (7) appurtenance construction. Key elements of the pump station construction that Hoch Consulting anticipates inspecting include (1) excavations, (2) shoring, (3) concrete construction – formwork, rebar, penetrations, and concrete placement, consolidation, and curing, (4) mechanical construction, and (5) electrical and controls construction.
- *Special Inspection* – Working with Southern California Soils and Testing (SCST), Hoch Consulting will provide special inspection for the project in conformance with the California Building Code. Special inspections are anticipated to include concrete, rebar, and post-installed concrete anchors and may include welding and masonry.
- *Materials Inspection* – Hoch Consulting will inspect all materials delivered to the project for conformance with the approved materials.
- *Coordination* – Hoch Consulting will provide coordination with the District and other firms in execution of the as-needed construction inspections. Coordination with subconsultants is anticipated to verify that bedding and backfill (to be performed by Leighton, who is under contract with D.R. Horton), concrete strength, welding (if required), and post-installed anchors conform to contract documents and applicable codes, as testing, sampling, and special inspections.
- *Reporting* – Hoch Consulting will prepare daily inspection reports to document construction progress and provide an accurate account of construction activities. Inclusive in daily inspection reports are daily progress photographs that will highlight key elements of construction. Hoch Consulting will also maintain a set of redlines to document changes to plans throughout the duration of the project. Additionally, Hoch Consulting anticipates providing a final construction report that documents construction progress and construction issues.
- *Start-up* – Working with Rockwell Construction Services, Hoch Consulting will provide startup assistance for the new pump station. Startup services are anticipated to include electrical continuity tests, loop tests, electrical testing, and troubleshooting.

- *Deficiency List* – Hoch Consulting will prepare a deficiency list as construction approaches substantial completion for each phase of work to identify and seek remedy for all items that deviate from the contract documents.

Schedule and Fee:
Construction is estimated to last for between 18 and 24 months; however, Hoch Consulting estimates 12 months of full time inspection will be required during that timeframe. Hoch Consulting proposes to perform construction inspection on a time-and-material basis not to exceed $279,220.25 as is summarized in the attached fee proposal.

We greatly appreciate the opportunity to work for Rainbow MWD. If you have any questions about this proposal, please do not hesitate to contact me.

Sincerely,
HOCH CONSULTING

Adam Hoch, P.E., QSD
President/Principal Engineer
License No. C77635

Attachments: Fee Proposal

Horse Creek Ridge Construction Inspection Fee Proposal — Hoch Consulting

Rainbow MWD - Construction Inspection Services — **Hoch Consulting**

	Hoch Consulting Labor		Subconsultants		Total Fees
Classification	**Construction Inspector - MM, EM**	**Total Hoch Consulting Labor**	**SCST***	**ROCKWELL Construction Services****	**Total†**
Rate ($/hr)	**$125**				
Task 1: Construction Inspection	2020	$ 252,500.00	$ 12,435.00	$ 10,800.00	$ 279,220.25
Total	**2020**	**$ 252,500.00**	**$ 12,435.00**	**$ 10,800.00**	**$ 279,220.25**

MM - Maverick Madsen

EM - Evan Morrill, EIT

* Special Inspection

** Pump Station Startup

†Includes 15% Markup on subconsultants

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

BOARD ACTION

BOARD OF DIRECTORS

February 28, 2017

SUBJECT

FISCAL YEAR 2016-17 MID-YEAR BUDGET REVIEW AND BUDGET ADJUSTMENTS

DESCRIPTION

The District approves an annual budget each June that sets forth revenue and expenditure objectives. It is a good time to review the District's budget in January shortly after reaching the mid-year point, to evaluate revenues and expenditures to date, and to make adjustments as necessary in a prompt manner. It is important to have up-to-date budget data with sound projections to ensure financial stability of the District.

Finance staff along with Management has performed an extensive mid-year review of actual revenues and expenditures compared to budgeted projections. This Mid-Year Budget Report provides a summary of the results of the analysis. A detailed summary, by fund, of the budget adjustments recommended is provided in Exhibit A.

The District conservatively projected that water revenues will slightly increase by 3% from last year's projected ending water sales of 16,000 acre feet. By taking this approach, the District is able to keep a status quo on the projected revenues. Sales are coming in fairly close to forecast with 55% realized for the first half of the Fiscal Year. An unanticipated revenue not projected during the budgeting process, is the auction sale of two Public Works equipment that sold for $25,000. The proceeds from the auction will be used to purchase Shoring safety equipment for the Construction department.

	BUDGET 06/30/2017	YTD 12/31/2016	REMAINING AVAILABLE	YTD %
TOTAL WATER REVENUES	$35,339,900	$19,304,846	$16,035,054	55%
TOTAL SEWER REVENUES	$ 2,545,500	$ 1,314,131	$ 1,231,369	52%

In order to appropriately budget expenditures, some budgeted funds were shifted around within their respective department or Fund itself to offset another budgeted expenditure with an overall net neutral effect. Expenditures tend to be steady and fixed throughout the year as opposed to revenues fluctuate with climate changes. As such, expenditures are at 51% expended with most one-time expenses already incurred. There were no major deviation from budgeted expenditures to report that require additional funding. In the line account of 03-41-70000 Professional Services, a budgeted amount of $120,000 was set aside for consulting, however it does not appear to be needed this FY. Those funds will now be designated for upgrading the security system and potentially upgrading the phone system depending on estimated costs of proposed upgrades.

Overall, the Mid-Year review is positive in light of the decrease in water demand these past few years. Several of the forecasted revenues are expected to exceed original budget estimates. Staff is doing an exceptional job on holding the line on expenditures and are cognizant of staying within budgeted amounts. If the District stays on course of forecast and remains fiscally conservative, it will be successful in meeting financial objectives of the District.

Following the completion of the Mid-Year budget review, staff will begin work on the Fiscal Year 2017-18 Budget. A planning session will be held in late February/early March with the Management team to begin to develop priorities and discuss direction regarding major capital projects for the next fiscal year.

ATTACHMENTS

- Exhibit A

BOARD OPTIONS/FISCAL IMPACTS

1. Approve Amended Budget FY 2016-17 as provided in Exhibit A with a Net Neutral Fiscal Impact.
2. Recommend revisions to staff and amend budget accordingly.
3. Provide other direction to Staff.

STAFF RECOMMENDATION

Staff recommends Option 1.

V. Martinez

Vanessa Martinez 02/28/2017
Finance Manager

EXHIBIT A	DESCRIPTION	AMOUNT
FUND 01		
01-32-63102	Equipment Maint Contract	($15,000.00)
01-32-60000	Electronics	$15,000.00
01-32-72000	Supplies & Services	($12,811.00)
01-32-72400	Dues & Subscriptions	$12,811.00
01-00-49109	Non Operating Inc (Misc)	($25,000.00)
01-34-82000	Shop & Field Equipment	$25,000.00
01-31-56101	Regular Salaries	($60,000.00)
01-34-56103	Overtime Paid	$60,000.00
NET IMPACT		$0.00
FUND 02		
02-61-72600	Sewer Line Cleaning	($15,000.00)
02-61-72000	Supplies & Services	$15,000.00
NET IMPACT		$0.00
FUND 03		
03-20-75300	Travel/Conferences/Training	$7,500.00
03-36-63421	Fuel & Oil	($5,000.00)
03-36-73000	Small Tools & Equipment	$5,000.00
03-41-65000	Property/Liability Ins	($6,907.00)
03-41-72400	Dues & Subscriptions	$6,907.00
03-41-70000	Professional Services	($16,100.00)
03-41-72400	Dues & Subscriptions	$3,100.00
03-41-56512	Tuition &Reimbursement	$3,000.00
03-41-75300	Travel/Conferences/Training	$2,500.00
03-41-56101	Regular Salaries	($3,000.00)
03-41-56103	Overtime	$3,000.00
03-51-70400	Bank Service Charges	($18,000.00)
03-52-72000	Supplies & Services	$18,000.00
03-91-63000	Equipment	($1,000.00)
03-91-72700	Printing & Reproductions	$1,000.00
NET IMPACT		$0.00
TOTAL NET IMPACT		**$0.00**

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

BOARD ACTION

BOARD OF DIRECTORS

February 28, 2017

SUBJECT

CONSIDER ADOPTION OF RESOLUTION NO. 17-09 (1) AUTHORIZING THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY (THE "AUTHORITY") TO FORM A COMMUNITY FACILITIES DISTRICT WITHIN THE TERRITORIAL LIMITS OF THE RAINBOW MUNICIPAL WATER DISTRICT TO FINANCE CERTAIN PUBLIC IMPROVEMENTS AND DEVELOPMENT IMPACT FEES; (2) EMBODYING A JOINT COMMUNITY FACILITIES AGREEMENT SETTING FORTH THE TERMS AND CONDITIONS OF THE COMMUNITY FACILITIES DISTRICT FINANCING; (3) APPROVING AN ACQUISITION AGREEMENT BETWEEN THE DISTRICT AND THE DEVELOPER; AND (4) AUTHORIZING STAFF TO COOPERATE WITH THE AUTHORITY AND ITS CONSULTANTS IN CONNECTION THEREWITH.

DESCRIPTION

In December 2016, the RMWD Board approved Resolution 16-21 that authorized the District to join the California Statewide Community Development Authority (CSCDA). The CSCDA is a joint powers authority comprised of over 500 municipal agencies in the State of California. The CSCDA was formed to enable local governments to access a variety of low cost, tax-exempt financing options for projects to serve their constituents. In addition to various bond programs, the CSCDA also facilitates the development of Community Facilities Districts (CFDs) where bonds for infrastructure are repaid through what are more commonly referred to as "Mello-Roos" taxes on property owners.

At the time of that approval, the Board was informed that there would be a subsequent action at a future Board meeting to approve a series of agreements that would facilitate the formation of a CFD for the DR Horton (Developer) in order to finance certain infrastructure improvements and capacity fees. In traditional CFDs, the lead agency (which in this case would be RMWD) forms the CFD and its Board serves as the lead to manage the process. The Board would define the parcels subject to the CFD, hold an election among property owners to establish the CFD, issue the bonds for the improvements, and then collect the taxes over time to pay down the bonds. This is a complicated process that takes a considerable amount of time and administrative capacity for the lead agency. Since many agencies such as RMWD lack the capacity to administer this process, the CSCDA was formed precisely to address this issue. Now that the District has joined the CSCDA, this resolution will enable the CSCDA to take on all further actions related to the development of the CFD.

The following are the steps required:

- RMWD joined CSCDA as a member of the joint powers authority (Approved under Resolution 16-21 in December 2016)

- RMWD adopts a resolution authorizing CSCDA to form a CFD and approves a Funding and Acquisition Agreement (UNDER CONSIDERATION TODAY)
    - This is where we direct the CSCDA to start the process to form a CFD

  - The developer defines the parcels affected (all within DR Horton's development) and the amount to be financed.
  - We also agree that the facilities and fees to be paid through the CFD are public infrastructure
  - No cost or risk to ratepayers

- CSCDA takes several steps toward CFD formation
  - CSCDA adopts Resolution of Intention to form CFD
  - After a period for public notice the CSCDA adopts a Resolution of Formation of the CFD
  - CSCDA conducts a special election for all affected property owners
    - Since DR Horton owns all the properties this election would approve the CFD
  - DR Horton prepares special notice to homebuyers informing them of the CFD and their tax responsibilities.
  - CSCDA approves a Resolution of Issuance for bonds

- Once the bonds are ready to go, RMWD must execute a Bond Closing Certificate where we certify that the infrastructure being financed is public infrastructure. This is necessary to obtain the tax-exempt status for the bonds.

- CSCDA then issues the bonds in the municipal bond market.

- Once CSCDA has the bond proceeds, RMWD and the developer must submit documentation in order to receive the bond proceeds. It is expected that by the time the bonds are issued in the second half of 2017, most of the work related to the bonds will be complete. Certain bond funds will be sent back to the developer to reimburse for infrastructure costs, and some will come directly to the District in the form of Capacity Fees.

- For the long term, CSCDA handles all administration of the CFD. The tax bill will say CSCDA on it – not RMWD. Any questions from taxpayers go straight to CSCDA. ***There will be no ongoing involvement of RMWD staff in the administration of the CFD.*** Once the bonds are retired the CFD will be disbanded.

The District's General Counsel, Nossaman, has Sue Meyer, an experienced CFD attorney, on staff who has worked carefully with District staff and DR Horton to develop the attached agreements. Several modifications were requested by the District and accepted by DR Horton. While we do not anticipate any changes, there is a possibility that the CSCDA counsel may have small changes to some technical details in the Acquisition Agreement as we move forward. Within the action, the Board is approving the form Of the Acquisition Agreement and directing the General Manager, in consultation with our General Counsel, tor review

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Four: Fiscal Responsibility. The approval of the formation of this CFD is linked to a revised sewer capacity fee payment by DR Horton to the District which will amend their sewer capacity fee to properly reflect the change in capacity fees since the original sewer capacity fee agreement with DR Horton's predecessors was executed 30 years ago. These funds will be used for sewer system expansion related to the project.

BOARD OPTIONS/FISCAL IMPACTS

There are no direct fiscal impacts to the District as all staff time and legal costs will be paid by the DR Horton. Staff offers the following options for consideration:

1. Approve Resolution 17-09 and the four actions listed in the title of this Action Item.

2. Disapprove Resolution 17-09 with the understanding that the revised sewer capacity agreement would be rejected as well, along with the increased capacity fee payment.

STAFF RECOMMENDATION

Staff recommends approval of Resolution No. 17-09.

Tom Kennedy
General Manager

February 28, 2017

RESOLUTION NO. 17-09

A RESOLUTION OF THE RAINBOW MUNICIPAL WATER DISTRICT

(1) AUTHORIZING THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY (THE "AUTHORITY") TO FORM A COMMUNITY FACILITIES DISTRICT WITHIN THE TERRITORIAL LIMITS OF THE RAINBOW MUNICIPAL WATER DISTRICT TO FINANCE CERTAIN PUBLIC IMPROVEMENTS AND DEVELOPMENT IMPACT FEES; (2) EMBODYING A JOINT COMMUNITY FACILITIES AGREEMENT SETTING FORTH THE TERMS AND CONDITIONS OF THE COMMUNITY FACILITIES DISTRICT FINANCING; (3) APPROVING A FORM OF AN ACQUISITION AGREEMENT BETWEEN THE DISTRICT AND THE DEVELOPER; AND (4) AUTHORIZING STAFF TO COOPERATE WITH THE AUTHORITY AND ITS CONSULTANTS IN CONNECTION THEREWITH.

WHEREAS, the Rainbow Municipal Water District (the "District") is a municipal water district duly organized and existing under California Water Code Section 71000 et seq.;

WHEREAS, the California Statewide Communities Development Authority (the "Authority") is a California joint-exercise of powers authority lawfully formed and operating within the State pursuant to an agreement (the "Joint Powers Agreement") entered into as of June 1, 1988 under the authority of Title 1, Division 7, Chapter 5 (commencing with Section 6500) of the California Government Code;

WHEREAS, the District is a party to the Joint Powers Agreement and by virtue thereof a member (a "Program Participant") of the Authority;

WHEREAS, the Joint Powers Agreement was entered into to establish the Authority as an agency authorized to issue bonds to finance projects within the territorial limits of its Program Participants;

WHEREAS, the Joint Powers Agreement authorizes the Authority to undertake financing programs under any applicable provisions of State law to promote the public health, safety and welfare, economic development, and the stimulation of economic activity within the jurisdictional boundaries of its Program Participants;

WHEREAS, the "Mello-Roos Community Facilities Act of 1982," being Chapter 2.5, Part 1, Division 2, Title 5 (beginning with Section 53311) of the Government Code of the State (the "Act") is an applicable provision of State law available to, among other things, finance public improvements necessary to meet increased demands placed upon local agencies as a result of development;

WHEREAS, there is a development project in the District commonly known as Horse Creek Ridge, owned by D. R. Horton Los Angeles Holding Company, Inc., a California corporation (respectively, the "Development Project" and the "Developer"), and the Developer has requested the District to consider formation of a community facilities district for the Development Project under the Act;

WHEREAS, the District does not desire to allocate District resources and District staff time to the formation and administration of a community facilities district and to the issuance of bonds;

WHEREAS, the Development Project will promote the public health, safety, welfare, economic development, and the stimulation of economic activity;

WHEREAS, both the Authority and the District are "local agencies" under the Act;

WHEREAS, the Act permits two or more local agencies to enter into a joint community facilities agreement to exercise any power authorized by the Act;

WHEREAS, the District desires to enter into such an agreement with the Authority to authorize the Authority to form a community facilities district within the territorial limits of the District to finance public improvements and fees required of the Development Project;

WHEREAS, a form of Acquisition Agreement (the "Acquisition Agreement") between the District and the Developer has been presented to the District's Board of Directors (the "Board") and is on file with the District Clerk;

WHEREAS, an Environmental Impact Report (EIR) was prepared for the Development Project and approved by the County of San Diego Board of Supervisors (EIR for the Horse Creek Ridge Project, dated May 11, 2011, SCH No. 2005011092); nothing herein constitutes the District's approval of any applications, Development Project entitlements and/or permits;

WHEREAS, nothing herein affects, without limitation, requirements for and/or compliance with any and all applicable and/or necessary improvement standards, land use requirements or subdivision requirements relating to the Development Project or any portion thereof, which obligations are and shall remain independent and subsisting; and

WHEREAS, the Board of the District is fully advised in this matter;

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Rainbow Municipal Water District that it does hereby find, determine, declare and resolve as follows:

Section 1. The District hereby specifically finds and declares that the actions authorized hereby constitute, and with respect to municipal affairs of the District and the statements, findings and determinations of the District set forth in the recitals above and in the preambles of the documents approved herein, are true and correct.

Section 2. This resolution shall constitute full "local approval," under Section 9 of the Joint Powers Agreement, and under the Authority's Local Goals and Policies (see below), for the Authority to undertake and conduct proceedings in accordance herewith and under the Act to form a community facilities district (the "Community Facilities District") with boundaries substantially as shown on Exhibit A, attached hereto, and to authorize a special tax and to issue bonds with respect thereto.

Section 3. The Joint Powers Agreement, together with the terms and provisions of this resolution, shall together constitute a joint community facilities agreement between the District and the Authority under the Act. As, without this resolution, the Authority has no power to conduct proceedings under the Act to form the Community Facilities District, adoption by the Commission of the Authority of the Resolution of Intention to form the Community Facilities District under the Act shall constitute acceptance of the terms hereof by the Authority.

Section 4. This resolution and the agreement it embodies are determined to be beneficial to the residents/customers of the District and are in the best interests of the residents of the District, and of the future residents of the area within the Community Facilities District.

Section 5. The Authority has adopted Local Goals and Policies as required by Section 53312.7 of the Act. The District approves the use of those Local Goals and Policies in connection with the Community Facilities District. The District hereby agrees that the Authority may act in lieu of the District under those Local Goals and Policies in forming and administering the Community Facilities District.

Section 6. Pursuant to the Act and this resolution, the Authority may conduct proceedings under the Act to form the Community Facilities District and to have it authorize the financing of the facilities and fees of the District set forth on Exhibit B, attached hereto. All of the facilities, whether to be financed directly or through fees, are facilities that have an expected useful life of five years or longer and are facilities that the District are authorized by law to construct, own or operate, or to which it may contribute revenue. The facilities referred to herein to be owned by the District are referred to as the "District Improvements." The fees paid or to be paid to the District are referred to as the "District Fees."

Section 7. There are no fees or improvements of other local agencies proposed to be funded by the Community Facilities District, as such, there are no joint community facilities agreements proposed to be entered into with other local agencies.

Section 8. The Board of the District certifies to the Commission of the Authority that all of the District Improvements including the improvements to be constructed or acquired with the proceeds of District Fees are necessary to meet increased demands placed upon the Rainbow Municipal Water District as a result of development occurring or expected to occur within the Community Facilities District.

Section 9. The Authority will apply the special tax collections initially as required by the documents under which any bonds are issued; and thereafter, to the extent not provided in the bond documents, may pay its own reasonable administrative costs incurred in the administration of the Community Facilities District. The Authority will remit any special tax revenues remaining after the final retirement of all bonds to the District. The District will apply any such special tax revenues it receives for authorized District Improvements or District Fees and its own administrative costs only as permitted by the Act.

Section 10. The Authority will administer the Community Facilities District, including employing and paying all consultants, annually levying the special tax and all aspects of paying and administering the bonds, and complying with all State and Federal requirements

appertaining to the proceedings, including the requirements of the United States Internal Revenue Code. The District will cooperate fully with the Authority in respect of the requirements of the Internal Revenue Code and to the extent information is required of the District to enable the Authority to perform its disclosure and continuing disclosure obligations with respect to the bonds, although the District will not participate in nor be considered to be a participant in the proceedings respecting the Community Facilities District (other than as a party to the agreement embodied by this resolution) nor will the District be or be considered to be an issuer of the bonds.

Section 11. In the event the Authority completes issuance and sale of bonds, and bond proceeds become available to finance the District Improvements and District Fees, the Authority shall establish and maintain a special fund to be known as the "Horse Creek Ridge Development Community Facilities District Acquisition and Construction Fund" (the "Acquisition and Construction Fund"). The portion of bond proceeds which is intended to be utilized to finance the District Improvements and District Fees shall be deposited in the Acquisition and Construction Fund. The Acquisition and Construction Fund will be available to fund District Improvements and District Fees.

Section 12. As respects the Authority, the District agrees to fully administer, and to take full governmental responsibility for, the construction or acquisition of the District Improvements and for the administration and expenditure of the District Fees including but not limited to environmental review, approval of plans and specifications, bid requirements, performance and payment bond requirements, insurance requirements, contract and construction administration, staking, inspection, acquisition of necessary property interests in real or personal property, the holding back and administration of retention payments, punch list administration, and the Authority shall have no responsibility in that regard. The District reserves the right, as respects the Developer, to require the Developer to contract with the District to assume any portion or all of this responsibility.

Section 13. The District agrees to indemnify and to hold the Authority, its other members, and its other members' officers, agents and employees (collectively, the "Indemnified Parties") harmless from any and all claims, suits and damages (including costs and reasonable attorneys' fees) arising out of the design, engineering, construction and installation of the District Improvements and the improvements to be financed or acquired with the District Fees. The District reserves the right, as respects the Developer, to require the Developer to assume by contract with the District any portion or all of this responsibility.

Section 14. As respects the Authority, the District agrees – once the District Improvements are constructed according to the approved plans and specifications, and the District and the Developer have put in place their agreed arrangements for the funding of maintenance of the District Improvements – to accept ownership of the District Improvements, to take maintenance responsibility for the District Improvements, and to defend and indemnify and hold harmless the Indemnified Parties to the extent provided in the preceding paragraph from any and all claims, etc., arising out of the use and maintenance of the District Improvements. The District reserves the right, as respects the Developer, to require the Developer by contract with the District to assume any portion or all of this responsibility.

Section 15. The District acknowledges the requirement of the Act that if the District Improvements are not completed prior to the adoption, by the Authority Commission, of the Resolution of Formation of the Community Facilities District, the District Improvements must be constructed as if they had been constructed under the direction and supervision, or under the authority of, the District. The District acknowledges that this means all District Improvements must be constructed under contracts that require the payment of prevailing wages as required by Section 1720 and following of the Labor Code of the State of California. The Authority makes no representation that this requirement is the only applicable legal requirement in this regard. The District reserves the right, as respects the Developer, to assign appropriate responsibility for compliance with this paragraph to the Developer.

Section 16. The form of the Acquisition Agreement attached hereto as Exhibit C is hereby approved, and the General Manager or such officer's designee (the "Authorized Officer") is authorized to execute, and deliver to the Developer, the Acquisition Agreement on behalf of the District in substantially that form, with such changes as shall be approved by the Authorized Officer after consultation with the District Attorney and the Authority's bond counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 17. After completion of the District Improvements and appropriate arrangements for the maintenance of the District Improvements, or any discrete portion thereof as provided in Section 53313.51 of the Act and in the Acquisition Agreement, to the satisfaction of the District, and in conjunction with the District's acceptance thereof, acquisition of the District Improvements shall be undertaken as provided in the Acquisition Agreement.

Section 18. The District hereby consents to the formation of the Community Facilities District in accordance with this resolution and consents to the assumption of jurisdiction by the Authority for the proceedings respecting the Community Facilities District with the understanding that the Authority will hereafter take each and every step required for or suitable for consummation of the proceedings, the levy, collection and enforcement of the special tax, and the issuance, sale, delivery and administration of the bonds, all at no cost to the District and without binding or obligating the District's general fund or taxing authority.

Section 19. The terms of the Agreement embodied by this resolution may be amended by a writing duly authorized, executed and delivered by the District and the Authority, except that no amendment may be made after the issuance of the bonds by the Authority that would be detrimental to the interests of the bondholders without complying with all of the bondholder consent provisions for the amendment of the bond resolutions, bond indentures or like instruments governing the issuance, delivery and administration of all outstanding bonds.

Section 20. Except for the District's agreement to take responsibility for and ownership of the District Improvements, no person or entity, including the Developer, shall be deemed to be a third party beneficiary of this resolution, and nothing in this resolution (either express or implied) is intended to confer upon any person or entity other than the Authority and the District (and their respective successors and assigns) any rights, remedies, obligations or liabilities under or by reason of this resolution.

Section 21. This resolution shall remain in force until all bonds have been retired and the authority to levy the special tax conferred by the Community Facilities District proceedings has ended or is otherwise terminated.

Section 22. The District Board hereby authorizes and directs the General Manager and other appropriate District staff to cooperate with the Authority and its consultants and to do all things necessary and appropriate to carry out the intent of this resolution and the Community Facilities District financing, and to execute any and all certificates and documents in connection with the bond issuance as shall be approved by the General Manager after consultation with the District Attorney and the Authority's bond counsel.

Section 23. The Board hereby approves delivery of a certified copy of this resolution to the Authority's Bond Counsel, Orrick, Herrington & Sutcliffe LLP.

Section 24. This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED this ____ day of _____, 20__ by the following vote, to wit:

AYES: Board Members _____

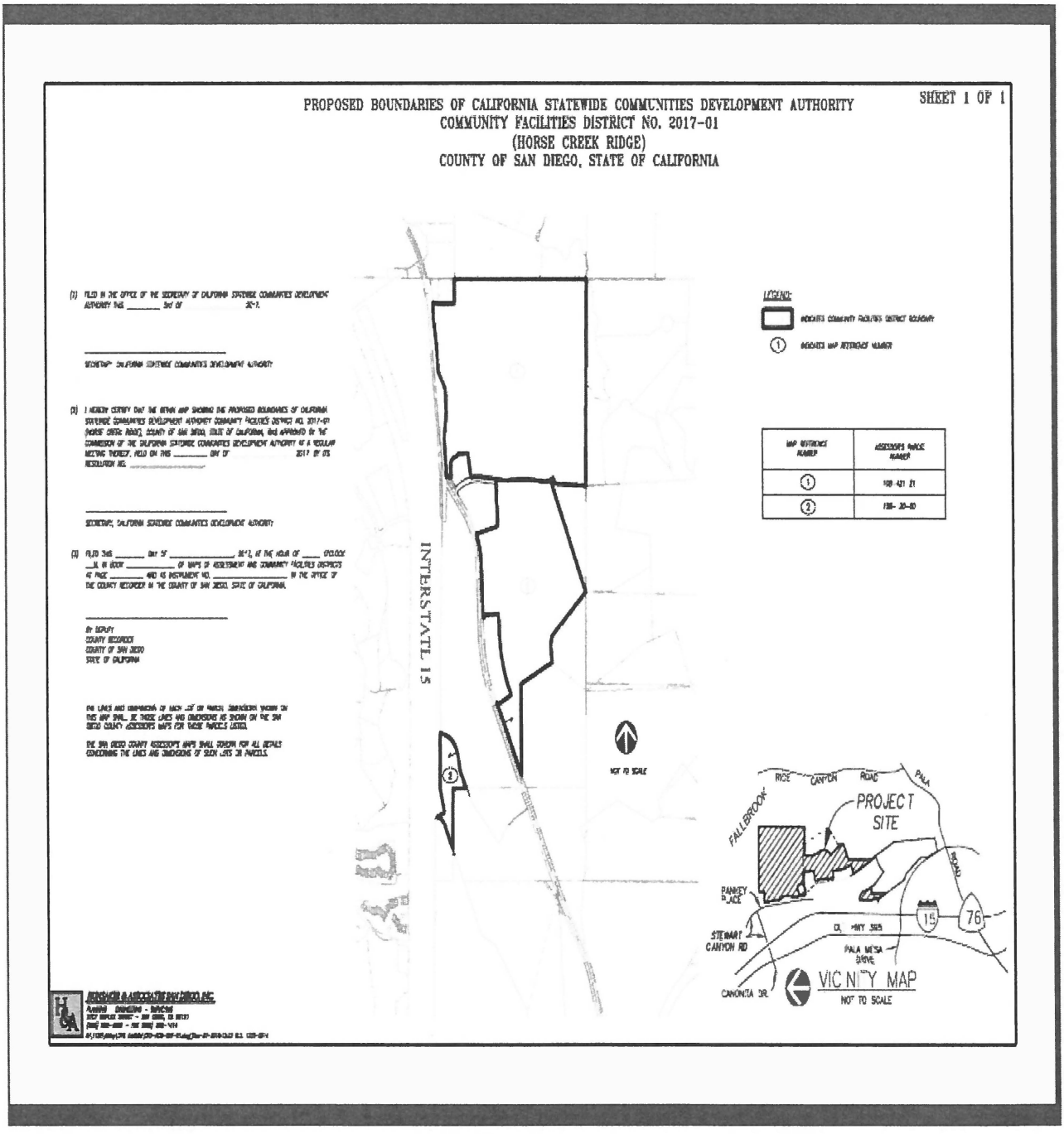
NOES: Board Members _____

ABSENT: Board Members _____

ABSTAIN: Board Members _____

EXHIBIT A

COMMUNITY FACILITIES DISTRICT BOUNDARIES
Map Reference Number (1) APN 108-421-21
Map Reference Number (2) APN 108-120-60



020717
#169842 v2 9020.1

40DF-199115

EXHIBIT B

AUTHORIZED IMPROVEMENTS AND FEES

- Water connection and capacity fees, including but not limited to meter material fees and excluding fee components payable to the San Diego County Water Authority.
- Sewer connection and capacity fees.
- Developer capital contributions towards water or sewer infrastructure projects constructed by the District.
- Sewer facilities, including but not limited to gravity sewer pipelines, force mains, and lift stations and associated work necessary for their installation and completion such as but not limited to grading, excavating, foundations, etcetera.
- Water facilities, including but not limited to water pipelines and pressure reducing stations and associated work necessary for their installation and completion such as but not limited to grading, excavation, etcetera.

Note: The cost of Improvements shall include applicable soft costs, including but not limited to design, engineering, plan check, inspection, soils and materials testing, construction staking, performance/payment/maintenance bonds, insurance, environmental review, fees for permits or licenses, professional services (legal, accounting, financial, architectural, appraisal, etc.), and construction management and supervision.

EXHIBIT C

FORM OF ACQUISITION AGREEMENT

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM

ACQUISITION AGREEMENT

BY AND BETWEEN

RAINBOW MUNICIPAL WATER DISTRICT

AND

D. R. HORTON LOS ANGELES HOLDING COMPANY, INC.

Dated as of _____, 20__

ACQUISITION AGREEMENT

Recitals

A. The parties to this Acquisition Agreement (the "Agreement") are the Rainbow Municipal Water District, (the "District"), and D. R. Horton Los Angeles Holding Company, Inc., a California corporation (the "Developer").

B. The effective date of this Agreement is _____, 20__.

C. The Developer has applied for the financing of certain public capital improvements, certain capital contributions, and certain governmentally-imposed development fees (collectively, the "Acquisition Improvements") through the California Statewide Communities Development Authority (the "Authority") and it's Statewide Community Infrastructure Program ("SCIP"). The fees will themselves finance public capital improvements. The public capital improvements are to be owned and operated by the District, and the financing is to be accomplished through a Community Facilities District which will be administered by the Authority under and pursuant to the Mello-Roos Community Facilities Act of 1982 – California Government Code Sections 53311 and following (the "Act"). On [_____], 20__, the District adopted Resolution No. [_____] authorizing the Authority to form a community facilities district (the "Community Facilities District") within the territorial limits of the District to finance the Acquisition Improvements. On [_____], 20__, the Authority formed the Community Facilities District, authorized the levy of special taxes within the Community Facilities District (the "Special Taxes"), and authorized the issuance of bonds in one or more series by the Community Facilities District (the "Bonds"), pursuant to the Act and, on the same date, a landowner election was conducted in which all of the votes were cast unanimously in favor of conferring the Community Facilities District authority on the Authority Commission.

