

Notice is hereby given that the Rainbow Municipal Water District Board of Directors will hold Open Session at 1:00 p.m. Tuesday, December 5, 2017, at the District Office located at 3707 Old Highway 395, Fallbrook, CA 92028. At any time during the session, the Board of Directors Meeting may adjourn to Closed Session to consider litigation or to discuss with legal counsel matters within the attorney client privilege.

AGENDA

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL: Brazier_____ Hamilton_____ Gasca_____ Mack_____ Stewart_____**
4. **ADDITIONS/DELETIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)**
5. **ORAL/WRITTEN COMMUNICATIONS FROM THE PUBLIC OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD REGARDING ITEMS NOT ON THIS AGENDA (Government Code § 54954.2).**
Under Oral Communications, any person wishing to address the Board on matters not on this agenda should indicate their desire to speak by filling out and submitting a "Speaker's Slip" to the Board Secretary before the meeting begins. No action will be taken on any oral communications item since such item does not appear on this Agenda, unless the Board of Directors makes a determination that an emergency exists or that the need to take action on the item arose subsequent to posting of the Agenda (Government Code §54954.2). Speaking time shall generally be limited to three minutes, unless a longer period is permitted by the Board President.

PRESENTATION

Time Certain: 1:00 p.m.

6. **SDCWA PRESENTATION BY MAUREEN STAPLETON**
- *7. **APPROVAL OF MINUTES**
 - A. October 24, 2017 - Regular Board Meeting
8. **BOARD OF DIRECTORS' COMMENTS/REPORTS**

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

 - A. President's Report (Director Brazier)
 - B. Representative Report (Appointed Representative)
 1. SDCWA
 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)
 1. Board Reports
 - D. Directors Comments
 - E. Legal Counsel Comments
 1. Attorney Report: District-Issued Electronic Devices (501668-0002)

(*) - Asterisk indicates a report is attached.

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

- A. Budget and Finance Committee
 - 1. October 10, 2017 Minutes
- B. Communications Committee
 - 1. October 5, 2017 Minutes
- C. Engineering Services Committee

BOARD INFORMATION ITEMS

10. EAM MILESTONE REVIEW

BOARD ACTION ITEMS

- *11. DISCUSSION AND POSSIBLE ACTION TO APPROVE AGREEMENT CONSENTING TO SEWER CONNECTION FEE CHARGES AND TO THE EXCHANGE OF LOT 25 FOR CAPACITY CREDIT BY AND BETWEEN RAINBOW MUNICIPAL WATER DISTRICT AND DEVELOPMENT SOLUTIONS BON, LLC**
(In approving this agreement, the Board allows the District to serve the Rio Estrella development with sewer service. Also, this agreement recognizes the \$1,777,700 already paid in capacity fees and Development Solutions BON, LLC, the developer, will pay the remaining capacity fees due before connecting to the system. This agreement also arranges for the exchange of a parcel of land which is beneficial to the District for building a lift station.)
- *12. DISCUSSION AND POSSIBLE ACTION TO APPROVE THE UPDATED WARNER RANCH WATER SUPPLY ASSESSMENT (WSA)**
(A WSA is required by California law commonly known as Senate Bill (SB) 610. The law applies to projects which propose development greater than certain specified thresholds and that are subject to CEQA. Though the board approved the original WSA in 2013, the WSA was updated to include the most recent data on water supply availability in the District.)
- *13. DISCUSSION AND POSSIBLE ACTION TO RENEW THE SEWER PERMIT APPLICATION FOR BEAZER HOMES HOLDING CORP.**
(The current Agreement to Acknowledge and Defer Sewer Connection Fee Charges expires on December 14, 2017. This approval will acknowledge the capacity fees already paid for the Pala Mesa Highlands Development and grant a time extension for the agreement.)
- 14. PROJECT UPDATE AND DISCUSSION AND POSSIBLE ACTION TO APPROVE A CHANGE ORDER FOR THE MOOSA CREST WATERLINE EMERGENCY REPAIR PROJECT**
(Due to a design error, the District must approve a construction change order in order to complete construction of the Moosa Crest waterline Emergency Repair Project. The change order is brought to the board because the cost is greater than the General Manager's signing authority.)
- *15. DISCUSSION AND POSSIBLE ACTION TO APPROVE WATER AND SEWER CONSTRUCTION AGREEMENT FOR THE PALOMAR NORTH EDUCATION CENTER WATER AND SEWER IMPROVEMENTS**
(Palomar College is responsible for construction of public water and sewer mains through the campus property to connect with existing mains in Horse Ranch Creek Road. Approval of the Water and Sewer Construction Agreement will allow construction to proceed.)
- 16. AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS**

(*) - Asterisk indicates a report is attached.

***17. RECEIVE AND FILE INFORMATION AND FINANCIAL ITEMS**

- A. General Manager Comments**
 - 1. Meetings, Conferences and Seminar Calendar
- B. Communications**
 - 1. Staff Training Reports
- 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

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

19. ADJOURNMENT - To Wednesday, January 10, 2018 at 1:00 p.m.

ATTEST TO POSTING:


Hayden Hamilton
Secretary of the Board

11/21/17 @ 9:00 a.m.
Date and Time of Posting
Outside Display Cases

(*) - Asterisk indicates a report is attached.

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

1. **CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on October 24, 2017 was called to order by President Brazier at 12:31 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. President Brazier presiding.

2. **ROLL CALL**

Present: Director Brazier, Director Hamilton, Director Mack, Director Stewart, Director Gasca.

Also Present: General Manager Kennedy, Legal Counsel Smith, Administrative Analyst Gray, Associate Engineer Powers, Human Resources Manager Harp, Finance Manager Vanessa Martinez, Superintendent Maccarrone, Superintendent Walker, Superintendent Zuniga, Interim Engineering Manager Gerdes, Electrical/Electronic Technician Cline, Electrical/Electronic Technician Bradley, Mechanic Del Rio, Utility Worker Demary, System Operator Coffey, Crew Leader Rose.

Absent: Operations Manager Milner, Executive Assistant Washburn, Engineering Manager Kirkpatrick.

No members of the public were present before for Open Session. Seven members of the public were present for Open Session.

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

There were no changes to the agenda.

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).**

There were no comments.

The meeting adjourned to Closed Session at 12:33 p.m.

(*) - Asterisk indicates a report is attached.

5. CLOSED SESSION

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

6. REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

The meeting reconvened at 1:14 p.m.

President Brazier reported there was no reportable action.

Time Certain: 1:00 p.m.

7. PLEDGE OF ALLEGIANCE

8. REPEAT REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

This item was addressed under Item #6.

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

There no changes to the agenda.

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).

Jeanne Meadow requested information regarding the new check processing and auto pay services including the cost for implementation, number of customers utilizing the services, and cost savings to the District. Mrs. Martinez stated RMWD receives approximately 3,000 check payments from customers per month. Mr. Kennedy mentioned by implementing the new service, hundreds of customers can be added to the system without adding to the customer service staff. He also pointed out not having to take credit card payments over the phone will also assist with the ongoing process to streamline operations as the District grows without increasing staff. Mrs. Martinez stated the cost for the service is approximately \$.30 per customer. Mr. Kennedy noted it costs 3-4 times more in labor costs to process customer checks. He reiterated this was as much to free up the labor costs by streamlining the workload on the customer service representatives and keeping the employee headcount down as the District grows; thereby, managing RMWD's income more effectively. He stated he would have the Budget and Finance Committee review the costs involved with the services as well as customer incentive programs. He invited Ms. Meadow to attend the November Budget and Finance Committee meeting at which there will be an agenda item to discuss this matter in more detail.

Mr. Kennedy pointed out the next speaker would be addressing the matter discussed in Closed Session earlier at the meeting; therefore, there probably would not be an interactive experience with the Board on the subject. President Brazier stated she would allow a little more than the allotted three minutes for Mr. Jamshidi to speak; however, not too much more due to the number of agenda items for the Board to discuss.

(*) - Asterisk indicates a report is attached.

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Faraz “Frank” Jamshidi presented information regarding the property damage to 2160 Puerto Del Mundo, Fallbrook, CA 92028 that occurred approximately nine months ago when two drains above their property malfunctioned. He stated the drains were located and found to belong to RMWD which caused water to drain onto their property causing a great deal of damage. He said they waited for RMWD to do something and when the District did get involved it was the Operations Manager with whom they interacted with in addition to the General Manager. He stated they have had several meetings with the District regarding this matter. He mentioned his parents were heavily impacted by the situation. He said because they believed in the many things promised by the District and encouraged to be “neighborly”, they did not retain legal counsel. He said they were coming before the Board today to ensure their story was heard.

Mr. Kennedy offered to share the materials provided by Mr. Jamshidi with the Board of Directors. He also pointed the Board did consider this matter during Closed Session at which time he shared all the information, materials, and photographs he had available. He stated the Board did provide him with direction and that he would be in contact with the Jamshidi’s to discuss that further very soon.

11. EMPLOYEE RECOGNITIONS

A. Armando Lopez (20 Years)

Mr. Kennedy pointed out Armando Lopez was a senior construction crew member who handles the everyday difficult construction projects. He stated Mr. Lopez was one of RMWD’s hardest workers always working conscientiously representing the ratepayer when performing his job. He mentioned Mr. Lopez is always very honest and upfront when speaking with him. He presented Mr. Lopez with a plaque and check in recognition of his years of service.

Mr. Lopez share one of his favorite stories from his twenty years at the District.

Director Stewart offered Mr. Lopez high praise noting Mr. Lopez has always been exceptionally professional during each of their encounters.

B. Board Nomination for All Negotiations Team Members

- Tom Kennedy
- Karleen Harp
- Marc Walker
- Ramon Zuniga
- Darren Milner
- Steve Coffey
- Justin Demary
- Rene Del Rio
- Ed Bradley
- Dawn Washburn
- Cynthia Gray
- Bryan Rose

(*) - Asterisk indicates a report is attached.

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Director Hamilton read aloud the Board's nomination:

“Considering the potential contentious nature of employee contract negotiations, the individuals should be recognized for their effort to find an equitable solution for all participants. The very nature of contract negotiations can lead to situations creating the illusion of winners and losers. Through a team effort this group was able to reach a consensus where all parties determined terms and conditions that were mutually satisfactory. By doing so, the team was able to avoid having to resort to external influences and decisions such as arbitration and/or litigation, that have the potential of creating long lasting hostilities and animosity within the RMWD team.”

Director Hamilton stated the Board thought it was very important that although it was not smooth working throughout the negotiations, the teams continued communicating in synch to reach an equitable situation that was agreeable by all parties. He said this team was able to do that and for doing so, the Board wanted to nominate the negotiating teams for such.

Director Hamilton read the RMWD core value definitions for Teamwork stating all of the points listed were demonstrated by the negotiation teams. He pointed out some of the team members would receive an award for Teamwork that have not yet been recognized and those that have been recognized will receive an honorable mention.

Director Hamilton presented Mr. Kennedy and Mrs. Harp with a Teamwork Coin award. He presented Honorable Mention Certificates to Bryan Rose, Cynthia Gray, Ed Bradley, Rene Del Rio, Justin Demary, Steve Coffey, Ramon Zuniga, and Marc Walker. It was noted Dawn Washburn and Darren Milner were not present.

Director Hamilton congratulated every team member on behalf of the Board for their efforts in reaching a solution with which everyone could live.

***12. APPROVAL OF MINUTES**

- A. September 5, 2017 – Special Board Meeting
- B. September 26, 2017 – Regular Board Meeting

Motion:

To accept the minutes for the September 5, 2017 Special Board meeting and September 26, 2017 Regular Board meeting.

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

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

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

(*) - Asterisk indicates a report is attached.

***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 (President Brazier)

President Brazier stated something occurred at the September Board meeting that convinced her that Board procedures must be tightened and standardized. She noted RMWD operates under the California Water Code and by such the Board is only responsible for hiring legal counsel and the auditors and nobody else. She stressed no other employees are under the Board's control at all. She mentioned last month a staff member, asked to do so by a Director, made his request to the Board for approval to attend a conference as opposed to putting something in writing to present to the Board in his absence. She stated assuming the retic to stakeholder funds is not acceptable. She referenced the form employees are required to submit prior to attending conferences pointing out Board Members will start following the same process by completing the request forms, delivering them in person at the Board meeting, or in advance to the General Manager or Board President if it is known they will be absent at the Board meeting. She specified the information requested will be obtained and filled out by the Director themselves as it is their responsibility as opposed to staff's. She explained the same expectations for staff should be in place for the Board as they are also employees of the District. She pointed out there were no trick answers or questions that anyone seeking stakeholder funds should be able to provide. She said she would see to it that sufficient copies of the forms are available and notify the Board where they can be obtained.

President Brazier also talked about the Directors' responsibilities in terms of requesting items for the agenda pointing out the Administrative Codes states the General Manager and Board President put the agenda together by discussing and prioritizing each item as an attempt to have an agenda that is achievable at each meeting. She added this applies to all items submitted by the public and the Directors. She particularized staff agenda items are due at the end of busy on the Tuesday two weeks prior to the Board meeting which is the same deadline for Directors as well; therefore, any items submitted past the due date may be considered for a subsequent meeting, but not necessarily. She noted the items must be in writing prepared by the Director and include the general topic, the purpose/outcome the petitioner is seeking, any clarifying information available, fiscal impacts, and proposed options for the Board's decision-making process (i.e., action, direction, etc.). She explained as soon as possible after the submission deadline, the Board President and General Manager will meet and assemble the agenda. She concluded by noting these changes should make the carrying out of Director responsibilities clear, consistent, and transparent.

B. Representative Report (Appointed Representative)**1. SDCWA**

Mr. Kennedy noted the MWD vs. SDCWA lawsuit was over; however, there were two more cases outstanding with a few issues needing to be resolved. He mentioned the letter SDCWA circulated. He stated there will be a handful of SDCWA Board Members selected to meet and discuss a path that is less toxic. He explained there was some clear direction provided to the organization's leadership during a Closed Session meeting.

2. CSDA

Mr. Kennedy reported the next meeting will include hearing from the new LAFCO executive officer as well as the election for the local chapter officers.

3. LAFCO

This item was addressed under Item #13B2.

4. San Luis Rey Watershed Council

Director Stewart noted a copy of his written report was provided to the Board. He summarized his report citing he was applying for a seat on the Council for which elections will be held on October 25th, an El Nina was forecasted with expectations of a normal winter for 2017, the SLRWC Progress Report, and the South Coast Steelhead Coalition presentation.

5. Santa Margarita Watershed Council

Director Hamilton reported he attended his fourth meeting and he was unclear as to the direction of this committee. He talked about the Watermaster being an officer of the Court who reports to the judge and the steering committee has no authority, is strictly informational, advisory to the Watermaster. He mentioned the motion to add a steering committee member was hindered on procedural issues. He pointed out the Conjunctive Use Project between FPUD and Camp Pendleton was basically a done deal with Camp Pendleton already starting construction. He announced the next meeting is scheduled for January 16, 2018.

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

1. Board Reports

Director Mack gave a report on the CSDA Annual Conference he attended with Mr. Kennedy noting there were many different breakout courses to allow attendees to get as much knowledge as possible including the laws related to the upcoming legalization of marijuana use, Board conduct, and the Brown Act. He encouraged each of the Board Members to attend in this conference filled with engaging topics and information.

Mr. Kennedy pointed out RMWD received its Certificate of Excellence at the CSDA Annual Conference. He added the San Diego Chapter CSDA gave \$500 to the scholarship program for SDLF which is used to assist small districts with low budgets pay for their Board Members into the conference for training purposes.

Director Gasca summarized his report included in the agenda packet for the CEQA workshop he recently attended. He mentioned East Valley Water District gave a presentation including sharing the idea of implementing a chain of command peer group for filtering customer grievances. Mr. Kennedy interjected there may be some challenges with putting this type of program in place and meeting the Government Code regulatory requirements. Director Gasca mentioned the new CEO of Babcock Laboratories had invited him to visit their facility which has been scheduled for November 7, 2017.

D. Directors Comments

There were no comments.

(*) - Asterisk indicates a report is attached.

- E. Legal Counsel Comments
 - 1. Prop 218 and Voter Initiatives (501668-0002)

Legal Counsel talked about pending constitutional amendments and possible changes to the laws related to Proposition 218 process.