D. Under SCIP, the Authority intends to levy the Special Taxes and issue Bonds to fund, among other things, all or a portion of the costs of the Acquisition Improvements. The portion of the proceeds of the Special Taxes and Bonds allocable to the cost of the Acquisition Improvements, together with interest earned thereon, is referred to herein as the "Available Amount".

E. The Authority will provide financing for the acquisition by the District of the Acquisition Improvements and the payment of the Acquisition Price (as defined herein) of the Acquisition Improvements from the Available Amount. Attached hereto as Exhibit A is a description of the Acquisition Improvements, which includes authorized discrete and usable portions, if any, of the public capital improvements, pursuant to Section 53313.51 of the Act, to be acquired from the Developer, the specified development fees, and a Developer capital contribution for public water improvements to be constructed by District.

F. The parties anticipate that, upon completion of the Acquisition Improvements and subject to the terms and conditions of this Agreement, the District will acquire the completed Acquisition Improvements. An itemized development fee or capital contribution shall be considered complete when it is paid by the Developer, or when it is payable directly from bond or special tax proceeds.

G. Any and all monetary obligations of the District arising out of this Agreement are the special and limited obligations of the District payable only from the Available Amount, and no other funds whatsoever of the District shall be obligated therefor under any circumstances.

H. Attached to this Agreement are Exhibit A (Description of Acquisition Improvements and Budgeted Amounts), Exhibit B (Disbursement Request Form), and Exhibit C (Bidding, Contracting and Construction Requirements for Acquisition Improvements), all of which are incorporated into this Agreement for all purposes.

Agreement

ARTICLE I

DEFINITIONS; COMMUNITY FACILITIES DISTRICT FORMATION AND FINANCING PLAN

Section 1.01. Definitions. As used herein, the following capitalized terms shall have the meanings ascribed to them below:

"Acceptable Title" means free and clear of all monetary liens, encumbrances, assessments, whether any such item is recorded or unrecorded, and taxes, except those items which are reasonably determined by the District Engineer not to interfere with the intended use and therefore are not required to be cleared from the title.

"Acquisition and Construction Fund" means the "Horse Creek Ridge Development Community Facilities District Acquisition and Construction Fund" established by the Authority pursuant to the Resolution and Section 1.03 hereof for the purpose of paying the Acquisition Price of the Acquisition Improvements.

"Acquisition Improvement" means a public capital improvement, a capital contribution, or a development fee described in Exhibit A hereto.

"Acquisition Price" means the total amount eligible to be paid to the Developer upon acquisition of an Acquisition Improvement and/or any Eligible Portion as provided in Section 2.03, or in the case of a development fee, the actual amount paid by the Developer, or the amount of a development fee to be paid on behalf of the Developer from bond or special tax proceeds, in every case not to exceed the Actual Cost of the Acquisition Improvement.

"Actual Cost" means the total cost of an Acquisition Improvement and/or Eligible Portion, as documented by the Developer to the satisfaction of the District and as certified by the District Engineer in an Actual Cost Certificate including, without limitation, (a) the Developer's cost of constructing such Acquisition Improvement including grading, erosion control, landscaping, labor, associated demolition, material and equipment costs, (b) the Developer's cost of designing and engineering the Acquisition Improvement, preparing the plans and specifications and bid documents for such Acquisition Improvement, and the costs of inspection, materials testing and construction staking for such Acquisition Improvement, (c) the Developer's cost of any performance, payment and maintenance bonds and insurance, including title insurance, required

hereby for such Acquisition Improvement, (d) the Developer's cost of any real property or interest therein that is either necessary for the construction of such Acquisition Improvement (e.g., temporary construction easements, haul roads, etc.), or is required to be conveyed with such Acquisition Improvement in order to convey Acceptable Title thereto to the District or its designee, (e) the Developer's cost of environmental evaluation or mitigation required for such Acquisition Improvement, (f) the amount of any fees actually paid by the Developer to governmental agencies in order to obtain permits, licenses or other necessary governmental approvals and reviews for such Acquisition Improvement, (g) the Developer's cost for construction and project management, administration and supervision services for such Acquisition Improvement to be calculated at five percent (5%) of the applicable Hard Construction Costs, (h) the Developer's cost for professional services related to such Acquisition Improvement, including engineering, accounting, legal, financial, appraisal, architectural consulting and similar professional services, and (i) the costs of construction financing incurred by the Developer with respect to such Acquisition Improvement.

"Actual Cost Certificate" means a certificate prepared by the Developer detailing the Actual Cost of an Acquisition Improvement, or an Eligible Portion thereof, to be acquired hereunder, as may be revised by the District Engineer pursuant to Section 2.03.

"Agreement" means this Acquisition Agreement, dated as of [_____], 20__.

"Authority" means the California Statewide Communities Development Authority.

"Authority Trust Agreement" means a Trust Agreement entered into by the Authority and an Authority Trustee in connection with the issuance of the applicable Bonds.

"Authority Trustee" means the financial institution identified as trustee in an Authority Trust Agreement.

"Available Amount" shall have the meaning assigned to the term in Recital D.

"Bonds" means bonds or other indebtedness issued by the Authority that is to be repaid with Special Taxes.

"Code" means the Government Code of the State of California.

"Community Facilities District" shall have the meaning assigned to the term in Recital C.

"District" means Rainbow Municipal Water District.

"District Engineer" means the Engineering Manager of the District or his/her designee who will be responsible for administering the acquisition of the Acquisition Improvements hereunder.

"Developer" means D. R. Horton Los Angeles Holding Company, Inc., a California corporation, its successors and assigns.

"Disbursement Request Form" means a requisition for payment of funds from the Acquisition and Construction Fund for an Acquisition Improvement, or an Eligible Portion thereof

in substantially the form contained in Exhibit B hereto.

"Eligible Portion" shall have the meaning ascribed to it in Section 2.03 below.

"Hard Construction Costs" shall mean Actual Costs excluding item "(g)" of the definition of Actual Costs (i.e., excluding Developers cost for construction project management, administration and supervision services for Acquisition Improvements).

"Installment Payment" means an amount equal to ninety percent (90%) of the Actual Cost of an Eligible Portion.

"Project" means the Developer's development of the property in the Community Facilities District, including the design and construction of the Acquisition Improvements and the other public and private improvements to be constructed by the Developer to serve property within the Community Facilities District.

"Rate and Method" means the rate and method of apportionment of special taxes approved for the Community Facilities District in accordance with the Act.

"Resolution" means Rainbow Municipal Water District Resolution No. [_____], adopted [_____], 20__ titled "A Resolution of the District (1) Authorizing The California Statewide Communities Development Authority (The "Authority") To Form A Community Facilities District Within The Territorial Limits Of District To Finance Certain Public Improvements And Development Impact Fees; (2) Embodying A Joint Community Facilities Agreement Setting Forth The Terms And Conditions Of The Community Facilities District Financing; (3) Approving The Form Of An Acquisition Agreement Between the District And The Developer; And (4) Authorizing District Staff To Cooperate With The Authority And Its Consultants In Connection Therewith."

"Special Taxes" means annual special taxes, and prepayments thereof, authorized by the Community Facilities District to be levied by the Commission of the Authority on the taxable parcels within the Community Facilities District pursuant to the Rate and Method.

"Title Documents" means, for each Acquisition Improvement acquired hereunder, a grant deed or similar instrument necessary to transfer title to any real property or interests therein (including easements), or an irrevocable offer of dedication of such real property with interests therein necessary to the operation, maintenance, rehabilitation and improvement by the District of the Acquisition Improvement (including, if necessary, easements for ingress and egress) and a bill of sale or similar instrument evidencing transfer of title to the Acquisition Improvement (other than said real property interests) to the District, where applicable.

Section 1.02. Establishment of Community Facilities District. Developer has requested the District to permit the Authority to provide for financing of the Acquisition Improvements through the establishment and authorization of the Community Facilities District and the District agreed by its adoption of the Resolution. The Community Facilities District was established by the Authority on [_____], 20__, and through the successful landowner election held that same day, the Commission of the Authority is authorized to levy the Special Taxes

pursuant to the Rate and Method and to issue the Bonds to finance the Acquisition Improvements. Developer and the District agree to reasonably cooperate with one another and with the Authority in the completion of the financing through the issuance of the Bonds in one or more series.

Section 1.03. Deposit and Use of Available Amount.

(a) Prior to the issuance of Bonds, Special Taxes collected by the Authority shall be deposited in the Acquisition and Construction Fund established by the Resolution, and may be disbursed to pay the Acquisition Price of Acquisition Improvements in accordance with Article II of this Agreement. All funds in the Acquisition and Construction Fund shall be considered a portion of the Available Amount, and upon the issuance of the Bonds the Acquisition and Construction Fund shall be transferred to the Authority Trustee to be held in accordance with the Authority Trust Agreement.

(b) Upon the issuance of the Bonds, the Authority will cause the Authority Trustee to establish and maintain the Acquisition and Construction Fund for the purpose of holding all funds for the Acquisition Improvements. All earnings on amounts in the Acquisition and Construction Fund shall remain in the Acquisition and Construction Fund for use as provided herein and pursuant to the Authority Trust Agreement. Money in the Acquisition and Construction Fund shall be available to respond to delivery of a Disbursement Request Form and to be paid to the Developer or its designee to pay the Acquisition Price of the Acquisition Improvements, as specified in Article II hereof. Upon completion of all of the Acquisition Improvements and the payment of all costs thereof, any remaining funds in the Acquisition and Construction Fund (less any amount determined by the District as necessary to reserve for claims against the account) (i) shall be applied to pay the costs of any additional Acquisition Improvements eligible for acquisition with respect to the Project as approved by the Authority and, to the extent not so used, (ii) shall be applied by the Authority to call Bonds or to reduce Special Taxes as the Authority shall determine.

Section 1.04. No District Liability; District Discretion; No Effect on Other Agreements. In no event shall any actual or alleged act by the District or any actual or alleged omission or failure to act by the District with respect to SCIP subject the District to monetary liability therefor. Further, nothing in this Agreement shall be construed as affecting the Developer's or the District's duty to perform their respective obligations under any other agreements, public improvement standards, land use regulations or subdivision requirements related to the Project, which obligations are and shall remain independent of the Developer's and the District's rights and obligations under this Agreement.

ARTICLE II

DESIGN, CONSTRUCTION AND ACQUISITION OF ACQUISITION IMPROVEMENTS

Section 2.01. Letting and Administering Design Contracts. The Developer has awarded and administered, or will award and administer, engineering design contracts for the Acquisition Improvements to be acquired from Developer. All eligible expenditures of the Developer for design engineering and related costs in connection with the Acquisition Improvements (whether as an advance to the District or directly to the design consultant) shall be

reimbursed at the time of acquisition of the Acquisition Improvements. The Developer shall be entitled to reimbursement for any design costs of the Acquisition Improvements only out of the Acquisition Price as provided in Section 2.03 and shall not be entitled to any payment for design costs independent of the acquisition of Acquisition Improvements.

Section 2.02. Letting and Administration of Construction Contracts; Indemnification.

(a) This agreement is for the acquisition by the District of the Acquisition Improvements and payment for Eligible Portions thereof from time to time, from the Acquisition and Construction Fund and is not intended to be a public works contract. The District and the Developer acknowledge and agree that the Acquisition Improvements are of local, and not state-wide concern, and that the provisions of the California Public Contract Code shall not apply to the construction of the Acquisition Improvements. The District and the Developer further acknowledge and agree that District public works contracting requirements are not applicable to the construction and acquisition of the Acquisition Improvements. The District and the Developer agree that the Developer shall award all contracts for the construction of the Acquisition Improvements and the Eligible Portions thereof, and that this Agreement is necessary to assure the timely and satisfactory completion of the Acquisition Improvements and that compliance with the Public Contract Code and such District requirements with respect to the Acquisition Improvements would work an incongruity and would not produce an advantage to the District or the Community Facilities District.

(b) State law requires that all Acquisition Improvements not completed prior to the formation of the Community Facilities District shall be constructed as if they were constructed under the direction and supervision, or under the authority, of the District. In order to assure compliance with those provisions, except for any contracts entered into prior to the date hereof, Developer agrees to comply with the requirements set forth in Exhibit C hereto with respect to the bidding and contracting for the construction of the Acquisition Improvements. The Developer agrees that all the contracts for which they submit a Disbursement Request shall call for payment of prevailing wages as required by the Labor Code of the State of California. The Developer's indemnification obligation set forth in Section 3.01 of this Agreement shall also apply to any alleged failure to comply with the requirements of this Section, and/or applicable State laws regarding public contracting as they relate to paying prevailing wages.

(c) In performing this Agreement, the Developer is an independent contractor and not the agent or employee of the Authority, the District or the Community Facilities District. Except as other otherwise provided in this Agreement, none of the Authority, the District or the Community Facilities District shall be responsible for making any payments to any contractor, subcontractor, agent, consultant, employee or supplier of the Developer.

Section 2.03. Sale of Acquisition Improvements. The Developer agrees to sell to the District and the District hereby agrees to purchase from the Developer each Acquisition Improvement and/or Eligible Portions thereof to be constructed by Developer (including any rights-of-way or other easements necessary for the Acquisition Improvements, to the extent not already publicly owned), when the Acquisition Improvement is completed to the satisfaction of

the District for an amount not to exceed the lesser of (i) the Available Amount or (ii) the Actual Cost of the Acquisition Improvement. Exhibit A, attached hereto and incorporated herein, contains a list of the Acquisition Improvements. Portions of an Acquisition Improvement eligible for Installment Payments prior to completion of the entire Acquisition Improvement are described as eligible, discrete and usable portions in Exhibit A (each, an "Eligible Portion"). At the time of completion of each Acquisition Improvement, or Eligible Portion thereof, the Developer shall deliver to the District Engineer a written request for acquisition, accompanied by an Actual Cost Certificate, and by executed Title Documents for the transfer of the Acquisition Improvement where necessary. In the event that the District Engineer finds that the supporting paperwork submitted by the Developer fails to demonstrate the required relationship between the subject Actual Cost and eligible work, the District Engineer shall advise the Developer that the determination of the Actual Cost (or the ineligible portion thereof) has been disallowed and shall request further documentation from the Developer. If the further documentation is still not adequate, the District Engineer may revise the Actual Cost Certificate to delete any disallowed items and the determination shall be final and conclusive.

Certain soft costs for the Acquisition Improvements, such as civil engineering, may have been incurred pursuant to single contracts that include work relating also to the private portions of the Project. In those instances, the total costs under such contracts will be allocated to each Acquisition Improvement as approved by the District Engineer. Where a specific contract has been awarded for design or engineering work relating solely to an Acquisition Improvement, one hundred percent (100%) of the costs under the contract will be allocated to that Acquisition Improvement. Amounts allocated to an Acquisition Improvement will be further allocated among the Eligible Portions of that Acquisition Improvement, if any, in the same proportion as the amount to be reimbursed for hard costs for each Eligible Portion bears to the amount to be reimbursed for hard costs for the entire Acquisition Improvement. Costs will be allocated to each Acquisition Improvement as approved by the District Engineer. The costs of certain environmental mitigation required to mitigate impacts of the public and private portions of the Project will be allocated to each Acquisition Improvement as approved by the District Engineer.

District shall have no right, unless consented to by Developer, to open the Acquisition Improvements for use by the public until they have been acquired and all costs of acquisition (except for estimated costs to cover final corrections and/or adjustments in the work) have been paid Developer. Notwithstanding anything herein to the contrary, District reserves the right to take over and open all or any portion of an Acquisition Improvement or any Eligible Portion thereof for use by the public in accordance with Section 6-10 of the Standard Specifications for Public Works Construction, 1988 Edition. In the event the District exercises this right, the District shall, prior to actually taking over or opening all or part of any Acquisition Improvement or Eligible Portion thereof for use by the public, make a mutually acceptable payment to the Developer to be applied towards the acquisition cost of the Acquisition Improvement or Eligible Portion. Such installment payment shall include the Actual Costs incurred to date for each Acquisition Improvement or Eligible Portion being taken over or utilized. Developer, in its sole discretion, may specifically and expressly waive in writing, all or a portion of this section.

Section 2.03.1. Reimbursements. The District acknowledges that, in addition to its acquisition of Acquisition Improvements and payment of Eligible

Portions thereof hereunder, it will use a portion of the proceeds of the Acquisition and Construction Fund to reimburse the Developer, to the extent permitted under the Act, for certain costs for which the Developer has advanced its own funds in accordance with the letter agreement dated November 16, 2016 for "Reimbursement of Costs for Formation of Horse Creek Ridge CFD" between District and Developer.

Section 2.03.2. Development Fees and Capital Contribution. This Agreement shall not affect the timing of when development fees (i.e., water and sewer connection/capacity fees) or capital contribution described in Exhibit A are otherwise due and payable. If paid to District directly by the Developer, such amounts shall be reimbursable to Developer from the Available Amount. Alternatively, the Developer may elect to fund all or a portion of development fees (i.e., water and sewer connection/capacity fees) or capital contribution in Exhibit A directly from the Available Amount to the extent of funds available. In such case, Developer shall submit a written request to District specifying (i) the description of the fee or capital contribution and amount requested to be funded and (ii) the lot numbers (or other applicable description) for which the fee or capital contribution is payable, and upon receipt of such a request the District Engineer shall cause a Disbursement Request Form substantially in the form attached hereto as Exhibit B to be submitted to the Authority Trustee, and the Authority Trustee shall make payment directly to the District pursuant to the Authority Trust Agreement. Upon District's receipt of the payment, the specified development fee or capital contribution obligation shall be deemed satisfied. If Developer receives a credit against a development fee as the result of Developer's construction of any public water or sewer improvements of the District, Developer shall only be entitled to fund pursuant to the terms of this Agreement Developer's remaining obligation for such development fee, net of such credit amount.

Section 2.04. Conditions Precedent to Payment of Acquisition Price. Payment to the Developer or its designee of the Acquisition Price for an Acquisition Improvement from the Acquisition and Construction Fund shall in every case be conditioned first upon the determination of the District Engineer, pursuant to Section 2.03, that the Acquisition Improvement satisfies all District regulations and ordinances and is otherwise complete and ready for acceptance by the District, and shall be further conditioned upon satisfaction of the following additional conditions precedent:

(a) The Developer shall have provided the District with lien releases or other similar documentation satisfactory to the District Engineer as evidence that the property (including any rights-of-way or other easements necessary for the operation and maintenance of the Acquisition Improvement, to the extent not already publicly owned) comprising the Acquisition Improvement, and the property which is subject to the special taxes of the Community Facilities District, is not subject to any prospective mechanics lien claim respecting the Acquisition Improvement. This section does not apply to prospective mechanics liens respecting other public or private improvements such as production homes, to be constructed by Developer within the Community Facilities District that do not constitute Acquisition Improvements.

(b) The Developer shall be current in the payment of all due and payable general property taxes, and all special taxes of the Community Facilities District, on property owned by the Developer or under option to the Developer within the Community Facilities District.

(c) The Developer shall certify that it is not in default with respect to any loan secured by any interest in the Project.

(d) The Developer shall have provided the District with Title Documents needed to provide the District with title to the site, right-of-way, or easement upon which the subject Acquisition Improvement is situated. All such Title Documents shall be in a form acceptable to the District and shall convey Acceptable Title. The Developer shall provide a policy of title insurance as of the date of transfer in a form acceptable to the District Engineer and the District Attorney insuring the District as to the interests acquired in connection with the acquisition of any interest for which such a policy of title insurance is not required by another agreement between the District and the Developer. Each title insurance policy required hereunder shall be in the amount equal to the Acquisition Price. The amount paid to the Developer or its designee upon satisfaction of the foregoing conditions precedent shall be the Acquisition Price less all Installment Payments paid previously with respect to the Acquisition Improvement.

Section 2.04.1 Acquisition Improvements Constructed on Private Lands. If any Acquisition Improvements to be acquired are located on privately owned land, the Developer may elect to retain title to the land and the completed Acquisition Improvements until acquisition of the Acquisition Improvements under Section 2.04 hereof. Pending the completion of such transfer and where the Developer has received any payment of any such Acquisition Improvement or Eligible Portion thereof, the Developer shall be responsible for maintaining the land and any Acquisition Improvement or Eligible Portion in good and safe condition.

Section 2.04.2 Public Facilities Constructed on District Land. If the Acquisition Improvements to be acquired are on land owned by the District or on land upon which the District has a non-possessory right to use, the District hereby grants to the Developer a license to enter upon such land for purposes related to the construction (and maintenance pending acquisition) of the Acquisition Improvement.

Section 2.05. Payment for Eligible Portions. The Developer may submit an Actual Cost Certificate to the District Engineer with respect to any Eligible Portion. Payment to the Developer or its designee from the Acquisition and Construction Fund of an Installment Payment with respect to such Eligible Portion shall in every case be conditioned first upon the determination of the District Engineer, pursuant to Section 2.03, that the Eligible Portion has been completed in accordance with the applicable plans and specifications and that the Eligible Portion satisfies all District regulations and ordinances and is otherwise complete and, where appropriate, is ready for acceptance by the District, and shall be further conditioned upon satisfaction of the following additional conditions precedent:

(a) The Developer shall have provided the District with lien releases or other similar documentation satisfactory to the District Engineer as evidence that the property (including

any rights-of-way or other easements necessary for the operation and maintenance of the Eligible Portion, to the extent not already owned by the District) comprising the Eligible Portion is not subject to any prospective mechanics lien claim respecting the Eligible Portion.

(b) The Developer shall be current in the payment of all due and payable general property taxes, and all special taxes of the Community Facilities District, on property owned by the Developer or under option to the Developer within the Community Facilities District.

(c) The Developer shall have provided the District with Title Documents needed to provide the District with title to the site, right-of-way, or easement upon which the subject Eligible Portion is situated. All such Title Documents shall be in a form acceptable to the District Engineer and shall be sufficient, upon completion of the Acquisition Improvement of which the Eligible Portion is a part, to convey Acceptable Title.

(d) Payment and performance bonds, from a bonding company with an A.M. Best rating of at least "A-" or its equivalent, applying to plans and specifications for the Acquisition Improvement approved by the District, shall be in place to secure completion of the Acquisition Improvement of which the Eligible Portion is a part.

Section 2.06. Disbursement Request Form. Upon a determination by the District Engineer to pay the Acquisition Price of an Acquisition Improvement pursuant to Section 2.04 or to pay an Installment Payment for an Eligible Portion pursuant to Section 2.05, the District Engineer shall cause a Disbursement Request Form substantially in the form attached hereto as Exhibit B to be submitted to the Authority Trustee, and the Authority Trustee shall make payment directly to the Developer or its designee of the amount pursuant to the Authority Trust Agreement. The District and the Developer acknowledge and agree that the Authority Trustee shall make payment strictly in accordance with the Disbursement Request Form and shall not be required to determine whether or not the Acquisition Improvement or Eligible Portion has been completed or what the Actual Costs may be with respect to the Acquisition Improvement or Eligible Portion. The Authority Trustee shall be entitled to rely on the executed Disbursement Request Form on its face without any further duty of investigation.

In the event that the Actual Cost of an Acquisition Improvement or the Installment Payment for an Eligible Portion is in excess of the Available Amount, the Authority Trustee shall withdraw all funds remaining in the Acquisition and Construction Fund and shall transfer those amounts to the Developer or its designee. The unpaid portion of the Actual Cost shall be paid from funds that may subsequently be deposited in the Acquisition and Construction Fund from a subsequent issuance of Bonds or from Special Tax revenues, if either of those occurs.

Section 2.07. Limitation on Obligations. In no event shall the District be required to pay the Developer or its designee more than the amounts held in the Acquisition and Construction Fund. District acknowledges that the funding of Acquisition Improvements or Eligible Portions thereof with funds from the Acquisition and Construction Fund will not compromise or otherwise impact Developer's right to receive fee credits for constructing the Acquisition Improvements as may be permitted under sewer and water agreements between the Developer and District.

ARTICLE III

MISCELLANEOUS

Section 3.01. Indemnification and Hold Harmless. The Developer hereby assumes the defense of, and indemnifies and saves harmless the District, the Authority and their respective officers, directors, employees and agents, including the Authority Trustee ("Indemnified Parties"), from and against all actions, proceedings, damages, claims, liabilities, losses, fees, costs or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from the acts or omissions of the Developer or its agents and employees arising out of any contract for the design, engineering and construction of the Acquisition Improvements conducted by the Developer, its agents, and employees or arising out of any contract for the design, engineering and construction of the Acquisition Improvements entered into by Developer, or arising out of any alleged misstatements of a material fact or alleged omission of a material fact made by the Developer, its officers, directors, employees or agents to the Authority's underwriter, financial advisor, appraiser, district engineer or bond counsel or regarding the Developer, its proposed developments, its property ownership and its contractual arrangements, and contained in the final official statement relating to the Bonds (provided that the Developer shall have been furnished a copy of the official statement, shall have been provided reasonable time to review and comment thereon, and shall not have objected thereto); and provided, further, that nothing in this Section 3.01 shall limit in any manner the District's rights against any of the Developer's architects, landscape architects, engineers, land surveyors, contractors, subcontractors or other consultants. Except as set forth in this Section 3.01, no provision of this Agreement shall in any way limit the extent of the responsibility of the Developer for payment of damages resulting from the actions or operations of the Developer, its agents and employees. Nothing in this Section 3.01 shall be understood or construed to mean that the Developer agrees to indemnify an Indemnified Party, for any wrongful acts willful misconduct, negligence or omissions to act of an Indemnified Party.

In any action or proceeding in which the Developer is required to defend the Indemnified Parties, Developer shall have the right to select legal counsel to represent the Indemnified Parties subject to approval by the District, which approval shall not be unreasonably withheld.

Section 3.02. Audit. The District shall have the right, but not the responsibility or obligation, during normal business hours and upon the giving of ten days' written notice to the Developer, to review all books and records of the Developer pertaining to costs and expenses incurred by the Developer (for which the Developer seeks reimbursement pursuant to this Agreement) in constructing the Acquisition Improvements.

Section 3.03. Cooperation. The District and the Developer agree to cooperate with respect to the completion of the financing of the Acquisition Improvements by the Authority through the levy of Special Taxes and issuance of Bonds. The District and the Developer agree to meet in good faith to resolve any differences on future matters which are not specifically covered by this Agreement.

Section 3.04. Termination and Dissolution. Prior to the issuance of Bonds, Developer may elect to terminate this Agreement and request that the Special Taxes be cancelled by providing written notice to the District. Within thirty (30) days of such written notice, the District shall request the Authority to record a notice of cancellation of the Special Taxes with respect to each parcel. Developer shall be responsible for reasonable District and Authority costs incurred relating to the cancellation of the Special Taxes and recordation of such notice; provided, however, that the Authority shall not terminate the Special Taxes for any lot for which a building permit has been issued, unless Developer pays all District fees or posts separate security therefore. Such termination of this Agreement and cancellation of Special Taxes shall have no effect on Developer's obligations to pay District fees when due or construct Acquisition Improvements.

Section 3.05. General Standard of Reasonableness. Any provision of this Agreement which requires the consent, approval or acceptance of either party hereto or any of their respective employees, officers or agents shall be deemed to require that the consent, approval or acceptance not be unreasonably withheld or delayed, unless the provision expressly incorporates a different standard. The foregoing provision shall not apply to provisions in the Agreement which provide for decisions to be in the sole discretion of the party making the decision.

Section 3.06. Third Party Beneficiaries. The Authority and its officers, employees, agents or any consultants or contractors are expressly deemed third party beneficiaries of this Agreement with respect to the provisions of Section 3.01. It is expressly agreed that, except for the Authority with respect to the provisions of Section 3.01, there are no third party beneficiaries of this Agreement, including without limitation any owners of bonds, any of the District's or the Developer's contractors for the Acquisition Improvements and any of the District's, the Authority's or the Developer's agents and employees.

Nothing in this Agreement, except as otherwise expressly provided for, is intended to or shall be construed to confer upon or to give to any person or entity other than the Authority, the District and the Developer any rights, remedies or claims under or by reason of this Agreement or any covenants, conditions or stipulations hereof, and all covenants, conditions, promises, and agreements in this Agreement contained by or on behalf of the Authority, the District, or the Developer shall be for the sole and exclusive benefit of the Authority, the District and the Developer.

Section 3.07. Conflict with Other Agreements. Nothing contained herein shall be construed as affecting or intending to affect, impairing the rights and obligations or releasing the Developer or the District from any condition of development or requirement imposed by any other agreement between the District and the Developer, including but not limited to, the Amended And Restated Sewer Service Agreement dated December 6, 2012, First Amendment To Amended And Restated Sewer Service Agreement dated October 26, 2015 and Second Amendment To Amended And Restated Sewer Service Agreement dated February ___, 2017, the Water Service Memorandum of Understanding dated December 6, 2012, First Amendment to Water Service Memorandum of Understanding dated October 26, 2015, and Reimbursement of Costs for Formation of Horse Creek Ridge CFD dated November 16, 2016 and, in the event of a conflicting provision, the other agreement shall prevail unless the conflicting provision is specifically waived or modified in writing by the District and the Developer.

Section 3.08. Notices. All invoices for payment, reports, other communication and notices relating to this Agreement shall be mailed to:

If to the District:

Rainbow Municipal Water District
3707 Old Highway 395
Fallbrook, CA 92028
Attn: General Manager

If to the Developer:

D. R. Horton, America's Builder
2280 Wardlow Circle, Suite 100
Corona, CA 92880
Attn: Barbara Murakami, Vice President and Assistant Secretary

Either party may change its address by giving notice in writing to the other party.

Section 3.09. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

Section 3.10. Governing Law. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

Section 3.11. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not Constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement.

Section 3.12. Singular and Plural; Gender. As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine.

Section 3.13. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

Section 3.14. Successors and Assigns. This Acquisition Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. Developer may assign its rights pursuant to this Agreement to a purchaser (an "Assignee") of a portion or portions of the Property which is/are located within the Community Facilities District. Developer may assign to the Assignee the responsibility for the construction of all or a portion of the Acquisition Improvements which remain to be constructed for which Bonds are to be issued and the right to receive payment of the Acquisition Price for Acquisition Improvements and Eligible Portions thereof previously completed by Developer. Developer and Assignee shall provide to District such reasonable proof as it may require that such Assignee is the purchaser of such

portion(s) of the Property. Such Assignee shall, as a condition to receiving payment of an Acquisition Price, enter into an assignment and assumption agreement with District and Developer, whereby such Assignee agrees, except as may be otherwise specifically provided therein, to assume the obligations of Developer pursuant to this Agreement with respect to such Acquisition Improvements and to be bound thereby. Upon execution of an assignment and assumption agreement, Developer shall be released from its obligations hereunder.

Section 3.15. Remedies in General. It is acknowledged by the parties that the District would not have entered into this Agreement if it were to be liable in damages under or with respect to this Agreement or the application thereof, other than for the payment to the Developer of any (i) moneys owing to the Developer hereunder, or (ii) moneys paid by the Developer pursuant to the provisions hereof which are misappropriated or improperly obtained, withheld or applied by the District.

In general, each of the parties hereto may pursue any remedy at law or equity available for the breach of any provision of this Agreement, except that the District shall not be liable in damages to the Developer, or to any assignee or transferee of the Developer other than for the payments to the Developer specified in the preceding paragraph. Subject to the foregoing, the Developer covenants not to sue for or claim any damages for any alleged breach of, or dispute which arises out of, this Agreement.

Section 3.16. Merger. No other agreement, statement or promise made by any party or any employee, officer or agent of any party with respect to any matters covered hereby that is not in writing and signed by all parties to this Acquisition Agreement shall be binding.

Section 3.17. Attorneys' Fees. In the event that any action or suit is instituted by any party against the other(s) arising out of this Acquisition Agreement, the parties in whose favor final judgment shall be entered shall be entitled to recover from the other parties all costs and expenses of suit, including reasonable attorneys' fees.

Section 3.18. Amendment. This Agreement may be amended, from time to time, by written Supplement hereto and executed by the District and the Developer. Such Supplement may provide for, among other things, the acquisition of additional Acquisition Improvements (including Eligible Portions thereof).