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

- A. Budget and Finance Committee
 - 1. September 12, 2017 Minutes

Mr. Stittle reported there was an update on the Cost of Service Study and there were hopes Raftelis will be at the next meeting.

Mr. Kennedy pointed out there will be an AMI kickoff meeting. He added there will be a progress report as well as a presentation at the North American Water Loss Conference in early December will be given by RMWD’s Associate Engineer, Michael Powers.

- B. Communications Committee
 - 1. September 11, 2017 Minutes

Director Hamilton reported Ms. Martinez presented the upcoming change for delivering 48 hour and shutoff notices which in turn will boost proactivity utilizing staff time more efficiently. He added discussion took place regarding incentive programs that would get ratepayers engaged in either efficiencies or helping identify inefficiencies within our organization.

- C. Engineering Services Committee
 - 1. September 6, 2017 Minutes

Michael Powers reported the last meeting consisted of an AMI update, and a presentation on the Condition Assessment Program. He explained the goal of the assessment program was to bring balance between the District’s investments and addressing fixing older, depleting infrastructure.

President Brazier called for a break at 2:34 p.m.

The meeting reconvened at 2:46 p.m.

BOARD INFORMATION ITEMS

15. CYBER SECURITY INFORMATON UPDATE AND PRESENTATION (REQUESTED BY DIRECTOR GASCA)

Director Gasca briefed the Board on his personal and professional experiences dealing with Cyber hacking and other criminal activities. He presented information regarding easy and sensible ways to protect the District’s data.

Mr. Kennedy pointed out consultants and staff members were present to give a brief overview of RMWD’s security systems.

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Spencer Dale, Ostari's CFO, introduced himself sharing some of his and the company's background. He introduced Justin Clay who presented an overview of their company, services and experience. Discussion ensued regarding developing a risk profile as well as the recent phishing scam experiment.

Mr. Cline and Mr. Bradley presented information pertaining to protecting the RMWD Supervisory Control and Data Acquisition (SCADA) system.

Mr. Kennedy added having a contract with Ostari and the level of expertise they offer helps keep employees working and productive. He mentioned more information will be provided as staff develops the new IT position for the District. Discussion followed.

***16. DISCUSSION REGARDING RAINBOW MUNICIPAL WATER DISTRICT PROPERTY LIST**

Mr. Kennedy presented a list of properties excluding easements. Director Stewart ask Legal Counsel about ways to search for and find all RMWD properties and assessor data for property ownership. He mentioned the District's goals and objectives for enhanced property management.

17. DISCUSSION REGARDING LONG STANDING CONTRACTS REVIEW

Mr. Kennedy asked for more details regarding this agenda item. He guaranteed a more detailed review of contracts will be established as a normal practice. Legal Counsel pointed out the contract with the City of Oceanside was very undesirable agreement. Discussion followed.

BOARD ACTION ITEMS

***18. DISCUSSION AND POSSIBLE ACTION TO AWARD A PROFESSIONAL SERVICES CONTRACT TO PROVIDE ENGINEERING SERVICES FOR STUDIES TO ADVANCE BONSALL BASIN DESALTER IMPLEMENTATION AND APPROPRIATE \$152,903 TO THE PROJECT BUDGET**

Mr. Kennedy pointed out a few stopping points have been added as requested by the Board. Discussion followed.

Motion:

To award a Professional Services Contract to provide engineering services for studies to advance Bonsall Basin Desalter implementation and appropriate \$152,903 to the project budget including two review points to advise the Board on the continuance of the project.

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

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

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

(*) - Asterisk indicates a report is attached.

***19. DISCUSSION AND POSSIBLE ACTION TO ADOPT ORDINANCE NO. 17-12 AMENDING AND UPDATING ADMINISTRATIVE CODE CHAPTER 8.11 – CONNECTION AND METER CHARGES**

Mr. Powers pointed out the change to the Administrative Code would assist with having the District's water policy aligned with its sewer policy in terms of connection and meter charges. He noted it would specifically bring an end to a refund of capacity fees if the project is not ready within two years. He recalled the Board had requested information pertaining to why RMWD did not consider making the applications non-transferable; therefore, the item was tabled until this meeting when Mr. Kennedy would be available to provide a response.

Mr. Kennedy explained there are a fair number of times when a project is going through the development process where a developer will change from one Limited Liability Corporation (LLC) to another. He said situations such as this become administrative challenging for the District. He pointed out the biggest change is the cap at two years so there are no applications ongoing for numerous years. He noted by eliminating the word permit, it becomes an application process where until the fees are paid in full and the project is connected to the system the applicant remains such.

Director Gasca asked why it was RMWD's responsibility to return the fees as opposed to having the new LLC reapply. Mr. Kennedy explained the fees are for those that apply to connect to the system. He stated should someone decide not to connect to the system and RMWD does not refund the fees, it subjects RMWD to a lawsuit. He noted if RMWD takes a fee for a particular reason such as connecting to the District's system which causes an impact to the system and when should the applicant decide to cancel their connection, it would be fundamentally unfair. Mrs. Meadow inquired about transfer fees. Mr. Kennedy clarified all refunds are minus RMWD costs including staff time. Discussion followed.

Director Mack asked what happens when the fees change over the two-year period. Mr. Kennedy explained the transfer does not extend; therefore, the applicant would need to reapply at which time the current fees would be charged.

Director Stewart referenced Section 8.11.030.1.3 noting it "if no connection is made it shall expire and all rights of application shall terminate" asking for clarification. Mr. Kennedy explained if an applicant pays RMWD for connection and does not connect within the two years, the application is cancelled and the applicant is reimbursed for the fees paid less the District's costs. He confirmed once an applicant is connected to the system, they become a RMWD customer. He stated it does not matter if there is a water meter in use; however, the meter fees must be paid or they will be locked off.

Motion:

To approve Staff Recommendation Option 1 – Adopt Ordinance No. 17-12 amending and updating Administrative Code 8.11 – Connection and Meter Charges.

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

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

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

20. REQUEST FOR RETROACTIVE COMPENSATION FOR CONFERENCE ATTENDANCE IN MAY 2017 BY DIRECTOR MACK

President Brazier noted there was no explanation as to the reason for this request provided. Mr. Kennedy explained Ms. Washburn prepared the action letter based on the information provided by Director Mack.

Director Mack mentioned Ms. Washburn had drafted several versions of the per diem forms to be signed once the Board made a decision regarding Board Member compensation at the conclusion of that particular Board meeting. He stated since a decision was not made at that time due to issues brought forth by other Directors causing the matter to be tabled for several months, he was making this request several months later.

President Brazier asked why Director Mack was seeking an increase. Director Mack clarified it was not an increase reiterating it was already stipulated it would be paid until President Brazier brought forth a concern which caused the matter to be placed on hold for several months, a committee had been formed to discuss the matter further, and the matter continued to be delayed. President Brazier stated Director Mack was banking on a proposed Administrative Code change that has not yet been made. She asked Director Mack if he was requesting compensation for attending a conference post any Administrative Code changes. Director Mack replied at the very first conference he attended with Mr. Kennedy, he consulted Mr. Kennedy regarding the compensation for attendance at which time Mr. Kennedy told him it was a per diem which means "per day". He added based on this information Ms. Washburn prepared different versions of the per diem forms for his signature. Mr. Kennedy clarified the reason for the multiple per diem forms was based on the Administrative Code being unclear in terms of whether Directors should be paid for one day or each day they attend a conference which ultimately needed to be decided by the Board. He stated since the matter was being brought to the Board for their consideration, staff was prepared to have the correct per diem form ready for signature based on the Board's decision.

President Brazier asked Director Mack whether he reviewed the reimbursement policy provided in the Administrative Code. Director Mack stated Mr. Kennedy told him the policy which is what he chose to follow. President Brazier pointed out the Board of Directors operates under the Administrative Code, not what is said by the General Manager. Director Mack confirmed he was making the request based on what he was told and that since this matter was being addressed it would be to make it. President Brazier inquired as to whether Director Mack accepted compensation for attending the meetings based on the Administrative Code policy in place at that time. Director Mack reiterated he was making the request based on what he was told by Mr. Kennedy. President Brazier stressed Mr. Kennedy is an employee of the Board of Directors and the Board operates under the Administrative Code.

President Brazier repeated herself asking Director Mack if he in fact accepted payment for attending the conference based on the Administrative Code in place at that time. Director Mack restated there were three different per diem forms prepared that Ms. Washburn had him sign not knowing what the proper compensation would be. President Brazier asked Director Mack if he did not receive any compensation for the conferences. Director Mack stated Ms. Washburn processed

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the per diem form for the minimum amount because no one had decided what the proper compensation should be due to the issues raised. President Brazier confirmed Ms. Washburn did the right thing by following what was authorized by the Administrative Code at that time; therefore, he did accept compensation for attending the conferences. Director Mack reiterated Ms. Washburn had prepared three separate documents because she did not know which one to process due to an issued being raised regarding clarifying the Administrative Code policy which has taken several months to get. President Brazier said she did not raise an issue of clarification; this was an agenda item for the Board to consider when questions are raised by anyone.

President Brazier stated her point was that at the time Director Mack attended these conferences, he was under a false impression as to what his compensation would be; therefore, the Board Secretary/Executive Assistant filed the paperwork to authorize him to accept the compensation that was authorized in the Administrative Code at that time. Director Mack repeated his earlier responses. Director Hamilton asked if there has been any compensation received for any of these events. President Brazier stated \$150.00 per conference has been remitted. Director Hamilton explained to Director Mack he did accept the compensation for these two events which is what President Brazier was trying to express. Director Mack said he did accept the compensation; however, it was his understanding he was doing so until the outcome of the Board's decision was finalized. Director Hamilton asked Director Mack to clarify if he was saying he accepted the compensation for those conferences conditionally. Director Mack he said he signed the three forms presented to him not knowing which one would be processed; therefore, he did get paid one per diem for each of the conferences because the policy clarification had not been completed. Director Hamilton pointed out the clarification was that Director Mack was entitled to the compensation allowed per the Administrative Code which was one per diem for each conference. Director Mack said he was not trying to make an issue out of this request, but rather making the request based on what he was told that "per diem" meant "per day" which he thought had been resolved.

President Brazier pointed out the Administrative Code has not changed and things were no different prior to the Board discussing the next agenda item. She explained this meant there was no change to the policy that would allow any further compensation. Director Mack stated this was fine; however, at that time no one knew how the Board wanted to define "per diems". President Brazier stated she was defending the Administrative Code.

Mr. Kennedy added at the time this was being reviewed, there was some discussion at the staff level regarding what the term "per diem" meant. He explained "per diem" literally means "per day"; however, this was not the understanding of those following the policy so it was determined to bring the policy to the Board for clarification and consideration. He pointed out the proposed changes being brought to the Board today will revise certain sections of this policy that clarifies these areas. He stated the interpretation of the Administrative Code at the time this matter came forward was that compensation would be one payment for one day's attendance at a conference.

President Brazier pointed out at the September Board meeting the Board had to change several sections of the proposed changes because the word meeting was used which could have been misconstrued the same as per diem has been.

Director Stewart asked if prior Directors had requested \$150.00 payment per day they attended a conference. Mr. Kennedy stated staff reviewed records from the past ten years does not show these types of requests have been made. Director Stewart mentioned he went to three conferences prior to Director Mack joining the Board and how he assumed he would be reimbursed for all travel, meal, and accommodation expenses without additional compensation because that was what the other Board Members were doing at that time. He stated he did not know of other

(*) - Asterisk indicates a report is attached.

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Directors being compensation for going to a multiple-day conferences and the issue was never raised. He said he has mixed feelings regarding whether the District should compensate Directors for attending conferences for which the District is paying significant expenses. He reminded the Board this was a volunteer job. He noted the Board needs to resolve going forward what it would like the policy to be which will be discussed under the next agenda item.

President Brazier explained why she stated she was defending the Administrative Code. She said in June and August this Board was asked to authorize compensation which was not allowed under the Administrative Code. She recalled in June a Director implied he may not attend a conference if he did not get money to cover child care costs; therefore, a majority of the Board voted to compensate that Director \$400. She pointed out in August, a majority of the Board approved compensating one Director for attending a conference even when other RMWD Directors attended. She stressed this would be the third time the Administrative Code would be disregarded by a majority of this Board. She said since a change to the Administrative Code was being sought in the next agenda item, these occurrences give her no confidence that someone else may want to evade the new version of the Administrative Code policy. She stressed this was why she was so adamant about this matter. She said either the Board operates under the rules or not have any rules and become an anarchy.

Director Mack withdrew his request. He apologized for not familiarizing himself with the Administrative Code and because he was new to the Board, he merely followed what he was told by Mr. Kennedy. President Brazier acknowledged the withdrawal of the request and urged the Board of Directors to familiarize themselves with how RMWD is supposed to be run.

Director Mack pointed out in the past President Brazier brought up the matter related to the Brown Act. He stated when he made inquiries at the conferences regarding the situation, he was told the situation discussed was not a violation of the Brown Act. He said before President Brazier makes accusations maybe she needs to attend seminars to receive some training. President Brazier challenged the claim that she made accusations as opposed to raising a question there could be a potential violation. She encouraged Director Mack to listen to the audio recordings to verify what was said.

No action taken.

***21. DISCUSSION AND POSSIBLE ACTION TO APPROVE ORDINANCE NO. 17-13 AMENDING AND UPDATING ADMINISTRATIVE CODE CHAPTER 2.03 - REMUNERATION AND REIMBURSEMENT, SECTION 2.08.010 - TRAINING AND ASSOCIATIONS POLICY, AND CHAPTER 4.01 - PERSONNEL RULES AND REGULATIONS RELATED TO BOARD MEMBER ATTENDANCE AT MEETINGS, SEMINARS, AND CONFERENCES**

Director Hamilton stated the policy does not clarify as to whether compensation includes travel time. Mr. Kennedy explained this would allow the Board to consider approving a Director's attendance at conferences, workshops, or training on a case-by-case basis founded on the information provided in a formal request submitted by a Director on the request forms distributed to the Board. He pointed out the revised policy would include requiring the Board to provide a written report on the form provided once they attend one of the listed events. He pointed out although the amount spent on these events is small compared to the budget, the values and benefits should be disclosed.

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Director Brazier commented on the District's current environment of the District's funding and confidence of the ratepayers. She talked about how Ordinance 95-1 came into fruition due to past Board Members overspending by not adhering to the Administrative Code as well as ignoring the concerns of others. She explained the Ratepayer Oversight Committee (ROC) was formed which was tasked with trying to get the Board to become more fiscally responsible; however, since the Board ignored the committee initiated Ordinance 95-1, one Director was recalled and other resigned. She said it was her hopes this Board realizes they are spending stakeholder money and they expect a return on investment. She pointed out the one thing the District needs is the confidence and trust of the stakeholders so that they know the Board is doing the right thing and in turn will support the Board efforts. She explained she shared this history as it was important to know.

Director Stewart offered his support for creating and implementing an official Board pre-approval process for conference and seminar attendance.

President Brazier pointed out the ad hoc committee worked diligently to put together an updated policy proposal they believed would be fair; however, her position would be not to support it due to her doubts the Board will adhere to the provisions provided in the amended Administrative Code policy.

Director Gasca expressed his support of the proposed changes and how it aligns with the State Code. He mentioned obtaining a matrix from special districts to understand what it takes to get Board Members educated as well as the value to achieving some of the levels to be attained by the District will assist in considering approval of spending District funds on some of these events. President Brazier noted he was pointing out what it takes to make RMWD a good district; however, she doubts the ratepayers are as interested in whether the District was in the top ten percent of anything as much as they are interested in the Board serving them well. Director Gasca explained he believes the ratepayers would be interested in a third-party organization that is taking a valuation of where the Districts ranks. President Brazier reiterated the ratepayers were much more interested in how the Board serves them than whether RMWD has the prestige in being recognized by somebody else. Director Hamilton pointed out the ratepayers are going to question why the Board has not cut back on education when their rates are increasing. President Brazier noted it was an admirable goal to be considered well by an organization of its peers, but it is even more important to serve its stakeholders well.

Director Stewart stated all the costs associated with supporting its Board of Director (including education) being compared to the water rates based on the District's total budget, the difference in rates would be pennies per month. He said if the Directors are acting reasonably in accordance with what is common practice and accepted practice to do the right thing in government and special districts of RMWD's size with minimal impact on the ratepayers there should not be a problem. He agreed with Director Gasca's comments about obtaining a matrix.

Director Mack added he believes the Board needs to be educated. He said he has heard the previous RMWD Board Members (not the current) did not care about or doing their job especially in approving past employee salaries. Mr. Kennedy clarified the Board approves the budget and the General Manager handles employee matters. Director Mack asked shouldn't the Board have questioned the budget. President Brazier agreed with Director Mack on this issue; however, it was unknown the past Board did not raise questions during their budget approval process. Director Mack clarified he was questioning some of the decision making. Director Stewart reaffirmed the Board only gets involved with employees matter indirectly such as approving the new salary ranges based on the recent Salary Survey conducted during the recent negotiations which in turn provides the General Manager guidelines from which he can set salaries.

(*) - Asterisk indicates a report is attached.

Director Stewart called for the motion.

Motion:

To approve Staff Recommendation Option 1 – Approve Ordinance No. 17-13 amending and updating Administrative Code Chapter 2.03, Section 2.08.010, and Chapter 4.01.

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

Vote: Motion carried by majority roll call vote (summary: Ayes = 4, Noes = 1).

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

Noes: Director Brazier

Mr. Kennedy excused himself from the meeting at 4:48 p.m.

21A. DISCUSSION AND POSSIBLE ACTION TO APPOINT FLINT NELSON AS A ALTERNATE MEMBER TO THE BUDGET AND FINANCE COMMITTEE

Motion:

To approve the appoint Flint Nelson as an alternate member to the Budget and Finance Committee.

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

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

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

22. AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS

It was confirmed Directors Stewart and Mack have already received Board approval to attend the ACWA conference in November.

Director Gasca stated he would like to attend the full ACWA conference in November.

Director Brazier said she would notify the District before the November 1, 2017 deadline whether she will attend the ACWA conference in November or not.

There was no objection to Directors Gasca and Brazier attending the conference.

No action taken.

***23. RECEIVE AND FILE INFORMATION AND FINANCIAL ITEMS**

A. General Manager Comments

- 1. Meetings, Conferences and Seminar Calendar (November and December 2017)

B. Operations Comments

- 1. Operations Report

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- C. Engineering Comments**
 - 1. Engineering Report
- D. Customer Service Comments**
 - 1. Customer Service Report
- E. Human Resource & Safety Comments**
 - 1. Human Resources Report
 - 2. Organizational Chart
- F. 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

Mrs. Martinez mentioned the 48-hour notice process will now be handled via USPS Priority Mail Service. She noted this change will cost RMWD less as well as allow the opportunity for meter crews to work on higher level priorities. Discussion ensued.

Mrs. Harp announced RMWD achieved 1,000 days with no lost time accidents. She stated she was very proud of the workforce being diligent. She reported the third module of NEOGOV has been launched and how the first two modules are working very well. The Board expressed appreciation to staff for working safely.

Discussion ensued regarding asphalt work being behind schedule.

Mrs. Martinez reported the staff will be meeting with the rate consultant to review the preliminary analysis. She said it was anticipated to have something to present to the Board within the next couple of months. Discussion followed.

Motion:

To receive and file information and financial items.

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

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

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

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

Mr. Powers gave an update on the status of Moosa. He noted the pipe was in place and SDCWA shutdown begins November 4, 2017. He explained there was one outstanding issue that may change after the bridge was already constructed that related to the thermal expansion of the pipe on top of the bridge that may cause delay in the shutdown to prevent customers from being put out of water. He said there may be a change order on the December Board agenda related to this matter; however, the change order will not be on the District.

It was noted there may be a sewer agreement for the Villa Estrella project on the next agenda.

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25. ADJOURNMENT - To Tuesday, December 5, 2017 at 1:00 p.m.

The meeting was adjourned with a motion made by Director Brazier to a regular meeting on December 5, 2017 at 1:00 p.m.

The meeting was adjourned at 5:05 p.m.

Helene Brazier, Board President

Dawn M. Washburn, Board Secretary



BOARD OF DIRECTORS CONFERENCE/SEMINAR REPORT

ATTENDEES NAME(S): *Mietzke Mack*

TITLE OF TRAINING/CONFERENCE/WORKSHOP/CLASS: *2017 CSDA ANNUAL CONFERENCE*

DATE(S) ATTENDED: *SEPT 25, 26, 27, 28*

AGENCY HOSTING *CSDA*
TRAINING/CONFERENCE/WORKSHOP/CLASS:

LOCATION: *Monterey, Calif.*

DESCRIPTION OF TOPIC(S)/LEARNING EXPERIENCE:

1. *Right This way To A Better BOARD... BOARD BEST PRACTICES*
SPEAKER - BRENT IVES
SEPT 26 11:15am
2. *THE GROWING SPECTER OF MARIJUANA IN THE WORK PLACE*
SPEAKERS: NATE KOWALSKI, ANDREW ALLEN
SEPT 26 3:30pm
3. *CALPERS UPDATE & HOW TO PREPARE FOR AND SURVIVE A CALPERS AUDIT*
SPEAKER - MICHAEL YOUNG
SEPT 26 2:15pm
4. *BEFORE YOU PRESS SEND: PUBLIC RECORDS AND BROWN ACT CONSIDERATIONS*
SPEAKERS ANN COLLINS & NICK CLAIR
SEPT 27 3:30
5. *KEYNOTE SPEAKER - REACTING YOUR NEXT SUMMIT*
SPEAKER MARY FERRELL
SEPT 27 11:00AM

6. Effectively communicating financial and
key questions board members should be asking
speakers DAVID Beckel, James Muto
sept 20 2:15



TO: Rainbow Municipal Water District

FROM: Alfred Smith

DATE: December 5, 2017

RE: Attorney Report: District-Issued Electronic Devices
501668-0002

This attorney report follows-up on the request made during the September 2017 board meeting for a general overview of potential legal issues and best practices involving the District's issuance of electronic devices to directors and employees of the District.

1. OVERVIEW

Many entities, both public and private, have put in place mobile device policies to compete and improve efficiency in the modern workplace. There are two primary methods of using mobile devices in the workplace: (1) permitting employees to use their own personal devices for company business (known as "Bring Your Own Device," or "BYOD"), and (2) company-owned and issued devices, which may or may not be used for personal purposes, depending on the company's mobile device policy (known as "Company-Owned, Personally Enabled" devices, or "COPE").

Although statistical studies have shown that BYOD policies are more popular to applicants and employees (primarily for ease of use and the convenience of not having to carry two devices) (see *CISCO, The Financial Impact of BYOD, May 2013*, <http://www.slideshare.net/CiscoIBSG/byod-economics-presentation-slides>), BYOD policies come with many potential legal pitfalls for employers, including record retention, employee privacy, and cybersecurity issues. These issues primarily stem from a lack of employer control and ownership over the device.

Accordingly, a COPE policy tends to mitigate many of the issues BYOD policies tend to engender. Because COPE devices are owned by the District, this means the employer has control over both the device itself, and the information or data that can be accessed on the device. This provides employers with, among other things, a greater ability to protect proprietary/confidential information vis-à-vis enhanced security features. It also mitigates issues with regard to invading an employee's privacy – employees do not retain a high expectation of privacy in a device owned by their employer, where the employer maintains a policy informing the employee of this expectation, and indicating what may be accessed on the device by the employer, and what is impermissible to access/store on the device.

The following sections highlight major areas of law that the District should keep in mind in maintaining its COPE device policy:

2. RECORD RETENTION

In the event of litigation, employers have an obligation to issue a litigation hold to gather and preserve potentially relevant documents, including halting any document retention policy that could delete or destroy relevant documents. Though many employers have a document retention policy in place, some employers fail to include documents and data stored on mobile devices as part of their retention policy or litigation hold. This failure can be fatal in litigation.

For example, in *Small v. Univ. Med. Ctr. Of S. Nev.*, a 2014 District of Nevada case, a company failed to ensure that documents and data stored on its employees' mobile devices (both BYOD and COPE devices) were subject to its document retention policy, and failed to issue a timely litigation hold that prevented the deletion of responsive emails and text messages on the devices. As a result, the COPE devices lost over 26,000 emails, and BYOD devices lost over two years' worth of emails and other information. As a result, the special master court-appointed for discovery recommended an entry of default judgment against the company, stating that the company's conduct constituted a "mockery of the orderly administration of justice."

A. Best Practices

To prevent such a disastrous result, the District should have in place a clear email and data retention policy (including text messages and voicemail messages) for its COPE devices, or make sure that its current retention policy includes emails and data stored on COPE devices. The District may also consider penalties for device-holders who circumvent or fail to strictly follow the District's retention policies. In the event of a lawsuit, the District should quickly implement and distribute litigation holds, making clear that emails and data on COPE devices fall under the litigation hold's purview.

3. CYBERSECURITY

The California Database Security Notification Act ("DSNA"), Civil Code § 1798 *et seq.*, applies to employers both public (§ 1798.29) and private (§1798.82) with regard to notification duties when an entity's data is acquired by an unauthorized person.

Although the DSNA initially only triggered notification requirements when *unencrypted* information had been breached, AB 2828, effective January 1, 2017, expanded the notification requirements to incidents where (a) *unencrypted* "personal information" was, or is reasonably believed to have been, acquired by an unauthorized person; or (b) "personal information" is *encrypted*, but the encryption key or security credential was, or is reasonably believed to have been, acquired by an unauthorized person and the entity that owns or licenses the encrypted information has a reasonable belief that the

encryption key or security credential could render that personal information readable or useable.

“Personal information” is defined to include an individual’s first name or first initial and last name in combination with any one or more of the following:

1. Social security number
2. Driver's license number or California identification card number;
3. Account number, credit or debit card number, in combination with any required security code, access code, or password that would permit access to an individual's financial account;
4. Medical information;
5. Health insurance information; and
6. Information collected through an automated license plate recognition system.

In the event a breach occurs, the entity must issue a breach notification “in the most expedient time possible and without unreasonable delay” and “immediately following discovery.” The notification must cover the following: (a) the reporting party's name and contact information; (b) what types of personal information were believed to be breached; (c) a description of the breach incident, including the date range in which it was believed to have occurred; (d) whether notification was delayed due to an investigation by law enforcement; (e) if the breach exposed a social security number or California ID number (including driver's license number); and (f) the toll-free telephone numbers and addresses of the major credit reporting agencies.

Issues with regard to the DSNAs and mobile devices arise frequently where “personal information” is accessed on or through an employee’s mobile device. This typically occurs where a device is lost or stolen, and does not have adequate security measures (such as password protection) to prevent unauthorized access to the device. Additionally, the risk is heightened where employees do not promptly report a device lost or stolen.

A. Best Practices

The District should ensure that its COPE devices have adequate security procedures in place. Devices should be password secured, at a minimum. The District should make sure its devices are updated and patched frequently to keep up with software security measures. Employees should be trained on the security features of the devices, and the District’s mobile device policy should mandate that lost or stolen devices are promptly reported to the District. Some policies include penalties for failing to report.

The District should also consider implementing device “wiping” capabilities on its COPE devices. This would allow the District to remotely “wipe,” or erase, a device in the event it is lost or stolen. To the extent feasible, the District should consider restricting the type of information that can be accessed on the COPE device, including restricting “personal information” that could trigger the DSNA obligations.

Finally, the District should properly exit all employees with a COPE device to make sure that former employees do not retain access to District information after employment has been terminated.

4. EMPLOYEE PRIVACY

Under both the Fourth Amendment to the U.S. Constitution, and Article I, Section 1 of the California Constitution employees have a reasonable expectation of privacy. The extent to which this right of privacy extends to mobile devices is a developing area of law.

A seminal 2010 U.S. Supreme Court decision, *Ontario v. Quon*, 560 U.S. 746 (2010), dealt with the extent to which the right to privacy applies to electronic communications in the work place. In *Quon*, a former member of the City of Ontario police department was disciplined after an audit of text messages sent and received by him on his employer-provided pager uncovered numerous unofficial, and some sexually explicit, text messages transmitted while Quon was on duty. Quon sued the city, claiming that the city had violated his privacy rights under the California constitution and the Fourth Amendment.

Although the law was fairly settled that employers may review employee communications stored on employer servers when the employer has provided notice of such monitoring (i.e., through an employer policy), there was an open question as to whether an employer may review communications when the communication is transmitted through a third-party provider – typically, a wireless communications provider. The Supreme Court found that the city’s review was permissible given that the city had a clear policy in place that it retained the right to review any and all communications made using the employer-issued device.

(i) Best Practices

Accordingly, the District should make explicit in its COPE device policy that (1) the devices are District-owned property, and employees should have no right to an expectation of privacy in the devices, and (2) the District retains the right to search the devices at any time.

As another protection, the District should consider limiting the use of its COPE devices to only work purposes. If District employees are permitted to use COPE devices for personal purposes (incidental phone calls, text messages, or photographs), the *Quon*

decision indicates that the scope of the search and purpose of the search will be examined, even though the device is District-owned property.

The following sub-sections discuss other issues surrounding employer access to mobile devices beyond and in addition to constitutional privacy protections:

A. Computer Fraud and Abuse Act

The Computer Fraud and Abuse Act (“CFAA”), 18 U.S.C. § 1030, was originally enacted as a criminal statute to prevent computer hacking. However, the CFAA also provides a private right of action “for [a]ny person who suffers damage or loss by reason of a violation of this section.” 18 U.S.C. § 1030(g).

To establish a violation of the CFAA, a victim must show: (1) access that is either “without authorization” or is in “excess of authorization”; (2) to a “computer” (includes smartphones), that; (3) causes a “loss” to *any* victim. The “loss” must be of at least \$5,000 in a one-year period, and the “loss” is limited to expenses associated with investigating the unauthorized access or costs incurred as a result of an interruption in service. See *M-I LLC v. Stelly*, 733 F. Supp. 2d 759, 780 (S.D. Tex. 2010).

CFAA issues typically arise in the employment context where an employer wipes or deletes data on an employee’s device. This is more typically seen in the BYOD context, where personal information (such as photos, emails, contact information, etc.) is deleted.

However, similar to the employee privacy risks discussed above, risks can also arise for COPE devices where an employer does not adequately communicate the extent to which it claims ownership over the device and its contents, and puts employees on alert as to what information can be accessed. This risk is heightened if an employer remotely wipes a device without notifying the employee (through its mobile device policy) that devices will be wiped under certain situations (e.g., if the device is lost or stolen).

(i) Best Practices

Accordingly, the District should make clear in its mobile device policy the extent to which it claims ownership over the content of the device. If the District intends to implement device-wiping security measures on its COPE devices, it should communicate this fact in its mobile device policy, including the circumstances under which a device will be wiped.

B. Stored Communications Act and Public Records Act

The Stored Communications Act (“SCA”), 18 U.S.C. §§2701 *et seq.*, a subset of the Electronic Communications Privacy Act, protects an individual’s privacy right against unauthorized access to “stored” electronic communications. A 2013 Northern District of Ohio case, *Lazette v. Kulmatycki*, dealt with the SCA in the employment context.

In *Lazette*, a former employee's supervisor accessed thousands of personal emails that were stored on the employee's COPE device. Some of the emails had already been opened by the former employee, while others were opened by the supervisor. The court held that the SCA prohibited the supervisor (and by extension, the employer) from accessing the emails that the employee had not opened, but reading the emails that had already been opened by the employee was not a violation of the SCA. The distinction lies in the fact that the unopened emails were "electronically stored" in the employee's private email server, while the opened emails were contained only on the device itself, and thus not "electronically stored" in a server.

(i) Best Practices

The District should ensure that its mobile device policy restricts the use of personal email or text messaging on the device, and that the email and text communication features of the device should be used for legitimate business purposes only. In the event a device is found to have personal email and/or text communications, the communications should not be opened, but deleted.

This restriction also helps with Public Records Act compliance. (California Government Code § 6250 *et seq.*) On March 2, 2017, the California Supreme Court unanimously held that public officers' and employees' communications on personal devices and nongovernmental accounts concerning "the conduct of public business," are public records. As such, they are subject to disclosure in response to a CPRA request, unless a specific statutory exemption applies. (*City of San Jose et al. v. Superior Court of Santa Clara County*, Mar. 2, 2017, S218066). Such devices, include, but are not limited to, personal cell phones, ipads/tablets personal computers, and personal email accounts.