Section 3.19. Approvals. All approvals and consents of parties requested or required pursuant to this Agreement shall not be unreasonably withheld. If a party requested to approve or consent (the "Approving Party") does not deliver its written approval or disapproval to the party requesting the same (the "Requesting Party") within the time period specified for giving such approval, or, if no specific time deadline is specified, within ten (10) days after receipt of a written request for approval/consent from the Requesting Party, then the Requesting Party may send a second written notice to the Approving Party requesting its approval/consent within thirty (30) days after the Approving Party's receipt of the second notice. Within such thirty (30) day period after receipt of the second notice, the Approving Party shall respond in writing to the Requesting Party either approving or disapproving the request or requesting additional time to make such a determination. If the Approving Party does not respond to the second notice within

the thirty (30) day period the Requesting Party may notify the Approving Party under Section 3.19. Any notice of disapproval shall indicate the grounds thereafter in reasonable detail.

Section 3.20. Appearance to Request. The Requesting Party may appear at the place of business of the Approving Party to request approval/consent after following the notice provisions in Section 3.18. Such approval/disapproval shall be provided within 30 days of the appearance to request. If the request is not approved/disapproved within 30 days of the appearance to request such approval shall be deemed granted. If the Requesting Party is Developer, Requesting Party shall appear to request at a regularly scheduled District Board hearing.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year written above.

RAINBOW MUNICIPAL WATER DISTRICT.

By _____
Tom Kennedy, General Manager

ATTEST:
District Clerk

By _____

D. R. HORTON LOS ANGELES HOLDING COMPANY, INC., a California corporation

By _____
Barbara Murakami, Vice President and Assistant Secretary

EXHIBIT A TO THE ACQUISITION AGREEMENT

DESCRIPTION OF ACQUISITION IMPROVEMENTS AND BUDGETED AMOUNTS

RMWD Water & Sewer Connection Fees					
Neighborhood	Units	Meter Material Fee	Meter Capacity Fee	Estimated Total	Per Unit
Single Family (R-1 thru R-5)	511	$ 114,975	$ 2,838,094	$ 2,953,069	$ 5,779
Detached Condominiums (SFC-1 and SFC-2)	230	6,345	287,136	293,481	1,276
Subtotal Residential	741	$ 121,320	$ 3,125,230	**$ 3,246,550**	
Irrigation		$ 7,620	$ 320,434	$ 328,054	$ 443
Gross Water Connection Fees		$ 128,940	$ 3,445,664	**$ 3,574,604**	$ 4,824
Less: Estimated Water Connection Fee Credits [a]				$ (527,860)	$ (712)
Less: Estimated Meter Capacity Fee Credits [b]				$ (606,678)	$ (819)
Net Total Water Connection Fees				**$ 2,440,066**	**$ 3,293**
Sewer Capacity Fee [c]				**$ 2,750,000**	**$ 3,711**
Net Total Water and Sewer Connection Fees				**$ 5,190,066**	**$ 7,004**

RMWD Facilities		
	Estimated Total	Per Unit
Sewer Pump Station and Pipelines [d]		
Sewer Lift Station		
Sewer Lift Station - Construction*	$ 3,132,061	$ 4,227
Sewer Lift Station - Grading*	382,279	516
Sewer Lift Station - Stone Columns*	683,290	922
SR 76 - Sewer 18" Gravity Line		
Grading (Pankey Pl.)*	401,248	541
Pipeline Installation*	149,543	202
SR 76 - Sewer Force Main	789,473	1,065
Subtotal Sewer Pump Station and Pipelines	**$ 5,537,894**	**$ 7,474**
Water Line [e]	$ 1,213,356	$ 1,637
Subtotal Sewer and Water Facilities Hard Costs	**$ 6,751,250**	**$ 9,111**
Soft Costs (estimated at 15% of Facilities Hard Costs)	$ 1,012,688	$ 1,367
Captial Contribution to District Line (water line from point of connection at SR 76 and Old Highway 395 to the point of connection approximately 500 feet west of Pankey Road) [f]	$ 634,311	$ 856
Total Sewer and Water Facilities	**$ 8,398,249**	**$ 11,334**

Grand Total	$ 13,588,315	$ 18,338

Footnotes:

[a] Per Section 5 of the First Amendment to Amended and Restated Sewer Service Agreement dated 10/26/15.

[b] Per Section 1b of the Water Service Memorandum dated 10/26/15, RMWD agrees to credit DR Horton in the amount of 50% for all DR Horton Line Costs. "DR Horton Line" refers to the Water Line shown above and described in further detail in footnote "e".

[c] Represents the "Additional Sewer Payment" pursuant to that certain Second Amendment to Amended and Restated Sewer Service Agreement.

[d] Per Section 3 of the First Amendment to Amended and Restated Sewer Service Agreement dated 10/26/15 and pursuant to Exhibit 5 of said agreement identifying sewer segment numbers 1, 2, 3, and 4. The costs include, but are not limited to, design, construction, engineering, financing, materials and insurance costs, including reimbursement of RMWD's costs for review of design, inspection, and acceptance.

[e] Per Section 2 of the First Amendment to Water Service Memorandum of Understanding dated 10/26/15. This water line is defined as the "DR Horton Line" and is comprised of **1.) Water Line** (starting at intersection of Horse Ranch Creek Road and Pankey Place that will run southwest through Pankey Place until it reaches Pankey Road where it will turn and run south within Pankey Road until it reaches the pressure reducing station) **2.) 12" Water Line** (starting from point of connection to the existing RMWD water system located within SR 76's right of way approximately 500 west of Pankey Road. The line will run in an easterly direction within SR 76's right of way until reaching Pankey Road where it will turn and head north ending at the pressure reducing station.) **3.) Pressure Reducing Station** (located along Pankey Road next to the sewer lift station).

[f] Per Section 3 of the First Amendment to Water Service Memorandum of Understanding dated 10/26/15. DR Horton agrees to pay for 50% of the District Line. The District Line costs include, but are not limited to, the costs for the design, construction, engineering, materials, and insurance cost.

**Represents Eligible Portion of an Acquisition Improvement.*

EXHIBIT B TO THE ACQUISITION AGREEMENT

DISBURSEMENT REQUEST FORM
(Acquisition Improvement or Eligible Portion)

To: [Authority Trustee]
Attention: _____
Fax: _____
Phone: _____

Re: CSCDA Community Facilities District No. _____

The undersigned, a duly authorized officer of the Rainbow Municipal Water District (the "District"), hereby requests a withdrawal from the Horse Creek Ridge Development Community Facilities District Acquisition and Construction Fund (the "Acquisition and Construction Fund"), as follows:

Request Date: [Insert Date of Request]

Name of Developer: D. R. Horton Los Angeles Holding Company, Inc.

Withdrawal Amount: [Insert Acquisition Price/Installment Payment]

Acquisition Improvements: [Insert Description of Acquisition Improvement(s)/Eligible Portion(s) from Exhibit A]

Payment Instructions: [Insert Wire Instructions or Payment Address for Developer or Developer's designee as provided by the Developer]

The undersigned hereby certifies as follows:

The Withdrawal is being made in accordance with a permitted use of the monies pursuant to the Acquisition Agreement and the Withdrawal is not being made for the purpose of reinvestment.

None of the items for which payment is requested have been reimbursed previously from the Acquisition and Construction Fund.

If the Withdrawal Amount is greater than the funds held in the Acquisition and Construction Fund, the Authority Trustee is authorized to pay the amount of such funds and to pay remaining amount(s) as funds are subsequently deposited in the Acquisition and Construction Fund, should that occur.

Rainbow Municipal Water District

By: _____

Title: _____

EXHIBIT C TO THE ACQUISITION AGREEMENT

BIDDING, CONTRACTING AND CONSTRUCTION REQUIREMENTS FOR ACQUISITION IMPROVEMENTS

With respect to construction contracts awarded after the effective date of the Agreement, bids for construction shall be solicited from at least three (3) qualified contractors, provided at least three (3) qualified contractors are reasonably available. The Developer may also directly solicit bids. The bid package may consist of preliminary plans and specifications.

The bidding response time shall be not less than ten (10) working days.

An authorized representative of the District shall be provided a copy of the tabulation of bid results upon request.

Contract(s) for the construction of the public Acquisition Improvements shall be awarded to the qualified contractor(s) submitting the lowest responsible bid(s), as determined by the Developer.

The contractor to whom a contract is awarded shall be required to pay not less than the prevailing rates of wages pursuant to Labor Code Sections 1770, 1773 and 1773.1. for the contracted work. A current copy of applicable wage rates shall be on file in the Office of the District Clerk, as required by Labor Code Section 1773.2.

The Developer shall provide the District with certified payrolls.

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

BOARD ACTION

BOARD OF DIRECTORS

February 28, 2017

SUBJECT

DISCUSSION AND POSSIBLE ACTION REGARDING EXECUTION OF THE SECOND AMENDMENT TO AMENDED AND RESTATED SEWER SERVICE AGREEMENT BETWEEN RAINBOW MUNICIPAL WATER DISTRICT, PASSERELLE AND D.R. HORTON

DESCRIPTION

The portion of property now known as the Horse Creek Ridge Development was originally owned by the Hewlett Packard Company. The District executed a Restated Agreement for Water and Sewer Service with Hewlett Packard Company (HPC) in May of 1987. As part of the agreement, HPC paid $2,707,129 for the construction of infrastructure for sewer service to the property, which provided a benefit to the property and surrounding properties. In return HPC was granted contractual rights to capacity in the District's sewage system in the amount of 950.57 equivalent dwelling units (EDUs). The infrastructure included a 12-inch sewer force main, 24-inch sewer line to Gird Road and an 18-inch transmission waterline on Old Highway 395 with connections to the development. Rottman, LLC was the successor-in-interest to the HPC agreement and the District entered in an Agreement Regarding Sewer Service and Settlement of Disputes with Rottman, LLC in May 2002. Passerelle is the successor-in-interest to Rottman, LLC. The District and Passerelle entered into a Water Service Memorandum of Understanding (MOU) and Amended and Restated Sewer Service Agreement on December 6, 2012, attached with the other reference agreements. The District, DR Horton, and Passerelle executed a First Amendment to Water Service Memorandum of Understanding and Amended and Restated Sewer Service Agreement in March of 2015.

The outcome of this lengthy trail of water and sewer agreements is as follows:

- DR Horton has a responsibility to construct the remaining improvements which include a sewer pump station and enlarging one additional pipeline.
- The remaining sewer capacity is now held by Passerelle and Palomar College who have smaller pending projects in the area. Palomar College is not a party to these specific agreements but a separate sewer service agreement with Palomar College will be presented for consideration in the near future.
- DR Horton and PAsserelle have a combined capacity right of 851 EDUs.

If DR Horton did not have access to these capacity rights, the cost of sewer capacity fees for their project would be approximately $12.8 Million. RMWD staff has calculated the present value of the 1987 improvements at roughly $5.08 Million with an additional $2.4 Million in improvements that DR Horton is obligated to construct. When considering all of these costs, the DR Horton project, through its use of previously granted sewer capacity rights, will have a capacity fee shortfall of approximately $5.4 Million when compared the fees that would be collected in the absence of these rights.

Since the development of the CFD has significant financial benefit to the Developer and essentially none to the District's ratepayers, on November 2, 2016 the District issued a letter to DR Horton (attached) outlining this fact and the gap in capacity fees. The District indicated that our participation in the formation of a CFD would be contingent on DR Horton bridging the gap between what they have paid and what our current fees are. In subsequent discussions with DR Horton, they made it clear that the full $5.4 Million was not possible as it would overly burden the tax rate on the homes and they would rather use other financing mechanisms. Their position was that high Mello-Roos would impair their ability to sell their homes and the tradeoff was not worth it.

After a series of discussions between the District's General Manager and representatives from DR Horton, DR Horton has agreed to pay an additional sewer capacity fee of $2.75 Million. This value was the upper limit of the tax burden that the developer was willing to put on the homes. This represents over 50% of the capacity fee shortfall and while not ideal, it is a better position than the District would find itself in if there is no CFD.

This agenda item is for the approval of a revised sewer service agreement where DR Horton agrees to the increased capacity fee payment contingent upon the approval of the CFD and the successful issuance of bonds. IF the CFD is not approved or the bonds are not sold, the increased capacity fee payment will not be paid.

POLICY

Strategic Focus Area Four: Fiscal Responsibility. The revised sewer capacity fee payment will offset costs related to system expansion and free up capital reserves for other purposes within the wastewater system.

BOARD OPTIONS/FISCAL IMPACTS

1. Authorize the General Manager to execute Second Amendment to Amended and Restated Sewer Service Agreement with Passerelle and D.R. Horton
2. Recommend revisions to staff and authorize General Manager to execute revised Second Amendment to Amended and Restated Sewer Service Agreement with Passerelle and D.R. Horton
3. Do not approve the Second Amendment to Amended and Restated Sewer Service Agreement with Passerelle and D.R. Horton and forego the increased sewer capacity fee payment
4. Provide other direction to Staff.

STAFF RECOMMENDATION

Staff recommends Option 1.

Tom Kennedy
General Manager

February 28, 2017

SECONDAMENDMENT TO AMENDED AND RESTATED SEWER SERVICE AGREEMENT

This Second Amendment to Amended and Restated Sewer Service Agreement, dated for reference purposes only as of _____, 2017 ("**Second Amendment**"), is entered into by and between the Rainbow Municipal Water District ("**District**"), Passerelle, LLC, a _____ ("**Passerelle**") and D.R. Horton Los Angeles Holding Company, Inc., a California corporation ("**Horton**").

RECITALS

A. District, Horton and Passerelle are parties to that certain Amended and Restated Sewer Service Agreement dated December 6, 2012, ("Agreement") as amended by that certain First Amendment to Amended and Restated Sewer Service Agreement dated October 26, 2015 ("**Sewer Service Agreement**"). Except as otherwise provided herein, all capitalized terms set forth in this Second Amendment shall have the meaning given them in the Sewer Service Agreement.

B. The Sewer Service Agreement obligates Horton to construct certain Improvements that will be conveyed to the District upon completion, and grants Horton contractual rights to capacity in the District's sewage system sufficient to serve 754 equivalent dwelling units ("**EDUs**"), further defined in the Sewer Service Agreement as the "D.R. Horton EDUs."

C. Some of the D.R. Horton EDUs were allocated based on the cost of certain Improvements that were completed pursuant to the 1987 Agreement.

D. The District has revised how many gallons per day of treatment constitute a single EDU such that the monetary value of the D.R. Horton EDUs exceeds the value of 754 EDUs under current District standards.

E. District desires that Horton help offset the loss in revenue the District will incur in honoring the D.R. Horton EDUs.

F. Horton and Passarelle desire that the District eliminate all current and future Sewer Service Charge (Not Connected) fees tied to the D.R. Horton Property and the Passarelle Property.

G. District is willing to eliminate the Sewer Service Charge (Not Connected) fees attributable to the D.R. Horton Property and the Passarelle Property on the terms set forth below.

H. District and Horton mutually agree that Horton will pay District $2,750,000 ("**Additional Sewer Payment**") to offset the deficient District would otherwise incur in connection with application of the D.R. Horton EDUs and District's elimination of the Sewer Service Charge (Not Connected) fees subject to District's willingness to support the funding of such amount via community facilities district bond proceeds, as further described below.

I. Horton desires that the District cooperate with Horton and the California Statewide Communities Development Authority ("CSCDA") to authorize the formation of a community facilities district ("**CFD**") encompassing the D.R. Horton Property and subsequent issuance of tax-exempt CFD bonds to finance various public facilities and fees, including the remaining Improvements required under the Sewer Service Agreement and the Additional Sewer Payment.

J. To induce the District to pursue and cooperate in the formation of a CFD and issuance of tax-exempt CFD bonds by CSCDA, Horton has agreed to provide the Additional Sewer Payment as set forth below.

NOW, THEREFORE, in consideration of the foregoing recitals, and the mutual covenants contained herein, the parties agree as follows:

1. Additional Sewer Payment. If the CFD is formed and tax-exempt CFD bonds are issued, Horton agrees to provide the Additional Sewer Payment to District from the bond proceeds and special taxes deposited in the "**Acquisition and Construction Fund**" after a minimum of $8,000,000 ("**Minimum Funding Amount**") in such fund has been paid to Horton, or on behalf of Horton, for eligible facilities and/or fees (excluding the Additional Sewer Payment) pursuant to that certain Acquisition Agreement to be entered into between Horton and District in connection with the CFD, or after the Minimum Funding Amount has otherwise been set aside for such purposes. The parties agree that the Additional Sewer Payment shall be financed through the CFD and Horton is not responsible in the event there is a shortfall. If the CFD is not formed by September 1, 2017, Horton shall not be obligated to make the Additional Sewer Payment and this Second Amendment shall automatically terminate and be of no force and effect, unless Horton and District mutually agree to extend such date.

2. No Sewer Service Charge. Sections 2.b and 2.d of the First Amendment to Amended and Restated Sewer Service Agreement dated October 26, 2015 are deleted in their entirety as are any other terms purporting to levy the Sewer Service Charge (Not Connected) and replaced with the following:

> No Sewer Service Charge (Not Connected) will accrue, be assessed, collected, levied or otherwise due in connection with development of the D.R. Horton Property or the Passerrelle Property.

3. Ratification. District, Horton, and Passerelle hereby agree that, except as provided in this Second Amendment, the Sewer Service Agreement is ratified, affirmed and remains in full force and effect and is incorporated herein by this reference. Notwithstanding anything to the contrary contained in the Sewer Service Agreement, the express provisions of this Second Amendment shall control and govern as to any inconsistency or contradiction between the provisions of this Second Amendment and the provisions of the Sewer Service Agreement.

4. Memorandum of Agreement. Upon full execution of this Second Amendment, the parties shall execute and acknowledge, and District may cause to be recorded in the Official

Records of San Diego County, a memorandum of this Second Amendment substantially in the form of Exhibit "A" hereto.

5. No Third Party Beneficiaries. The Sewer Service Agreement, as modified by this Second Amendment shall not be deemed or construed to confer any rights, title or interest, including without limitation any third party beneficiary status or right to enforce any provision of this Agreement, upon any person or entity other than the District, Horton and Passerelle.

6. Authority. Each person executing this Second Amendment represents and warrants that he or she has the authority to bind his or her respective party to the performance of its obligations hereunder and that all necessary approvals have been obtained.

7. Further Assurances. The parties each agree to do such further acts and things and to execute and deliver such additional agreements and instruments as the other may reasonably request to consummate, evidence, confirm or more fully implement the agreements of the parties as contained herein.

8. Counterparts. This Second Amendment may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

[signatures on following page]

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment as of the dates set forth below to be effective as of the date of the last signature hereto.

RAINBOW MUNICIPAL WATER DISTRICT

By _____
Tom Kennedy, General Manager

D. R. HORTON LOS ANGELES HOLDING COMPANY, INC., a California corporation

By _____
Name _____
Title _____

PASSERELLE, LLC, a California corporation

By _____
Name _____
Title _____

EXHIBIT "A"

MEMORANDUM OF AGREEMENT

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

THIS SPACE ABOVE FOR RECORDER'S USE

SECOND AMENDED AND RESTATED MEMORANDUM OF AGREEMENT
(Second Amendment to Amended and Restated Sewer Service Agreement)

[to insert]

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

BOARD ACTION

BOARD OF DIRECTORS

February 28, 2017

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 17-06 NOMINATING CANDIDATE(S) TO THE ACWA JPIA EXECUTIVE COMMITTEE

DESCRIPTION

RMWD received an Election Notice for the 2017 ACWA JPIA Executive Committee election which will be held during the JPIA's Board of Directors' meeting on May 8, 2017, at the spring conference in Monterey, California.

Candidates for the election must be elected or appointed directors of the JPIA member that they represent and must have been appointed by that member to be on the JPIA's Board of Directors. Further, candidates for the election must also be representatives of JPIA members that participate in all four of the JPIA's Programs: Liability, Property, Workers' Compensation, and Employee Benefits. The candidates must also have received concurring in nomination resolutions from three other JPIA members. However, JPIA members may concur in the nomination of as many candidates as they which.

RMWD does not participate in the aforementioned four JPIA programs; however, the Board may want to consider concurring nominations from other agencies. RMWD has received requests from one or more member agencies seeking RMWD's support in concurring their agency's nominee (see attached).

All concurring nomination resolutions must reach the JPIA by the close of business (4:30 p.m.) on Friday, March 24, 2017.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

N/A

BOARD OPTIONS/FISCAL IMPACTS

1. Adopt Resolution No. 17-06 concurring nomination for candidates to be specified.
2. Adopt Resolution No. 17-06 with revisions.
3. Do not adopt Resolution No. 17-06.

STAFF RECOMMENDATION

Staff supports direction.

Tom Kennedy, General Manager February 28, 2017

RESOLUTION NO. 17-06

RESOLUTION OF THE BOARD OF DIRECTORS OF RAINBOW MUNICIPAL WATER DISTRICT CONCURRING IN NOMINATION TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY ("ACWA JPIA")

WHEREAS, this district is a member district of the ACWA JPIA; and

WHEREAS, the Bylaws of the ACWA JPIA provide that in order for a nomination to be made to ACWA JPIA's **Executive Committee**, three member districts must concur with the nominating district, and

WHEREAS, another ACWA JPIA member district, the Rainbow Municipal Water District has requested that this district concur in its nomination of its ember of the ACWA JPIA Board of Directors to the **Executive Committee** of the ACWA JPIA;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Rainbow Municipal Water District that this district concur with the nomination of _____ of _____ to the **Executive Committee** of the ACWA JPIA.

BE IT FURTHER RESOLVED that the District Secretary is hereby directed to transmit a certified copy of this resolution to ACWA JPIA at P.O. Box 619082, Roseville, CA 95661-9082, forthwith.

ADOPTED at a regular meeting of the Board of Directors of Rainbow Municipal Water District held on the 28th day of February, 2017 by the following vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Helene Brazier, Board President

ATTEST:

_____
Dawn Washburn, Board Secretary

YOUR BEST PROTECTION

To: JPIA Directors, Alternates, and Others

From: Sylvia Robinson, Publications & Web Editor

Date: January 3, 2017

Subject: 2017 ACWA JPIA Executive Committee Election Notice

Notice is hereby given that there will be an Executive Committee election during the JPIA's Board of Directors' meeting to be held on May 8, 2017, at the spring conference in Monterey, California.

This election will fill four Executive Committee member positions, each for a four-year term each.

The incumbents are Tom Cuquet, South Sutter WD; David Drake, Rincon Del Diablo MWD; and Melody McDonald, San Bernardino Valley WCD. There is one vacant position.

Candidates for the election must be elected or appointed directors of the JPIA member that they represent and must have been appointed by that member to be on the JPIA's Board of Directors. Further, candidates for the election must also be representatives of JPIA members that participate in all four of the JPIA's Programs: Liability, Property, Workers' Compensation, and Employee Benefits.

The candidates must also each receive concurring in nomination resolutions from **three** other JPIA members. However, JPIA members may ***concur*** in the nomination of as many candidates as they wish. When asking other JPIA members to concur in a nomination, it would be helpful to them to include some information about the Director and his/her background.

The submission of the nominating resolution, the three concurring in nomination resolutions, and the candidate's statement of qualifications is the sole responsibility of the nominating member. These nominations must reach the JPIA by the close of business (4:30 pm) on **Friday, March 24, 2017**. Nominations may be mailed to the attention of Sylvia Robinson at the JPIA: P. O. Box 619082, Roseville, CA 95661-9082 or emailed to srobinson@acwajpia.com.

Final notice of the qualified candidates will be included as part of the Board of Directors' meeting packet, which will be mailed on or before April 24, 2017, to those who request a meeting packet.

Use this link to find copies of this notice, the nominating procedures, and sample resolutions on the JPIA's website.

ACWA JPIA
Nomination Procedures

Approximately 120 Days before Election (January 6, 2017)

All ACWA JPIA Directors and Member Districts are to be notified of:

A) Date and place of Election;
B) Executive Committee positions and terms of office to be filled by Election;
C) Incumbent office holders; and
D) Nomination Procedures.

120 to 45 Days before Election (January 6 – March 24, 2017)

A) A district may place into nomination its member of the Board of Directors of ACWA JPIA with the concurrence of three districts, then members of the ACWA JPIA, in addition to the nominating district.
B) Sample resolutions are available on the ACWA JPIA website.
C) The **district is solely responsible** for timely submission of the nominating resolution and the three additional concurring in nomination resolutions of its candidate for office.

45 Days before Election (March 24, 2017)

A) Deadline and location for receiving the nominating and concurring in nomination resolutions in the ACWA JPIA office:

Friday – March 24 2017 – 4:30 p.m.

Sylvia Robinson
Publications & Web Editor
ACWA JPIA
P. O. Box 619082
Roseville, CA 95661-9082
(srobinson@acwajpia.com)

B) Candidates' statement of qualifications must be submitted, if desired, with the nominating resolutions. The statement of qualifications must be submitted on one side of an 8½ x 11" sheet of paper suitable for reproduction and distribution to all districts (MSWord or PDF documents preferred).

14 Days before Election (April 24, 2017)

Final notice of the upcoming Election of Executive Committee members will be included as part of the Board of Directors' meeting packet. Final notice shall include:

A) Date, Time, and Place of Election;
B) Name and District of all qualified candidates;
C) Candidate's statement of qualifications (if received); and
D) Election Procedures and Rules.

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE

(NAME OF MEMBER DISTRICT)

CONCURRING IN NOMINATION TO THE EXECUTIVE COMMITTEE

OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES
JOINT POWERS INSURANCE AUTHORITY ("ACWA JPIA")

WHEREAS, this district is a member district of the ACWA JPIA; and

WHEREAS, the Bylaws of the ACWA JPIA provide that in order for a nomination to be made to ACWA JPIA's **Executive Committee**, three member districts must concur with the nominating district, and

WHEREAS, another ACWA JPIA member district, the *(NAME OF NOMINATING DISTRICT)* has requested that this district concur in its nomination of its member of the ACWA JPIA Board of Directors to the **Executive Committee** of the ACWA JPIA;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the *(NAME OF MEMBER DISTRICT)* that this district concur with the nomination of *(NAME OF NOMINEE)* of *(NAME OF NOMINATING DISTRICT)* to the **Executive Committee** of the ACWA JPIA.

BE IT FURTHER RESOLVED that the District Secretary is hereby directed to transmit a certified copy of this resolution to the ACWA JPIA at P.O. Box 619082, Roseville, CA 95661-9082, forthwith.

ADOPTED this *(DATE)* day of *(MONTH)*, 2017.

(SIGNATURE)
Board President

ATTEST:

(SIGNATURE)
Secretary

VISTA IRRIGATION DISTRICT

1391 Engineer Street • Vista, California 92081-8840
Phone (760) 597-3100 • Fax: (760) 598-8757
www.vidwater.org

Board of Directors

Marty Miller, *President*
Paul E. Dorey
Jo MacKenzie
Randy L. Reznicek
Richard L. Vásquez

Administrative Staff

Eldon L. Boone
General Manager / Treasurer
Brett L. Hodgkiss
Assistant General Manager
Lisa R. Soto
Board Secretary
Joel D. Kuperberg
General Counsel

January 19, 2017

ACWA/JPIA Member Agencies

Re: Nomination of Paul E. Dorey to the ACWA/JPIA Executive Committee

Dear General Manager:

The Vista Irrigation District (VID) has nominated Board member Paul E. Dorey to serve on the ACWA/JPIA Executive Committee. Elections will take place at the JPIA Board of Directors meeting on May 8, 2017 at the Spring ACWA Conference in Monterey, California.

Paul has served as VID's representative to the JPIA Board of Directors for 10 years, and he has been a member of the JPIA Liability Subcommittee for 7 years. We hope your organization will concur with this nomination.

As a member of ACWA/JPIA, Vista Irrigation District requests that your Board submit a resolution of support ***concurring*** with the nomination of Paul Dorey to serve on the ACWA/JPIA Executive Committee, and vote for him at the election. As you can see from the attached background information regarding Paul Dorey, he is well qualified for this position. All concurring nominations must reach the JPIA office to the attention of Sylvia Robinson at P.O. Box 619082, Roseville, CA 95661-9082 by 4:30 p.m. on Friday, March 24, 2017. If you have any questions, please feel free to contact me.

Thank you for your consideration.

Sincerely,

Eldon Boone

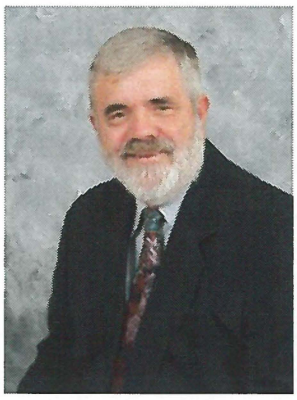
Eldon Boone
General Manager

Attachments:

- Statement of candidacy for Paul E. Dorey
- Vista Irrigation District nominating resolution
- Sample concurring resolution

Paul E. Dorey

Statement of Candidacy



I have served on the ACWA/JPIA Board of Directors since 2007. During the last seven years, I have had the privilege of serving on the Liability Committee of the JPIA. The Liability Committee has successfully kept its focus on providing member agencies with the most comprehensive, affordable and reliable liability insurance possible. Our Committee has recommended significant reductions in the premiums paid by member agencies while also increasing the insurance coverages provided.

I was elected to the Vista Irrigation District Board of Directors in 2006. The District provides water service to over 120,000 residents in northern San Diego County. I served on the Board of Directors of the Groundwater Resources Association of California, and I currently serve on the San Luis Rey Watershed Council and the Southern California Water Committee. My wife Nancy and I have lived in Vista since 1971, where we raised our two daughters.

My forty-six years of public service, first in the United States Marine Corps and then in the water industry, have given me the necessary experience and background to serve as a member of the JPIA Executive Committee. This experience has helped me recognize the importance of safety and risk management and the value of developing appropriate policies and procedures, as well as establishing conservative fiscal controls.

As a member of the JPIA's Executive Committee, I will perform my duties and make decisions to guide the organization to most efficiently benefit its member agencies. I will take my responsibility seriously and serve as a very useful and productive member of the Executive Committee. I value your trust and will honor it if elected to the Executive Committee.

Thank you for your support. If you have any questions about my candidacy, feel free to contact me at (760) 208-5263 or WN6K@sbcglobal.net.

RESOLUTION NO. 17-04

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
VISTA IRRIGATION DISTRICT
NOMINATING PAUL E. DOREY TO THE EXECUTIVE COMMITTEE
OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES
JOINT POWERS INSURANCE AUTHORITY ("ACWA/JPIA")

WHEREAS, Vista Irrigation District is a member district of the ACWA/JPIA that participates in all four of its Programs: Liability, Property, Workers' Compensation, and Employee Benefits; and

WHEREAS, the Bylaws of the ACWA/JPIA provide that in order for a nomination to be made to ACWA/JPIA's Executive Committee, the member district must place into nomination its member of the ACWA/JPIA Board of Directors for such open position;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Vista Irrigation District that its member of the ACWA/JPIA Board of Directors, Paul E. Dorey, be nominated as a candidate for the Executive Committee for the election to be held on May 8, 2017.

BE IT FURTHER RESOLVED that the ACWA/JPIA staff is hereby requested, upon receipt of the formal concurrence of three other member districts, to effect such nomination.

BE IT FURTHER RESOLVED that the District Secretary is hereby directed to transmit a certified copy of this resolution to the ACWA/JPIA at P.O. Box 619082, Roseville, CA 95661-9082, forthwith.

PASSED AND ADOPTED by the following roll call vote of the Board of Directors for the Vista Irrigation District this 18th day of January 2017.

AYES: Directors Vásquez, Dorey, MacKenzie, and Miller
NOES: None
ABSTAIN: None
ABSENT: Director Reznicek

Marty Miller, President

ATTEST:

Lisa R. Soto, Secretary
Board of Directors
VISTA IRRIGATION DISTRICT

Board of Directors
James B. Murtland, President
Erin R. Lump, Vice President
David A. Drake, Treasurer
Dr. Gregory M. Quist, Director
Diana L. Towne, Director

Rincon del Diablo Water

A Public Agency Serving the Greater Escondido Valley Since 1954

General Manager
Greg Thomas
Board Secretary
Wanda Cassidy
General Counsel
Redwine and Sherrill

February 7, 2017

Re: Nomination of David A. Drake to the ACWA/JPIA Executive Committee

Dear Fellow ACWA/JPIA Member:

On February 14, 2017 the Rincon del Diablo Municipal Water District Board of Directors will adopt Resolution No. 2017-02 nominating Director David A. Drake for the position of ACWA/JPIA Executive Committee. We are formally requesting your support of Director Drake's nomination through the adoption of a concurring resolution from your agency.