C. GPS Capabilities

Many mobile devices contain GPS tracking capabilities that could theoretically be used to monitor the user's whereabouts at all times – both on and off the clock. Although no case has yet squarely decided the issue, it is likely a court would find such monitoring an invasion of an individual's privacy, unless the GPS monitoring was (a) clearly disclosed to the employee, and (b) job-related.

Additionally, California Penal Code section 637.7, prohibits the use of "an electronic tracking device to determine the location or movement of a person" via a "vehicle or other moveable thing" unless "the registered owner, lessor, or lessee of a vehicle has consented to the use of the electronic tracking device with respect to that vehicle." Accordingly, though an employer may be able to install a GPS tracking device on company-owned vehicles, there is no carve-out that would allow employers to use GPS tracking through mobile devices.

(i) Best Practices

The District should carefully consider whether to utilize any GPS tracking features for its COPE devices. In the event the District decides to do so, the District should fully disclose such use (including the parameters of such use, such as that the tracking will only be during work hours for work-related purposes), and obtain employee consent. Any tracking should be done for legitimate business purposes and data obtained by the tracking should be safeguarded.

5. BROWN ACT

The Brown Act, California Government Code § 54950, requires local government business (including public agencies) to be conducted at open and public meetings, except in certain limited situations.

The definition of “meeting” under the Brown Act includes “any congregation of a majority of members of a legislative body at the same time and place to hear, discuss, or deliberate upon any item that is within the subject matter jurisdiction of the legislative body or the local agency to which it pertains.” In other words, a majority of members to hear or discuss any items of public business or potential public business.

The definition of “meeting” contains an “individual contact exception” so that a conversation between a member of the public body and another person is not a meeting under 54952.2(c)(1). However, there can be a “serial meeting” if an individual also makes a series of individual contacts with other members of the public body for purposes of sharing information received from other members or “developing a collective concurrence.”

Brown Act issues can arise with regard to mobile devices where group emails or group text message chats are involved. For example, if a group text message includes a majority of the board and relates to public issues, then the board may be found to have violated the Brown Act.

(i) Best Practices

The District should make clear in its mobile device policy that the Brown Act meeting limitations apply to email and text message conversations, and communications that could rise to the definition of a “meeting” should not be discussed. (See *also* Attorney Report dated June 27, 2017, for a discussion of best practices for compliance with the Brown Act and serial meeting requirements).

6. WORKING OFF THE CLOCK

Both the federal Fair Labor Standards Act (“FLSA”) and California Labor Code requires that non-exempt employees be paid for all time worked, including overtime. The

definition of “time worked” includes all time that employees are “suffered or permitted” to perform work.

Issues with non-exempt employee work time frequently arise where employees read and/or respond to emails and/or text messages on a mobile device during non-working hours. Because employees frequently have their devices on their person, it is difficult to keep employees from reading work-related communications.

A 2014 West District of Texas Case, *Mohammadi v. Mwabuisi*, held that, under the FLSA, an employer must pay wages to an employee who used her COPE mobile device for work purposes while off the clock. The court held that, even though the employer had not required or requested that the employee read or respond to work emails during off-hours, the employer must still pay wages for this time.

A. Best Practices

Some Districts restrict mobile device use to only exempt employees, to the extent feasible. In the event non-exempt employees will be distributed COPE devices, the District should make clear in its mobile device policy and working hours policy that non-exempt employees are not permitted to access work email or use their devices for work-related purposes during non-working hours. The District should also consider instructing managers to refrain from contacting non-exempt employees during non-working hours unless necessary for the specific position or in emergency circumstances.

AES

**MINUTES OF THE BUDGET AND FINANCE COMMITTEE MEETING
OF THE RAINBOW MUNICIPAL WATER DISTRICT
OCTOBER 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 October 10, 2017 in the Board Room of the District Office at 3707 Old Highway 395, Fallbrook, CA 92028 at 1:01 p.m. Chairperson Stitle presiding.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL:**

Present: Member Stitle, Member Hensley, Member Moss (*arrived at 1:03 p.m.*), Member Gasca, Member Ross (*arrived at 1:46 p.m.*).

Also Present: General Manager Kennedy, Executive Assistant Washburn, Accounting Specialist Rubio. Accounting Specialist Rubio.

Absent: Alternate Martinez, Member Ross.

Two members of the public were present.

4. **SEATING OF ALTERNATES**

No alternates were seated.

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

Mr. Kennedy announced Ms. Rubio would be providing an update on Items #9.

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

There were no public comments.

COMMITTEE ACTION ITEMS

7. **COMMITTEE MEMBER COMMENTS**

There were no comments.

*8. **APPROVAL OF MINUTES**

A. September 12, 2017

Motion:

Approve the minutes as written.

Action: Approve, Moved by Member Moss, Seconded by Member Hensley.

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

Ayes: Member Stitle, Member Moss, Member Hensley, Member Gasca.

Absent: Alternate Martinez, Member Ross.

9. RAFTELIS COST STUDY

Ms. Rubio noted Raftelis was still compiling the three years' worth of consumption data provided by RMWD. She mentioned Mrs. Martinez and Mr. Diaz participated in a conference call with Raftelis after which Raftelis agreed to review and update the data. She said it was anticipated to have a report for the committee at the November committee meeting and then before the Board at their December 5, 2017 meeting.

Mr. Kennedy gave a presentation on the Condition Assessment Study noting its purpose was to find means for cost effectively sustaining desired service levels. He talked about the assumptions, benchmarking, sustainability, service levels and staffing levels and the role each plays in investment scenarios. He confirmed the some of the monies collected would be allocated to reserves.

Mr. Gasca inquired as to the capabilities of the model. Mr. Kennedy elaborated on the resources the model will provide. Discussion ensued regarding how RMWD would balance the service levels with affordability utilizing the model.

Mr. Flint expressed concern about the 3% inflation rate. Discussion followed.

Member Ross arrived at 1:46 p.m.

Mr. Hensley asked when Mr. Kennedy anticipated the study would be completed. Mr. Kennedy replied there would not be enough to go before the Board this month; however, there may be a need to hold a Special Board meeting to allow the Board Members enough time to review the report and consider the rate structuring.

10. PROJECTED RATE STRUCTURE FOR CALENDAR YEAR 2018

This item was partially discussed under Item #9.

Mr. Kennedy reiterated putting money in reserves and looking at the cost factors. He pointed out it also must be possible to allow enough time for RMWD's financial department to make calculations to ensure accuracy.

Mr. Hensley asked when it is expected this will begin effecting the rate structure. Mr. Kennedy stated it will be up the Board to decide what to do and determine how they would like to proceed each year.

Discussion ensued.

11. DISCUSSION AND POSSIBLE ACTION REGARDING COMMITTEE MEMBERSHIP

Motion:

To recommend the Board appoint Flint Nelson to serve as an alternate member on the committee.

Action: Approve, Moved by Member Gasca, Seconded by Member Moss.

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

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

12. REVIEW THE FOLLOWING:

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

Mr. Stitle inquired about the "Total Operating Reserve Requirement" on the Balance Sheet. Mr. Kennedy noted this should exclude water sales. Ms. Rubio stated she would get this corrected.

Mr. Kennedy reported Infor has been contracted for utility billing; however, it may take some time to complete the transition from Springbrook.

Mr. Hensley made an inquiry on the Profit and Loss report provided. Ms. Rubio explained this report has numerous flaws due to the software being incapable of recording information appropriately which was a programming error.

Mr. Kennedy reported the auditors were at RMWD last week; however, he was unsure of when the audit report would be finalized. He mentioned the auditors were thorough in their audit processes. Ms. Rubio noted the auditors said they would contact RMWD if they had any questions upon their conclusion of the audit a few days ago. Discussion ensued regarding capacity rights.

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

It was noted the Rafetlis Cost of Service Study report, projected rate structure, and preliminary audit report need to be on the next committee agenda.

Discussion ensued regarding the reduction in demand and water sales as well as proposed water taxes.

14. ADJOURNMENT

The meeting was adjourned by a motion made by Member Stitle and seconded by Member Ross.

The meeting adjourned at 2:21 p.m.

Harry Stitle, Committee Chairperson

Dawn M. Washburn, Board Secretary

**MINUTES OF THE COMMUNICATIONS COMMITTEE MEETING
OF THE RAINBOW MUNICIPAL WATER DISTRICT
OCTOBER 5, 2017**

1. **CALL TO ORDER** – The Communications Committee Meeting of the Rainbow Municipal Water District on October 5, 2017 was called to order by Chairperson Daily at 3:40 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 Kurnik (*arrived at 3:43 p.m.*) Member Hamilton, Member Shinn, Alternate Gray.

Also Present: Executive Assistant Washburn.

Absent: Member Kirby, General Manager Kennedy.

There were no members of the public present.

4. **SEATING OF ALTERNATES**

Mr. Daily noted Mrs. Gray would be seated as an alternate for 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. September 11, 2017

Motion:

To approve the minutes as presented.

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

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

Ayes: Member Daily, Member Kurnik, Member Hamilton, Alternate Gray, Member Shinn.

8. DISCUSSION REGARDING 48-HOUR NOTICING

Ms. Washburn introduced Vanessa Martinez, RMWD's Finance Manager. Mrs. Martinez explained the 48-hour notice process. She pointed out after researching other agencies and their processes, RMWD was considering utilizing the USPS service for delivering the 48-hour notices as opposed to staff delivery. She noted there was a safety risk for staff making in-person deliveries; therefore, when considering the cost savings in labor and materials and the risk factors involved, utilizing USPS would be a preferred method. Discussion ensued.

Mrs. Gray noted this process change would be published in the newsletter as well as on the RMWD website. Mrs. Martinez added this would not be a change to the Administrative Code, but rather a change to the internal processes which would be mentioned in the Board agenda packet as an information items.

9. COMMUNICATION CALENDAR REVIEW – NEXT 4 MONTHS

Mrs. Gray pointed out she would be focusing on changing the appearance of the front lobby over the next few weeks. She talked about what changes would be made as well as how they will alter the first impression to RMWD visitors.

Mr. Daily inquired as to whether there were tours, school visits, or other programs taking place during the next few months. Mrs. Gray stated these types of programs begin during the first part of each new year.

10. DISCUSSION/UPDATE REGARDING RMWD PUBLIC TOUR PROGRAM

Mrs. Gray solicited the committee members for when they would like to start the tour program.

Mr. Daily suggested using an illustration or narration of what is to take place or be presented at each stop of the tour. Discussion took place regarding how the committee could assist in putting together the "story board" for the tours.

Mrs. Gray offered to work with other staff members on what information should be included in the "story board" after which she will work with members of the committee to assist with the writing as well as serve on a trial run of tours to get feedback on the information being presented. She noted the tours would be for RMWD students as well as ratepayers.

Discussion ensued.

Mr. Daily suggested advance notice to the committee members when their assistance is needed would assist them with scheduling. Mr. Hamilton recommended the work on the tour program be started as soon as possible. Mrs. Gray stated she would start the processes the first week in December.

Mr. Daily pointed out it would be helpful to have a prelude statement for each stop of the tour. He said anything that makes the program engaging as well as informative would be best for a successful program. Mr. Shinn added it would also be important to make a point of what would happen should there be no water available.

11. RECOGNITION PROGRAM FOR RATEPAYERS WITH INCENTIVE

Mr. Hamilton pointed out RMWD has several programs for the schools and how he would like to find a way to get more involvement and engagement from the ratepayers. He talked about how possibly implementing an incentive program for ratepayers who make suggestions for improving efficiencies fashioned after the program currently in place for employees may be of value to the District. Discussion ensued regarding ideas of how a program like this may work.

It was determined the committee would like to get Mr. Kennedy's input on this idea including a possible survey of what other agencies may have in place for this type of incentive program for comparison purposes and then bring any input or results back to the committee at their next meeting.

12. COMMUNICATIONS PLAN/TOPICS/STRATEGIC PLAN OBJECTIVES

There were suggestions made for highlighting the completed or outstanding items so that they are prominent and easier to see in the handouts provided.

Discussion ensued regarding the facilities tour program and how it should be separated into several categories. Mr. Daily suggested there be a means of getting feedback from those who participate in the tours.

13. REVIEW AND ANALYSIS OF RMWD RELATED MEDIA STORIES

Mr. Daily mentioned the two articles published in The Village News.

14. COMMITTEE MEMBER COMMENTS

Mr. Daily expressed how impressed and excited he was with the involvement of the committee members.

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

It was noted the ratepayer incentive program, billing envelope notifications, cost explanation breakdown (possible pie chart or bar chart), as well as discussion regarding developing a process for channeling ratepayer calls concerning rate increases should be on the next agenda.

16. ADJOURNMENT

The meeting was adjourned with a motion made by Member Daily.

The meeting adjourned at 5:04 p.m.

Mike Daily, Committee Chairperson

Dawn M. Washburn, Board Secretary



BOARD ACTION

BOARD OF DIRECTORS

December 5, 2017

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE AGREEMENT CONSENTING TO SEWER CONNECTION FEE CHARGES AND TO THE EXCHANGE OF LOT 25 FOR CAPACITY CREDIT BY AND BETWEEN RAINBOW MUNICIPAL WATER DISTRICT AND DEVELOPMENT SOLUTIONS BON, LLC

BACKGROUND

Rio Estrella is a development of 94 Single Family Residences near Bonsall Elementary School off of Camino Del Rey and Old River Road. In November of 2005, San Luis Rey Downs Enterprises LLC submitted a Sewer Permit Application for 116 Equivalent Dwelling Units (EDUs) and submitted payment of \$1,777,700. The resulting sewer permit was renewed periodically as the development was not constructed. Most recently, the sewer permit was renewed on March 23, 2016. As much of the sewer improvements have now been constructed and model homes are being built, there is a need to enter a sewer services agreement to serve homes as they are brought on line.

DESCRIPTION

The agreement under consideration, titled Agreement Consenting to Sewer Connection Fee Charges and to the Exchange of Lot 25 for Capacity Credit by and Between Rainbow Municipal Water District and Development Solutions BON, LLC (Agreement), issues sewer service from the District to the applicant. The amount previously paid, \$1,777,700, will be honored by the District as sewer service charges previously paid and amounting to the current conversion of that dollar amount to EDUs of sewer capacity. This credit will expire on December 31, 2020 and will not be credited as amounts previously paid if sewer connection fees are not brought current by the expiration date.

In addition, the Agreement arranges for the transfer of Lot 25 to the District, in exchange for capacity credit amounting to \$247,035.00. Lot 25 is beneficial to the District for the construction of a lift station with capacity for the new development and the existing capacity in the District's sewer system.

The attached agreement was still under review by Development Solutions BON and General Counsel. Thus, the proposed action is to approve the agreement and authorize the General Manager and General Counsel to make minor revisions as needed before execution of the agreement.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Four: Fiscal Responsibility. One of the main purposes of the Sewer Service Agreement is to ensure the developer pays an appropriate amount to buy into the existing facilities that will be used by future home owners and contribute an appropriate share of the expenses to increase capacity in the sewer system. In addition, this agreement arranges for District acquisition of useful property at a fair and reasonable cost.

Strategic Focus Area Five: Customer Service. Establishing a solid sewer service agreement with the developer is important in serving both our current and future customers. These agreements ensure that the future customers in the development have access to reliable sewer service. Also, agreements protect the services currently provided to existing customers by ensuring developers contribute the necessary infrastructure to handle their added demands.

BOARD OPTIONS/FISCAL IMPACTS

If the Agreement is approved, the District will honor the \$1,777,700.00 previously paid amounting to the current conversion of that dollar amount to EDUs of sewer capacity. Also, the Applicant agrees to pay the District the full amount of sewer fees required by the District to serve Rio Estrella, at the rates then in existence prior to connecting to the system. Also, the Applicant agrees to grant the District property rights to Lot 25 in exchange for additional capacity credit in dollar value equal to the referenced property value of Lot 25, \$247,035.00.

- 1) Approve The Agreement Consenting to Sewer Connection Fee Charges and to the Exchange of Lot 25 for Capacity Credit By and Between Rainbow Municipal Water District and Development Solutions Bon, LLC. Also, authorize General Manager and General Counsel to make minor revisions as needed before execution of the agreement.
- 2) Provide other direction to staff.