Director Drake has represented Rincon del Diablo Municipal Water District on ACWA/JPIA since 2006 and currently serves on the JPIA Executive and the Workers Compensation Committees. As a current committee member, Director Drake has a clear understanding of how ACWA/JPIA works and is committed to improving processes in order to provide quality insurance and benefits to our agencies at the lowest possible cost.

Attached is a sample concurring resolution in support of David Drake's nomination, as well as his qualifications. As you can see from the attached background information, Director Drake is currently serving on ACWA/JPIA and is well qualified for this position. All concurring nominations must reach the JPIA office to the attention of Sylvia Robinson at P.O. Box 619082, Roseville, CA 95661-9082 by 4:30 p.m. on Friday, March 24, 2017. The elections for ACWA/JPIA Executive Committee will be held May 8, 2017. If you have any questions, please feel free to contact me.

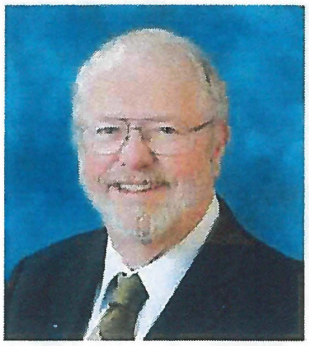
Thank you for your consideration. Please don't hesitate to contact me at 760-644-5379 with any questions.

Sincerely,

Greg Thomas
General Manager

Attachments:

- David Drake ACWA/JPIA Qualifications for the Executive Committee
- Copy of Rincon Water Resolution No. 17-02 nominating David Drake for ACWA/JPIA
- Sample Concurring Resolution



David A. Drake

ACWA/JPIA Qualifications for the Executive Committee

Current Responsibilities

Mr. Drake has served the Rincon del Diablo MWD ratepayers since 2006 as the Director for Division 2. He currently serves as the Treasurer of the Board for Rincon Water, is past President for 2014-2016, and is also a member of the Emergency Preparedness/Fire Services and the Audit Committees, in addition to previously serving on the Engineering and Long Range Planning Committee. In addition, Director Drake has represented Rincon Water to the ACWA/JPIA since 2006, and currently serves on the JPIA Executive and the Workers Compensation Committees. As an Executive Committee member, he has encouraged more detailed analysis and reconciliation of large health care invoices thereby avoiding unnecessary expenses. He has submitted improvements for the application process to the Liability Program, and has promoted development of an "early warning system" for districts at risk.

Past Service

- As a member of the Rincon Water Ad Hoc Committee, assisted in the negotiations for adjusting health care coverage, and reducing overall District costs, for current and retired Rincon employees
- Past Chair of the City of Escondido Planning Commission
- Served on the City of Escondido's Franchise Commission and General Plan Committee
- Represented the City of Escondido to the San Diego County Water Authority for nine years, wherein he served on the SDCWA Engineering and Administrative/Finance Committees
- Served as the San Diego FBI InfraGard President during 2004-2006

Employment

Currently, Vice President of SmartCover Systems, in Escondido focusing on water system risk and cost reduction. In February 2017, SmartCover Systems will be celebrating twelve years of service to the water and wastewater industries. During this time SmartCover Systems purchased over $250,000 in commercial insurance.

- Pointsource Technologies, Inc. - Vice President of Engineering 2001-2005
- SAIC - Internet Services Architect 1997-2001
- Mitchell International - Vice President and Chief Information Officer 1993-1997
- Digital Equipment Corporation - San Diego Software Unit Manager 1985-1993
- Oak Industries - Manager of Engineering 1979-1985
- Jet Propulsion Laboratory – Member of the Technical Staff 1974-1979

Education and Recognition

- BS in Engineering, California Institute of Technology, 1974 (Life Member of the Caltech Alumni Association)
- Holds twelve U.S. and five foreign patents
- Received a First Place design award from the EE Times
- Member of the AWWA, AAAS, and IEEE
- Extra Class Radio Amateur AC6OA
- Graduate of the FBI and Justice Department Citizens Academy and active member
- Mr. Drake has lived in Escondido since 1979 and has been married to Virginia for 33 years

Statement

The ACWA JPIA provides a unique and critical service for California's public water agencies. The JPIA has filled this role for decades and has become a leader among its peers. The past two years of my participation on the Executive Committee have been very active with no missed meetings. I have concentrated on the major impacts to the JPIA and have not been shy to express opinions concerning cost control, accuracy, and improved customer service.

RESOLUTION NO. 17-02

**Resolution of the Board of Directors of
the Rincon del Diablo Municipal Water District
Nominating David A. Drake to the Executive Committee of
the Association of California Water Agencies
Joint Powers Insurance Authority ("ACWA/JPIA")**

WHEREAS, Rincon del Diablo Municipal Water District is a member district of the ACWA/JPIA that participates in all four of its Programs: Liability, Property, Workers' Compensation, and Employee Benefits; and

WHEREAS, the Bylaws of the ACWA JPIA provide that in order for a nomination to be made to ACWA JPIA's Executive Committee, the member district must place into nomination its member of the ACWA/JPIA Board of Directors for such open positions;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Rincon del Diablo Municipal Water District that its member of the ACWA/JPIA Board of Directors, David A. Drake be nominated as a candidate for the Executive Committee for the election to be held on May 8, 2017.

BE IT FURTHER RESOLVED, that the ACWA/JPIA staff is hereby requested, upon receipt of the formal concurrence of three other member districts to effect such nomination.

BE IT FURTHER RESOLVED, that the District Secretary is hereby directed to transmit a certified copy of the resolution to the ACWA JPIA at P.O. Box 619082, Roseville, CA 95661-9092 forthwith.

PASSED AND ADOPTED by the following roll call vote of the Board of Directors for Rincon del Diablo Municipal Water District this 14th day of February, 2017.

AYES:
NOES:
ABSTAIN:
ABSENT:

APPROVED:

_____
James B. Murtland, President

ATTEST:

_____
Wanda Cassidy, Board Secretary

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE

(NAME OF MEMBER DISTRICT)

CONCURRING IN NOMINATION TO THE EXECUTIVE COMMITTEE

OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES
JOINT POWERS INSURANCE AUTHORITY ("ACWA JPIA")

WHEREAS, this district is a member district of the ACWA JPIA; and

WHEREAS, the Bylaws of the ACWA JPIA provide that in order for a nomination to be made to ACWA JPIA's **Executive Committee**, three member districts must concur with the nominating district, and

WHEREAS, another ACWA JPIA member district, the *(NAME OF NOMINATING DISTRICT)* has requested that this district concur in its nomination of its member of the ACWA JPIA Board of Directors to the **Executive Committee** of the ACWA JPIA;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the *(NAME OF MEMBER DISTRICT)* that this district concur with the nomination of *(NAME OF NOMINEE)* of *(NAME OF NOMINATING DISTRICT)* to the **Executive Committee** of the ACWA JPIA.

BE IT FURTHER RESOLVED that the District Secretary is hereby directed to transmit a certified copy of this resolution to the ACWA JPIA at P.O. Box 619082, Roseville, CA 95661-9082, forthwith.

ADOPTED this *(DATE)* day of *(MONTH)*, 2017.

(SIGNATURE)
Board President

ATTEST:

(SIGNATURE)
Secretary

Cucamonga Valley Water District

10440 Ashford Street • Rancho Cucamonga, CA 91730-2799
P.O. BOX 638 • Rancho Cucamonga, CA 91729-0638
(909) 987-2591 • Fax (909) 476-8032

Martin E. Zvirbulis
Secretary/General Manager/CEO

January 25, 2017

Dear Fellow ACWA/JPIA Member:

On January 24, 2017 the Cucamonga Valley Water District Board of Directors adopted Resolution No. 2017-1-1 nominating Director Kathleen J. Tiegs for the position of ACWA/JPIA Executive Committee. We are formally requesting your support of Director Tiegs' nomination through the adoption of a concurring resolution from your agency.

Director Tiegs has been actively involved in ACWA/JPIA having served the past 10 years on the board, as well as having experience as the ex-officio member on the Executive Committee. Director Tiegs is committed to continuing the great work of providing quality insurance and employee benefit services that ensure our agencies and ratepayers are receiving the most cost-effective service possible.

I have attached a sample concurring resolution in support of Director Tiegs' nomination, as well as her candidate statement. The elections for ACWA/JPIA Executive Committee will be held May 8, 2017, should you desire to adopt a resolution or if you have questions please contact our Executive Assistant to the Board, Taya Victorino at 909.987.2591 or tayav@cvwdwater.com.

Thank you in advance for your consideration.

James V. Curatalo, Jr.
President

Attachments:
Sample Concurring Resolution
Candidate Statement – Director Tiegs

James V. Curatalo, Jr. President | **Luis Cetina** Vice President | **Oscar Gonzalez** Director | **Randall James Reed** Director | **Kathleen J. Tiegs** Director

Kathleen J. Tiegs
Candidate Statement for
Association of California Water Agencies
Joint Powers Insurance Authority (ACWA/JPIA) Executive Committee

Dear ACWA/JPIA Board Members:

I am pleased to share with you my interest in serving on the Executive Committee for ACWA/JPIA. I believe I am prepared and ready for the challenge to help lead the organization as we continue to grapple with providing the best and most cost-effective insurance and employee benefit services to our members.

My experience with the ACWA/JPIA began over 10 years ago when I was appointed by the Cucamonga Valley Water District (CVWD) to serve as their ACWA/JPIA representative. I have also served as the ex-officio member of the Executive Committee in 2015-2016. As part of the Executive Committee I was able to provide the leadership and feedback to staff to ensure they were continuing to uphold the mission of the ACWA/JPIA: *"to consistently and cost effectively provide the broadest possible affordable insurance coverage and related services to its member agencies"*.

I have served on the CVWD board of directors for approximately 12 years, and have served in the role as both president and vice-president of the board of directors. I am currently a member of the Legislative/Outreach and the Human Resources/Risk Management committees. The Human Resources/Risk Management Committee is responsible for overseeing employee benefits, risk management and safety programs for the organization. At CVWD, we have taken full advantage of all the programs the ACWA/JPIA has to offer to ensure our employees are working in the safest environment possible. Our board of directors has also adopted the *Commitment to Excellence* Program pledge putting into place best management practices which bolsters our effectiveness for loss prevention and safety.

I currently serve as the President for the Association of California Agencies (ACWA). In my role as president I have focused on increasing my understanding of our members needs so that I may know how to better serve and lead the ACWA organization. I will use this same approach if elected to serve on the ACWA/JPIA Executive Committee.

The election for ACWA/JPIA is scheduled for May 8, 2017 at the conference. Thank you for allowing me to share my experience, leadership and knowledge. I look forward to the opportunity to represent you and your agency. Please feel free to contact me directly at (909) 635-4177 should you have questions or if you would like to support my candidacy.

Thank you in advance for your consideration,

Kathy Tiegs

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
Established 1932
1630 West Redlands Boulevard, Suite A
Redlands, CA 92373-8032
(909) 793-2503
Fax: (909) 793-0188
Email: info@sbvwcd.org
www.sbvwcd.org

January 31, 2017

Dennis Sanford
Rainbow Municipal Water District
3707 Old Highway 395
Fallbrook, CA 92028

Dear Dennis Sanford,

The Board of Directors of the San Bernardino Valley Water Conservation District has nominated its Vice-President, Melody A. McDonald, to continue in her position on the ACWA/JPIA Executive Committee. Enclosed is a certified copy of SBVWCD Resolution No. 542 nominating Mrs. McDonald for ACWA/JPIA Executive Committee.

Melody currently serves on the ACWA/JPIA Executive Committee, Personnel Committee, Chairs the Liability Program Subcommittee, served on the Building & Property Ad Hoc Committee, and was past chair of the Property & Workers Compensation Program Subcommittees. Melody has an institutional knowledge of all of JPIA's programs, their history, how coverage's evolved for the JPIA membership and has helped the organization grow to 188 Million in assets. Melody participates in training at various JPIA members facilities; she has personally visited and presented rate stabilization fund refund checks back to JPIA members totaling over 25 Million, since the inception of the fund. This year, JPIA has held nearly 400 training classes resulting in more than 7,700 employees receiving training. Melody believes the best claim is the one that never happened, and that there is a direct correlation between risk management, training, and minimizing losses. She pursues all her duties with a strong sense of commitment and dedication. Enclosed is her Statement of Qualifications.

The District respectfully requests your organization consider adopting a concurring resolution of nomination in support of Mrs. McDonald. Enclosed is a sample concurring resolution for your consideration in support of her nomination or it can be found at http://www.acwajpia.com/ElectionNews.aspx . Since time is of the essence, and that this will require Board action, please include this on your agenda for your next Board meeting. Please send a certified copy to:

ACWA/JPIA
Attention: Sylvia Robinson
P.O. Box 619082
Roseville, CA 95661-9082

and

San Bernardino Valley Water Conservation District
Attention: Athena Monge
1630 W. Redlands Blvd. Ste "A"
Redlands, CA 92374

This resolution must be received by ACWA/JPIA no later than 4:30 pm Friday March 24, 2017.

Sincerely,

Daniel B. Cozad
General Manager

BOARD OF DIRECTORS
Division 1: Richard Corneille
Division 2: David E. Raley
Division 3: T. Milford Harrison
Division 4: John Longville
Division 5: Melody McDonald
GENERAL MANAGER
Daniel B. Cozad

RESOLUTION NO. 542

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT NOMINATING ITS ACWA/JPIA BOARD MEMBER TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY ("ACWA/JPIA")

WHEREAS, this District is a member district of the ACWA/JPIA that participates in all four of its Programs: Liability, Property, and Workers' Compensation; and Employee Benefits; and

WHEREAS, the Bylaws of the ACWA/JPIA provide that in order for a nomination to be made to ACWA/JPIA's **Executive Committee,** the member district must place into nomination its member of the ACWA/JPIA Board of Directors for such open position;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Bernardino Valley Water Conservation District that its member of the ACWA/JPIA Board of Directors, Melody McDonald, be nominated as a candidate for the **Executive Committee** for the election to be held on May 8, 2017.

BE IT FURTHER RESOLVED that the ACWA/JPIA staff is hereby requested, upon receipt of the formal concurrence of five other member districts to effect such nomination.

BE IT FURTHER RESOLVED that the District Secretary is hereby directed to transmit a certified copy of this resolution to the ACWA/JPIA at P.O. Box 619082, Roseville, California 95661-9082, forthwith.

ADOPTED this 11th day of January, 2017.

Richard Corneille
President, Board of Directors

ATTEST:

Secretary

Melody.sbvwcd@gmail.com

Melody
Henriques-McDonald

P.O. BOX 30197
SAN BERNARDINO, CA 92413

(909) 793-2503 District
(909) 499-5175 cell
(909) 383-1122 fax

Like @ https://www.facebook.com/Melody4Water

Candidate for:

ACWA JPIA
EXECUTIVE COMMITTEE
(Incumbent)

Melody & Board receiving, District of Distinction Award, the highest governance and best practices accreditation possible.

Left, Kathleen Tiegs, Special Districts Board Member & ACWA Vice-President presenting.

ASSOCIATIONS

Member, Board of Directors of the San Bernardino Valley Water Conservation District (Elected), Past President, & currently Vice-President, 1991 originally appointed, and first woman on the board

Member, Executive Committee ACWA/JPIA

Chair, JPIA Liability Program Committee

Director, ACWA/Joint Powers Insurance Authority

Voting Member, Association of the San Bernardino County Special Districts

Over the 25 + Years, Experience in the Water Industry includes:

Past Member, (CWA) California Women for Agriculture

Past Member, ACWA Water Management Committee

Past Member, ACWA State Legislative Committee

Chair & Vice-Chair, JPIA Property & Workers Compensation Programs

Member, Board of Directors ACWA, Region 9 Chair

Chair, Water Management Certification Subcommittee

Chair, California Water Quality Control Board, Santa Ana Region 8 Years of service, Gubernatorial Appointment

CURRENT EMPLOYMENT

Southwest Lift & Equipment, Inc. (Heavy Duty Vehicle Lifts)
Broker/Associate, Century 21 Lois Lauer Realty

PROFESSIONAL ASSOCIATIONS & LICENSES

Redlands Association of Realtors
California Real Estate Broker's License
Arizona Real Estate Broker's License

ORGANIZATIONS AND SOCIETIES

Highland Chamber of Commerce
San Bernardino Chamber of Commerce
Immanuel Baptist Church Highland, CA
BSF International

EDUCATION

San Gorgonio High School, 1976
Western Real Estate School, 1989
Graduate, Special Districts Board Management Institute, 1997

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

BOARD ACTION

BOARD OF DIRECTORS

February 28, 2017

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 17-08 NOMINATING CANDIDATE(S) TO THE SPECIAL RISK MANAGEMENT AUTHORITY (SDRMA) BOARD OF DIRECTORS

DESCRIPTION

In accordance with SDRMA Sixth Amendment and Restated Joint Powers Agreement, RMWD received a Notice of Nominations for the SDRMA Board of Directors 2017 Election.

Four Director seats are up for election. The nomination filing deadline is Friday, May 5, 2017. Ballots will be mailed to all SDRMA member agencies in mid-May with mail-in ballots being due back to SDRMA Tuesday, August 29, 2017.

Nominees must be a member of the agency's governing body or a management employee and be an active member agency of both SDRMA's Property/Liability and Workers' Compensation Programs. Candidates must be nominated by Resolution from their member agency's governing body and complete and submit a "Candidates Statement of Qualifications". Nomination documents and nomination guidelines information may be obtained on SDRMA's website at www.sdrma.org to obtain documents electronically.

Directors are elected to 4-year terms. The term of office for newly elected Directors will begin January 1, 2018 and expire December 31, 2021.

A complete packet of information has been attached hereto for more details as well as draft Resolution No. 17-08 for Board consideration.

POLICY/STRATEGIC PLAN FOCUS KEAY AREA

Strategic Focus Area Three: Workforce Development. Ensure continuous Board development and participation in industry-related activities.

BOARD OPTIONS/FISCAL IMPACTS

1) Adopt Resolution No. 17-08 nominating a candidate to be specified.
2) Adopt Resolution No. 17-08 with revisions.
3) Do not adopt Resolution No. 17-08.

Fiscal impact would be limited to travel costs for attendance at committee meetings. However, most committee meetings are held in conjunction with other conferences or events that already may be attended by the designated Board Member.

STAFF RECOMMENDATION

Staff supports Board decision

Tom Kennedy, General Manager 2/28/17

RESOLUTION NO. 17-08

RESOLUTION OF THE BOARD OF DIRECTORS OF THE RAINBOW MUNICIPAL WATER DISTRICT NOMINATING _____ AS A CANDIDATE FOR ELECTION TO THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY BOARD OF DIRECTORS

WHEREAS, the Special District Risk Management Authority (SDRMA) is a Joint Powers Authority formed under California Government Code, Section 6500 et.seq., for the purpose of providing risk management and risk financing for California Special Districts and other local government agencies; and

WHEREAS, the Joint Powers Agreement (JPA) and Bylaws of SDRMA set forth director qualification, terms of office and election requirements; and

WHEREAS, the Board of Directors of SDRMA established procedures and guidelines for the Director Election process; and

WHEREAS, the Board of Directors of SDRMA established a policy requiring candidates seeking election to the SDRMA Board of Directors to be: 1) a member of the agency's governing body or management employee per SDRMA Election Policy 2017-03, Section 4.1 and be an active member agency of both SDRMA's Property/Liability and Workers' Compensation Programs, and 2) be nominated by Resolution of their member agency's governing body, and 3) each nominated candidate must submit a completed and signed "Candidate's Statement of Qualification" on or before the May 5 filing deadline in order for the candidate's name to be placed on the official ballot.

NOW, THEREFORE, IT IS HEREBY RESOLVED:

1. The governing body of Rainbow Municipal Water District nominates _____, its _____, as a member for the Board of Directors of the Special District Risk Management Authority.

2. [ONLY IF CANDIDATE IS NOT A MEMBER OF THE AGENCY'S GOVERNING BODY: The governing body of Rainbow Municipal Water District has determined that _____ is a management employee for the purpose of SDRMA Election Policy 2017-03, Section 4.11.].

3. The governing body of Rainbow Municipal Water District further directs that a copy of this Resolution be delivered to SDRMA on or before the May 5, 2017 filing deadline.

ADOPTED this 28th day of February, 2017 by the Governing Body of Rainbow Municipal Water District by the following roll call votes:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Helene Brazier, Board President

ATTEST:

_____
Dawn M. Washburn, Board Secretary

SDRMA
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

1112 I Street, Suite 300
Sacramento, California 95814-2865
T 916.231.4141 or 800.537.7790 * F 916.231.4111

Maximizing Protection. Minimizing Risk. * www.sdrma.org

Notification of Nominations – 2017 Election
SDRMA Board of Directors

February 3, 2017

Mr. Dennis Sanford
Board President
Rainbow Municipal Water District
3707 Old Highway 395
Fallbrook, California 92028

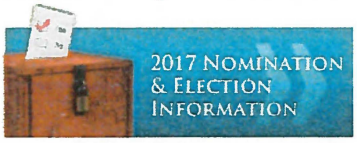
Dear Mr. Sanford:

Notice of Nominations for the Special District Risk Management Authority (SDRMA) Board of Directors 2017 Election is being provided in accordance with the SDRMA Sixth Amended and Restated Joint Powers Agreement. The following nomination information is enclosed: Nomination Packet Checklist, Board of Director Fact Sheet, Nomination/Election Schedule, SDRMA Election Policy No. 2017-03, sample Resolution for Candidate Nomination and Candidate's Statement of Qualifications Form.

General Election Information - Four Director seats are up for election. The nomination filing deadline is Friday, May 5, 2017. Ballots will be mailed to all SDRMA member agencies in mid-May. Mail-in ballots will be due back to SDRMA Tuesday, August 29, 2017.

Nominee Qualifications - Nominees must be a member of the agency's governing body or a management employee (see SDRMA Election Policy 2017-03, Section 4.1) and be an active member agency of **both** SDRMA's Property/Liability and Workers' Compensation Programs. Candidates must be nominated by Resolution from their member agency's governing body and complete and submit a "Candidates Statement of Qualifications".

Nomination Documents and Information - Nomination documents (Nominating Resolution and Candidates Statement of Qualifications) and nomination guideline information may also be obtained on SDRMA's website at www.sdrma.org. To obtain documents electronically:



From the SDRMA homepage, click on the "2017 Nomination & Election Information" button. All necessary nomination documents and election information may be downloaded and printed.

Term of Office – Directors are elected to 4-year terms. The term of office for the newly elected Directors will begin January 1, 2018 and expire December 31, 2021.

Nomination Filing Deadline – Nomination documents **must be received in SDRMA's office no later than 5:00 P.M. on Friday, May 5, 2017**.

Please contact SDRMA Chief Operating Officer Paul Frydendal at 800.537.7790, if you have any questions regarding the 2017 SDRMA Board of Director Nominations or the election process.

Sincerely,
Special District Risk Management Authority

Gregory S. Hall, ARM
Chief Executive Officer

2017 Nomination Packet Checklist

SDRMA

SDRMA Board of Directors
Nomination and Election Guidelines

January 5, 2017, marked the official commencement of nominations for the SDRMA Board of Directors. Four seats on the Board of Directors are up for election in August 2017.

For your convenience we have enclosed the necessary nomination documents and election process schedule. Please note that some items have important deadlines. All document contained in this packet, as well as additional information regarding SDRMA Board elections are available on our website www.sdrma.org and/or by calling SDRMA Chief Operating Officer Paul Frydendal at 800.537.7790.

____ **Attachment One:** **SDRMA Board of Directors Fact Sheet:** This document reviews the Board of Directors' Roles and Responsibilities along with other important information.

____ **Attachment Two:** **SDRMA Board of Directors 2017 Nomination/Election Schedule:** Please review this document for important deadlines.

____ **Attachment Three:** **SDRMA Election Policy No. 2017-03:** A Policy of the Board of Directors of the Special District Risk Management Authority establishing guidelines for Director elections.

____ **Attachment Four:** **Sample Resolution for Candidate Nomination:** A resolution of the Governing Body of the Agency nominating a candidate for the Special District Risk Management Authority Board of Directors.

____ **Attachment Five:** **Candidate's Statement of Qualifications:** Please be advised that no candidate statements are endorsed by SDRMA. Candidate's Statements of Qualification will be distributed to the membership with the SDRMA election ballot, "exactly as submitted" by the candidate.

Please complete and return all required nomination and election documents to:

SDRMA Election Committee
C/O Paul Frydendal, COO
Special District Risk Management Authority
1112 "I" Street, Suite 300
Sacramento, California 95814

Attachment One

SDRMA

SDRMA BOARD OF DIRECTORS FACT SHEET

Fact Sheet

SDRMA

SDRMA Board of Directors
Role and Responsibilities

Special District Risk Management Authority (SDRMA) is a public entity Joint Powers Authority established to provide cost-effective property/liability, worker's compensation, health benefit coverages and comprehensive risk management programs for special districts and other public agencies throughout California. SDRMA is governed by a Board of Directors elected from the membership by the programs' members.

Number of Board Members	7-Board Members: SDRMA Board of Directors consists of seven Board Members, who are elected at-large from members participating in either program.
Board of Directors' Role	SDRMA Board of Directors provide effective governance by supporting a unified vision, and ensuring accountability, setting direction based on SDRMA's mission and purpose, as well as establishing and approving policy to ensure SDRMA meets its obligations and commitment to its members.
Board of Directors' Responsibilities	Board Member responsibilities include a commitment to: serve as a part of a unified governance body; govern within Board of Directors' policies, standards and ethics; commit the time and energy to be effective; represent and make policy decisions for the benefit, and in the best interest, of all SDRMA members; support collective decisions; communicate as a cohesive Board of Directors with a common vision and voice; and operate with the highest standards of integrity and trust.
Four Seats For this Election	4-Seats: Elections for Directors are staggered and held every two years, four seats during one election and three seats in the following election. Four seats are up for election this year.
Term of Directors	4-Year Terms: Directors are elected for 4-year terms. Terms for directors elected this election begin January 1, 2018 and end on December 31, 2021.
Board Member Travel Reimbursement	Board Members are reimbursed for reasonable travel and lodging in accordance with SDRMA Board Policy Manual 2017-01 and applicable laws and are allowed to claim a stipend of $195 per meeting day or for each day's service rendered as a Member of the Board.
Number of Meetings per Year	7-Board Meetings Annually: Generally not more than one meeting per month, with an average of seven board meetings per year.
Meeting Location	SDRMA office in Sacramento, California.
Meeting Dates	Typically the first Wednesday afternoon and Thursday morning of the month.
Meeting Starting Times	3:00 p.m. and 8:00 a.m.: Meetings are from 3:00 p.m. on Wednesday afternoon until 5:30 p.m. and Thursday from 8:00 a.m. to 10:00 a.m.
Meeting Length	4 - 6 hours: Length of meetings on average.
Average Time Commitment	15 - 20 hours: Commitment per month.

"The mission of Special District Risk Management Authority is to provide risk financing and risk management services through a financially sound pool to California public agencies, delivered in a timely and responsive cost efficient manner."

Attachment Two

SDRMA

SDRMA BOARD OF DIRECTORS
2017 NOMINATION/ELECTION SCHEDULE

2017 Nomination/Election Schedule

SDRMA

JANUARY						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

FEBRUARY						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

MARCH						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

APRIL						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23/30	24	25	26	27	28	29

MAY						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

JUNE						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

JULY						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23/30	24/31	25	26	27	28	29

AUGUST						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	17	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

SEPTEMBER						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

OCTOBER						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

NOVEMBER						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

DECEMBER						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24/31	25	26	27	28	29	30

TASK TIMELINE

1/5 Board approves Election Schedule

2/3 Mail Notification of Election and Nomination Procedure to Members in January 90 days prior to mailing Ballots (103 actual days)

5/5 Deadline to return Nominations

5/11 Tentative Election Comm. Reviews Nominations

5/17-18 Mail Ballots 60 days prior to ballot receipt deadline (103 actual days)

8/29 Deadline to Receive Ballots

8/30 Tentative Election Committee Counts Ballots

8/31 Election Committee Notifies Successful Candidates and Provides Them With Upcoming Board Meeting Schedule

9/27 Directors' Elect Invited to CSDA Annual Conf/SDRMA Breakfast/Super Session

11/1-2 Directors' Elect Invited to SDRMA Board Meeting

1/2018 Newly Elected Directors Seated and Election of Officers

Attachment Three

SDRMA

SDRMA BOARD OF DIRECTORS ELECTION POLICY NO. 2017-03

SDRMA
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

Policy No. 2017-03

A POLICY OF THE BOARD OF DIRECTORS OF SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY ESTABLISHING GUIDELINES FOR DIRECTOR ELECTIONS, DIRECTOR APPOINTMENTS, AND CREATION OF A SUPERVISING ELECTION COMMITTEE

WHEREAS, SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY (SDRMA) is a joint powers authority, created pursuant to Section 6500, et. sec. of the California Government Code; and

WHEREAS, the Board of Directors recognizes that it is in the best interest of the Authority and its members to adopt a written policy for conducting the business of the Board; and

WHEREAS, establishing guidelines for Director elections and appointments will help ensure a process that is consistent for all nominees and candidates, will promote active participation by SDRMA members in the election/appointment process, and will help ensure election/appointment of the most qualified candidate(s); and

WHEREAS, the Bylaws provide the Board with the option of conducting the election using a mail-in ballot process; and

WHEREAS, the Board of Directors of SDRMA has an overriding and compelling interest in insuring the accuracy of the election/appointment process of its Board members through the creation of an election committee;

NOW, THEREFORE, it is the policy of the Board of Directors of SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY, until such policy shall have been amended or rescinded, that the following procedures shall be followed when conducting Director elections or filling a Director vacancy by appointment:

1.0. Election Schedule

1.1. Not later than the first Board meeting of each election year, the Board of Directors shall approve an election schedule based on the following criteria and time frames.

2.0. Election Committee

2.1. The Board of Directors herein establishes an election committee with the following composition, duties and responsibilities; The five (5) members of the Election Committee shall include two presently sitting members of the Board of Directors of SDRMA whose seats are not up for election, the Chief Operating Officer of SDRMA, and the CPA/auditor regularly used and retained by SDRMA at the time of counting ballots of and for an election to the Board of Directors. For good reason found and stated, the Board of Directors of SDRMA may appoint any CPA/auditor who, in the discretion of the Board of Directors, would appropriately serve the Election Committee. The General Counsel for SDRMA shall also sit as a member of the Election Committee with the additional obligation of providing legal advice to the balance of the Committee as legal questions may arise.

3.0. Member Notification of Election

3.1. Authority staff shall provide written notification, of an election for the Board of Directors, to all member agencies during January of each election year. Such written notification shall be provided a minimum of ninety (90) days prior to the distribution of ballots and shall include; (1) the number of Director seats to be filled by election; (2) a copy of this nomination and election procedure; and (3) an outline of nomination/election deadline dates.

SDRMA
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

4.0. Qualifications

4.1. A candidate seeking election, re-election or appointment to SDRMA's Board of Directors must be a member of the Governing Body or a management employee of an SDRMA member participating in both the Property/Liability and Workers' Compensation Programs. To qualify as a 'management employee,' the candidate must be a management-level (as determined by the Governing Body) employee whose wages are reported to the IRS on a "W-2" form. Only one (1) representative from any Member may serve on the Board of Directors at the same time. [Per Bylaws, Article II, (2) (b)]

4.2. Each nominated candidate must submit a properly completed "Statement of Qualifications" (required form attached) with an original signature (electronic signatures are not acceptable) on or before the filing deadline in May in order for the candidate's name to be placed on the official ballot. A candidate shall provide responses to all questions on the candidate's "Statement of Qualifications". Each nominated candidate's "Statement of Qualifications" must be filed in SDRMA's office on or before the aforementioned deadline by: (1) personal delivery; (2) U.S. mail; or (3) courier. When ballots are mailed to the membership, each candidate's "Statement of Qualifications" form will be distributed to the membership exactly as submitted by the candidate to SDRMA. However, any attachments submitted by the candidate(s) with the Statement of Qualifications will not be sent by SDRMA with the ballots to any members.

4.3. If a nominated candidate elects not to use the provided form "Statement of Qualifications," and prepares instead the candidate's own completed form, the candidate's form must include the title "Statement of Qualifications" and contain exactly all information required and requested by the provided form.

NOTE: The candidate's "Statement of Qualifications" form must be submitted as a part of the nominating process. When ballots are mailed to the membership, each candidate's "Statement of Qualifications" form will be distributed 'exactly as submitted" to SDRMA, except that any attachments submitted by the candidate will not be sent to any SDRMA members.