STAFF RECOMMENDATION

Staff recommends Option 1



Michael Powers, P.E.
Interim Engineering Manager

12/05/2017



RAINBOW MUNICIPAL WATER DISTRICT
3707 OLD HIGHWAY 395, FALLBROOK, CALIFORNIA 92028
TELEPHONE (760) 728-1178 FAX (760) 728-2575

**AGREEMENT CONSENTING TO SEWER CONNECTION FEE CHARGES AND TO
THE EXCHANGE OF LOT 25 FOR CAPACITY CREDIT
BY AND BETWEEN RAINBOW MUNICIPAL WATER DISTRICT AND
DEVELOPMENT SOLUTIONS BON, LLC**

PROJECT: RIO ESTRELLA, TPM 5498-1

This Agreement Consenting to Sewer Connection Fee Charges and to the Exchange of Lot 25 for Capacity Credit (“Agreement”) is made and entered into this _____ day of _____, 2017 (“Commencement Date”) by and between the Rainbow Municipal Water District (“District”), a municipal water district organized under the Municipal Water District Law of 1911, and Development Solutions BON, LLC (“Permittee”), a Delaware limited liability company. Each of District and Permittee are interchangeably referred to as a “Party” to the Agreement herein, and are collectively referred to as the “Parties.”

RECITALS

- A. Permittee is the legal owner of real property located in Bonsall, in San Diego County, State of California, which real property lies within the jurisdictional service area of the District, identified as Assessor’s Parcel Numbers 126-300-47, 126-300-49, 126-060-72, 126-070-07, 126-070-18, 126-070-19, 126-070-22, 126-070-24, 126-070-25, 126-070-27, and 126-070-28 (the “Real Property”), more particularly described in Attachment A to this Agreement, which is incorporated into this Agreement by reference.
- B. In connection with the development plans for the Real Property, on or about November 4, 2005, Permittee paid the District the amount of \$1,777,700.00 for a Sewer Availability Letter for the current rate of conversion of dollars to EDUs.
- C. Permittee wishes to proceed with development rights of the Real Property, and in order to do so must have sewer connection rights issued from the District. The District has existing capacity for the issuance of approximately 2,645 equivalent dwelling units (“EDUs”).
- D. Further, in consideration of Permittee agreeing to transfer ownership of lot 25 on Sheet Number 11 of County of San Diego Parcel Map No. 16139, Tract No. 5498-1 (“Lot 25”), the District is willing to provide the Permittee with capacity credit for the current fair dollar value of that lot, which is \$247,035.00. Permittee has examined, understands, and consents to the \$247,035.00 value of Lot 25, and the exchange of capacity credit in lieu of a dollar amount for Lot 25. Permittee agrees that the exchange of \$247,035.00 worth of capacity credit in exchange for Lot 25 is reasonable, necessary, and constitutes the most viable alternative for the District to construct a sewer lift station to feed development and the existing capacity in the District’s sewer system.

E. On April 1, 2016, Permittee submitted to the District a Sewer Permit Application (“Application”), a true and correct copy of which is attached hereto as Attachment B. The Application seeks to confirm that Permittee previously paid \$1,777,700.00 for the present amount of EDUs to which that sum entitles them, and which are set to expire in the near future.

F. District Administrative Code sections 9.04.060.3 and 9.05.170.3 require that Permittee bring current all sewer connection fees for Rio Estrella by payment of the difference between the fees originally paid and the now-current fee rates, as a condition of the District’s service commitment.

G. District acknowledges that standard industry practice provides for payment of all outstanding sewer charges for a development at the time building permits are issued, and not before. District further acknowledges that it currently has sufficient capacity to serve Rio Estrella and that it is in the best interests of the District for this development to occur.

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, the District and the Permittee agree as follows:

AGREEMENT

1. Credit of Sewer Service Charges. District hereby honors \$1,777,700.00 in sewer service charges previously paid and amounting the current conversion of that dollar amount to EDUs of sewer capacity in connection with Rio Estrella that will otherwise expire, and credits Permittee with the same. In accordance with District Administrative Code section 9.05.080.4.3 and 9.05.080.4.4, this credit will expire December 31, 2020 and will not be credited as amounts previously paid if sewer connection fees are not brought current by the expiration date.
2. Warranties. The foregoing recitals are true and correct. The undersigned, for themselves and the Party on whose behalf they execute this Agreement, warrant and represent that they have full power and authority to bind said Party to the obligations and benefits set forth in this Agreement.
3. Term. This Agreement shall become effective on the date of mutual execution by the Parties, and shall terminate on December 31, 2020.
4. Permittee’s Obligations.
 - a. Permittee agrees to hold District harmless from any and all claims, demands, actions, damages, costs, expenses, compensation, causes of action and rights, in law or in equity, in the nature of an administrative procedure or otherwise (known, unknown, contingent, accrued, inchoate, or otherwise) that Permittee may have against the District, related to, arising from and/or pertaining in any way to the payments made to the District for sewer service fees for Rio Estrella.
 - b. Permittee agrees to waive any rights it may have against the District under Articles XIII C and XIII D of the California Constitution (“Proposition 218”) by executing the Waiver of Proposition 218, attached hereto as Attachment C.

34th Floor
Los Angeles, California 90017
Tel.: (213) 612-7831
Fax.: (213) 612-7801
Email: asmith@nossaman.com

To Permittee: Don Fontana, Attorney-In-Fact
Development Solutions BON, LLC
5927 Priestly Drive, Suite 110
Carlsbad, California 92008
Tel.:(760) 918-2822
Fax.: (760) 918-6749
Email: dfontana@californiawestcommunities.com

With a Copy to: Andy Leitch
Songstad Randall Coffee and Humphrey LLP
3200 Park Center Dr., Suite 950
Costa Mesa, CA 92626
Tel: (949)757-1600
Fax: (949)757-1613
Email: aleitch@sr-firm.com

Any party may change its address and contact information by notice to the others as provided herein. Any such change shall be incorporated into this Agreement as if fully set forth herein. Notices shall be deemed effective when delivered if personally served or if sent by mail. If served or sent by email or facsimile, notices shall be deemed effective on the same business day that the notices are sent, or if received after 5:00 p.m., then the notice shall be deemed effective on the next business day.

10. Defense Costs on Third Party Challenge. In the event of a third party challenge to the Projects, or the implementation and/or administration of any of the Projects, the District shall pay defense costs as a cost of the Projects, and may make calls on Letters of Credit or other security therefor. Notwithstanding the above, litigation regarding rate setting by the District is not a cost of the Projects.
11. Agreement Controlling. With respect to the District's allocation of EDUs to the Permittee, as described within this Agreement, in the event of any conflict or ambiguity between this Agreement, Permittee's Application, the Construction Agreement, or any other document attached hereto or incorporated by reference herein, this Agreement shall control as between the Parties.
12. Governing Law/Venue. The interpretation, validity and enforcement of this Agreement shall be governed by and construed under the laws of the State of California. The appropriate venue for any action brought to enforce or declare its terms shall be brought in the appropriate state or federal court in or nearest to the North County Judicial District for the County of San Diego.
13. Severability. Should any provisions herein be found or deemed invalid or in contravention of California law, such provision shall be deemed not a part of this Agreement. All other

provisions of this Agreement shall remain valid and enforceable, and shall remain in full force and effect.

14. Modification. This Agreement may only be modified by written agreement signed by the Parties.
15. No Third Party Beneficiary. This Agreement shall inure to the benefit of and be binding upon the Parties. This Agreement is not intended to and shall not be for the benefit of third parties who are not expressly included herein.
16. Attorneys' Fees and Costs. In the event any legal action or proceeding to interpret or enforce the terms of, or obligations arising from, this Agreement – including mediation or arbitration – or to recover damages for breach of this Agreement, the Party prevailing in any such action or proceeding shall be entitled to recover from the non-prevailing Party all reasonable attorneys' fees, costs, and expenses incurred by the prevailing Party.
17. Further Assurances. The Parties hereby covenant and agree that the Parties will execute such other and further documents and instruments as are or may become necessary or convenient to effectuate and carry out the terms of this Agreement.
18. Headings. The headings contained in this Agreement have been inserted for convenience only and in no way define or limit the scope or interpretation of this Agreement.
19. Entire Agreement. This Agreement, together with all attachments hereto, constitutes the entire agreement between the Parties with respect to the subject matter hereof, and all prior or contemporaneous agreements, understandings, representations and statements, oral or written, are superseded.
20. Attachments. All attachments referred to herein are hereby incorporated by reference into this Agreement as though fully set forth in the body of this Agreement.
21. Waiver. No covenant, term or condition, or the breach thereof, shall be deemed waived except by written consent of the Party against whom the waiver is claimed. Any waiver of the breach of any covenant, term, or condition shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other covenant, term, or condition. Acceptance by District of any performance by Permittee after such time that the performance is due shall not be deemed a waiver of any preceding breach by Permittee other than the failure of performance expressly accepted, regardless of the District's knowledge of such preceding breach at the time of acceptance. No delay or omission by either Party in exercising any relief or power accruing upon non-compliance or failure of performance by the other Party shall impair or be construed as a waiver thereof, unless an intention to waive is expressly set forth in a writing signed by the waiving Party.
22. Warranties. District and Permittee covenant and represent that each respective Party has the full authority to execute, deliver, and perform this Agreement, and that each Party has fully complied with all requirements imposed by law as necessary for the Party to create a lawful and binding Agreement for the term of this Agreement. Each individual signing this Agreement for the District represents and warrants that he or she has the full power and authority, and legal right, to execute this Agreement on behalf of the District, and that the District has taken all necessary actions to authorize the individual signing on behalf of the

District's behalf to do. Each individual signing this Agreement on behalf of Permittee represents and warrants that he or she has the full power and authority, and the legal right, to execute this Agreement on behalf of Permittee, and that Permittee has taken all necessary actions to authorize the individual signing on Permittee's behalf to do so.

23. Force Majeure. If either Party, except as otherwise herein specifically provided, shall be delayed or prevented from performing any act required hereunder, by reason of strikes, lock-outs, labor problems, inability to procure materials, fire, unusual weather conditions, failure of power or other utilities, applicable governmental laws or regulations (other than those reasonably foreseeable in connection with the uses contemplated by this Agreement), riots, insurrection, war or other reason of a like nature, not the fault of the Party so delayed, then performance of such act shall be excused for the period necessary to accommodate such delay. The provisions of this Section shall not operate to excuse Permittee from the prompt provision of property rights of Lot 25 to District.
24. Understanding. Each Party hereto acknowledges that the Party has reviewed this Agreement and has had an opportunity to consult legal counsel, and that the normal rule of construction that ambiguities are resolved against the drafting Party shall not be employed in the interpretation of this Agreement or any subsequent amendments hereto.
25. Counterparts. This Agreement may be executed in counterparts, which, taken together, shall be construed as a single, complete Agreement.

IN WITNESS WHEREOF, the Parties, for themselves, do hereby agree to the full performance of the covenants herein and have caused this Agreement to be executed on the date first set forth above.

RAINBOW MUNICIPAL WATER DISTRICT

PERMITTEE

Name: Tom Kennedy

Name: Don Fantana

Title: General Manager

Title: Attorney-In-Fact

DISTRICT'S GENERAL COUNSEL

PERMITTEE'S COUNSEL

Name: Alfred E. Smith, II of Nossaman LLP

Name: Andy Leitch
Songstad Randall Coffee and Humphrey
LLC

Title: General Counsel

Title: General Counsel

COUNTY OF SAN DIEGO TRACT NO. 5498-1

OWNER'S STATEMENT

WE HEREBY STATE THAT WE ARE THE OWNERS OF OR ARE INTERESTED IN THE LAND SUBDIVIDED BY THIS MAP AND WE CONSENT TO THE PREPARATION AND RECORDATION OF THIS MAP.

WE HEREBY DEDICATE TO THE PUBLIC AVENIDA DE LAS VIDA, CALLE DE LAS BRISAS, AVENIDA DE LOS PINOS, CALLE DE LAS ESTRELLAS, CALLE DE LAS ROSAS, A PORTION OF OLD RIVER ROAD, A PORTION OF CAMINO DEL REY FOR USE AS PUBLIC STREET EASEMENTS, TOGETHER WITH THE RIGHT TO EXTEND AND MAINTAIN DRAINAGE FACILITIES, EXCAVATION AND EMBANKMENT SLOPES BEYOND THE LIMITS OF SAID RIGHT-OF-WAY, ALL AS SHOWN ON THIS MAP.

WE HEREBY RELINQUISH AND WAIVE THE ACCESS RIGHTS FROM LOTS 64, 65, 68, 69, 70, 71, 72, 73 AND E IN AND TO CAMINO DEL REY AND FROM LOTS 25, 26, 27, A, C, D, G AND H IN AND TO OLD RIVER ROAD, AND FROM LOT 1 IN AND TO AVENIDA DE LAS VIDA, AND FROM LOT 21 IN AND TO CALLE DE LAS ROSAS, AND FROM THE SOUTHEASTERLY LINE OF LOT 25 IN AND TO CALLE DE LAS ESTRELLAS, AND FROM LOTS 67 AND 79 IN AND TO AVENIDA DE LOS PINOS, AND FROM LOT 73 IN AND TO CALLE DE LAS BRISAS, ALL AS SHOWN ON THIS MAP.

WE HEREBY DEDICATE TO THE COUNTY OF SAN DIEGO AN EASEMENT FOR PEDESTRIAN TRAIL PURPOSES (TOGETHER WITH THE ACCESS EASEMENT TO MAINTAIN THE TRAIL), ALL AS SHOWN ON THIS MAP.

WE HEREBY DEDICATE TO THE COUNTY OF SAN DIEGO THE ACCESS EASEMENTS TO MAINTAIN DRAINAGE FACILITIES, ALL AS SHOWN ON THIS MAP.

WE HEREBY GRANT TO THE COUNTY OF SAN DIEGO AN EMERGENCY ACCESS EASEMENT OVER, ALONG, AND ACROSS A PORTION OF LOT 25 FOR THE PURPOSE OF INGRESS AND EGRESS AS SHOWN HEREON.

WE HEREBY GRANT TO THE COUNTY OF SAN DIEGO A PERPETUAL EASEMENT OVER, UPON AND ACROSS THE PORTIONS OF LOTS 67, 79, A, C, E, AND H AS DELINEATED ON THIS MAP AND DESIGNATED HEREON AS "CLEAR SPACE EASEMENT" TO MAINTAIN PROPER INTERSECTIONAL VEHICULAR SIGHT DISTANCE.

a. GRANTOR CONVEYS TO GRANTEE THE RIGHT TO ENTER UPON THE SUBJECT LAND AND REMOVE OR TRIM ANY VEGETATION OR OTHER OBSTRUCTION CONTRARY TO THE PURPOSE OF THIS EASEMENT.

b. GRANTOR COVENANTS AND AGREES FOR ITSELF AND ITS SUCCESSORS AND ASSIGNS NOT TO CONSTRUCT ANY STRUCTURE OR PLANT ANY VEGETATION THAT WILL OBSTRUCT THE SIGHT DISTANCE OVER THE SUBJECT LAND.

c. THE GRANTING OF THIS EASEMENT IS FOR THE PURPOSE OF CONTROLLING THE USE OF THE LAND WITHIN THE CLEAR SPACE EASEMENT AND DOES NOT AUTHORIZE OR IMPLY THAT THE AREA MAY BE USED BY THE GENERAL PUBLIC.

WE HEREBY GRANT TO THE COUNTY OF SAN DIEGO A PERPETUAL EASEMENT OVER, UPON, AND ACROSS ALL OF LOTS 1 THROUGH 5 INCLUSIVE, 23 THROUGH 27 INCLUSIVE, AND 62 THROUGH 77 INCLUSIVE, AS DELINEATED ON THIS MAP AND DESIGNATED HEREON AS "NOISE PROTECTION EASEMENT" TO IDENTIFY AN AREA WHERE NOISE LEVELS, CREATED BY TRAFFIC ALONG OLD RIVER ROAD AND CAMINO DEL REY, EXCEED THE COMMUNITY NOISE EQUIVALENT LEVEL (CNEL) EQUAL TO SIXTY (60) DECIBELS.