4.4. A candidate who does not submit a Candidate's Statement of Qualifications that complies with Section 4.2 or 4.3 will be disqualified by the SDRMA Election Committee.

5.0. Nominating Procedure

5.1. Candidates seeking election or reelection must be nominated by action of their respective Governing Body. Only one (1) candidate may be nominated per member agency and one (1) candidate shall not represent more than one (1) member agency. A resolution from the candidate's district/agency Governing Body nominating the candidate must be received by the Authority on or before the scheduled date in May. (A sample of the resolution is enclosed). Actual receipt by the Authority on or before the scheduled deadline date in May is required. The resolution nominating the candidate may be hand-delivered to the Authority or sent by U.S. mail. In the event a candidate is nominated by two (2) or more member agencies, he or she shall represent the member agency whose nominating resolution is first received by the Authority. The other member agency or agencies that nominated the candidate shall be entitled to select a replacement nominee as long as a resolution nominating the replacement is received by the Authority prior to the scheduled deadline date.

5.2. A member may not nominate a candidate unless that member is participating in both the Property/Liability and Workers' Compensation Programs and is in "good standing" on the date the nominations are due. 'Good standing" is defined as no accounts receivable due to SDRMA which is more than ninety (90) days past due.

5.3. No earlier than the day after the deadline for receipt of nominations, the Election Committee, as hereinabove defined and comprised, shall review all nominations received from members, and will reject any nominations that do not meet all of the qualifications specified and set forth in this policy. The Election

SDRMA
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

Committee's decisions regarding the qualification of nominees are final. Following the Election Committee's review of all nominations, the Election Committee shall direct that a ballot be prepared stating and listing all of the qualified nominees. The ballot of qualified nominees shall be distributed to the membership for election by mail as described below.

5.4. Upon verification or rejection of each nominee by the Election Committee, staff will mail acknowledgment to both the nominee and the district/agency of its acceptance or rejection as a qualified nominee for election.

5.5. A nominee requesting that his/her nomination be withdrawn prior to the election, shall submit such requests in writing to SDRMA's office a minimum of three (3) days prior to the scheduled date for mailing the ballots. After that date, all qualified nominees names shall appear on the ballot mailed to the membership.

6.0. Terms of Directors

6.1. The election of directors shall be held in each odd-numbered year. The terms of the directors elected by the Members will be staggered. Four directors will serve four-year terms, to end on December 31 of one odd-numbered year. Three directors will serve four-year terms, to end on December 31 of the alternate off-numbered year. [Per Bylaws, Article II, (3), paragraph 1].

7.0. Campaigning

7.1. SDRMA staff will mail each qualified candidate's "Statement of Qualifications", 'exactly as submitted' by the candidate with the ballots to the membership.

7.2. Candidates, at their own expense, may distribute additional information to member agency(s) after the ballots have been mailed and prior to the election.

7.3. SDRMA staff is prohibited from actively promoting a candidate or participating in the election process while on Authority premises.

7.4. SDRMA staff may provide member information, mailing lists, financial reports or operational data and information, that is normally available through the Public Records Act, to candidates to assist them in their research and campaigning. In addition to obtaining such information under the Public Records Act, candidates may request SDRMA staff prepare mailing labels for the distribution of campaign materials to member agencies. Under existing policy, charges will apply for this service. The SDRMA logo is trademarked for use by SDRMA only. Neither the logo, nor any other Trademark of SDRMA may be used in any campaign literature. No campaign literature is to imply support of any candidate by SDRMA.

7.5. SDRMA election mailings to the membership, including ballots and candidates' "Statement of Qualifications", shall be sent via first class mail.

8.0. Limitations on Campaigning

8.1. As used in this section the following terms have the following meanings:

'Campaign Activity' means any activity that expressly advocates the election or defeat of a candidate or provides direct support to a candidate for his or her candidacy. 'Campaign activity" does not include the incidental and minimal use of public resources, such as equipment or office space, for campaign purposes or the use of public resources to nominate a candidate or vote in any Board of Directors election.

"Candidate" means an individual who has been nominated by the Member Agency to have his or her name listed on the ballot for election to the Board of Directors.

"Expenditure" means a payment of Member Agency funds that is used for communications that expressly advocate the election or defeat of a clearly identified candidate. "Expenditure" does not include the use of public funds to nominate a candidate or vote in any Board of Directors election.

"Public resources" means any property or asset owned by the Member Agency, including, but not limited to, land, buildings, facilities, funds, equipment, supplies, telephones, computers, vehicles, travel, and Member Agency-compensated time.

8.2. An officer, official, employee, or consultant of a Member Agency may not expend or authorize the expenditure of any of the funds of the Member Agency to support or oppose the election or defeat of a candidate for the Board of Directors.

8.3. No officer, official, employee, or consultant of a Member Agency shall use or permit others to use public resources for campaign activity.

8.4. At any time during an election campaign, if a Member Agency or its officers, officials, employees or consultants violate this section, that Member Agency shall be ineligible to nominate a candidate for the Board of Directors election in which the violation occurred. Any candidate of an offending Member Agency shall be deemed to have withdrawn his or her candidacy. Prior to declaring a Member Agency ineligible to nominate a candidate or a specific candidate's candidacy withdrawn, the Elections Committee shall hold a hearing to determine whether or not a violation of this section occurred. The hearing shall be conducted pursuant to reasonable procedures that the Elections Committee shall prescribe, provided that the affected Member Agency or candidate shall have an opportunity to dispute the violation. At the conclusion of the hearing, the Elections Committee shall determine by a majority vote whether the violation occurred.

9.0 Balloting

9.1. A ballot containing nominees for the Board of Directors, accepted and approved by the Election Committee, shall be mailed by first class mail, to each SDRMA member agency, except as provided in Section 9.2 below, no less than sixty (60) days prior to the deadline for receiving ballots and the closing date for voting. Ballots shall show the date and time the ballots must be received in SDRMA's office. A self-addressed, stamped, return envelope shall be mailed with each ballot.

9.2. In the event that the number of qualified/approved nominees is equal to or less than the number of director seats up for election, the mailing of the ballots as outlined in Section 9.1 shall be waived.

9.3. Only those qualified nominees approved by the Election Committee will be eligible candidates on the ballot. Write-in candidates shall not be accepted.

9.4. It is required that the Governing Body of each member vote on behalf of their agency (sample Resolution enclosed) and the ballot MUST be signed by the agency's Presiding Officer.

9.5. A member may not vote unless the member was a member of the Authority in "good standing" on or before the nomination due date for the pending election. "Good standing" is defined as no accounts receivable due to SDRMA which is more than ninety (90) days past due.

9.6. A member may cast only one (1) vote for the same candidate. By way of example, if there are four (4) candidates on the ballot, a member may not cast two (2) to four (4) votes for any single candidate. Any ballot casting more than one (1) vote for the same candidate will be considered void.

SDRMA
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

9.7. A member may vote by using the official ballot provided by SDRMA, or a copy of SDRMA's original ballot, or a reasonable duplicate prepared by the member agency. Whichever of the three foregoing formats is used, the ballot must contain an original signature and confirmation that the ballot was approved at a public meeting of the agency's Governing Body. Ballots submitted without an original signature and/or without confirmation that the form of the ballot was approved at a public meeting of the agency's Governing Body will be considered void.

9.8. Ballots may be returned using either hand-delivered or mailed in ballots - faxed or e-mailed ballots will not be accepted. Mailed in ballots must be addressed to, and hand-delivered ballots must be delivered to, the Special District Risk Management Authority office presently located at 1112 I Street, Suite 300, Sacramento, California 95814-2865.

9.9. Any ballot received after the specified deadline will not be counted and will be considered void.

10.0. Election Results

10.1. All ballots will be opened and counted at SDRMA's office only after the deadline for receiving ballots. Ballots will be opened by SDRMA's Election Committee, no more than five (5) days after the closing deadline. Candidates receiving the highest number of votes shall be declared the elected director(s).

10.2. In the event of a tie, a coin toss shall be used to determine the elected director. The coin toss shall be conducted by the Election Committee at the time and place of the conclusion of counting ballots.

PROCEDURE: In the event more than two (2) candidates tie, the coin toss shall be between two (2) candidates at a time based on the order in which their name appeared on the ballot. This process shall be repeated, as needed, in cases where there are more than two (2) candidates.

10.3. Excluding tie votes, within five (5) days after the ballots are opened and tabulated Authority staff shall advise the candidates and their respective agency in writing of the final election results. Copies of the results shall also be mailed/distributed to SDRMA's Board of Directors, staff and consultants and published in the first available CSDA newsletter.

10.4. If a director-elect withdraws after the election or fails to accept the Director seat prior to December 31, the Board shall name a new director-elect by going back to the ballots and awarding the seat to the candidate receiving the next highest number of votes during the election.

10.5. Staff shall invite newly elected director(s) to attend the Annual Membership meeting and all scheduled Board meeting(s) after confirmation of election results until the director(s) elect assume office. Director(s) elect will be reimbursed for expenses, except for director stipends, in accordance with approved director reimbursement policy (copy of policy shall be provided to newly elected directors).

10.6 A member or candidate dissatisfied with the election result may, within ten (10) days after the ballots are opened and tabulated, file with the Authority a written challenge and appeal. The challenge and appeal must clearly set forth the complaint and any and all facts in support of the challenge and appeal. Within ten (10) days after the ballots are opened and tabulated, the challenge and appeal shall be delivered and received by the Authority. Within five (5) days of receipt of the challenge and appeal, the Authority shall deliver the same to the Election Committee for decision. The Election Committee shall have absolute authority for deciding the challenge and appeal. Notice of the decision of the Election Committee shall be provided to the party filing the challenge and appeal within ten (10) days.

SDRMA
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

Policy No. 2017-03

11.0. Director Vacancy

11.1. If a director vacancy(s) occurs (Note 1), appointment of a replacement director for the balance of the unexpired term will be made by the remaining members of the SDRMA Board. In order to accomplish this in an orderly and consistent manner, when a vacancy(s) of an elected Director(s) occurs, the SDRMA Board of Directors, after discussion and consideration, shall, when deemed appropriate, instruct staff to:

a) notify all then member entities that a vacancy has occurred; and
b) said notice shall refer to the applicable Article in the By-laws in advising member entities and their eligible candidates of the steps to take to apply for appointment; and
c) the SDRMA Board shall establish the closing date for the receipt of applications; and
d) candidates shall submit the following, by the date specified in the notice:
    i) a letter of interest; and
    ii) a resume, with particular emphasis on the candidate's knowledge of special districts and risk management; and
    iii) a resolution from, or a letter approved by, the candidate's Governing Body nominating the candidate; and
e) the Election Committee shall review all applications received, and shall reject any that do not meet all of the qualifications specified and set forth in this policy; and
f) upon verification or rejection of each application by the Election Committee, staff will mail acknowledgement to both the applicant and the district/agency of its acceptance or rejection of the applicant as a qualified candidate for appointment; and
g) candidates shall be interviewed at the next regularly scheduled meeting of the SDRMA Board of Directors following the date of closure for the applications. Interviews shall be in person, or if an unforeseen emergency arises, the interview may be by telephone at the same scheduled time; and
h) the SDRMA Board shall make the appointment without undue delay, but need not act at the same meeting.

Note 1: If the Director vacancy occurs within nine (9) months after the date the ballots were counted and certified by the Election Committee or within nine (9) months after a candidate was appointed to fill a vacancy, then the Board shall have the option to interview and appoint the candidate(s) who did not receive sufficient votes to be elected OR to interview and appoint from the pool of candidates from 11.1.g) above. If the Director vacancy occurs in an election year after the Notification of Election is sent to the members, the Board may determine to fill the vacancy by appointing the candidate who receives the next highest number of votes in the election. If the Board determines in its sole discretion that none of these options is appropriate, then staff shall be instructed to proceed with the process described above in steps 11.1 a) to h).

Revised and adopted this 2nd day of February 2017, by the Board of Directors of Special District Risk Management Authority, at a regular meeting thereof.

This Policy No. 2017-03 supercedes Policy No. 2015-01 and all other policies inconsistent herewith.

APPROVED:

Jean Bracy, President
Board of Directors

ATTEST:

Gregory S. Hall, ARM
Chief Executive Officer

Attachment Four

SDRMA

SAMPLE
RESOLUTION FOR
CANDIDATE NOMINATION

Available for download in Microsoft Word file format
visit our website at www.sdrma.org

[AGENCY NAME]
RESOLUTION NO.

A RESOLUTION OF THE GOVERNING BODY OF THE [AGENCY NAME] NOMINATING [CANDIDATE'S NAME] AS A CANDIDATE FOR ELECTION TO THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY BOARD OF DIRECTORS

WHEREAS, the Special District Risk Management Authority (SDRMA) is a Joint Powers Authority formed under California Government Code, Section 6500 et.seq., for the purpose of providing risk management and risk financing for California Special Districts and other local government agencies; and

WHEREAS, the Joint Powers Agreement (JPA) and Bylaws of SDRMA set forth director qualifications, terms of office and election requirements; and

WHEREAS, the Board of Directors of SDRMA established procedures and guidelines for the Director Election process; and

WHEREAS, the Board of Directors of SDRMA established a policy requiring candidates seeking election to the SDRMA Board of Directors to be: 1) a member of the agency's governing body or management employee per SDRMA Election Policy 2017-03, Section 4.1 and be an active member agency of **both** SDRMA's Property/Liability and Workers' Compensation Programs, and 2) be nominated by Resolution of their member agency's governing body, and 3) each nominated candidate must submit a completed and signed "Candidate's Statement of Qualifications" on or before the May 5 filing deadline in order for the candidate's name to be placed on the official ballot.

NOW, THEREFORE, BE IT RESOLVED:

1. The governing body of [AGENCY NAME] nominates [CANDIDATE'S NAME], its [POSITION TITLE], as a candidate for the Board of Directors of the Special District Risk Management Authority.
2. [ONLY IF CANDIDATE IS NOT A MEMBER OF THE AGENCY'S GOVERNING BODY: The governing body of [AGENCY NAME] has determined that [CANDIDATE'S NAME] is a management employee for purposes of SDRMA Election Policy 2017-03, Section 4.1].
3. The governing body of [AGENCY NAME] further directs that a copy of this Resolution be delivered to SDRMA on or before the May 5, 2017 filing deadline.

ADOPTED this [DATE] of [MONTH/YEAR] by the Governing Body of [AGENCY NAME] by the following roll call votes:

AYES:	[LIST NAMES of GOVERNING BOARD VOTES]
NAYES:	"
ABSTAIN:	"
ABSENT:	"

APPROVED

_____
President – Governing Body

ATTEST

_____
Secretary

Attachment Five

SDRMA

CANDIDATE'S STATEMENT OF QUALIFICATIONS

Available for download in Microsoft Word file format
visit our website at www.sdrma.org

Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Nominee/Candidate _____

District/Agency _____

Work Address _____

Work Phone _____ Home Phone _____

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications

What special skills, talents, or experience (including volunteer experience) do you have? (Response Required)

What is your overall vision for SDRMA? (Response Required)

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature _____ Date _____

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

BOARD ACTION

BOARD OF DIRECTORS

February 28, 2017

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE AN RMWD AWARD PROGRAM FOR THE 2017 SAN DIEGO CHAPTER CALIFORNIA SPECIAL DISTRICTS ASSOCIATION PUBLIC OUTREACH PROGRAM

DESCRIPTION

San Diego Chapter of the California Special Districts Association (CSDA) has put together a Video Contest public outreach program for high school students. Students are asked to create a 1-2 minute entertaining and creative video educating the public about "What's So Special About Special Districts?". Four countywide winners will receive a $1,500 in cash award ($1,000 to student(s) and $500 to school) that is funded by the San Diego CSDA Chapter. The Video Contest is to engage students and teachers about Special Districts. The videos can be used as public service announcements, websites and television.

In order to encourage more participation from our local high school students and teachers in their education about Special Districts, staff proposes to add an additional prize to be offered to high school students who reside within the RMWD service area. This agenda item is to provide an opportunity for the Board to consider RMWD supporting this program by offering additional incentives to the video contest prize pool.

Staff's recommendation is to use our American Express award points to procure a "Go-Pro" camera as the prize for the local winner. These award points allow us to procure this award and other employee awards at no cost to our ratepayers.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Six: Communication. Enhance educational programs in local school systems.

BOARD OPTIONS/FISCAL IMPACTS

1. Approve supporting the 2017 San Diego CSDA Chapter Public Outreach Program by creating an RMWD award program.
2. Provide other direction to staff.

As noted above, any additional prize pool incentives would be purchased with American Express points accrued by RMWD; therefore, there would be no or very limited fiscal impact.

STAFF RECOMMENDATION

Staff recommends option 1.

Tom Kennedy, General Manager February 28, 2017

EMERGENCY AGENDA ITEM ADDED AT START OF 2/28/17 BOARD MTG AS ITEM #25A

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

BOARD ACTION

BOARD OF DIRECTORS

February 28, 2017

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 17-10, FINDING OF PUBLIC HEALTH AND SAFETY EMERGENCY AND APPROVING REPLACEMENT OF THE MOOSA CREST PIPELINE

BACKGROUND

The Moosa Crest pipeline is a 16-inch water transmission pipeline that was originally installed in 1960 and runs north to south perpendicular to Camino Del Rey. The pipeline daylights just north of Camino Del Rey and traverses across Moosa Creek on two pipe supports. The previous rains undermined one of the supports and the support failed see attached picture. During last night's rains, Moosa Creek significantly increased in flow and tree debris compromised the pipe. The Operator on standby duty noticed a spike in flow just after 3am on our supervisory control and data acquisition (SCADA) system which signifies a leak in the system. It was determined that the Moosa Crest Line was the cause of the spike and after isolating the pipe the flow returned to normal. Attached is the SCADA trend from last night. The local vineyard recorded 3-inches of rain in the area for the last 12 hours. The pipe is currently submerged under Moosa Creek. See attached picture.

DESCRIPTION

Pursuant to the State California Environmental Quality Act (CEQA), projects are exempt from CEQA if the project is considered an emergency and repair is necessary to maintain service essential to public health, safety or welfare.

The Moosa Crest pipeline is a vital transmission main to the District's Morro and South Zone. It is used to move water from the aqueduct connection #3 to the Morro Zone and serve parts of the South Zone. This pipeline is one of the main transmission mains in the area and is crucial during the San Diego County Water Authority (SDCWA) aqueduct shutdown, which was just completed. Temporary emergency pumps are typically set up just south of this location every year to move water during the shutdown and keep customers in service. Failure to this pipeline would disrupt water service to customers in the area and affect normal operations of moving water from zone to zone. With the Moosa Crest line out of service, System Operations must rely on another transmission main to move water from zone to zone.

District staff believes the situation is critical as to constitute an emergency situation and request the Board approve Resolution 17-10 which will streamline replacement of the Moosa Crest Line.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Section 1.04 Emergency Authority: The General Manager is hereby authorized to take immediate action and award contracts not exceeding $250,000 and take actions to repair or replace a public facility and directly related immediate actions required, when in his opinion, an unforeseen event has resulted in an emergency as defined by Public Contract Code §1102, without seeking competitive bids.

State CEQA Guidelines Statutory Exemptions Sec 21080(b)(4); 152169 Emergency Projects (b) Emergency repairs to publicly or privately owned service facilities necessary to maintain service essential to the public health, safety or welfare.

BOARD OPTIONS/FISCAL IMPACTS

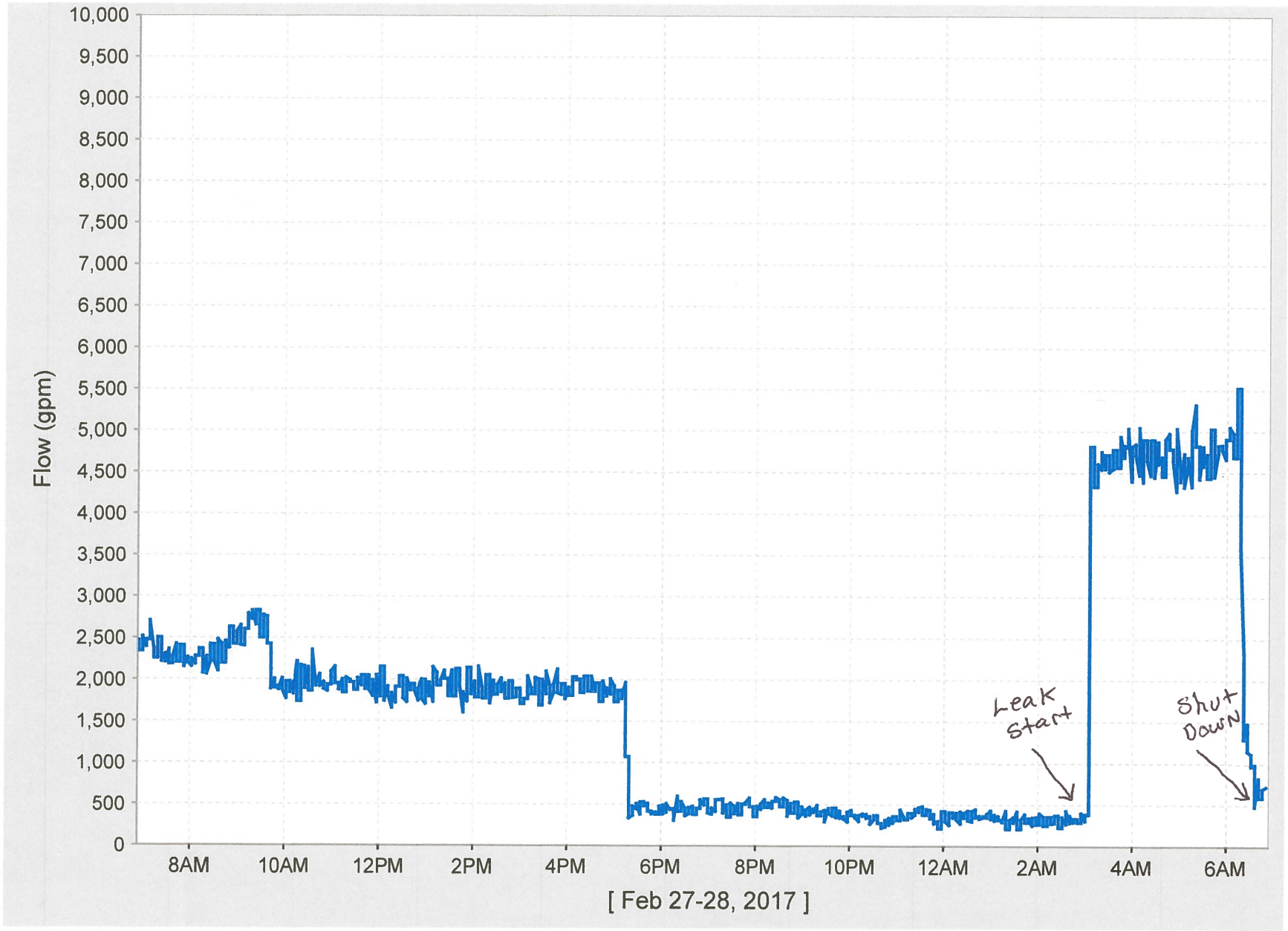
1. Approve Resolution 17-10, finding the Moosa Crest Pipeline replacement project and emergency so the General Manager can proceed with replacement of the pipeline per Section 1.04 Emergency Authority and increase emergency authority to a not to exceed amount of $500,000.
2. Approve Resolution 17-10 finding the Moosa Crest Pipeline replacement project and emergency so the General Manager can proceed with replacement of the pipeline per Section 1.04. If project costs go above $250,000 the General Manager will go back to the board for approval.
3. Do not approve Resolution 17-10, District must issue an RFP for design replacement and competitively bid the replacement, delaying the repair of the Moosa Crest Pipeline.

STAFF RECOMMENDATION

Staff recommends Option 1.

Sherry Kirkpatrick 02/28/2017
Engineering Manager

Camino Del Rey Road
Pipe Support Failure


Flow (gpm)
10,000
9,500
9,000
8,500
8,000
7,500
7,000
6,500
6,000
5,500
5,000
4,500
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
0
8AM
10AM
12PM
2PM
4PM
6PM
8PM
10PM
12AM
2AM
4AM
6AM
[Feb 27-28, 2017]
Leak Start
Shut Down

Approximate location of 16-inch Moosa Crest Line

RESOLUTION NO. 17-10

RESOLUTION OF THE BOARD OF DIRECTORS OF RAINBOW MUNICIPAL WATER DISTRICT FINDING EXISTENCE OF PUBLIC HEALTH AND SAFETY EMERGENCY AND APPROVING REPLACEMENT OF MOOSA CREST WATER LINE

WHEREAS, the Board of Directors of the Rainbow Municipal Water District ("District") finds that District staff have presented evidence that on February 28, 2017 the Moosa Crest Line failed across the Moosa Creek resulting in the loss of substantial amounts of water and the loss of water service to District customers, leaving them without a supply of clean, safe drinking water or sufficient water pressure for fire protection purposes; and

WHEREAS, the loss of Moosa Crest Line eliminates the transmission main that conveys water from the Aqueduct Connection #3 to the South and Morro Zones, leaving the service areas susceptible to future long-term periods where the District would be unable to provide water service to many District customers for extended periods, leaving them without a supply of clean, safe drinking water or sufficient water pressure for fire protection purposes; and

WHEREAS, because increased flows through the Line Q-3 (the other transmission pipeline) increases its probability for failure, which would overburden other District infrastructure, potentially resulting in cascading failures throughout the water system; and

WHEREAS, the Board finds the loss of the Moosa Crest Line poses a significant, imminent and increasing threat to public health and safety requiring emergency actions to replace a portions of the Moosa Crest Line; and

WHEREAS, the severity of the loss of the Moosa Crest Line has and will continue to result in a debilitating loss of the District's ability to provide reliable water service and poses a clear and imminent danger to the residents of the District requiring immediate action to mitigate, and prevent further, loss or impairment of life, health, safety, and essential public services, thus constituting an emergency under both Public Contract Code Section 1102 and Public Resources Code Section 21060.3; and

WHEREAS, the Board finds, based on the substantial evidence presented to it, that the failure of the Moosa Crest Line was a sudden and unexpected happening, requiring immediate action, thus also constituting an emergency under Ordinance No. 95-1 and

WHEREAS, the Board finds, based on the substantial evidence presented to it, that the expenditure required to mitigate the emergency will be for the purpose of replacing the Moosa Crest Line to the same or similar level of service existing before the emergency;

NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED AND ORDERED by the Board of Directors of Rainbow Municipal Water District that:

1. The foregoing recitals and findings are true and correct.

2. The repair or replacement of the Moosa Crest Line is necessary to mitigate the emergency situation currently faced by the District, and its residents, and is hereby authorized and approved.

3. The Board hereby authorizes and directs the District's General Manager, or his designee, to procure any design, required materials, equipment and labor required in connection with the Project, and that he may secure financing and incur indebtedness not to exceed $500,000 on behalf of the District required to procure such equipment and labor, on such terms and conditions as he may find acceptable.

4. The Board hereby authorizes and directs the District's General Manager, in the name and on behalf of the District, to do any and all matters and to execute and deliver any and all documents which he or she may deem necessary and advisable to effectuate the Project. Such actions heretofore taken by the District's General Manager, are hereby ratified, confirmed and approved

PASSED AND ADOPTED at a regular meeting of the Board of Directors of Rainbow Municipal Water District held on the 28th day of February, 2017 by the following vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Helene Brazier, Board President

ATTEST:

_____
Dawn Washburn, Board Secretary

MEETINGS/SEMINARS/CONFERENCES/WORKSHOPS

VARIABLE					
DATE	**2017**	**MEETING**	**LOCATION**	**ATTENDEES**	**POST**
March	9	SDCWA Special Board Meeting	SDCWA	GM	N/A
March	*	CSDA – San Diego Chapter	(Location to be Announced) 6:00 p.m.	Mack	N/A
March	*	LAFCO Special Meeting	County Admin Center, Room 302 – 9:30am	(As Advised by GM)	N/A
March	*	Santa Margarita Watershed Council	Rancho California Water District	Hamilton	N/A

* To Be Announced

MEETINGS/SEMINARS/CONFERENCES/WORKSHOPS

RECURRING					
DATE	**2017**	**MEETING**	**LOCATION**	**ATTENDEES**	**POST**
March	1	Engineering Committee Meeting	RMWD Board Room 3:00 p.m.	Appointed Director, General Manager	2/26
March	6	LAFCO	County Admin. Center Room 302 9:00 am	As Advised by GM	N/A
March	6	Communications Committee Mtg.	RMWD Board Room 3:30 p.m.	Appointed Director, General Manager	2/26
March	14	Budget & Finance Committee Mtg.	RMWD Board Room 1:00 p.m.	Appointed Director, General Manager	2/26
March	14	SDCWA GM's Meeting	SDCWA, San Diego 9:30 a.m.	General Manager	N/A
March	17	NC Managers	Golden Egg 7:45 a.m.	General Manager	N/A
March	17	LAFCO Advisory Committee	LAFCO, 9335 Hazard Way, 9:30 a.m.	General Manager	N/A
March	21	Council of Water Utilities	Stoneridge Country Club 7:15 a.m. Poway	All Directors, General Manager	3/16
March	22	North County Water Group	Rincon Del Diablo, Escondido 7:30 a.m.	All Directors on a Rotating Schedule, General Manager	N/A
March	23	SDCWA Full Board Meeting	SDCWA Board Room, 3-5 p.m.	General Manager	N/A
March	27	San Luis Rey Watershed Council	Fallbrook Public Utility District 1:00 p.m.	Stewart	N/A
March	28	RMWD General Board	RMWD Board Room (Start Time to Be Determined)	All Directors	3/21

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

BOARD INFORMATION

BOARD OF DIRECTORS

February 28, 2017

SUBJECT

Operations Report for January 2017

DESCRIPTION

Activities for Operations & Maintenance Division

CONSTRUCTION & MAINTENANCE:

The Valve Maintenance crew exercised a total of 111 valves this month, not meeting their average goal of 303 per month since they needed to assist with emergency or planned shutdowns for Engineering and the Construction crews. The valve crew was assisting the meter department as well as performing the locating.

The Construction crews repaired eleven (11) leaks and performed eight (8) planned/emergency shutdowns. They installed two (2) 6" and one (1) 8" gate valves for the CIP program. The crew also installed and/or repaired four (4) appurtenances. The Construction & Maintenance crews backfilled the District easements that eroded from the storm, as well as completed the work at the District Yard.

The District's mechanic completed a total of nine (9) District vehicles with regular scheduled preventative maintenance and/or repairs. Two new vehicles were purchased and prepared for the fleet. He also performed and filed the required thirteen (13) BIT inspections for the vehicles within the fleet.

The following maintenance and/or repairs were considered *unscheduled*:

- Vehicles with Emergency Repairs (1)
- Small Equipment / Emergency Equipment (2)
- Off-Road Equipment /Trailers Repairs & Maintenance (2)
- Off-Road Equipment/Trailer Emergency Repairs (1)
- Large Vehicles Maintenance/Repairs (2)
- Large Equipment Emergency Repairs (1)
- Safety Recalls (0)

WATER OPERATIONS:

SCADA Projects: Magee Pump Station new SCADA and communications upgrades are now complete.

Monthly tank and reservoir cover inspections completed.

Huntley Pump Station # 1 pump motor was sent out for inspection and rebuilt.

U-1 Pump Station # 3 pump and motor were removed for inspection and maintenance.

- 22 Routine coliform samples
- 18 Nitrification samples
- 3 Water quality complaint (smelly water, dead end line flushed)
- 1 SWRCB Sanitary Inspection completed

WASTEWATER:

Monthly, Semi Annual and Annual Reports:

January 1, 2017 – January 31, 2017 - Wastewater crewmember Christopher Hand assisted the Meter Division in water meter assessments. Task included cleaning and clearing meter boxes, checking for obstructions backflow and valve relocation from homeowner to RMWD water supply. He also performed Customer Service Order requests.

January 20, 2017 Reportable *Category 2 Rainbow Municipal Water District Sanitary Sewer Overflow* (CIWQS) California Integrated Water Quality System Event ID # 831947 24,000 Gallon spill volume.

January 20, 2017 – January 23, 2017 – Rainbow Municipal Water District Wastewater staff responded to heavy rainstorms addressing lift station alarms and high water levels at various SmartCover locations.

January 31, 2017 – Interstate 15 freeway: repaired easement fencing and cleared rainstorm mud away from (5) sewer manholes along freeway easement.

Lift Stations Pumps / Preventative Maintenance:

January 1, 2017 – January 31,2017 – Lift Station # 5 readjusted shims and realigned pump impeller's and wear plate on Pumps # 1 and # 2.

January 5, 2017 – Replaced existing ¾"propane fuel line with 1" black pipe propane per specifications.

January 31, 2017 – Replaced 1/2 h/p sump pump from dry well for operational maintenance.

Lift Stations Generators:

Lift Station # 1 - 30 Horsepower Generac Generator out of service pending reliable repairs. District has a temporary portable 100kw Whisper watt generator on site.

January 1, 2017 – January 31, 2017 – 30 kw out of service stationary / Johnson Power Systems generator repair contractor cannot repair - removed from further repairs.

Sewer Line Cleaning:

Dates: January 1, 2017 – January 31, 2017 = 3,928 ft. sewer lines cleaned.

Locations: Lake Sycamore Ranch, Oak Cliff Drive

Dates: January 1, 2017 – January 31, 2017 = 1,249 ft. sewer lines cleaned.

Locations: Sarah Ann Drive

High Frequency Cleaning:

January 1, 2017 – January 31, 2017 - 1,410'ft. siphon line 8" & 10" sewer lines cleaned.

Manhole Inspections:

Dates: November 1, 2016 – November 31, 2016
December 1, 2016 – December 31, 2016

Total: 25 Manholes inspected
Locations: Sarah Ann Drive, Pankey Ranch, Vista Valley
Repaired: Vandalized manhole on Pala Mesa Creek – secured with lockable bolts.

Smart/Cover Alarm Units:

January 1, 2017 – January 31,2017

January 20, 2017 (Siphon) high surcharge alarms due to heavy rainstorm (8 alarms)

January 21, 2017 (B Plant) high surcharge alarms due to heavy rainstorm (11 alarms)

January 23, 2017 (San Luis Rey Creek) high surcharge alarms due to heavy rainstorm (7 alarms)

EMPLOYEE RECOGNITION:

District's "Excellence Program" Coin Winners

Ed Bradley – Responsibility & Teamwork

Ruben Lopez/Scott Terrell – Innovation

State Water Certifications Obtained

Joe Perreira – Water Treatment Operator Grade III Certification

Other Certifications Obtained

Kyle Schilling - D.1.1 Welding Certification

Darren S. Milner 2/28/17
Operations Manager

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

BOARD INFORMATION

BOARD OF DIRECTORS

February 28, 2017

SUBJECT

Engineering Report for January 2017

DESCRIPTION

CAPITAL PROJECTS:

Condition Assessment of Water Facilities: Received five proposals. Staff conducting evaluations.

Gird to Monserate Hill: Bid documents pending management review/approval. CEQA in process.

Horse Creek Lift Station: Developer started construction.

Highway 76 East Segment: Contractor extending sewer casing at Live Oak Creek Bridge.

Knottwood Way Waterline Improvements: Bid documents completed. Staff is coordinating with the Developer.

Lift Station 1 Replacement: Staff is working on location regarding the site for the lift station before the siphon. Staff reviewing the 100% submittal received on January 24, 2017.

Pump Station #1 Upgrades: Project at 30% design. Change order for building rehabilitation and electrical relocation has been executed.

Water / Wastewater Asset Cost & Capacity Fee Study: Staff reviewing the draft capacity fee study.

Water Reclamation Plant (WRP) & Recycled Water Distribution System (RWDS): Staff is continuing talks with Oceanside to determine options for indirect potable reuse or recycled water delivery.

Wastewater Outfall Replacement: Project on hold until further evaluation from local water alternatives.

Weese Filtration Plant Interconnect: Request for Proposals sent out on February 2, 2017. Proposals are due on February 22, 2017.

OTHER PROJECTS:

Moosa Creek Mitigation Bank: Staff working with Consultant on easements.

San Luis Rey Ground Water Sources: Report finalized and being reviewed by staff and consultant. Investigating the feasibility of combining a ground water treatment project with indirect potable reuse.

DEVELOPER PROJECTS:

Golf Green Estates: (near Lift Station 1): 94 SFR planned across from Bonsall Elementary School. Contractor installing 8" onsite sewerline and 8" onsite waterline. The start up for the new pressure reducing station on Camino Del Rey was completed.

Horse Ranch Creek Ridge (D.R. Horton - formally Campus Park, Passerelle): 850 WMs / 850 EDUs – Off of Highway 76 and Horse Ranch Creek Road. Staff is reviewing submittals. The Contractor has begun grading and construction of the lift station on Pankey Road, in addition to installing the gravity sewer within Horse Ranch Creek Road.

Malabar Ranch: 31 WMs / 29 EDUs - There are 17 out of 31 homes built. Contractor shall complete waterline relocation and punch list items.

Nessy Burger: Nessy Burger's is proposing to install a permanent building. Plan check two completed.

Pala Mesa Highlands: 124 Lots on Old Highway 395. Contractor started grading. Staff reviewing submittals.

Topa Topa: 11 Lots on Sterling View Drive. Plan check four completed.

OTHER:

ITEMS	NO#	ITEMS	NO#
Water Availability Letters	0	Water Meters Purchased	0
Sewer Availability Letters	0	Sewer EDUs Purchased	0
Water Commitment Letters	1	Developer Shutdowns	0
Sewer Commitment Letters	0	Jobs Closed: Olive Hill Estates	0

Sherry Kirkpatrick 2/28/17
Engineering Manager

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

BOARD INFORMATION

BOARD OF DIRECTORS

February 28, 2017

SUBJECT

HUMAN RESOURCES REPORT FOR JANUARY/FEBRUARY 2017

DESCRIPTION

Personnel changes, human resources activities, and safety report for January/February 2017

PERSONNEL CHANGES:

Kyle Schilling was promoted from Utility Worker I (Construction) to Utility Worker II (Construction), effective January 14th. Kyle has been eager to learn since he started with the District in 2013 and recently passed his D1.1 welding certification class and exam.

WORKFORCE TRAINING AND DEVELOPMENT:

CalPERS COGNOS Reports
The Human Resources Manager attended CalPERS training on COGNOS reports on January 23. This will enable the HR Department to run reports that will help with analysis of retirement eligibility and succession planning.

Interactive Process Training
The Human Resources Manager, Board Secretary, Wastewater Superintendent and Crew Leaders attended legal training on the Americans with Disabilities Act on January 24th. This training will help line-level leaders and HR understand what qualifies as a disability and how to begin the interactive process to determine if requested accommodations are reasonable.

Leadership Team Development
On February 8th, the Senior Leadership team continued the Leadership Development work with the Tamayo Group consultant. The team reviewed the stages of team development and their individual DISC® personality profiles to enhance team communication and productivity.

On February 21, the Superintendents will meet with the consultant and Senior Leadership Team to review the important leadership role that Superintendents play at the District, as well as to review our values and how they, as leaders, can help bring them to life.

Values in Action
On March 2, we will have an all-hands workshop facilitated by the Tamayo Group to identify specific behaviors that all employees can exhibit to bring our values to life. These behavioral "anchors" will be used as criteria for the Coin recognition program and in future performance evaluations.

Annual Legal Update Training
The Human Resources Manager attended Nossaman's Emerging Employment Issues workshop on February 16th.

CALPELRA Labor Relations Academy
The Human Resources Manager attended the first two sessions of the CALPELRA Labor Relations Academy, Foundation of Labor Relations and Managing Collective Bargaining Agreements on February 23rd and 24th. These are the first two core classes required for the Certified Labor Relations Master (CLRM) certification.

Sexual Harassment Prevention Training
The Human Resources Manager scheduled the bi-annual sexual harassment prevention training for April 2nd. Alisa Shorago, JD will deliver the legally mandated AB1825 training for supervisory employees as well as a more general workshop for employees who are individual contributors.

Workplace Civility Training (Anti-Bullying)
The Human Resources Manager is planning civility training in May with Catherine Mattice, SPHR, SHRM-SCP of Civility Partners, a leading author, speaker, award-winning blogger, and expert witness on the topics of workplace bullying and building positive workplaces. This is an important step in shifting and shaping a positive and productive culture for the future.

NEOGOV IMPLEMENTATION:

Onboard Module
The implementation process for the second module, Onboard, is still in progress. Onboard will function as an employee intranet, with forms, activity checklists, and document libraries all housed within the system. This will help facilitate improved internal communications and more efficient processes. This module is expected to go live by the end of February.

Perform Module
The Perform Module is how we will shift our performance evaluation process to an online process that promises to be more efficient, useful, and meaningful to employees. Kickoff for implementation of this module is expected to begin in March.

EMPLOYEE RECOGNITION:

Values Coin Awards
As of this writing, eleven (11) employees have been nominated for Values coins this month. The selection committee will make the final selections of the winners, which will be announced at the all-hands meeting on March 2nd. The Coin Selection Committee includes the following members:

Darren Milner	Management
Karleen Harp	Management
Armando Lopez	RASCE
Dawn Washburn	RASCE - Alternate
Steve Coffee	REA
Jerry Kraft	REA – Alternate
TBD	Exempt Group

Service Awards – 10 years

Wayne Nault	February 12, 2017

BENEFITS:

Financial Wellness Education
The Human Resources Manager began working with Foresters Financial Services to offer free financial education workshops for employees. On January 19th, they taught two workshops to help employees understand how CalPERS and Social Security benefits work together. They will return quarterly to provide free financial wellness education for our employees.

LABOR RELATIONS:

Compensation and Benefits Study
Human Resources Manager released the Request for Proposals with a submittal deadline of January 31st. Seven firms submitted proposals to conduct the study with quotes ranging from $23,400 to $87,000 and estimated completion timelines ranging from nine weeks to sixteen weeks. The Human Resources Manager and General Manager reviewed each proposal and evaluated the merits of each firm's relevant experience and proposed methodology and identified two finalists.

Interviews were conducted with Reward Strategy Group and Nyhart Compensation Services on February 9th. Nyhart was selected due to their flexibility on delivery timeline and experience with both private and public compensation studies in the San Diego County labor market. The project is estimated to be completed within eleven weeks.

Notice of Intent to Negotiate
The Exempt Employee Group served their notice of intent to begin negotiating new Memorandum of Understating on or after February 1, 2017.

EMPLOYEE EVENTS:

Quarterly Anniversary Event
The first quarter Anniversary Breakfast took place on February 14th. Breakfast was served from Rainbow Oaks Restaurant.

SAFETY:

Department of Homeland Security Infrastructure Security Survey
DHS began the site inspection for Pump Station 1 on January 25th. The security assessment is a free service provided by DHS that helps water agencies understand security risks and how to make improvements. The District will receive a final report and access to an online portal where we can see the security score of the site, and enter proposed changes to see the degree of impact a given change would have on the overall security of the site.

Security Camera System
The Human Resources Manager, IT Administrator, Operations Manager, and Safety Administrator are working on upgrading the security cameras at the District offices and yard. These employees and key members of operations staff viewed a demonstration of the security system in use at Valley Center Water District that would be a significant quality upgrade at a very cost-effective investment.

Ergonomics
Sit/stand workstations were purchased for the Boardroom, and are being ordered for the Customer Service window, and two other employees' offices.

Office Safety Program
The office safety meeting was conducted on February 16th. Jeff Stacy, the Safety Administrator, presented the annual Hazardous Communication update.

Incidents
It has been 453 days since our last worker's compensation claim.
It has been 763 days since our last lost time injury.

Safety Training
Target Solutions: 24 completions for January 2017

Tailgate Training:

Welding Safety: 32 Employees
Trench Shoring Box Assembly: 29 Employees
Flood Safety: 29 Employees
Rigging and Slings: 5 Employees

Karleen Harp 02/28/2017
Human Resources Manager

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

BOARD INFORMATION

BOARD OF DIRECTORS

February 21, 2017

SUBJECT

Customer Service & Meter Services

DESCRIPTION

METER SERVICES:

Meter Services completed 725 service orders. Here is a summary of the most pertinent service orders shown by category.

SERVICE ORDERS	COMPLETED
Check Reads	413
Transfers	59
Locked	0
Unlocked	3
Pressure Calls	17
Meter Leaks	32
Drought	1

CUSTOMER SERVICE & METER SERVICES:

Nothing to report

V. Martinez

Vanessa Martinez 2/21/2017
Finance Manager

Kenny Diaz 2/21/2017
Meter Services Crew Leader

American Express

November Check Detail

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

Check Number	Check Date			Amount
245 - ABCANA INDUSTRIES Line Item Account				
12091601	12/09/2016			
Inv 994030				
Line Item Date	Line Item Description		Line Item Account	
09/01/2016	HYPOCHLORITE SOLUTION BULK DELIVERY AND SODIUM		01-32-72000	1,198.70
Inv 994030 Total				1,198.70
Inv 994433				
Line Item Date	Line Item Description		Line Item Account	
09/08/2016	HYPOCHLORITE SOLUTION BULK DELIVERY AND SODIUM		01-32-72000	1,198.70
Inv 994433 Total				1,198.70
Inv 994535				
Line Item Date	Line Item Description		Line Item Account	
09/09/2016	DEPOSIT FOR 55 GALLON DRUM-CONTAINER / 55G		01-32-72000	100.00
09/09/2016	SODIUM HYPOCHLORITE 53 GALLONS DRUM / CH 53		01-32-72000	746.66
Inv 994535 Total				846.66
Inv 995274				
Line Item Date	Line Item Description		Line Item Account	
09/21/2016	HYPOCHLORITE SOLUTION BULK DELIVERY AND SODIUM		01-32-72000	1,198.70
Inv 995274 Total				1,198.70
Inv 996561				
Line Item Date	Line Item Description		Line Item Account	
10/12/2016	HYPOCHLORITE SOLUTION BULK DELIVERY AND SODIUM		01-32-72000	1,198.70
Inv 996561 Total				1,198.70
Inv 996865				
Line Item Date	Line Item Description		Line Item Account	
10/18/2016	HYPOCHLORITE SOLUTION BULK DELIVERY AND SODIUM		01-32-72000	839.09
Inv 996865 Total				839.09
Inv 997349				
Line Item Date	Line Item Description		Line Item Account	
10/28/2016	HYPOCHLORITE SOLUTION BULK DELIVERY AND SODIUM		01-32-72000	1,198.70

Check Number	Check Date			Amount
Inv 997349 Total				1,198.70
12091601 Total:				7,679.25
245 - ABCANA INDUSTRIES Total:				7,679.25
603277 - ALBERTSONS Line Item Account				
12091602	12/09/2016			
Inv 111616				
Line Item Date	Line Item Description		Line Item Account	
11/16/2016	FOOD FOR SAFETY MEETING		03-43-72000	18.98
Inv 111616 Total				18.98
12091602 Total:				18.98
603277 - ALBERTSONS Total:				18.98
280 - AMAZON.COM Line Item Account				
12091603	12/09/2016			
Inv 0116314-0902670				
Line Item Date	Line Item Description		Line Item Account	
10/27/2016	4 IN 1 USB 3.0 CARD READER WRITER		03-41-60100	36.54
Inv 0116314-0902670 Total				36.54
Inv 1000074-9559457				
Line Item Date	Line Item Description		Line Item Account	
11/16/2016	IPAD CASE		03-41-60100	59.99
Inv 1000074-9559457 Total				59.99
Inv 2585120-6659462				
Line Item Date	Line Item Description		Line Item Account	
11/15/2016	DIGITAL HANDHELD BARCODE SCANNER WITH STAND		03-41-60100	182.16
Inv 2585120-6659462 Total				182.16
Inv 3066926-9453832				
Line Item Date	Line Item Description		Line Item Account	
11/10/2016	METAL BADGE CLIPS & IPAD CASE		03-41-60100	48.58
11/22/2016	IPAD CASE RETURNED		03-41-60100	-59.99
11/18/2016	IPAD CASE RETURNED		03-41-60100	-30.26
11/10/2016	IPAD CASE		03-41-60100	44.90
11/13/2016	WIRELESS KEYBOARD/MOUSE COMBO & KEYBOARD CAS		03-41-60100	165.81
Inv 3066926-9453832 Total				169.04

Check Number	Check Date			Amount
Inv 3313120-8573854				
Line Item Date	Line Item Description		Line Item Account	
10/27/2016	MISC COMPUTER SUPPLIES FOR RMWD		03-41-60100	1,320.28
Inv 3313120-8573854 Total				1,320.28
Inv 5598012-3874641				
Line Item Date	Line Item Description		Line Item Account	
10/31/2016	THROTTLE TRIGGER REPLACEMENT		03-36-63000	7.44
Inv 5598012-3874641 Total				7.44
Inv 6950672-9108239				
Line Item Date	Line Item Description		Line Item Account	
11/17/2016	IPAD CASE		03-41-60100	64.99
Inv 6950672-9108239 Total				64.99
Inv 9046064-5915413				
Line Item Date	Line Item Description		Line Item Account	
10/31/2016	FLUKE 3 PHASE ROTATION INDICATOR		01-32-73000	291.59
Inv 9046064-5915413 Total				291.59
12091603 Total:				2,132.03
280 - AMAZON.COM Total:				2,132.03
603278 - ANAHEIM MARRIOTT Line Item Account				
12091604	12/09/2016			
Inv 112516				
Line Item Date	Line Item Description		Line Item Account	
11/25/2016	HOTEL EXPENSE FOR T KENNEDY AT 2016 ACWA FALL CON		03-41-75300	666.63
Inv 112516 Total				666.63
Inv 11252016				
Line Item Date	Line Item Description		Line Item Account	
11/25/2016	HOTEL EXPENSE FOR B STEWART AT 2016 ACWA FALL CON		03-41-75300	666.63
Inv 11252016 Total				666.63
12091604 Total:				1,333.26
603278 - ANAHEIM MARRIOTT Total:				1,333.26
4970 - BRADY SAND & MATERIAL, INC. Line Item Account				
12091605	12/09/2016			

Check Number	Check Date			Amount
Inv 201609-26				
Line Item Date	Line Item Description		Line Item Account	
09/26/2016	COLD MIX		01-34-72000	2,567.03
Inv 201609-26 Total				2,567.03
Inv 201609-27				
Line Item Date	Line Item Description		Line Item Account	
09/26/2016	CLASS II BASE		01-34-72000	572.41
Inv 201609-27 Total				572.41
Inv 201609-28				
Line Item Date	Line Item Description		Line Item Account	
09/27/2016	CLASS II BASE		01-34-72000	2,298.81
Inv 201609-28 Total				2,298.81
Inv 201610-3				
Line Item Date	Line Item Description		Line Item Account	
10/03/2016	CLASS II BASE		01-34-72000	1,156.46
Inv 201610-3 Total				1,156.46
12091605 Total:				6,594.71
4970 - BRADY SAND & MATERIAL, INC. Total:				6,594.71
603275 - CANVAS PEOPLE Line Item Account				
12091606	12/09/2016			
Inv 111316				
Line Item Date	Line Item Description		Line Item Account	
11/13/2016	SHIPPING FOR CANVAS PHOTO		03-41-72000	19.99
Inv 111316 Total				19.99
12091606 Total:				19.99
603275 - CANVAS PEOPLE Total:				19.99
1575 - CDW GOVERNMENT, INC. Line Item Account				
12091607	12/09/2016			
Inv FVL9574				
Line Item Date	Line Item Description		Line Item Account	
10/05/2016	TRIDENT KRAKEN A.M.S SERIES PROTECTIVE CASE FOR T.		03-41-60100	55.07
Inv FVL9574 Total				55.07

Check Number	Check Date			Amount
12091607 Total:				55.07
1575 - CDW GOVERNMENT, INC. Total:				55.07
2885 - CORELOGIC INFORMATION Line Item Account				
12091608	12/09/2016			
Inv 81738618				
Line Item Date	Line Item Description		Line Item Account	
10/31/2016	SAN DIEGO CA SALE DOC IMAGE		03-91-72000	70.00
Inv 81738618 Total				70.00
Inv 81739179				
Line Item Date	Line Item Description		Line Item Account	
10/31/2016	REALQUEST MAP SEARCH, MORTGAGE & PROPERTY DATA		03-91-72000	192.50
Inv 81739179 Total				192.50
12091608 Total:				262.50
2885 - CORELOGIC INFORMATION Total:				262.50
2027 - CULLIGAN OF ESCONDIDO Line Item Account				
12091609	12/09/2016			
Inv 103116				
Line Item Date	Line Item Description		Line Item Account	
10/31/2016	WATER SOFTENER		03-41-63401	73.00
Inv 103116 Total				73.00
12091609 Total:				73.00
2027 - CULLIGAN OF ESCONDIDO Total:				73.00
603233 - DANIEL'S MARKET Line Item Account				
12091610	12/09/2016			
Inv 111516				
Line Item Date	Line Item Description		Line Item Account	
11/15/2016	DRINKS & CUPCAKES FOR EMPLOYEE BIRTHDAY LUNCHE		03-41-56513	19.18
Inv 111516 Total				19.18
12091610 Total:				19.18
603233 - DANIEL'S MARKET Total:				19.18

Check Number	Check Date			Amount
603276 - EMBASSY SUITES Line Item Account				
12091611	12/09/2016			
Inv 82548871				
Line Item Date	Line Item Description		Line Item Account	
11/16/2016	HOTEL EXPENSE FOR D WASHBURN FOR SECRETARY CON		03-41-75300	331.60
Inv 82548871 Total				331.60
12091611 Total:				331.60
603276 - EMBASSY SUITES Total:				331.60
3325 - GRAINGER, W.W. INC. Line Item Account				
12091612	12/09/2016			
Inv 9210697166				
Line Item Date	Line Item Description		Line Item Account	
08/30/2016	AXIAL FAN		01-32-60000	495.04
Inv 9210697166 Total				495.04
Inv 9213220743				
Line Item Date	Line Item Description		Line Item Account	
08/31/2016	REPAIR CLAMP		01-00-14610	200.24
08/31/2016	WD-40 LUBRICANT AEROSOL CAN		01-00-14610	89.60
Inv 9213220743 Total				289.84
Inv 9226791599				
Line Item Date	Line Item Description		Line Item Account	
10/30/2016	SAFETY YELLOW SPRAY PAINT		01-00-14610	98.82
10/30/2016	GRINDING WHEEL - K1177		01-00-14610	78.90
Inv 9226791599 Total				177.72
Inv 9257742925				
Line Item Date	Line Item Description		Line Item Account	
10/20/2016	REPAIR CLAMP RETURNS		01-00-14610	-199.12
Inv 9257742925 Total				-199.12
12091612 Total:				763.48
3325 - GRAINGER, W.W. INC. Total:				763.48
3695 - HOME DEPOT Line Item Account				
12091613	12/09/2016			
Inv W541156850				
Line Item Date	Line Item Description		Line Item Account	
11/02/2016	SMALL ENGINE FUEL 4-CYCLE 94 OCTANE ETHANOL FREE		03-36-63421	308.45

Check Number	Check Date			Amount
Inv W541156850 Total				308.45
12091613 Total:				308.45
3695 - HOME DEPOT Total:				308.45
603236 - MERRITT HOUSE INN Line Item Account				
12091614	12/09/2016			
Inv 1-201602831				
Line Item Date	Line Item Description		Line Item Account	
11/01/2016	HOLTEL ACCOMODATIONS FOR K HARP AT CALPELRA 201(		03-41-75300	609.40
Inv 1-201602831 Total				609.40
12091614 Total:				609.40
603236 - MERRITT HOUSE INN Total:				609.40
4913 - MITCHELL 1 Line Item Account				
12091615	12/09/2016			
Inv 3988553				
Line Item Date	Line Item Description		Line Item Account	
11/03/2016	YEARLY SUBSCRIPTION FOR FLEET MAINTENANCE/REPAI		03-36-63422	2,480.98
Inv 3988553 Total				2,480.98
12091615 Total:				2,480.98
4913 - MITCHELL 1 Total:				2,480.98
603261 - NEWEGG BUSINESS INC Line Item Account				
12091616	12/09/2016			
Inv 219011569				
Line Item Date	Line Item Description		Line Item Account	
11/21/2016	OFFICE OVER-THE-EAR HEADSET		03-41-72900	162.70
Inv 219011569 Total				162.70
12091616 Total:				162.70
603261 - NEWEGG BUSINESS INC Total:				162.70
5425 - OFFICE DEPOT Line Item Account				
12091617	12/09/2016			

Check Number	Check Date		Amount
Inv 1992515606			
Line Item Date	Line Item Description	Line Item Account	
10/04/2016	BINDING COMBS & BINDING COVERS	03-41-72900	87.06
Inv 1992515606 Total			87.06
Inv 855092654001			
Line Item Date	Line Item Description	Line Item Account	
08/04/2016	TONER & STAMP	03-41-72900	200.85
Inv 855092654001 Total			200.85
Inv 855092750001			
Line Item Date	Line Item Description	Line Item Account	
09/03/2016	FOOT REST, DATE STAMP, FILES, TONER	03-41-72900	147.56
Inv 855092750001 Total			147.56
Inv 863308820001			
Line Item Date	Line Item Description	Line Item Account	
09/09/2016	ADJUSTABLE FOOT REST	03-41-72900	73.35
Inv 863308820001 Total			73.35
Inv 865073868001			
Line Item Date	Line Item Description	Line Item Account	
09/16/2016	ADJUSTABLE FOOT REST	03-91-72000	73.35
Inv 865073868001 Total			73.35
Inv 866237544001			
Line Item Date	Line Item Description	Line Item Account	
10/22/2016	GLASS BOARD, TAPE, WHITE BOARD MARKERS	03-41-72900	220.29
Inv 866237544001 Total			220.29
Inv 866237874001			
Line Item Date	Line Item Description	Line Item Account	
09/21/2016	BUSINESS CARD HOLDER	03-41-72900	12.41
Inv 866237874001 Total			12.41
Inv 867190080001			
Line Item Date	Line Item Description	Line Item Account	
09/26/2016	INK CARTRIDGES, MOUSEPAD, SCISSORS, PENCIL CUP & P/	03-41-72900	224.90
Inv 867190080001 Total			224.90
Inv 867190132001			
Line Item Date	Line Item Description	Line Item Account	
09/26/2016	INK CARTRIDGE	03-41-72900	76.99

Check Number	Check Date	Amount

Inv 867190132001 Total 76.99

Inv 867190136001

Line Item Date	Line Item Description	Line Item Account	
09/24/2016	SWIVEL PAPERCLIP HOLDER	03-41-72900	14.14

Inv 867190136001 Total 14.14

Inv 867702655001

Line Item Date	Line Item Description	Line Item Account	
09/27/2016	TONER CARTRIDGES & DRY ERASE MARKERS	03-41-72900	287.24

Inv 867702655001 Total 287.24

Inv 869448577001

Line Item Date	Line Item Description	Line Item Account	
10/04/2016	POUR-O-MATIC 12-CUP DECANTER	03-41-72900	21.75

Inv 869448577001 Total 21.75

Inv 870116858001

Line Item Date	Line Item Description	Line Item Account	
10/06/2016	STAMPS, 5-TAB INDEX SET, HANGING FOLDERS & HIGHLIC	03-41-72900	110.60

Inv 870116858001 Total 110.60

Inv 871632748001

Line Item Date	Line Item Description	Line Item Account	
10/13/2016	MEMO BOOK, TONER & SHARPIE MARKERS	03-41-72900	86.49

Inv 871632748001 Total 86.49

Inv 871632826001

Line Item Date	Line Item Description	Line Item Account	
10/13/2016	CUPS	03-41-63400	28.04

Inv 871632826001 Total 28.04

Inv 871642221001

Line Item Date	Line Item Description	Line Item Account	
10/13/2016	CALCULATOR PAPER ROLLS	03-41-72900	18.12

Inv 871642221001 Total 18.12

Inv 871642278001

Line Item Date	Line Item Description	Line Item Account	
10/13/2016	TONER	03-41-72900	56.30

Inv 871642278001 Total 56.30

Check Number	Check Date			Amount
12091617 Total:				1,739.44
5425 - OFFICE DEPOT Total:				1,739.44
5910 - PACIFIC PIPELINE SUPPLY Line Item Account				
12091618	12/09/2016			
Inv 309827				
Line Item Date	Line Item Description		Line Item Account	
08/24/2016	VALVE R/W GATE FLG X FLG C515 HF 6"		01-00-14610	1,507.57
Inv 309827 Total				1,507.57
Inv 309851				
Line Item Date	Line Item Description		Line Item Account	
08/25/2016	VALVE R/W GATE FLG X FLG C509 10-14 MIL EPXY 12"		01-00-14610	2,260.39
Inv 309851 Total				2,260.39
Inv 310457				
Line Item Date	Line Item Description		Line Item Account	
10/05/2016	VALVE R/W GATE FLG X FLG C515 HF 6"		01-00-14610	1,507.57
Inv 310457 Total				1,507.57
Inv 310785				
Line Item Date	Line Item Description		Line Item Account	
10/24/2016	PRESSURE REGULATOR BRONZE #510XL 1"		01-00-14610	5,452.92
10/24/2016	PRESSURE REGULATOR BRONZE #510XL 2"		01-00-14610	1,136.38
Inv 310785 Total				6,589.30
Inv 310787				
Line Item Date	Line Item Description		Line Item Account	
10/31/2016	HYDRANT FIPT BRASS 4" X 2-1/2" W/PLASTIC CAPS		01-00-14610	3,133.73
Inv 310787 Total				3,133.73
12091618 Total:				14,998.56
5910 - PACIFIC PIPELINE SUPPLY Total:				14,998.56
603243 - PANERA BREAD Line Item Account				
12091619	12/09/2016			
Inv 382273				
Line Item Date	Line Item Description		Line Item Account	
11/16/2016	BREAKFAST FOR SAFETY MEETING		03-43-72000	31.99
Inv 382273 Total				31.99

Check Number	Check Date			Amount
12091619 Total:				31.99
603243 - PANERA BREAD Total:				31.99
5970 - PROCOPIO, CORY, HARGREAVES AND SAVITCH LLP Line Item Account				
12091620	12/09/2016			
Inv 585327				
Line Item Date	Line Item Description		Line Item Account	
10/11/2016	LEGAL SERVICES		03-41-70300	8,514.85
Inv 585327 Total				8,514.85
Inv 585328				
Line Item Date	Line Item Description		Line Item Account	
10/11/2016	LEGAL SERVICES		03-41-70300	3,174.90
Inv 585328 Total				3,174.90
12091620 Total:				11,689.75
5970 - PROCOPIO, CORY, HARGREAVES AND SAVITCH LLP Total:				11,689.75
5976 - PRUDENTIAL OVERALL SUPPLY Line Item Account				
12091621	12/09/2016			
Inv 130688707				
Line Item Date	Line Item Description		Line Item Account	
09/06/2016	MONTHLY UNIFORMS		03-41-56511	95.97
Inv 130688707 Total				95.97
Inv 130690344				
Line Item Date	Line Item Description		Line Item Account	
09/13/2016	MATS & MISC		03-41-63401	149.23
09/13/2016	MONTHLY UNIFORMS		03-41-56511	127.76
Inv 130690344 Total				276.99
Inv 130690345				
Line Item Date	Line Item Description		Line Item Account	
09/13/2016	MONTHLY UNIFORMS		03-41-56511	93.53
Inv 130690345 Total				93.53
Inv 130691946				
Line Item Date	Line Item Description		Line Item Account	
09/20/2016	MONTHLY UNIFORMS		03-41-56511	120.91
09/20/2016	MATS & MISC		03-41-63401	63.95
Inv 130691946 Total				184.86

Check Number	Check Date	Amount

Inv 130691947

Line Item Date	Line Item Description	Line Item Account	
09/20/2016	MONTHLY UNIFORMS	03-41-56511	93.53

Inv 130691947 Total 93.53

Inv 130693570

Line Item Date	Line Item Description	Line Item Account	
09/27/2016	MATS & MISC	03-41-63401	149.23
09/27/2016	MONTHLY UNIFORMS	03-41-56511	176.04

Inv 130693570 Total 325.27

Inv 130693571

Line Item Date	Line Item Description	Line Item Account	
09/27/2016	MONTHLY UNIFORMS	03-41-56511	93.53

Inv 130693571 Total 93.53

Inv 130695164

Line Item Date	Line Item Description	Line Item Account	
10/04/2016	MONTHLY UNIFORMS	03-41-56511	125.92
10/04/2016	MATS & MISC	03-41-63401	67.32

Inv 130695164 Total 193.24

Inv 130695165

Line Item Date	Line Item Description	Line Item Account	
10/04/2016	MONTHLY UNIFORMS	03-41-56511	97.53