1) GRANTOR CONVEYS TO GRANTEE THE RIGHT TO ENTER UPON THE SUBJECT LAND AND REMOVE ANY STRUCTURES OR RESTORE ANY GRADED SURFACES CONTRARY TO THE PURPOSE OF THIS EASEMENT.

2) GRANTOR COVENANTS AND AGREES FOR ITSELF AND ITS SUCCESSORS AND ASSIGNS NOT TO CONSTRUCT ANY STRUCTURE OR DO ANY GRADING EXCEPT THAT A GRADING PLAN OR SITE PLAN, SHOWING ACCEPTABLE NOISE MITIGATION MEASURES MAY BE APPROVED TO ALLOW RESIDENTIAL BUILDINGS, POOLS, PATIOS AND OTHER SUCH RECREATIONAL USES, UPON THE WRITTEN AUTHORIZATION OF THE COUNTY OF SAN DIEGO, OR ITS SUCCESSORS AND ASSIGNS.

3) THE GRANTING OF THIS EASEMENT IS FOR THE PURPOSE OF CONTROLLING THE USE OF THE LAND WITHIN THE "NOISE PROTECTION EASEMENT" AND DOES NOT AUTHORIZE OR IMPLY THAT THE AREA MAY BE USED BY THE GENERAL PUBLIC.

4) PRIOR TO THE APPROVAL OF ANY BUILDING PLAN AND ISSUANCE OF ANY BUILDING PERMIT, A COUNTY APPROVED ACOUSTICAL CONSULTANT SHALL PERFORM AN ACOUSTICAL ANALYSIS, WHICH DEMONSTRATES THAT THE PROPOSED RESIDENTIAL DWELLING UNIT(S) WILL NOT BE EXPOSED TO PRESENT AND ANTICIPATED FUTURE NOISE LEVELS EXCEEDING THE ALLOWABLE SOUND LEVEL LIMIT OF THE GENERAL PLAN COMMUNITY NOISE EQUIVALENT LEVELS (CNEL) OF 45 dB FOR INTERIOR NOISE, AND A (CNEL) OF 60 dB FOR EXTERIOR NOISE LEVELS. EXTERIOR NOISE SENSITIVE LAND USES INCLUDE ALL GROUP OR PRIVATE USABLE OPEN SPACE AS DEFINED BY THE GENERAL PLAN NOISE ELEMENT.

a) FUTURE TRAFFIC NOISE LEVEL ESTIMATES MUST UTILIZE A LEVEL OF SERVICE "C" TRAFFIC FLOW FOR A LIGHT COLLECTOR AND A BOULEVARD ROADWAY FOR OLD RIVER ROAD AND CAMINO DEL REY, WHICH IS ITS DESIGNATED GENERAL PLAN CIRCULATION ELEMENT BUILDOUT ROADWAY CLASSIFICATION.

5) THE ACOUSTICAL ANALYSIS SHALL MAKE RECOMMENDATIONS THAT SHALL BE IMPLEMENTED IN THE PROJECT DESIGN AND BUILDING PLANS, SO THE PROPOSED STRUCTURES AND PROJECT SITE CAN COMPLY WITH THE NOISE STANDARDS REFERENCED ABOVE.

6) THE UNAUTHORIZED REMOVAL OF DOCUMENTED NOISE CONTROL MEASURES AT A FUTURE DATE AFTER THE INITIAL CONDITION IS SATISFIED SHALL MAKE THE AFFECTED NOISE SENSITIVE LAND USE STILL SUBJECT TO THIS BUILDING RESTRICTION FOR PROTECTION OF THESE USES BEFORE ANY FUTURE BUILDING PERMITS CAN BE APPROVED AND ISSUED.

BEING A SUBDIVISION OF PORTIONS OF SECTIONS 20 AND 29, TOWNSHIP 10 SOUTH, RANGE 3 WEST, SAN BERNARDINO BASE AND MERIDIAN, AND PORTIONS OF FAIRVIEW TOWNSITE, ACCORDING TO MAP THEREOF NO. 765, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY OCTOBER 28, 1893, TOGETHER WITH THE VACATED STREETS AND ALLEYS THEREIN, ALL IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA.

SUBDIVISION MAP GUARANTEE ISSUED BY FIRST AMERICAN TITLE COMPANY, ORDER NO. LJ-4438863 (06).

OWNER'S STATEMENT, CONTINUED

7) PRIOR TO THE APPROVAL OF ANY BUILDING PLAN AND ISSUANCE OF ANY BUILDING PERMIT, THE APPLICANT SHALL PREPARE THE ACOUSTICAL ANALYSIS AND INCORPORATE THE PROPOSED PROJECT DESIGN RECOMMENDATIONS AND MITIGATION MEASURES, INTO THE BUILDING PLANS. THE APPLICANT SHALL SUBMIT THE ACOUSTICAL ANALYSIS ALONG WITH THE BUILDING PLANS TO THE DEPARTMENT OF PLANNING AND DEVELOPMENT SERVICES (PDS) FOR REVIEW AND APPROVAL BEFORE THE BUILDING PERMITS CAN BE ISSUED. TO THE SATISFACTION OF THE PDS, THE APPLICANT SHALL REVISE THE BUILDING PLANS OR SITE DESIGN TO INCORPORATE ANY ADDITIONAL PROPOSED MITIGATION MEASURES.

WE HEREBY DEDICATE TO THE SAN DIEGO COUNTY FLOOD CONTROL DISTRICT A PERPETUAL EASEMENT AND RIGHT OF WAY FOR THE FLOWAGE OF WATERS OVER, UPON AND ACROSS THE LAND DELINEATED ON THIS MAP AND DESIGNATED HEREON AS "FLOWAGE EASEMENT"; PROVIDED HOWEVER, WE RETAIN THE DUTY TO MAINTAIN SAID EASEMENT AND RESERVE TO OURSELVES, OUR SUCCESSORS AND ASSIGNS, THE RIGHT TO USE SUBJECT LAND AT ANY TIME, IN ANY MANNER AND FOR ANY PURPOSE NOT INCONSISTENT WITH THE FULL USE AND ENJOYMENT BY THE SAN DIEGO COUNTY FLOOD CONTROL DISTRICT, OR ITS SUCCESSORS AND ASSIGNS.

DEVELOPMENT SOLUTIONS BON, LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNER

BY: Judd Gilats, VICE PRESIDENT

SIGNATURE OMISSION STATEMENT

THE SIGNATURES OF THE PARTIES LISTED BELOW, OWNERS OF EASEMENTS PER DOCUMENTS NOTED BELOW HAVE BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436 SUBSECTION (a)(3)(A)(i) OF THE SUBDIVISION MAP ACT. THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO FEE TITLE AND SAID SIGNATURES ARE NOT REQUIRED BY THE GOVERNING BODY.

WM. G. HENSHAW, AS HOLDER OF WATER RIGHTS INCLUDING THE RIGHT TO DIVERT WATER, RESERVED IN THAT CERTAIN DOCUMENT RECORDED SEPTEMBER 3, 1920 IN BOOK 751, PAGE 119, OF DEEDS.

RAINBOW MUNICIPAL WATER DISTRICT, AS HOLDER OF EASEMENTS RECORDED AUGUST 22, 1969 AS INSTRUMENT NO. 155203 AND APRIL 18, 2016 AS INSTRUMENT NO. 2016-0178986, BOTH O.R.

BONSALL UNIFIED SCHOOL DISTRICT, FORMERLY BONSALL UNION SCHOOL DISTRICT, AS HOLDER OF AN EASEMENT RECORDED SEPTEMBER 15, 1969 AS INSTRUMENT NO. 168630, O.R.

SAN DIEGO GAS AND ELECTRIC COMPANY, AS HOLDER OF EASEMENTS RECORDED MAY 27, 1982 AS INSTRUMENT NO. 82-161794 AND JULY 27, 1982 AS INSTRUMENT NO. 82-229661, BOTH O.R.

COUNTY OF SAN DIEGO, AS HOLDER OF AN OFFER OF DEDICATION RECORDED DECEMBER 19, 1985 AS INSTRUMENT NO. 85-479647, O.R.

SAN DIEGO COUNTY FLOOD CONTROL DISTRICT, AS HOLDER OF AN EASEMENT RECORDED DECEMBER 19, 1985 AS INSTRUMENT NO. 85-479648, O.R.

COUNTY OF SAN DIEGO, AS HOLDER OF EASEMENTS RECORDED JUNE 5, 1973 AS INSTRUMENT NO. 73-152907, AUGUST 22, 1973 AS INSTRUMENT NO. 73-236760, AND SEPTEMBER 7, 2016 AS INSTRUMENT NO'S 2016-0468005 AND 2016-0468006

SAN DIEGO COUNTY FLOOD CONTROL DISTRICT CERTIFICATE

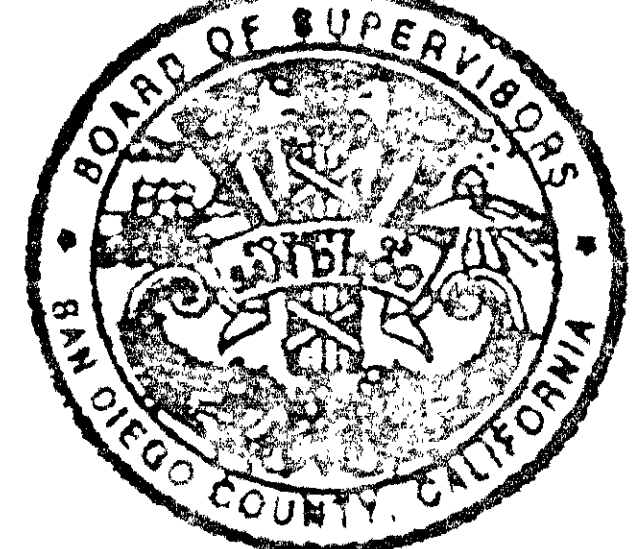
THIS IS TO CERTIFY THAT THE FLOWAGE EASEMENTS AS SHOWN ON THIS MAP DEDICATED TO THE SAN DIEGO COUNTY FLOOD CONTROL DISTRICT ARE HEREBY ACCEPTED BY THE UNDERSIGNED OFFICER OR AGENT ON BEHALF OF THE BOARD OF DIRECTORS OF THE SAN DIEGO COUNTY FLOOD CONTROL DISTRICT PURSUANT TO AUTHORITY CONFERRED BY RESOLUTION OF SAID BOARD OF DIRECTORS ADOPTED MARCH 20, 1979, AND THE DISTRICT CONSENTS TO THE RECORDATION THEREOF BY ITS DULY AUTHORIZED OFFICER.

SAN DIEGO COUNTY FLOOD CONTROL DISTRICT BY: [Signature] DATED: 9-6-16

BOARD OF SUPERVISOR'S CERTIFICATE

I, DAVID HALL, CLERK OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO, CERTIFY THAT SAID BOARD OF SUPERVISORS HAS APPROVED THIS MAP, HAS ACCEPTED, ON BEHALF OF THE PUBLIC, SUBJECT TO IMPROVEMENT, AVENIDA DE LAS VIDA, CALLE DE LAS BRISAS, AVENIDA DE LOS PINOS, CALLE DE LAS ESTRELLAS, CALLE DE LAS ROSAS, A PORTION OF OLD RIVER ROAD AND A PORTION OF CAMINO DEL REY FOR USE AS PUBLIC STREET EASEMENTS, TOGETHER WITH THE RIGHT TO EXTEND AND MAINTAIN DRAINAGE FACILITIES, EXCAVATION AND EMBANKMENT SLOPES BEYOND THE LIMITS OF SAID RIGHTS-OF-WAY ALL AS DEDICATED ON THIS MAP TOGETHER WITH THE ACCESS RIGHTS FROM LOTS 64, 65, 68, 69, 70, 71, 72, 73 AND E IN AND TO CAMINO DEL REY, AND FROM LOTS 25, 26, 27, A, C, D, G, AND H IN AND TO OLD RIVER ROAD, AND FROM LOT 1 IN AND TO AVENIDA DE LAS VIDA, AND FROM LOT 21 IN AND TO CALLE DE LAS ROSAS, AND FROM THE SOUTHEASTERLY LINE OF LOT 25 IN AND TO CALLE DE LAS ESTRELLAS, AND FROM LOTS 67 AND 79 IN AND TO AVENIDA DE LOS PINOS, AND FROM LOT 73 IN AND TO CALLE DE LAS BRISAS, ALL AS RELINQUISHED AND WAIVED ON THIS MAP; AND HAS ACCEPTED ON BEHALF OF THE COUNTY THE EASEMENT FOR PEDESTRIAN TRAIL PURPOSES (TOGETHER WITH THE ACCESS EASEMENT TO MAINTAIN THE TRAIL), THE ACCESS EASEMENTS TO MAINTAIN DRAINAGE FACILITIES, THE CLEAR SPACE EASEMENTS, AND THE NOISE PROTECTION EASEMENTS, ALL AS GRANTED ON THIS MAP AND HAS ACCEPTED ON BEHALF OF THE COUNTY THE EMERGENCY ACCESS EASEMENT AS SHOWN HEREON, ALL AS GRANTED ON THIS MAP.

BY: [Signature] DEPUTY DATE: 09/19/2016

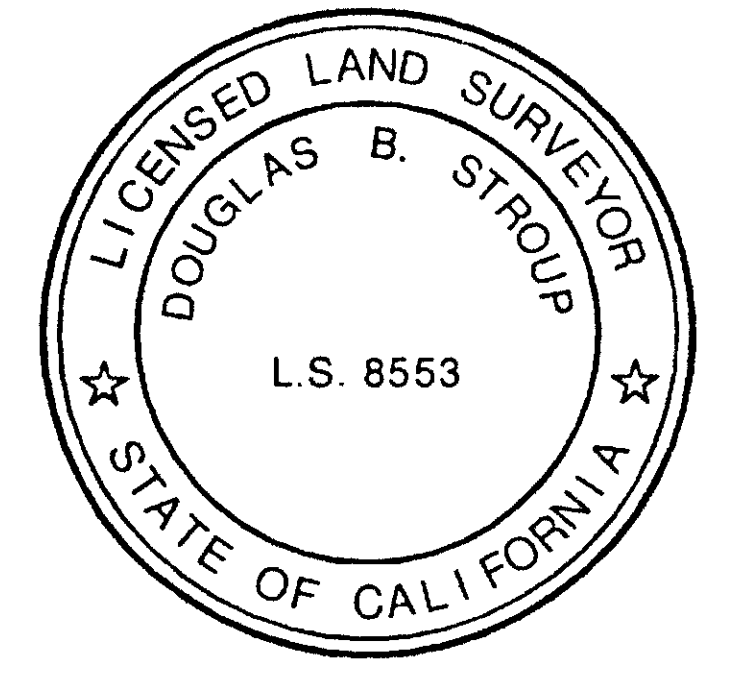


SURVEYOR'S STATEMENT

I, DOUGLAS B. STROUP, A PROFESSIONAL LAND SURVEYOR, STATE THAT THE SURVEY OF THIS SUBDIVISION WAS MADE BY ME OR UNDER MY DIRECTION IN JANUARY 2014 AND SAID SURVEY IS TRUE AND COMPLETE AS SHOWN; THAT MONUMENTS OF THE CHARACTER INDICATED HAVE BEEN SET OR FOUND AS NOTED AT THE SUBDIVISION BOUNDARY CORNERS, AND I WILL SET ALL OTHER MONUMENTS OF THE CHARACTER AND AT THE POSITION INDICATED BY LEGEND IN THIS MAP WITHIN 30 DAYS AFTER THE COMPLETION OF THE REQUIRED IMPROVEMENTS AND SUCH MONUMENTS ARE OR WILL BE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED. (SEE LEGEND ON SHEET 4.) THIS MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED TENTATIVE MAP.