Inv 130695165 Total 97.53

Inv 130696783

Line Item Date	Line Item Description	Line Item Account	
10/11/2016	MATS & MISC	03-41-63401	156.86
10/11/2016	MONTHLY UNIFORMS	03-41-56511	148.90

Inv 130696783 Total 305.76

Inv 130696784

Line Item Date	Line Item Description	Line Item Account	
10/11/2016	MONTHLY UNIFORMS	03-41-56511	97.53

Inv 130696784 Total 97.53

Inv 130698370

Line Item Date	Line Item Description	Line Item Account	
10/18/2016	MONTHLY UNIFORMS	03-41-56511	125.92
10/18/2016	MATS & MISC	03-41-63401	67.32

Inv 130698370 Total 193.24

Check Number	Check Date			Amount
Inv 130698371				
Line Item Date	Line Item Description		Line Item Account	
10/18/2016	MONTHLY UNIFORMS		03-41-56511	97.53
Inv 130698371 Total				97.53
12091621 Total:				2,148.51
5976 - PRUDENTIAL OVERALL SUPPLY Total:				2,148.51
603241 - SUPER BRIGHT LEDs, INC. Line Item Account				
12091622	12/09/2016			
Inv 1479399825				
Line Item Date	Line Item Description		Line Item Account	
11/17/2016	1/2" OFF ROAD LED LIGHT BAR - 72W - LUMENS		03-36-63100	208.51
Inv 1479399825 Total				208.51
12091622 Total:				208.51
603241 - SUPER BRIGHT LEDs, INC. Total:				208.51
8155 - WESTERN WATER WORKS SUPPLY Line Item Account				
12091623	12/09/2016			
Inv 425794-00				
Line Item Date	Line Item Description		Line Item Account	
08/03/2016	6" 150# FLG DUCTILE 90		01-00-14610	259.20
Inv 425794-00 Total				259.20
Inv 427640-00				
Line Item Date	Line Item Description		Line Item Account	
09/13/2016	2 COMBO AIR VALVE MIPT CONNECTION		01-00-14610	3,126.60
09/13/2016	C1800 - 1" VENT-O-MAT AIR RELEASE VLV		01-00-14610	2,196.73
Inv 427640-00 Total				5,323.33
Inv 430445-00				
Line Item Date	Line Item Description		Line Item Account	
09/15/2016	1"X 3" S.S PIPE REPAIR CLAMP		01-00-14610	86.57
Inv 430445-00 Total				86.57
Inv 431226-00				
Line Item Date	Line Item Description		Line Item Account	
09/23/2016	2" BRASS 90		01-00-14610	664.69
Inv 431226-00 Total				664.69

Check Number	Check Date	Amount

Inv 431230-00

Line Item Date	Line Item Description	Line Item Account	
09/28/2016	6" STEEL COUPLING 300# THR	01-00-14610	1,044.90
09/28/2016	6" 300 SOLID STEEL PLUG THR	01-00-14610	1,134.00

Inv 431230-00 Total 2,178.90

12091623 Total: 8,512.69

8155 - WESTERN WATER WORKS SUPPLY Total: 8,512.69

603244 - Z CAFE Line Item Account

12091624 12/09/2016

Inv KDD8

Line Item Date	Line Item Description	Line Item Account	
11/15/2016	FOOD ORDER FOR EMPLOYEE BIRTHDAY LUNCHEON	03-41-56513	102.53

Inv KDD8 Total 102.53

12091624 Total: 102.53

603244 - Z CAFE Total: 102.53

Total: 62,276.56

American Express

December Check Detail

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

Check Number	Check Date			Amount
245 - ABCANA INDUSTRIES				
1091701	01/09/2017			
Inv 998607				
Line Item Date		Line Item Description	Line Item Account	
11/23/2016		HYPOCHLORITE SOLUTION BULK DELIVERY AND SODIUM HYPOCHLORITE 53	01-32-72000	599.35
Inv 998607 Total				**599.35**
Inv 999052				
Line Item Date		Line Item Description	Line Item Account	
12/06/2016		HYPOCHLORITE SOLUTION BULK DELIVERY AND SODIUM HYPOCHLORITE 53	01-32-72000	1,048.87
Inv 999052 Total				**1,048.87**
245 - ABCANA INDUSTRIES Total:				**1,648.22**
603295 - ABT.COM				
1091702	01/09/2017			
Inv ABT42377781				
Line Item Date		Line Item Description	Line Item Account	
11/30/2016		FIT BIT PURCHASED WITH AMEX CREDITS FOR RECOGNITION BANQUET	03-41-56513	199.95
Inv ABT42377781 Total				**199.95**
603295 - ABT.COM Total:				**199.95**
259 - ACTION WHOLESALE PRODUCTS, INC				
1091703	01/09/2017			
Inv 373372				
Line Item Date		Line Item Description	Line Item Account	
12/01/2016		PALLET RACK UPRIGHT	03-41-63401	959.42
12/01/2016		PALLET RACK LOAD BEAM	03-41-63401	1,138.93
Inv 373372 Total				**2,098.35**
259 - ACTION WHOLESALE PRODUCTS, INC Total:				**2,098.35**
280 - AMAZON.COM				
1091704	01/09/2017			
Inv 1422861-7513068				
Line Item Date		Line Item Description	Line Item Account	
12/01/2016		REFUND ON HARD DRIVE ADAPTER	03-41-60100	-20.49
11/29/2016		HARD DRIVE ADAPTER	03-41-60100	40.68
Inv 1422861-7513068 Total				**20.19**
Inv 2820304-4863408				
Line Item Date		Line Item Description	Line Item Account	
12/22/2016		WHITE LED ROPE LIGHTING	03-36-63422	261.45
Inv 2820304-4863408 Total				**261.45**
Inv 8756178-8889040				
Line Item Date		Line Item Description	Line Item Account	
12/20/2016		CHARGER, POWER ADAPTER, COLOR RIBBON	03-41-60100	125.93

Inv 8756178-8889040 Total				**125.93**
280 - AMAZON.COM Total:				**407.57**

386 - AMERICAN EXPRESS

1/9/2017

Inv 112916

Line Item Date	Line Item Description	Line Item Account	
11/29/2016	AMEX CREDITS USED TO PURCHASE PRIZES FOR RECOGNITION BANQUET	03-41-56513	-204.12
11/29/2016	AMEX CREDITS USED TO PURCHASE PRIZES FOR RECOGNITION BANQUET	03-41-56513	-199.95
11/29/2016	AMEX CREDITS USED TO PURCHASE PRIZES FOR RECOGNITION BANQUET	03-41-56513	-571.32
11/29/2016	AMEX CREDITS USED TO PURCHASE PRIZES FOR RECOGNITION BANQUET	03-41-56513	-224.92
Inv 8756178-8889040 Total			**-1,200.31**
386- AMERICAN EXPRESS Total:			**-1,200.31**

603278 - ANAHEIM MARRIOTT

1091705 01/09/2017

Inv 120216

Line Item Date	Line Item Description	Line Item Account	
12/02/2016	CHARGES MADE AT ACWA FALL CONFERENCE FOR T KENNEDY	03-41-75300	3.50
Inv 120216 Total			**3.50**

Inv 120216 (Credit)

Line Item Date	Line Item Description	Line Item Account	
12/02/2016	CREDIT FOR ROOM EXPENSE FOR T KENNEDY	03-41-75300	-87.71
Line Item Date	Line Item Description	Line Item Account	
12/02/2016	CREDIT FOR ROOM EXPENSE FOR B STEWART	03-20-75300	-162.21
Inv 120216 (CREDIT) Total			**-249.92**
603278 - ANAHEIM MARRIOTT Total:			**-246.42**

220 - APPLE, INC

1091706 01/09/2017

Inv W441161162

Line Item Date	Line Item Description	Line Item Account	
11/30/2016	IPAD AIR 2 PURCHASED WITH AMEX CREDITS FOR RECOGNITION BANQUET	03-41-56513	574.32
Inv W441161162 Total			**574.32**
220 - APPLE, INC Total:			**574.32**

490 - ATLAS PUMPING SERVICE

1091707 01/09/2017

Inv 420476

Line Item Date	Line Item Description	Line Item Account	
08/03/2016	CONTRACT SERVICE	02-61-78300	2,190.00
Inv 420476 Total			**2,190.00**

Inv 421286

Line Item Date	Line Item Description	Line Item Account	
08/26/2016	MONTHLY BIN RENTAL	02-61-78300	210.00
Inv 421286 Total			**210.00**

490 - ATLAS PUMPING SERVICE Total: **2,400.00**

4970 - BRADY SAND & MATERIAL, INC.
1091708 01/09/2017
Inv 201610-15

Line Item Date	Line Item Description	Line Item Account	
10/10/2016	CLASS II BASE	01-34-72000	2,361.99
Inv 201610-15 Total			**2,361.99**

Inv 201610-17

Line Item Date	Line Item Description	Line Item Account	
10/12/2016	CLASS II BASE	01-34-72000	1,206.48
Inv 201610-17 Total			**1,206.48**

Inv 201610-36

Line Item Date	Line Item Description	Line Item Account	
10/27/2016	COLD MIX, 3/4" ROCK	01-34-72000	1,557.99
Inv 201610-36 Total			**1,557.99**

Inv 201610-39

Line Item Date	Line Item Description	Line Item Account	
10/28/2016	CLASS II BASE	01-34-72000	1,144.60
Inv 201610-39 Total			**1,144.60**

Inv 201611-26

Line Item Date	Line Item Description	Line Item Account	
11/09/2016	3/4" ROCK	01-34-72000	706.38
Inv 201611-26 Total			**706.38**

Inv 201611-32

Line Item Date	Line Item Description	Line Item Account	
11/23/2016	CLASS II BASE	01-34-72000	1,684.10
Inv 201611-32 Total			**1,684.10**

4970 - BRADY SAND & MATERIAL, INC. Total: **8,661.54**

603275 - CANVAS PEOPLE
1091709 01/09/2017
Inv 10491810

Line Item Date	Line Item Description	Line Item Account	
12/20/2016	SHIPPING FOR PHOTO PURCHASED BY D WASHBURN. REIMBURSED WITH CASH	03-41-72000	10.79
Inv 10491810 Total			**10.79**

603275 - CANVAS PEOPLE Total: **10.79**

2885 - CORELOGIC
1091710 01/09/2017
Inv 81749939

Line Item Date	Line Item Description	Line Item Account	
11/30/2016	SAN DIEGO CA SALE DOC IMAGE	03-91-63102	10.00
Inv 81749939 Total			**10.00**

Inv 81753430

Line Item Date	Line Item Description	Line Item Account	
11/30/2016	REALQUEST MAP SEARCH, MORTGAGE AND PROPERTY DATA	03-91-63102	192.50
Inv 81753430 Total			**192.50**

2885 - CORELOGIC INFORMATION Total: **202.50**

2027 - CULLIGAN OF ESCONDIDO
1091711 01/09/2017
Inv 113016

Line Item Date	Line Item Description	Line Item Account	
11/30/2016	WATER SOFTENER	03-41-63401	75.00
Inv 113016 Total			**75.00**

2027 - CULLIGAN OF ESCONDIDO Total: **75.00**

5425 - OFFICE DEPOT
1091712 01/09/2017
Inv 2002192875

Line Item Date	Line Item Description	Line Item Account	
11/02/2016	BUSINESS CARDS	03-41-72900	55.08
Inv 2002192875 Total			**55.08**

Inv 2016042806

Line Item Date	Line Item Description	Line Item Account	
12/13/2016	BUSINESS CARDS	03-41-72900	43.15
Inv 2016042806 Total			**43.15**

Inv 845821118001

Line Item Date	Line Item Description	Line Item Account	
06/17/2016	COPY PAPER & 3 HOLE PUNCHED PAPER	03-41-72900	1,137.42
Inv 845821118001 Total			**1,137.42**

Inv 846215620001

Line Item Date	Line Item Description	Line Item Account	
06/22/2016	CREDIT	03-41-72900	-53.99
Inv 846215620001 Total			**-53.99**

Inv 861661438001

Line Item Date	Line Item Description	Line Item Account	
09/01/2016	FOOTREST	03-41-72900	91.79
Inv 861661438001 Total			**91.79**

Inv 861664248001

Line Item Date	Line Item Description	Line Item Account	
09/01/2016	GREEN BAR PAPER FOR PRINTRONIX	03-41-72900	311.90
Inv 861664248001 Total			**311.90**

Inv 865804901001

Line Item Date	Line Item Description	Line Item Account	
09/22/2016	CREDIT	03-41-72900	-62.38
Inv 865804901001 Total			**-62.38**

Inv 865806966001

Line Item Date	Line Item Description	Line Item Account	
09/20/2016	GREEN BAR FOR PRINTRONIX	03-41-72900	62.38
Inv 865806966001 Total			**62.38**

Inv 865876524001

Line Item Date	Line Item Description	Line Item Account	
09/22/2016	CREDIT	03-41-72900	-91.79
Inv 865876524001 Total			**-91.79**

Inv	867190134001			
	Line Item Date	Line Item Description	Line Item Account	
	09/26/2016	KEYBOARD WRIST PILLOW	03-41-72900	15.69
	Inv 867190134001 Total			**15.69**
Inv	869448489001			
	Line Item Date	Line Item Description	Line Item Account	
	10/04/2016	TONER	03-41-72900	91.79
	Inv 869448489001 Total			**91.79**
Inv	870287348001			
	Line Item Date	Line Item Description	Line Item Account	
	10/07/2017	DUAL STORAGE BRAND CLIPBOARD X 12	03-41-72900	373.12
	Inv 870287348001 Total			**373.12**
Inv	871830210001			
	Line Item Date	Line Item Description	Line Item Account	
	10/20/2016	CREDIT	03-41-72900	-36.68
	Inv 871830210001 Total			**-36.68**
Inv	871830211001			
	Line Item Date	Line Item Description	Line Item Account	
	10/14/2016	FOOT REST	03-41-72900	36.68
	Inv 871830211001 Total			**36.68**
Inv	877091948001			
	Line Item Date	Line Item Description	Line Item Account	
	11/14/2016	PORTFOLIO CLIPBOARDS & OTHER MISC SUPPLIES	03-41-72900	144.24
	Inv 877091948001 Total			**144.24**
Inv	877092072001			
	Line Item Date	Line Item Description	Line Item Account	
	11/04/2016	HIGHLIGHTERS, INK, TAPE AND 2 HOLE PUNCH PAPER	03-41-72900	227.53
	Inv 877092072001 Total			**227.53**
Inv	879580788001			
	Line Item Date	Line Item Description	Line Item Account	
	11/15/2016	TONERS, ALL PURPOSE SORTERS, 4 TIER LITERATURE HOLDER	03-41-72900	256.56
	Inv 879580788001 Total			**256.56**
Inv	879580850001			
	Line Item Date	Line Item Description	Line Item Account	
	11/15/2016	HANDHELD CALCULATOR	03-41-72900	43.03
	Inv 879580850001 Total			**43.03**
Inv	883987790001			
	Line Item Date	Line Item Description	Line Item Account	
	12/01/2016	TONER, ENVELOPES, INK RIBBONS FOR 10-KEY CALCULATOR, STAMP	03-41-72900	290.82
	Inv 883987790001 Total			**290.82**
Inv	884263548001			
	Line Item Date	Line Item Description	Line Item Account	
	12/02/2016	#2 PENCILS, DESKPAD, TONER	03-41-72900	287.71
	Inv 884263548001 Total			**287.71**
Inv	884263699001			
	Line Item Date	Line Item Description	Line Item Account	
	12/02/2016	PAPER PAD HOLDER & TONER	03-41-72900	366.92
	Inv 884263699001 Total			**366.92**

Inv 884536582001

Line Item Date	Line Item Description	Line Item Account	
12/05/2016	DAILY PLANNERS	03-41-72900	477.95
Inv 884536582001 Total			**477.95**

Inv 885082649001

Line Item Date	Line Item Description	Line Item Account	
12/05/2016	CREDIT	03-41-72900	-20.40
Inv 885082649001 Total			**-20.40**

Inv 885083929001

Line Item Date	Line Item Description	Line Item Account	
12/07/2016	PAPER PAD HOLDER	03-41-72900	20.40
Inv 885083929001 Total			**20.40**

Inv 885154321001

Line Item Date	Line Item Description	Line Item Account	
12/06/2016	TONER & DIVIDERS	03-41-72900	75.97
Inv 885154321001 Total			**75.97**

Inv 887403050001

Line Item Date	Line Item Description	Line Item Account	
12/14/2016	TONERS, DAILEY PLANNER, STAMP & DESK PADS	03-41-72900	1,232.18
Inv 887403050001 Total			**1,232.18**

5425 - OFFICE DEPOT Total **5,377.07**

5910 - PACIFIC PIPELINE SUPPLY

1091713 01/09/2017

Inv 310481

Line Item Date	Line Item Description	Line Item Account	
10/28/2016	6" X 20" BUTT STRAP W/HANDHOLE	01-00-14610	1,491.76
Inv 310481 Total			**1,491.76**

Inv 310918

Line Item Date	Line Item Description	Line Item Account	
11/01/2016	RESIDENTIAL FIRE HYDRANT 1 1/8" NUT & S.D DRILL 7/8"	01-00-14610	7,116.99
11/01/2016	COMMERCIAL FIRE HYDRANT 1 1/8" NUT & S.D DRILL 7/8"	01-00-14610	9,926.06
Inv 310918 Total			**17,043.05**

Inv 311031

Line Item Date	Line Item Description	Line Item Account	
11/04/2016	12" GATE VALVE AVK FLG X FLG C509	01-00-14610	2,260.39
Inv 311031 Total			**2,260.39**

Inv 311342

Line Item Date	Line Item Description	Line Item Account	
11/30/2016	8" 150lb(AVK GATE VALVE) W/2" NUT	01-00-14610	4,504.68
Inv 311342 Total			**4,504.68**

Inv 311501

Line Item Date	Line Item Description	Line Item Account	
12/14/2016	4" AVK GATE VALVE #150	01-00-14610	1,557.31
Inv 311501 Total			**1,557.31**

5910 - PACIFIC PIPELINE SUPPLY Total: **26,857.19**

5635 - PALA MESA RESORT

1091714 01/09/2017
Inv 12218020

Line Item Date	Line Item Description	Line Item Account	
12/21/2016	PAYMENT FOR VENUE FOR RECOGNITION BANQUET	03-41-56513	1,500.00
Inv 12218020 Total			**1,500.00**

5635 - PALA MESA RESORT Total: **1,500.00**

603297 - PREMIUM INCENTIVE SALES INC
1091715 01/09/2017
Inv 57224

Line Item Date	Line Item Description	Line Item Account	
12/01/2016	GO PRO PURCHASED WITH AMEX CREDITS FOR RECOGNITION BANQUET	03-41-56513	214.99
Inv 57224 Total			**214.99**

603297 - PREMIUM INCENTIVE SALES INC **214.99**

5970 - PROCOPIO, CORY, HARGREAVES AND SAVITCH LLP
1091716 01/09/2017
Inv 587995

Line Item Date	Line Item Description	Line Item Account	
11/09/2016	LEGAL SERVICES	03-41-70300	8,803.70
Inv 587995 Total			**8,803.70**

Inv 587996

Line Item Date	Line Item Description	Line Item Account	
11/09/2016	LEGAL SERVICES	03-41-70300	3,466.55
Inv 587996 Total			**3,466.55**

Inv 587997

Line Item Date	Line Item Description	Line Item Account	
11/09/2016	LEGAL SERVICES	03-41-70300	2,157.00
Inv 587997 Total			**2,157.00**

Inv 590676

Line Item Date	Line Item Description	Line Item Account	
12/06/2016	LEGAL SERVICES	03-41-70300	2,875.50
Inv 590676 Total			**2,875.50**

5970 - PROCOPIO, CORY, HARGREAVES AND SAVITCH LLP Total: **17,302.75**

5976 - PRUDENTIAL OVERALL
1091717 01/09/2017
Inv 130699984

Line Item Date	Line Item Description	Line Item Account	
10/25/2016	MONTHLY UNIFORMS	03-41-56511	132.77
10/25/2016	MATS & MISC	03-41-63401	136.62
Inv 130699984 Total			**269.39**

Inv 130699985

Line Item Date	Line Item Description	Line Item Account	
10/25/2016	MONTHLY UNIFORMS	03-41-56511	97.53
Inv 130699985 Total			**97.53**

Inv 130701563

Line Item Date	Line Item Description	Line Item Account	
11/01/2016	MONTHLY UNIFORMS	03-41-56511	125.92
11/01/2016	MATS & MISC	03-41-63401	6.62

	Inv 130701563 Total			**132.54**
Inv	130701564			
	Line Item Date	Line Item Description	Line Item Account	
	11/01/2016	MONTHLY UNIFORMS	03-41-56511	97.53
	Inv 130701564 Total			**97.53**
Inv	130703165			
	Line Item Date	Line Item Description	Line Item Account	
	11/08/2016	MATS & MISC	03-41-63401	136.62
	11/08/2016	MONTHLY UNIFORMS	03-41-56511	132.77
	Inv 130703165 Total			**269.39**
Inv	130703166			
	Line Item Date	Line Item Description	Line Item Account	
	11/08/2016	MONTHLY UNIFORMS	03-41-56511	96.45
	Inv 130703166 Total			**96.45**
Inv	130704727			
	Line Item Date	Line Item Description	Line Item Account	
	11/15/2016	MATS & MISC	03-41-63401	6.62
	11/15/2016	MONTHLY UNIFORMS	03-41-56511	125.92
	Inv 130704727 Total			**132.54**
Inv	130704728			
	Line Item Date	Line Item Description	Line Item Account	
	11/15/2016	MONTHLY UNIFORMS	03-41-56511	96.45
	Inv 130704728 Total			**96.45**
Inv	130706313			
	Line Item Date	Line Item Description	Line Item Account	
	11/22/2016	MATS & MISC	03-41-63401	136.62
	11/22/2016	MONTHLY UNIFORMS	03-41-56511	132.77
	Inv 130706313 Total			**269.39**
Inv	130706314			
	Line Item Date	Line Item Description	Line Item Account	
	11/22/2016	MONTHLY UNIFORMS	03-41-56511	96.05
	Inv 130706314 Total			**96.05**
Inv	130707879			
	Line Item Date	Line Item Description	Line Item Account	
	11/29/2016	MONTHLY UNIFORMS	03-41-56511	125.92
	11/29/2016	MATS & MISC	03-41-63401	6.62
	Inv 130707879 Total			**132.54**
Inv	130707880			
	Line Item Date	Line Item Description	Line Item Account	
	11/29/2016	MONTHLY UNIFORMS	03-41-56511	96.05
	Inv 130707880 Total			**96.05**
	5976 - PRUDENTIAL OVERALL SUPPLY Total:			**1,785.85**

603296 - RAINBOW OAKS RESTAURANT

1091718 01/09/2017

Inv 120116

	Line Item Date	Line Item Description	Line Item Account	
	12/01/2016	4TH QTR ANNIVERSARY BREAKFAST	03-41-56513	250.09
	Inv 120116 Total			**250.09**

603296 - RAINBOW OAKS RESTAURANT Total: **250.09**

603246 - SYMBOL ARTS
1091719 01/09/2017
Inv 271058A-IN

Line Item Date	Line Item Description	Line Item Account	
12/08/2016	COINS FOR THE 5 CORE VALUES	03-41-56513	1,475.00
Inv 271058A-IN Total			**1,475.00**

603246 - SYMBOL ARTS Total: **1,475.00**

8155 - WESTERN WATER WORKS SUPPLY
1091720 01/09/2017
Inv 425876-00

Line Item Date	Line Item Description	Line Item Account	
08/03/2016	830 - 855 RANGE GASKET FOR SDR35	01-34-72000	47.95
Inv 425876-00 Total			**47.95**

Inv 433518-00

Line Item Date	Line Item Description	Line Item Account	
10/19/2016	6" x 12" LONG SB COUP W/316 SS BOLTS	01-34-72000	766.26
Inv 433518-00 Total			**766.26**

Inv 433934-00

Line Item Date	Line Item Description	Line Item Account	
11/01/2016	6" 300# T316 SS FLG BOLT KIT	01-00-14610	327.25
11/01/2016	1" LONG METER TAIL 2 5/8"	01-00-14610	496.80
Inv 433934-00 Total			**824.05**

Inv 434760-00

Line Item Date	Line Item Description	Line Item Account	
11/01/2016	12" 150# RING GASKET	01-00-14610	77.28
Inv 434760-00 Total			**77.28**

Inv 437107-00

Line Item Date	Line Item Description	Line Item Account	
12/08/2016	MED. METER BOX CARSON CARSON 1220-1134	01-00-14610	464.40
12/08/2016	MED. METER BOX READ LID CARSON 1220-00-FC-01	01-00-14610	648.00
Inv 437107-00 Total			**1,112.40**

Inv 437514-00

Line Item Date	Line Item Description	Line Item Account	
12/02/2016	2.5" DOUBLE JACKET HOSE WITH ALUMINUM COUPLINGS RATED AT 300PSI	01-33-72000	1,309.50
Inv 437514-00 Total			**1,309.50**

Inv 438123-00

Line Item Date	Line Item Description	Line Item Account	
12/08/2016	6" 150# WELD FLANGE 8-HOLE	01-00-14610	388.80
12/08/2016	CMLC PIPE 6	01-00-14610	1,723.68
Inv 438123-00 Total			**2,112.48**

8155 - WESTERN WATER WORKS SUPPLY **6,249.92**

Grand Total: **75,844.37**

Director's Expenses
FY 2016-2017

Disbursement Date	Description	Dennis Sanford-25	Helene Brazier-27	Tory Walker-29	Richard Bigley	William Stewart	Paul Christensen
07/31/16	CAL PERS - HEALTH INS.						$ 367.52
	ASSURANT - DENTAL INS.						
	CSDA,SAN DIEGO CHAPTER						
	WATER AGENCIES ASSOC OF S.D.						
	COUNCIL OF WATER UTILITIES			$ 25.00		$ 25.00	
	DIRECTORS' MEETINGS	$ 150.00	$ 150.00	$ 150.00	$ 150.00		
	MILEAGE EXPENSE						
	REIMBURSEMENT FROM DIRECTORS						$ (367.52)
	Monthly Totals	$ 150.00	$ 150.00	$ 175.00	$ 150.00	$ 25.00	$ -
08/31/16	CAL PERS - HEALTH INS.						$ 367.52
	ASSURANT - DENTAL INS.						
	CSDA,SAN DIEGO CHAPTER						
	WATER AGENCIES ASSOC OF S.D.						
	COUNCIL OF WATER UTILITIES						
	DIRECTORS' MEETINGS	$ 150.00	$ 150.00	$ 150.00	$ 150.00	$ 150.00	
	MILEAGE EXPENSE						
	REIMBURSEMENT FROM DIRECTORS						$ (367.52)
	Monthly Totals	$ 150.00	$ 150.00	$ 150.00	$ 150.00	$ 150.00	$ -
09/30/16	CAL PERS - HEALTH INS.						$ 367.52
	ASSURANT - DENTAL INS.						
	CSDA,SAN DIEGO CHAPTER						
	WATER AGENCIES ASSOC OF S.D.						
	COUNCIL OF WATER UTILITIES						
	DIRECTORS' MEETINGS	$ 150.00	$ 150.00			$ 150.00	
	MILEAGE AND EXPENSES						
	REIMBURSEMENT FROM DIRECTORS						$ (367.52)
	Monthly Totals	$ 150.00	$ 150.00	$ -	$ -	$ 150.00	$ -

Director's Expenses
FY 2016-2017

Disbursement Date	Description	Dennis Sanford-25	Helene Brazier-27	Tory Walker-29	Richard Bigley	William Stewart	Paul Christensen
10/31/16	CAL PERS - HEALTH INS.						$ 367.52
	ASSURANT - DENTAL INS.						
	CSDA,SAN DIEGO CHAPTER						
	WATER AGENCIES ASSOC OF S.D.						
	COUNCIL OF WATER UTILITIES						
	DIRECTORS' MEETINGS	$ 150.00	$ 150.00	$ 300.00		$ 150.00	
	MILEAGE AND EXPENSES						
	REIMBURSEMENT FROM DIRECTORS						$ (367.52)
	Monthly Totals	$ 150.00	$ 150.00	$ 300.00			$ -
11/30/16	CAL PERS - HEALTH INS.						$ 367.52
	ASSURANT - DENTAL INS.						
	CSDA,SAN DIEGO CHAPTER						
	WATER AGENCIES ASSOC OF S.D.						
	COUNCIL OF WATER UTILITIES						
	DIRECTORS' MEETINGS						
	MILEAGE EXPENSE						
	REIMBURSEMENT FROM DIRECTORS						$ (367.52)
	Monthly Totals	$ -	$ -	$ -			$ -
12/31/16	CAL PERS - HEALTH INS.						$ 367.52
	ASSURANT - DENTAL INS.						
	CSDA,SAN DIEGO CHAPTER						
	WATER AGENCIES ASSOC OF S.D.						
	COUNCIL OF WATER UTILITIES						
	DIRECTORS' MEETINGS	$ 150.00	$ 150.00	$ 150.00		$ 150.00	
	MILEAGE EXPENSE						
	REIMBURSEMENT FROM DIRECTORS						$ (367.52)
	Monthly Totals	$ 150.00	$ 150.00	$ 150.00			$ -

Bank Reconciliation

December Check Regiser

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

Check No.	Vendor/Employee	Transaction Description	Date	Amount
Fund: 01 WATER FUND				
Department: 00				
0	ASTRA INDUSTRIAL SERV.INC	3" CLAVAL 300# 90-01-1088E - C1109	12/12/2016	14,161.78
0	CB&T / ACWA-JPIA	MONTHLY HEALTH AND VISION INSURANCE - JAN 2017	12/15/2016	74,020.21
0	NATIONAL METER & AUTOMATION	ERW-1300-402 ITRON 100W+, INTEGRAL CONNECTOR & ANTENNA PORT	12/12/2016	12,636.00
0	NATIONAL METER & AUTOMATION	ITRON 100W+ ERT-ERW-1300-402 (.7922)	12/22/2016	10,368.00
0	PLIC-SBD GRAND ISLAND	MONTHLY LIFE, AD&D, STD, LTD INS - NOV 2016	12/16/2016	26,302.02
0	PLIC-SBD GRAND ISLAND	MONTHLY LIFE, AD&D, S/T, L/T INS - JAN 2017	12/29/2016	10,972.74
0	SAN DIEGO COUNTY WATER AUTH	OCTOBER 2016 WATER PAYMENT	12/08/2016	2,073,892.43
0	SHERRY MULLENNIX	REIMBURSE RETIRED EMPLOYEE HEALTH INS - DEC 2016	12/15/2016	300.00
0	CHARLES C. SNEED	REIMBURSE RETIRED EMPLOYEE HEALTH INS - DEC 2016	12/13/2016	363.00
0	GENE BUCKLEY	REIMBURSE RETIRED EMPLOYEE HEALTH INS - JAN 2017 COVERAGE	12/22/2016	363.00
0	KEVIN MILLER	REIMBURSE RETIRED EMPLOYEE HEALTH INS-DEC. 2016	12/12/2016	726.00
52836	NANCY GEBHARDT	Refund Check	12/12/2016	118.27
52849	DAVID SEYMOUR	REIMBURSE RETIRED EMPLOYEE HEALTH INS - DEC 2016	12/13/2016	726.00
52878	JOE PERREIRA	COMPUTER LOAN	12/16/2016	1,838.00
52888	ELIZABETH & ALEJANDRO CERVANTES	REIMB FOR BAL OF NEW WATER SVCS INSPCT FEE DEPOSIT 26-8274-0	12/22/2016	639.21
52889	FERGUSON WATERWORKS #1083	3/4" T10 ECDR BRZ CF 5' ITRON P/N - M1023I	12/22/2016	15,980.51
52891	HERCULES INDUSTRIES, INC	LRG MASTERLOCK #2975 1" / PN-S1006	12/22/2016	837.27
52893	PARDIP JOHAL	REIMB FOR BAL OF NEW WATER SVCS INSPCT FEE DEPOSIT 38-8270-0	12/22/2016	297.09
52895	MARIA TRINIDAD LOPEZ	REIMB FOR BAL OF NEW WATER SVCS INSPCT FEE DEPOSIT 26-8273-0	12/22/2016	708.80
52896	SCOTT & STEPHANIE MULLALY	REIMB FOR BAL OF NEW WATER SVCS INSPCT FEE DEPOSIT 31-8267-0	12/22/2016	1,346.32
52897	GILBERT & BEVERLY PALACIOS	REIMB FOR BAL OF NEW WATER SVCS INSPCT FEE DEPOSIT 04-6450-0	12/22/2016	462.48
52899	RANAJIT SAHU	REIMB FOR BAL OF NEW WATER SVCS INSPCT FEE DEPOSIT 24-5693-2	12/22/2016	756.07
52900	TERRY SMALL	REIMB FOR BAL OF NEW WATER SVCS INSPCT FEE DEPOSIT 19-8249-0	12/22/2016	413.76
52903	ERIC WENDT	REIMB FOR BAL OF NEW WATER SVCS INSPCT FEE DEPOSIT 26-8275-0	12/22/2016	703.10
52904	WORKPLACE GUARDIANS, INC.	CUSTOMER SERVICE & SAFETY AWARENESS TRAINING 11/14/16 & 11/30/16	12/22/2016	2,404.00
52905	SOUTHWEST EQUITY PARTNERS	Refund Check	12/22/2016	633.89
		Total for Department: 00		2,251,969.95
Department: 31 PUMPING				
52880	SAN DIEGO GAS & ELECTRIC	MONTHLY GAS AND ELECTRIC SERVICE	12/16/2016	41,422.16
52906	COUNTY OF SAN DIEGO, AIR	ANNUAL PERMIT RENEWAL FOR NATURAL GAS ENGINES AT PUMP STATION 1	12/22/2016	2,531.00
		Total for Department: 31 PUMPING		43,953.16
Department: 32 OPERATIONS				
0	MISSION VALLEY SANITATION-SD	PORTA POTTY RENTAL FOR WEED ABATEMENT	12/16/2016	141.09
52838	HOME DEPOT	SPRING NUT, U-BOLT, ELEC ACCESSR	12/12/2016	-123.38
52853	DEPT OF FORESTRY & FIRE PROTEC	DISTRICT WEED ABATEMENT	12/15/2016	914.48
52867	SAN DIEGO GAS & ELECTRIC	MONTHLY ELECTRIC SERVICE ACCT #2879 803 104 0	12/15/2016	9.95
52880	SAN DIEGO GAS & ELECTRIC	MONTHLY GAS AND ELECTRIC SERVICE	12/16/2016	681.46
52898	RYAN HERCO PRODUCTS CORP	VIT DIA FOR PLASTOMATIC REL VLV PLASTOMATIC #1021-V	12/22/2016	227.12
		Total for Department: 32 OPERATIONS		1,850.72