BY: [Signature] DOUGLAS B. STROUP, L.S. 8553 EXP. 12/31/2016

DATED: 5/31/2016

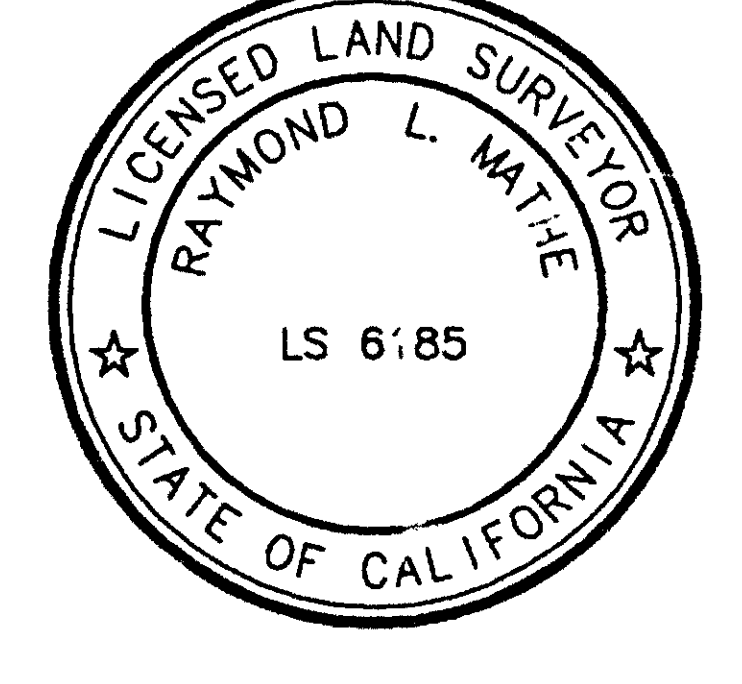


COUNTY SURVEYOR'S STATEMENT

I, RAYMOND L. MATHE, HEREBY STATE THAT I HAVE EXAMINED THIS MAP. THE SUBDIVISION AS SHOWN IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP, IF REQUIRED, AND ANY APPROVED ALTERATIONS THEREOF. ALL PROVISIONS OF CHAPTER 2 OF THE SUBDIVISION MAP ACT TOGETHER WITH ANY LOCAL ORDINANCES APPLICABLE AT THE TIME OF APPROVAL OF THE TENTATIVE MAP, IF REQUIRED, HAVE BEEN COMPLIED WITH. I AM SATISFIED THAT THIS MAP IS TECHNICALLY CORRECT.

BY: [Signature] RAYMOND L. MATHE, P.L.S. 6185 SAN DIEGO COUNTY SURVEYOR

DATED: 9-6-16

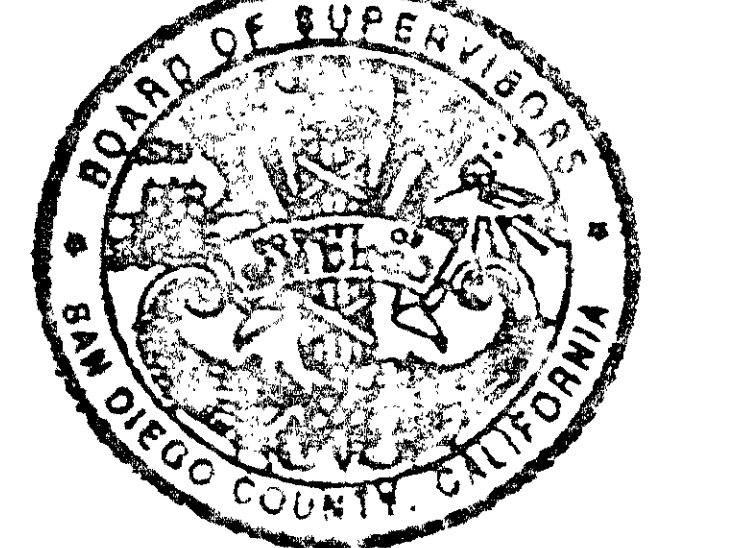


TAX DEPOSIT CERTIFICATE

I, DAVID HALL, CLERK OF THE BOARD OF SUPERVISORS, HEREBY CERTIFY THAT THE PROVISIONS OF THE SUBDIVISION MAP ACT (DIVISION 2 OF TITLE 7 OF THE GOVERNMENT CODE) REGARDING (A) DEPOSITS FOR TAXES, AND (B) CERTIFICATION OF THE ABSENCE OF LIENS FOR UNPAID STATE, COUNTY, MUNICIPAL OR LOCAL TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES EXCEPT THOSE NOT YET PAYABLE, HAVE BEEN COMPLIED WITH.

DAVID HALL, CLERK OF THE BOARD OF SUPERVISORS

BY: [Signature] DEPUTY DATE: 09/19/2016



RECORDER'S CERTIFICATE

FILE NO. 2016-7000401

I, ERNEST J. DRONENBURG, JR., RECORDER OF THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, HEREBY CERTIFY THAT I HAVE ACCEPTED FOR RECORDATION THIS MAP FILED AT THE REQUEST OF DOUGLAS B. STROUP THIS

19th DAY OF September, 2016 AT 2:13 O'CLOCK, P.M.

ERNEST J. DRONENBURG, JR. COUNTY RECORDER

BY: [Signature] DEPUTY COUNTY RECORDER

FEE: \$34.00

JOINT USE AGREEMENTS

SEE SHEET 2

NOTARY ACKNOWLEDGEMENTS

SEE SHEET 3

BOND AND ASSESSMENT CERTIFICATE

WE, COUNTY TREASURER-TAX COLLECTOR OF THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA AND DIRECTOR OF PUBLIC WORKS OF SAID COUNTY, HEREBY CERTIFY THAT THERE ARE NO UNPAID SPECIAL ASSESSMENTS OR BONDS WHICH MAY BE PAID IN FULL, SHOWN BY THE BOOKS OF OUR OFFICES, AGAINST THE TRACT OR SUBDIVISION OR ANY PART THEREOF SHOWN ON THE ANNEXED MAP AND DESCRIBED IN THE CAPTION THEREOF.

DAN McALLISTER COUNTY TREASURER-TAX COLLECTOR

BY: [Signature] DEPUTY DATED: 6/01/2016

RICHARD E. CROMPTON DIRECTOR OF PUBLIC WORKS

BY: [Signature] FOR DIRECTOR DATED: 6-1-16

COUNTY OF SAN DIEGO TRACT NO. 5498-1

SAN DIEGO GAS AND ELECTRIC COMPANY

SAN DIEGO GAS AND ELECTRIC COMPANY (COMPANY) HEREBY CONSENTS THAT PUBLIC STREETS MAY BE CONSTRUCTED AND MAINTAINED OVER, UPON AND ACROSS A PORTION OF SAN DIEGO GAS AND ELECTRIC COMPANY'S EASEMENTS AND RIGHT-OF-WAY RECORDED MAY 27, 1982 AS INSTRUMENT NO. 82-161794 AND JULY 27, 1982 AS INSTRUMENT NO. 82-229661, BOTH OF OFFICIAL RECORDS OF SAN DIEGO COUNTY, LYING WITHIN THE BOUNDARIES OF THE FOLLOWING STREETS, CALLE DE LAS BRISAS, AVENIDA DE LAS VIDA, AVENIDA DE LOS PINOS, CALLE DE LAS ESTRELLAS, CALLE DE LAS ROSAS, OLD RIVER ROAD, AND CAMINO DEL REY, HEREINAFTER REFERRED TO AS AREA, SUBJECT TO THE FOLLOWING:

- (A) IN THE EVENT THAT THE FUTURE USE OR ALTERATION OF SAID AREA BY THE COUNTY OF SAN DIEGO (COUNTY) FOR STREETS OR PUBLIC IMPROVEMENTS INCIDENTAL THERETO, SHALL AT ANY TIME NECESSITATE A REARRANGEMENT, RELOCATION OR RECONSTRUCTION OF ANY OF THE COMPANY'S FACILITIES OR THE ACQUISITION OF ADDITIONAL PROPERTY EASEMENTS, OR BOTH, PURSUANT THERETO; THE SAME SHALL BE PERFORMED BY COMPANY, OR BY ANY OTHER PARTY WITH THE CONSENT OF COMPANY, AT THE COST OF THE COUNTY.
(B) IN THE EVENT THAT THE FUTURE USE OF SAN DIEGO GAS AND ELECTRIC COMPANY'S EASEMENTS OR PROPERTIES BY COMPANY SHALL AT ANY TIME OR TIMES NECESSITATE A REARRANGEMENT, RELOCATION OR RECONSTRUCTION OF THE PUBLIC IMPROVEMENTS INCIDENTAL THERETO, THE SAME SHALL BE PERFORMED AT THE COST OF THE COMPANY.
(C) THE USES OF SAID AREA BY EITHER PARTY SHALL BE SUCH AS WILL NOT PERMANENTLY INTERRUPT THE USE OR OPERATION OF THE FACILITIES THEREIN OF THE PARTY, USES OF SAID AREA BY EITHER PARTY WHICH TEMPORARILY INTERFERE WITH THE USE OF THE OTHER PARTY, WILL BE MADE ONLY WHEN REASONABLY NECESSARY AND WILL BE PROMPTLY TERMINATED AS SOON AS THE NECESSITY THEREFORE NO LONGER EXISTS.
(D) SAN DIEGO GAS AND ELECTRIC COMPANY RETAINS THE RIGHT TO REVIEW AND APPROVE THE SPECIFIC LOCATIONS OF ALL FACILITIES WITHIN ITS EASEMENT TO AVOID CONFLICT WITH EXISTING AND FUTURE COMPANY FACILITIES. SUCH APPROVALS SHALL BE GRANTED BY SAN DIEGO GAS AND ELECTRIC COMPANY'S LETTER OF PERMISSION FOR GRADING AND CONSTRUCTION OF IMPROVEMENTS AND APPROVALS SHALL NOT BE UNREASONABLY WITHHELD.
(E) IF THE COUNTY SHALL HEREAFTER VACATE OR ABANDON, IN WHOLE OR IN PART, THE AREAS WHICH ARE OCCUPIED BY SAN DIEGO GAS AND ELECTRIC COMPANY'S EASEMENTS OR PROPERTIES, THE COUNTY SHALL IN THE VACATION OR ABANDONMENT PROCEEDINGS, RESERVE TO COMPANY ALL RIGHTS OWNED TO COMPANY PRIOR TO THE EXECUTION OF THE CERTIFICATE.
(F) EXCEPT AS EXPRESSLY HEREIN SET FORTH, THIS AGREEMENT SHALL NOT IN ANY WAY ALTER MODIFY OR TERMINATE ANY OF COMPANY'S PRIOR RIGHTS IN SAID AREA.

IN WITNESS THEREOF, SAN DIEGO GAS AND ELECTRIC COMPANY HAS CAUSED THIS INSTRUMENT TO BE EXECUTED UNDER ITS CORPORATE NAME AND BY ITS PROPER OFFICER THEREUNTO DULY AUTHORIZED, THIS 3RD DAY OF JUNE, 2016.

SAN DIEGO GAS AND ELECTRIC COMPANY, A CORPORATION

BY: Jeff Sykes
NAME: Jeff Sykes
TITLE: LAND SERVICES SUPERVISOR

COUNTY OF SAN DIEGO

BY: Raymond Mathe, County Surveyor
9-6-16

BONSALL UNION HIGH SCHOOL DISTRICT

BONSALL UNIFIED SCHOOL DISTRICT, FORMERLY BONSALL UNION SCHOOL DISTRICT ("COMPANY"), AS OWNER OF EASEMENT RECORDED ON SEPTEMBER 15, 1969 AS INSTRUMENT NO. 168630, OF OFFICIAL RECORDS OF THE COUNTY RECORDER, COUNTY OF SAN DIEGO (COLLECTIVELY "EASEMENT AREAS"), DESIRES TO ENTER INTO THIS JOINT USE AGREEMENT WITH THE COUNTY OF SAN DIEGO, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA ("COUNTY"), TO ALLOW FOR THE JOINT USE OF THE EASEMENT AREAS FOR THE CONSTRUCTION AND MAINTENANCE OF A 56.00 FOOT WIDE PUBLIC STREET, MORE SPECIFICALLY IDENTIFIED ON THIS MAP AS CALLE DE LAS ESTRELLAS ("PUBLIC STREET"), TOGETHER WITH LATERAL SUPPORT AND DRAINAGE RIGHTS NECESSARY OR CONVENIENT FOR THE CONSTRUCTION AND MAINTENANCE OF THE PUBLIC STREET, SUBJECT TO THE FOLLOWING:

- (A) IN THE EVENT THAT THE FUTURE USE OR ALTERATION OF SAID AREAS BY COUNTY FOR STREET PURPOSES OR IMPROVEMENTS INCIDENTAL THERETO SHALL AT ANY TIME NECESSITATE A REARRANGEMENT, RELOCATION OR RECONSTRUCTION OF ANY OF COMPANY'S FACILITIES OR THE ACQUISITION OF ADDITIONAL PROPERTY EASEMENTS OR PROPERTY BY COMPANY, OR BOTH, THE SAME SHALL BE PERFORMED BY COMPANY, OR BY ANOTHER PARTY AUTHORIZED BY COMPANY, AT THE COST OF THE COUNTY.
(B) IN THE EVENT THAT THE FUTURE USE OR ALTERATION OF THE EASEMENT AREAS BY COMPANY FOR UTILITY PURPOSES OR IMPROVEMENTS INCIDENTAL THERETO SHALL AT ANY TIME NECESSITATE A REARRANGEMENT, RELOCATION OR RECONSTRUCTION OF THE PUBLIC STREET OR PUBLIC IMPROVEMENTS INCIDENTAL THERETO, OR THE ACQUISITION OF ADDITIONAL EASEMENTS OR PROPERTY BY COUNTY, THE SAME SHALL BE PERFORMED BY COUNTY, OR BY ANOTHER PARTY AUTHORIZED BY COUNTY, AT THE COST OF COMPANY.
(C) THE PARTIES SHALL COOPERATE IN THE REARRANGEMENT, RELOCATION, AND RECONSTRUCTION OF THE PUBLIC STREET AND UTILITY FACILITIES LOCATED THEREIN. PRIOR TO ONE PARTY UNDERTAKING ANY WORK, OR ACQUIRING ANY EASEMENT OR PROPERTY, AS TO WHICH THE OTHER MUST PAY THE COST, THE PARTY RESPONSIBLE FOR THE COST SHALL BE GIVEN REASONABLE NOTICE OF THE TIME AND EXTENT OF THE PROPOSED WORK, THE ESTIMATED COST THEREOF, AND A COPY OF THE PLANS AND SPECIFICATIONS FOR THE PROJECT. IF THE WORK IS TO BE PERFORMED BY PRIVATE CONTRACTORS PURSUANT TO A BID PROCESS, SEPARATE QUOTATIONS SHALL BE OBTAINED, IF IT IS REASONABLY FEASIBLE TO DO SO, FOR THE WORK TO BE PAID FOR BY EACH PARTY. IF THE WORK IS TO BE PERFORMED BY FORCES OF A PARTY, THE AMOUNT OF REIMBURSEMENT FOR THE OTHER PARTY SHALL BE DETERMINED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AND SHALL INCLUDE A REASONABLE SUM FOR OVERHEAD AND ADMINISTRATION.
(D) ALL USES OF SAID AREAS BY EITHER PARTY SHALL BE SUCH AS WILL NOT PERMANENTLY INTERRUPT THE USE OR OPERATION OF THE FACILITIES THEREIN OF THE OTHER PARTY. USES OF SAID AREAS BY EITHER PARTY WHICH TEMPORARILY INTERFERE WITH THE USE OF THE OTHER PARTY, WILL BE MADE ONLY WHEN REASONABLY NECESSARY AND WILL BE PROMPTLY TERMINATED AS SOON AS THE NECESSITY THERETO NO LONGER EXISTS.
(E) TO AVOID CONFLICT WITH EXISTING AND FUTURE COMPANY FACILITIES, COUNTY SHALL OBTAIN APPROVAL FROM COMPANY OF PLANS FOR THE INITIAL CONSTRUCTION OF THE PUBLIC STREET AND ANY ALTERATIONS OR IMPROVEMENTS THERETO WHICH SIGNIFICANTLY CHANGE THE GRADE OR ALIGNMENT. REGULAR MAINTENANCE OR REPLACEMENT WORK, SUCH AS ASPHALT OVERLAYS OR RESURFACING WORK, SHALL NOT REQUIRE PRIOR APPROVAL OF COMPANY IF WORK IS PERFORMED WITHIN THE EXISTING PUBLIC STREET AND NO SIGNIFICANT CHANGES OF GRADE OR ALIGNMENT WILL BE MADE. PRIOR APPROVAL SHALL BE GRANTED BY COMPANY BY LETTER OF PERMISSION, OR SIMILAR DOCUMENT, AND SHALL NOT BE UNREASONABLY WITHHELD.
(F) IF THE COUNTY SHALL HEREAFTER VACATE OR ABANDON, IN WHOLE OR IN PART, THE PUBLIC STREET CROSSING THE EASEMENT AREAS, THE COUNTY SHALL IN THE VACATION OR ABANDONMENT PROCEEDINGS, RESERVE TO THE COMPANY ALL RIGHTS OWNED BY COMPANY PRIOR TO THE EXECUTION OF THIS AGREEMENT.
(G) NEITHER COMPANY NOR COUNTY SHALL CLAIM OR ASSERT ANY RIGHTS AGAINST THE OTHER OVER OR IN SUCH PUBLIC STREET, NOTWITHSTANDING ANY INTERESTS OR RIGHTS THAT EACH MIGHT OTHERWISE HAVE AS A RESULT OF ANY CHARTER, STATUTE, CONTRACT, CONVEYANCE, OR BY OPERATION OF LAW, UNLESS THIS AGREEMENT IS DETERMINED BY A COURT OF COMPETENT JURISDICTION TO BE INVALID OR IS OTHERWISE TERMINATED. EXCEPT AS EXPRESSLY HEREIN SET FORTH, THIS AGREEMENT SHALL NOT IN ANY WAY ALTER, MODIFY OR TERMINATE ANY OF COMPANY'S PRIOR RIGHTS IN SAID AREA.
(H) THIS AGREEMENT SHALL BE FOR THE BENEFIT OF AND BE BINDING UPON THE SUCCESSORS AND ASSIGNS OF EACH PARTY.