Department: 33 VALVE MAINTENANCE

0	ART'S TRENCH PLATE & KRAIL SERVICE CO, INC.	8X12 TRENCH PLATE RENTAL, TRUCKING-DELIVERY FEE, PICK UP FEE	12/22/2016	340.00
52839	JOE'S HARDWARE	WOOD STAKE BNDL 1X2X48	12/12/2016	71.92
52845	BRYAN ROSE	SWRCB GRADE 5 WATER DISTRIBUTION OPERATOR CERTIFICATION RENEWAL	12/13/2016	105.00
52907	GERARDO CANCINO	REIMBURSEMENT FOR CROSS-CONNECTION CONTROL SPECIALIST CLASS FEE	12/22/2016	161.00
		Total for Department: 33 VALVE MAINTENANCE		677.92

Department: 34 WATER DISTRIBUTION

0	AIRGAS USA, LLC	ELECT STCK 1/8' X 14" 10LB VAC PK 31	12/12/2016	1,599.28
0	AIRGAS USA, LLC	SNSCRN SPF 30+ SUNX 4OZ SPRY BTL UVA/UVB	12/22/2016	901.50
0	ART'S TRENCH PLATE & KRAIL SERVICE CO, INC.	8X10 TRENCH PLATE RENTAL, PICK UP FEE	12/12/2016	333.00
0	ART'S TRENCH PLATE & KRAIL SERVICE CO, INC.	8X12 NON SKID TRENCH PLATE RENTAL, TRUCKING-DELIVERY FEE	12/22/2016	519.00
0	JOE'S PAVING CO, INC	REMOVE EXISITING COLD MIX FROM PATCH. PAVE BACK AREA WITH 3" OF	12/22/2016	1,772.16
0	SPECIAL DISTRICT RISK	ADJUSTER/EXAMINER FEE	12/22/2016	807.55
0	UNDERGROUND SERVICE ALERT	RAI88 NEW TICKET CHARGES	12/15/2016	135.00
52848	PETTY CASH	STEEL FOR RESTRICTION PLACE	12/13/2016	5.90
52874	COUNTY OF SAN DIEGO DEPT OF PUBLIC WORKS	B-INSPECTION/FIELD REVIEW PWG, EXCAVATION PERMIT APP	12/16/2016	624.00
		Total for Department: 34 WATER DISTRIBUTION		6,697.39

Department: 35 METER SERVICES

0	NATIONAL METER & AUTOMATION	ITRON 5' ARMOR CABLE FOR FIELD INSTALLATIONS (RODENT-PROOF WIRE)	12/12/2016	70.21
0	PALOMAR BACKFLOW	BACKFLOW CERTIFICATION TESTS	12/16/2016	14,028.00
0	PALOMAR BACKFLOW	BACKFLOW CERTIFICATION TESTS	12/22/2016	7,458.00
52838	HOME DEPOT	123 LITHIUM PHOTO BATTERY 2 PACK	12/12/2016	12.93
52848	PETTY CASH	REIMB FOR FALLBROOK WASTE & RECYCLING (SCALES)	12/13/2016	15.00
52852	D.R. HORTON, AMERICA'S BUILDER	PURCHASE TWO-YEAR UNUSED 4" METER TO BE USED AS A CONSTRCTN MTR	12/15/2016	2,000.00
52858	HD SUPPLY WATERWORKS, LTD	4" MM OCTAVE METER AWWA CF	12/15/2016	9,444.72
52876	HOME DEPOT	HCW1116, 200L, SUPMET, DEFIANT, 4VLIIONSCRWD, H2D	12/16/2016	247.18
52890	HD SUPPLY WATERWORKS, LTD	1-1/2" 1/8THICK DROP IN OVAL MTR WSH	12/22/2016	2,818.81
52901	CLEMMON TAYLOR	REIMBURSEMENT FOR ENGLISH CLASS FOR AA DEGREE	12/22/2016	125.81
		Total for Department: 35 METER SERVICES		36,220.66
		Total for Fund:01 WATER FUND		2,341,369.80

Fund: 02 SEWER FUND

Department: 00

52905	SOUTHWEST EQUITY PARTNERS	Refund Check	12/22/2016	1,700.00
		Total for Department: 00		1,700.00

Department: 61 WASTEWATER

0	ATLAS PUMPING SERVICE	MONTHLY BIN RENTAL	12/12/2016	210.00
52840	SAN DIEGO GAS & ELECTRIC	MONTHLY ELECTRIC SERVICE	12/12/2016	7.00
52848	PETTY CASH	LUNCH-TKENNEDY @ CITY OF OCEANSIDE REG SEWER PLANS	12/13/2016	34.03
52857	FREEDOM AUTOMATION, INC.	LIFT STATION #6 FULL RTU, WITH 8" OPERATOR INTERFACE TERMINAL AN	12/15/2016	14,700.00
52871	APPLIED INDUSTRIAL TECH.	HYDRAULIC SPIN-ON	12/16/2016	362.68
52880	SAN DIEGO GAS & ELECTRIC	MONTHLY GAS AND ELECTRIC SERVICE	12/16/2016	3,687.42
52892	HOME DEPOT	WEDGE ANCHOR	12/22/2016	148.27
		Total for Department: 61 WASTEWATER		19,149.40
		Total for Fund:02 SEWER FUND		20,849.40

Fund: 03 GENERAL FUND

Department: 00

0	CB&T / ACWA-JPIA	MONTHLY HEALTH AND VISION INSURANCE - JAN 2017	12/15/2016	886.77
0	PLIC-SBD GRAND ISLAND	MONTHLY DENTAL INSURANCE - DEC 2016 (COBRA)	12/16/2016	191.20
0	PLIC-SBD GRAND ISLAND	MONTHLY DENTAL INSURANCE - JAN 2017 (COBRA)	12/29/2016	95.60
52848	PETTY CASH	TO RECONCILE CASH DRAWER	12/13/2016	34.63
		Total for Department: 00		1,208.20

Department: 20 BOARD

52881	BILL STEWART	TRAVEL EXPENSE REIMBURSEMENT- 2016 ACWA FALL CONFERENCE & EXHIBI	12/16/2016	81.44
52902	TEMECULA TROPHY CO.	2X10 WN - WT BVL ENDS/NO HOLDER	12/22/2016	30.68
		Total for Department: 20 BOARD		112.12

Department: 36 GARAGE

0	FLYERS ENERGY LLC	FUEL AND OIL, ORDER #006467-16	12/15/2016	959.12
0	FLYERS ENERGY LLC	FUEL AND OIL, ORDER #016807-16	12/16/2016	2,942.98
0	FLYERS ENERGY LLC	FUEL & OIL, ORDER #025999-16	12/22/2016	1,915.66
0	HAWTHORNE MACHINERY COMPANY	REPAIR ELECTRIC SYSTEM . OPERATED MACHINE AFTER REPAIRS. ENGINE	12/22/2016	438.06
0	O'REILLY AUTO PARTS	SPARK PLUG, COOLANT HOSE, F/I O-RINGS, INT MANIFORLD, THERMOSTAT	12/12/2016	584.26
0	PARKHOUSE TIRE, INC.	FLEET SERVICE ON VEHICLE TRUCK #71, PARTS & LABOR	12/15/2016	538.95
52833	FALLBROOK AUTO PARTS	TRAILER CONN PLUG, UNIV-FUL TB3 32X3 16	12/12/2016	23.46
52834	FORD OF ESCONDIDO	CONNEC ZSP	12/12/2016	21.95
52835	FREEWAY TRAILER SALES	PINTLE LOCK	12/12/2016	107.84
52859	HEAVY VEHICLE ELECTRONIC LICENSE PLATE	MONTHLY SERVICE - NOV 2016	12/15/2016	17.65
52863	NETWORK FLEET, INC.	MONTHLY AIRTIME CHARGE FOR GPS TRACKING - DEC 2016	12/15/2016	780.00
52909	QUALITY CHEVROLET	2017 CHEVROLET SILVERADO 2500HD 4X4 DOUBLE CAB SRW.YF5 EMISSION,	12/22/2016	38,964.70
		Total for Department: 36 GARAGE		47,294.63

Department: 41 ADMINISTRATION/HR

0	ART'S TRENCH PLATE & KRAIL SERVICE CO, INC.	10' K-RAIL RENTAL, TRUCKING-DELIVERY FEE	12/22/2016	280.00
0	DATAPROSE INC.	MONTHLY MAILING OF WATER BILLS AND NEWSLETTER	12/15/2016	923.06
0	IMAGE SOURCE	MONTHLY COPY COUNT	12/22/2016	373.94
0	KNIGHT SECURITY & FIRE SYSTEMS	FAULTY SMOKE ALARM BLDG 3. REPLACED ALL 4 DETECTORS	12/22/2016	44.00
0	KNIGHT SECURITY & FIRE SYSTEMS	FAULTY SMOKE ALARM IN BLDG 3, DETECTOR REPLACEMENTS	12/29/2016	396.00
0	RAFTELIS FINANCIAL CONSULTANTS	PROFESSIONAL SERVICES FROM NOV 1, 2016 TO NOV 30. 2016	12/15/2016	710.00
0	RUTAN & TUCKER, LLP	PROFESSIONAL SERVICES RENDERED THROUGH 11/30/16-RE: H2O SERVICES	12/22/2016	649.00
0	SOUTHWEST ANSWERING SERVICE, INC.	MONTHLY ANSWERING SERVICE	12/15/2016	947.14
0	STREAMLINE	MONTHLY WEB MANAGEMENT FEE	12/22/2016	300.00
0	XEROX CORP.	MONTHLY LEASE	12/15/2016	1,393.64
52838	HOME DEPOT	ROCKSOLID 2 1/2 CAR GARAGE - GREY	12/12/2016	225.72
52843	HAN TAN	REIMBURSEMENT FOR DAMAGES DUE TO METER FAILURE	12/12/2016	154.00
52844	UNION BANK (VISA)	OVERLIMIT FEE	12/12/2016	65.12
52846	DAWN WASHBURN	REIMBURSEMENT FOR 2017 EMPLOYEE RECOGNITION BANQUET ITEMS	12/13/2016	156.59
52848	PETTY CASH	GOING AWAY TREATS FOR TRAKUSAN	12/13/2016	375.82
52851	BONSALL PEST CONTROL	MONTHLY PEST CONTROL	12/15/2016	90.00
52856	FALLBROOK WASTE AND RECYCLING	MONTHLY REFUSE AND RECYCLE	12/15/2016	345.60
52861	MITEL LEASING	LEASE AGREEMENT	12/15/2016	575.70
52862	MODULAR BUILDING CONCEPTS, INC	RENTAL AGREEMENT	12/15/2016	726.84
52864	PITNEY BOWES INC.	LEASE AGREEMENT	12/15/2016	686.82
52865	QUALITY FENCE COMPANY	REPAIR OF LOWER YARD, RAMP FENCE, & GATE TO HWY76	12/15/2016	1,696.00
52866	SAN DIEGO COUNTY ASSESSOR/RECORDER/CLERK	PROCESSING FEE FOR RECORDING RELEASE OF LIEN DOC	12/15/2016	65.00
52868	SHRED-IT USA LLC	MONTHLY SERVICE AGREEMENT	12/15/2016	121.28
52869	TIME WARNER CABLE	MONTHLY INTERNET CONNECTION - DEC	12/15/2016	1,250.00
52870	XEROX FINANICAL SERVICES	MONTHLY LEASE	12/15/2016	567.14
52875	FALLBROOK WASTE AND RECYCLING	MONTHLY REFUSE AND RECYCLE, ACCT# 20-T4 427267	12/16/2016	345.60
52876	HOME DEPOT	LUMBER, RTD SHTG, DECKSCREW, CURB DLVRY FEE	12/16/2016	977.56
52877	PALOMAR HEALTH	I-FLU VACCINE, HRA-BIOMETRICS SCREENINGS	12/16/2016	806.00
52879	SAN DIEGO COUNTY ASSESSOR/RECORDER/CLERK	PROCESSING FEE FOR RECORDING RELEASE OF LIEN DOCS (2)	12/16/2016	26.00

52884	AT&T	MONTHLY PHONE SERVICE ACCT#: 338 271-8811 319 2	12/22/2016	165.70
52885	AT&T	MONTHLY PHONE SERVICE BAN#9391056195	12/22/2016	42.24
52886	CAPITAL ONE COMMERCIALS	MISC KITCHEN SUPPLIES	12/22/2016	435.77
52887	CDW GOVERNMENT, INC.	TRIDENT KRAKEN A.M.S SERIES INDUSTRIAL EDITION-PROTECTIVE CASE F	12/22/2016	93.37
52892	HOME DEPOT	LIQ NAIL VOC, EX SDS +, WEDGE ANCHOR	12/22/2016	57.68
52904	WORKPLACE GUARDIANS, INC.	CUSTOMER SERVICE & SAFETY AWARENESS TRAINING 11/14/16 & 11/30/16	12/22/2016	2,404.00
52908	HRDIRECT	2017 ATTENDANCE CONTROLLER CARDS FOR MANAGERS/SUPERINTENDENTS	12/22/2016	82.06
		Total for Department: 41 ADMINISTRATION/HR		18,554.39

Department: 43 SAFETY

0	FIREHAWK CORPORATION	RE-CERT OF EXISTING PORTABLE FIRE EXTINGUISHER AND COVERS	12/15/2016	305.20
0	T.R.Y. ENTERPRISES, INC.	PATROL SERVICES 12-1-16 TO 12-31-16 FOR DISTRICT YARD	12/15/2016	985.00
52847	JOE PERREIRA	TO REIMBURSE EMPLOYEE FOR THE PURCHASE OF SAFETY WORK BOOTS	12/13/2016	150.00
52848	PETTY CASH	PURCHASE OF ICE	12/13/2016	7.65
52883	AIRGAS SAFETY INC	DBI LABEL, DBI FRICTION, NUT, NYLON INSERT, DBI SCREW, DBI CAP	12/22/2016	668.20
		Total for Department: 43 SAFETY		2,116.05

Department: 51 FINANCE

0	DATAPROSE INC.	MONTHLY MAILING OF WATER BILLS AND NEWSLETTER	12/15/2016	1,819.08
52841	SQUAR MILNER LLP	SECOND INSTALLMENT-15/16 FINANCIAL STATEMENT AUDIT	12/12/2016	10,996.66
		Total for Department: 51 FINANCE		12,815.74

Department: 52 CUSTOMER SERVICE

0	DATAPROSE INC.	MONTHLY MAILING OF WATER BILLS AND NEWSLETTER	12/15/2016	5,886.31
0	MISSION RESOURCE CONSERVATION DISTRICT	HOME WATER USE EVAULATIONS - NOV 2016	12/12/2016	93.75
		Total for Department: 52 CUSTOMER SERVICE		5,980.06

Department: 91 ENGINEERING

0	KENNEDY/JENKS CONSULTANTS INC	LIFT STATION 1 REPLACEMENT	12/12/2016	12,455.67
0	KENNEDY/JENKS CONSULTANTS INC	LIFT STATION 1 REPLACEMENT	12/22/2016	14,945.75
0	PSOMAS	GIRD/MOSERATE HILL WATERLINE DESIGN	12/12/2016	398.59
0	PSOMAS	GIRD/MONSERATE HILL WATERLKNE DESIGN	12/16/2016	1,357.50
0	STONEY-MILLER CONSULTANTS, INC.	AS-NEEDED HYDROGEOLOGIST SERVICES	12/15/2016	2,362.50
0	NOBLE R. TUCKER	APPRAISAL SERVICES FOR THE LIFT STATION #1 SITE	12/16/2016	2,500.00
52837	CHRIS HOELSCHER	REIMBURSEMENT FOR AFTER-HOURS MEALS ON 11/23/16-6 EMPLOYEES	12/12/2016	71.87
52850	AMERICAN WATER WORKS ASSOC.	FOR AWWA M22 MANUAL, CATALOG 30022-3E	12/15/2016	85.50
52854	DEPT. OF THE INTERIOR-BLM	BLM TAX ID #84-0437540 RIGHT-AWAY RENTAL SD CNTY 1/1/17-12/31/17	12/15/2016	447.16
52855	DLM ENGINEERING, INC.	WMP/GENERAL CONSULTING SERVICES	12/15/2016	1,710.00
52860	INFRASTRUCTURE ENGINEERING	PUMP STATION #1 NATURAL GAS MOTOR REPLACEMENT	12/15/2016	5,155.12
52873	COUNTY OF SAN DIEGO	KNOTTWOOD WAY-CNTY OF SD PLAN REVIEW FEES, 2006562-D-04193-1016	12/16/2016	470.39
52874	COUNTY OF SAN DIEGO DEPT OF PUBLIC WORKS	B-PERMIT CLOSURE PWG	12/16/2016	38.50
52910	WILLDAN FINANCIAL SERVICES	WATER & WASTEWATER ASSET COST AND CAPACITY FEE STUDY	12/22/2016	16,385.00
		Total for Department: 91 ENGINEERING		58,383.55
		Total for Fund:03 GENERAL FUND		146,464.74

Fund: 13 STATE REVOLVING FUNE LOAN BECK

Department: 00

0	STATE WATER RESOURCES CONTROL BOARD	INTEREST EXPENSE MORRO SRF	12/08/2016	314,832.00
		Total for Department: 00		314,832.00
		Total for Fund:13 STATE REVOLVING FUNE LOA		314,832.00

Fund: 39 SRF LOAN MORRO
Department: 00

0	STATE WATER RESOURCES CONTROL BOARD	PRINCIPAL BECK SRF	12/08/2016	237,565.24
		Total for Department: 00		237,565.24
		Total for Fund:39 SRF LOAN MORRO		237,565.24

Fund: 53 SEWER CAPITAL EXPANSION
Department: 00

0	TETRA TECH, INC.	AS-NEEDED CONSTRUCTION SUPPORT SERVICES	12/12/2016	1,416.00
		Total for Department: 00		1,416.00
		Total for Fund:53 SEWER CAPITAL EXPANSION		1,416.00

Fund: 60 WTR CAP EXPANSION/REPLACEMENT
Department: 00

52894	KARN ENGINEERING & SURVEYING	ASCOT MEADOWS PRESSURE REDUCING STATION-EASEMENT LEGAL DOC PREP	12/22/2016	2,730.00
		Total for Department: 00		2,730.00
		Total for Fund:60 WTR CAP EXPANSION/REPLAC		2,730.00
		Grand Total		3,065,227.18

Comparative Water Sales YTD from Prior Years

FISCAL YEAR 2016-2017

Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
591	AD	36216	34134	39119	28217	22903	24494							425
403	AG	156957	152359	172040	132882	104544	96050							1,871
5	C	0	0	0	0	0								-
231	CM	47830	45043	43040	26707	20970	21140							470
30	CN	4900	4950	7309	11456	7426	561							84
24	IS	3806	3701	3980	3061	2446	1653							43
88	MF	11307	11657	13746	10597	8876	11213							155
326	SC	183744	166212	206354	150910	121456	115009							2,166
1034	SD	279246	253718	298226	222243	181674	171322							3,229
5122	SF	187516	175736	202555	154361	120520	133125							2,236
7854	Total	911522	847510	986369	740434	590815	574567							10,678

FISCAL YEAR 2015-2016

Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
601	AD	29891	26212	33050	25166	24907	20638							367
404	AG	143174	124130	153414	124219	109795	85664							1,700
6	C	4342	3764	4773	2948	1761	665							42
221	CM	28620	33259	34668	28374	14569	11399							346
37	CN	6680	7040	5931	3994	5788	3061							75
24	IS	2773	2779	2486	3073	3299	2641							39
88	MF	11351	10279	10887	9952	9664	8600							139
326	SC	162756	144892	188145	132002	133998	109284							2,000
1038	SD	245736	213120	257965	197426	188412	162042							2,903
5092	SF	148573	143404	162621	135030	120706	96899							1,853
7837	Total	783896	708879	853940	662184	612899	500893							9,464

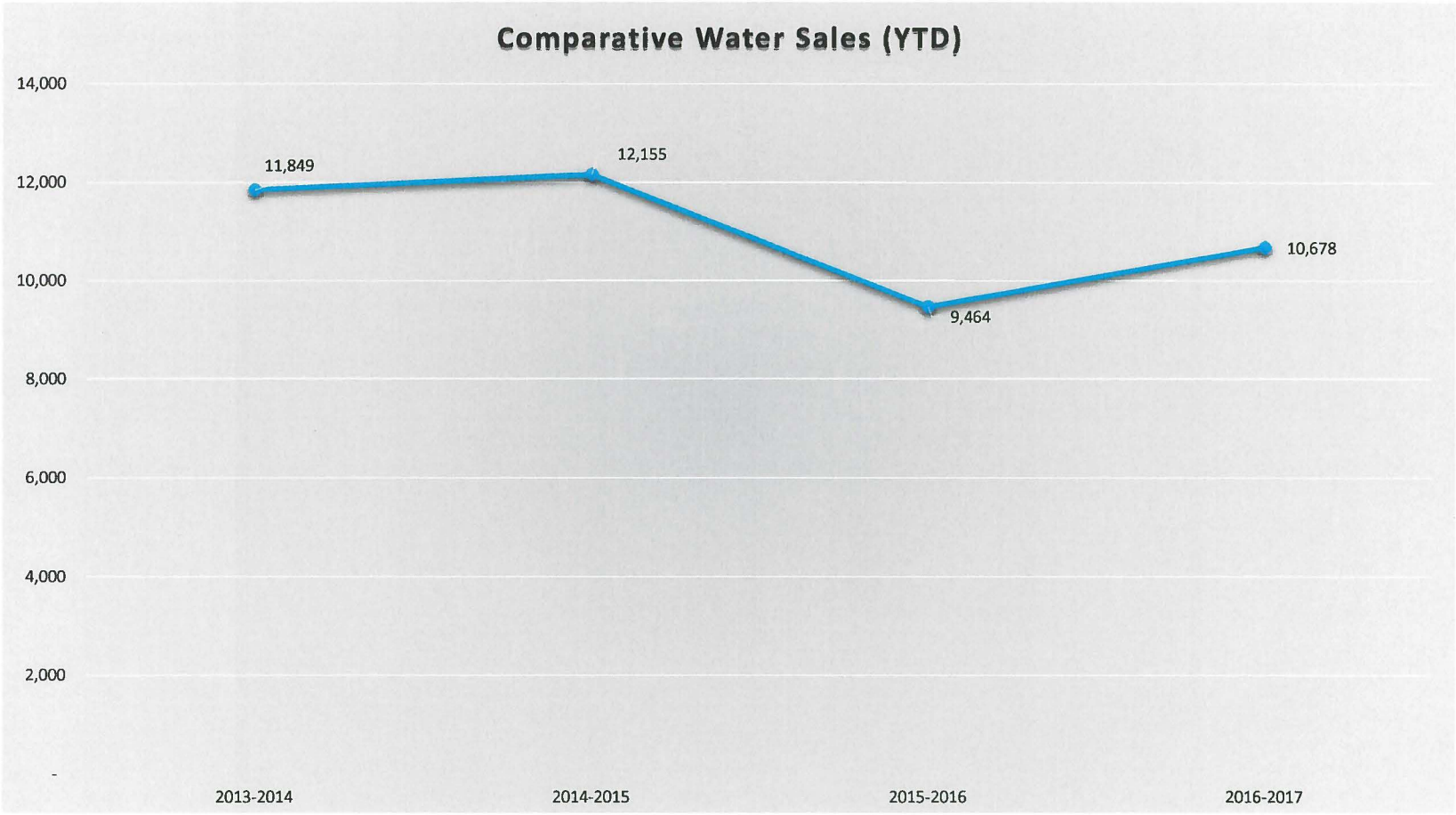
FISCAL YEAR 2014-2015

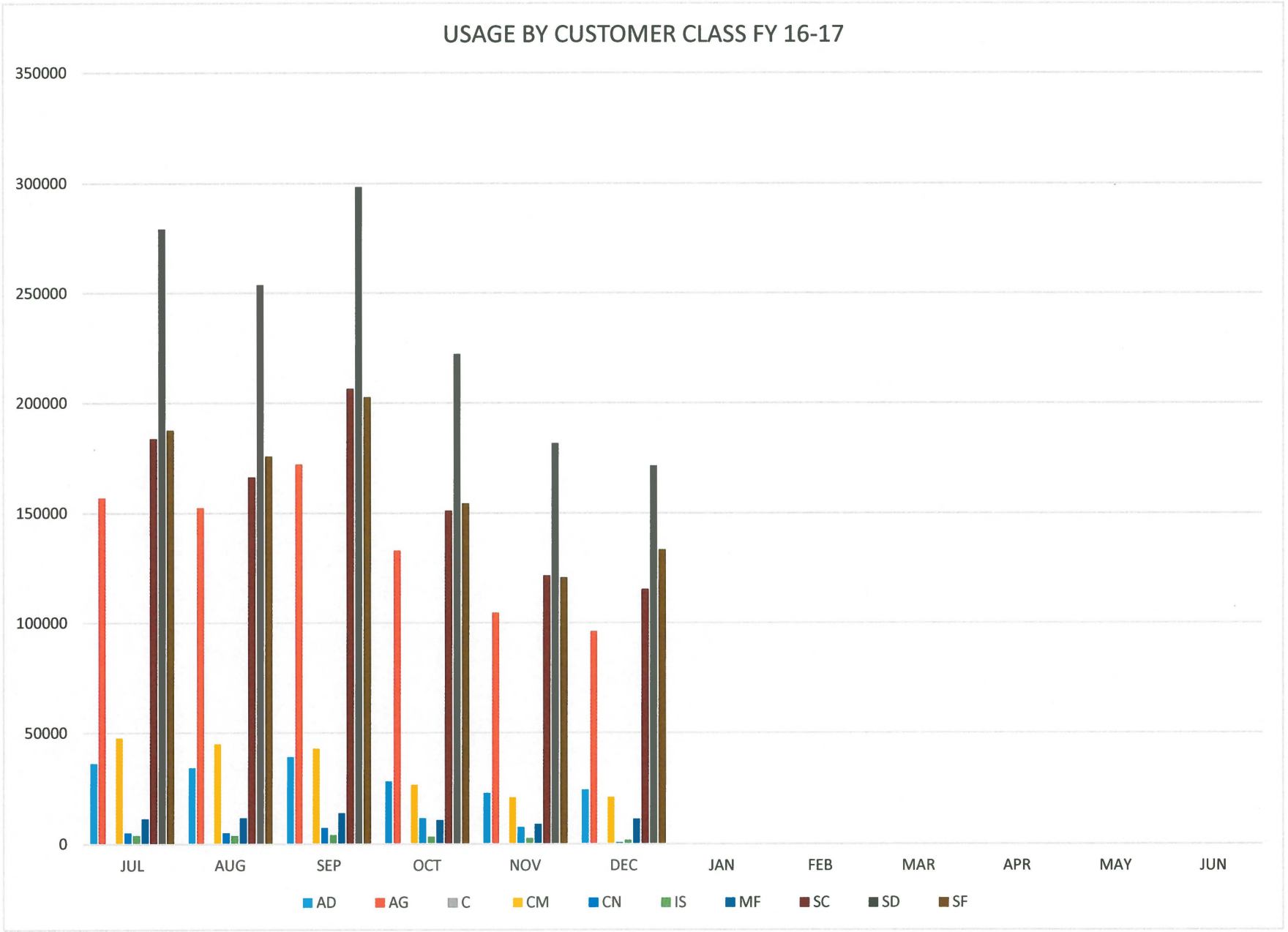
Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
426	A	118146	136346	116938	122567	99702	62354							1,506
341	C	102461	111946	90197	95608	76060	51612							1,212
36	CN	3175	3510	3579	2898	1119	372							34
5558	D	220019	244786	204723	208649	178916	121527							2,706
96	MF	15917	16081	14016	14241	13689	10249							193
323	SC	207708	245358	221301	241409	186106	108701							2,779
1040	SD	284083	332533	282418	297792	260513	165578							3,726
7820	Total	951509	1090560	933172	983164	816105	520393							12,155

FISCAL YEAR 2013-2014

Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
426	A	130393	132497	140319	122581	96941	51347							1,547
340	C	90317	89194	104313	86744	69704	35242							1,092
36	CN	2965	1618	1737	1857	2284	15							24
5558	D	225641	246575	245482	210918	178078	101726							2,774
96	MF	14703	17278	17433	14438	14631	9475							202
323	SC	197030	222678	232163	204607	160984	95935							2,556
1040	SD	293327	327443	324488	276743	237162	132450							3,654
7819	Total	954376	1037283	1065935	917888	759784	426196							11,849

Comparative Water Sales YTD from Prior Years




USAGE BY CUSTOMER CLASS FY 16-17
350000
300000
250000
200000
150000
100000
50000
0
JUL
AUG
SEP
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY
JUN
AD
AG
C
CM
CN
IS
MF
SC
SD
SF

RAINBOW MUNICIPAL WATER DISTRICT
Committed to Excellence

SEWER EQUIVALENT DWELLING UNITS (EDUs) STATUS REPORT
JANUARY 2017

STATUS SUMMARY	EDUs
Total Treatment Capacity Purchased from Oceanside	8,333.33
Less 5% Contractual Allowance	416.67
EDUs Set Aside by Board for Emergencies	60.00
EDUs Connected	3,939.34
EDUs Unconnected	1,277.16
Total EDUs Available for Purchase:	**2,640.17**

DEVELOPMENTS WITH UNCONNECTED EDUs	EDUs	CAPACITY FEES PAID	
Others (Misc. SFR)	20.60	$ 306,362	
Golf Green Estates (Dev. Solutions)	102.46	$ 1,777,700	
Horse Creek Ridge/ Passarelle	850.57	$ -	
Palomar College	100.00	$ -	
Polo Club (Vista Valley Dev.)	59.85	$ 1,022,775	
Pala Mesa Highlands (Beazer Homes)	124.00	$ 965,007	*
Lake Vista Estates (Arestad)	2.68	$ 45,890	
Vista Valley Country Club	5.00	$ 85,450	
Silver Holdings	9.00	$ 153,810	
Sycamore Downs	3.00	$ 51,270	
TOTAL UNCONNECTED:	**1,277.16**	**$ 4,408,264**	

*Deferred Total Payment until Building Permits are Issued.