IN WITNESS THEREOF, THE PARTIES HAVE CAUSED THIS INSTRUMENT TO BE EXECUTED, THIS 27th DAY OF MAY, 2016.

BONSALL UNIFIED SCHOOL DISTRICT

BY: William Pickering II
NAME: WILLIAM PICKERING II
TITLE: ASSISTANT SUPERINTENDENT

COUNTY OF SAN DIEGO

BY: Raymond Mathe, County Surveyor
9-6-16

RAINBOW MUNICIPAL WATER DISTRICT

RAINBOW MUNICIPAL WATER DISTRICT, A MUNICIPAL WATER DISTRICT FORMED PURSUANT TO THE MUNICIPAL WATER DISTRICT ACT OF 1911 AS AMENDED ("COMPANY"), AS OWNER OF AN EASEMENT RECORDED ON AUGUST 22, 1969 AS FILE/PAGE NO. 155203, OF OFFICIAL RECORDS OF THE COUNTY RECORDER, COUNTY OF SAN DIEGO (COLLECTIVELY "EASEMENT AREAS"), DESIRES TO ENTER INTO THIS JOINT USE AGREEMENT WITH THE COUNTY OF SAN DIEGO, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA ("COUNTY"), TO ALLOW FOR THE JOINT USE OF THE EASEMENT AREAS FOR THE CONSTRUCTION AND MAINTENANCE OF A 60.00 FOOT WIDE AND 56.00 FOOT WIDE PUBLIC STREET, MORE SPECIFICALLY IDENTIFIED ON THIS MAP AS OLD RIVER ROAD AND CALLE DE LAS ESTRELLAS, RESPECTIVELY, (COLLECTIVELY "PUBLIC STREETS"), TOGETHER WITH LATERAL SUPPORT AND DRAINAGE RIGHTS NECESSARY OR CONVENIENT FOR THE CONSTRUCTION AND MAINTENANCE OF THE PUBLIC STREETS, SUBJECT TO THE FOLLOWING:

- (A) IN THE EVENT THAT THE FUTURE USE OR ALTERATION OF SAID AREAS BY COUNTY FOR STREET PURPOSES OR IMPROVEMENTS INCIDENTAL THERETO SHALL AT ANY TIME NECESSITATE A REARRANGEMENT, RELOCATION OR RECONSTRUCTION OF ANY OF COMPANY'S FACILITIES OR THE ACQUISITION OF ADDITIONAL PROPERTY EASEMENTS OR PROPERTY BY COMPANY, OR BOTH, THE SAME SHALL BE PERFORMED BY COMPANY, OR BY ANOTHER PARTY AUTHORIZED BY COMPANY, AT THE COST OF THE COUNTY.
(B) IN THE EVENT THAT THE FUTURE USE OR ALTERATION OF THE EASEMENT AREAS BY COMPANY FOR UTILITY PURPOSES OR IMPROVEMENTS INCIDENTAL THERETO SHALL AT ANY TIME NECESSITATE A REARRANGEMENT, RELOCATION OR RECONSTRUCTION OF THE PUBLIC STREETS OR PUBLIC IMPROVEMENTS INCIDENTAL THERETO, OR THE ACQUISITION OF ADDITIONAL EASEMENTS OR PROPERTY BY COUNTY, THE SAME SHALL BE PERFORMED BY COUNTY, OR BY ANOTHER PARTY AUTHORIZED BY COUNTY, AT THE COST OF COMPANY.
(C) THE PARTIES SHALL COOPERATE IN THE REARRANGEMENT, RELOCATION, AND RECONSTRUCTION OF THE PUBLIC STREETS AND UTILITY FACILITIES LOCATED THEREIN. PRIOR TO ONE PARTY UNDERTAKING ANY WORK, OR ACQUIRING ANY EASEMENT OR PROPERTY, AS TO WHICH THE OTHER MUST PAY THE COST, THE PARTY RESPONSIBLE FOR THE COST SHALL BE GIVEN REASONABLE NOTICE OF THE TIME AND EXTENT OF THE PROPOSED WORK, THE ESTIMATED COST THEREOF, AND A COPY OF THE PLANS AND SPECIFICATIONS FOR THE PROJECT. IF THE WORK IS TO BE PERFORMED BY PRIVATE CONTRACTORS PURSUANT TO A BID PROCESS, SEPARATE QUOTATIONS SHALL BE OBTAINED, IF IT IS REASONABLY FEASIBLE TO DO SO, FOR THE WORK TO BE PAID FOR BY EACH PARTY. IF THE WORK IS TO BE PERFORMED BY FORCES OF A PARTY, THE AMOUNT OF REIMBURSEMENT FOR THE OTHER PARTY SHALL BE DETERMINED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AND SHALL INCLUDE A REASONABLE SUM FOR OVERHEAD AND ADMINISTRATION.
(D) ALL USES OF SAID AREAS BY EITHER PARTY SHALL BE SUCH AS WILL NOT PERMANENTLY INTERRUPT THE USE OR OPERATION OF THE FACILITIES THEREIN OF THE OTHER PARTY. USES OF SAID AREAS BY EITHER PARTY WHICH TEMPORARILY INTERFERE WITH THE USE OF THE OTHER PARTY, WILL BE MADE ONLY WHEN REASONABLY NECESSARY AND WILL BE PROMPTLY TERMINATED AS SOON AS THE NECESSITY THERETO NO LONGER EXISTS.
(E) TO AVOID CONFLICT WITH EXISTING AND FUTURE COMPANY FACILITIES, COUNTY SHALL OBTAIN APPROVAL FROM COMPANY OF PLANS FOR THE INITIAL CONSTRUCTION OF THE PUBLIC STREET AND ANY ALTERATIONS OR IMPROVEMENTS THERETO WHICH SIGNIFICANTLY CHANGE THE GRADE OR ALIGNMENT. REGULAR MAINTENANCE OR REPLACEMENT WORK, SUCH AS ASPHALT OVERLAYS OR RESURFACING WORK, SHALL NOT REQUIRE PRIOR APPROVAL OF COMPANY IF WORK IS PERFORMED WITHIN THE EXISTING PUBLIC STREET AND NO SIGNIFICANT CHANGES OF GRADE OR ALIGNMENT WILL BE MADE. PRIOR APPROVAL SHALL BE GRANTED BY COMPANY BY LETTER OF PERMISSION, OR SIMILAR DOCUMENT, AND SHALL NOT BE UNREASONABLY WITHHELD.
(F) IF THE COUNTY SHALL HEREAFTER VACATE OR ABANDON, IN WHOLE OR IN PART, THE PUBLIC STREETS CROSSING THE EASEMENT AREAS, THE COUNTY SHALL IN THE VACATION OR ABANDONMENT PROCEEDINGS, RESERVE TO THE COMPANY ALL RIGHTS OWNED BY COMPANY PRIOR TO THE EXECUTION OF THIS AGREEMENT.
(G) NEITHER COMPANY NOR COUNTY SHALL CLAIM OR ASSERT ANY RIGHTS AGAINST THE OTHER OVER OR IN SUCH PUBLIC STREETS, NOTWITHSTANDING ANY INTERESTS OR RIGHTS THAT EACH MIGHT OTHERWISE HAVE AS A RESULT OF ANY CHARTER, STATUTE, CONTRACT, CONVEYANCE, OR BY OPERATION OF LAW, UNLESS THIS AGREEMENT IS DETERMINED BY A COURT OF COMPETENT JURISDICTION TO BE INVALID OR IS OTHERWISE TERMINATED. EXCEPT AS EXPRESSLY HEREIN SET FORTH, THIS AGREEMENT SHALL NOT IN ANY WAY ALTER, MODIFY OR TERMINATE ANY OF COMPANY'S PRIOR RIGHTS IN SAID AREA.
(H) THIS AGREEMENT SHALL BE FOR THE BENEFIT OF AND BE BINDING UPON THE SUCCESSORS AND ASSIGNS OF EACH PARTY.

IN WITNESS THEREOF, THE PARTIES HAVE CAUSED THIS INSTRUMENT TO BE EXECUTED, THIS 1st DAY OF JUNE, 2016.

RAINBOW MUNICIPAL WATER DISTRICT

BY: Tom Kesteven
NAME: Tom Kesteven
TITLE: GENERAL MANAGER

COUNTY OF SAN DIEGO

BY: Raymond Mathe, County Surveyor
9-6-16

COUNTY OF SAN DIEGO TRACT NO. 5498-1
NOTARY ACKNOWLEDGEMENTS

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 Minnesota)
COUNTY OF Hennepin)
ON June 6, 2016 BEFORE ME, Bonnie Lynn Wold
NOTARY PUBLIC, PERSONALLY APPEARED Judd Gilts

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 Minnesota THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND AND OFFICIAL SEAL.

Bonnie Lynn Wold
PRINT NAME: Bonnie Lynn Wold
PRINCIPAL PLACE OF BUSINESS: Hennepin COUNTY
COMMISSION EXPIRATION DATE: 1.31.2020

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 May 27, 2016 BEFORE ME, Kim Acevedo
NOTARY PUBLIC, PERSONALLY APPEARED William J. Pickering

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.

Kim Acevedo
PRINT NAME: K.A ACEVEDO
PRINCIPAL PLACE OF BUSINESS: SAN DIEGO COUNTY
COMMISSION EXPIRATION DATE: MARCH 29 2017

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)
ON , 20 BEFORE ME,
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.

PRINT NAME:
PRINCIPAL PLACE OF BUSINESS: COUNTY
COMMISSION EXPIRATION DATE:

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)
ON , 20 BEFORE ME,
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.

PRINT NAME:
PRINCIPAL PLACE OF BUSINESS: COUNTY
COMMISSION EXPIRATION DATE:

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 JUNE 3, 2016 BEFORE ME, COLLEEN FINO
NOTARY PUBLIC, PERSONALLY APPEARED JEFF SYKES

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.

Colleen Fino
PRINT NAME: COLLEEN FINO
PRINCIPAL PLACE OF BUSINESS: SAN DIEGO COUNTY
COMMISSION EXPIRATION DATE: MAR. 7, 2017

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 June 1, 2016 BEFORE ME, Dawn M. Washburn
NOTARY PUBLIC, PERSONALLY APPEARED Thomas H. Keenan

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.

Dawn M. Washburn
PRINT NAME: Dawn M. Washburn
PRINCIPAL PLACE OF BUSINESS: SAN DIEGO COUNTY
COMMISSION EXPIRATION DATE: December 30, 2019

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)
ON , 20 BEFORE ME,
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.

PRINT NAME:
PRINCIPAL PLACE OF BUSINESS: COUNTY
COMMISSION EXPIRATION DATE:

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)
ON , 20 BEFORE ME,
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.

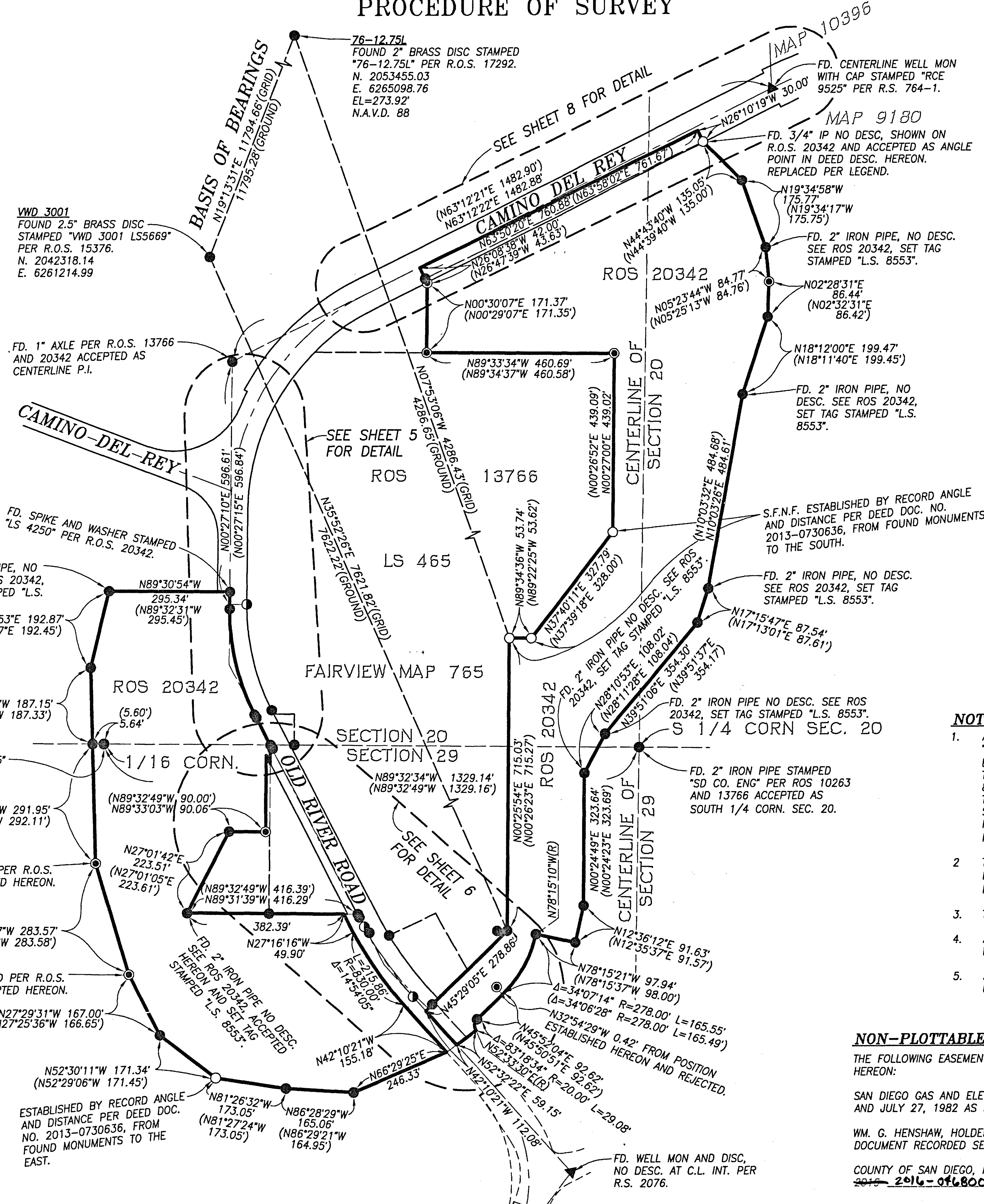
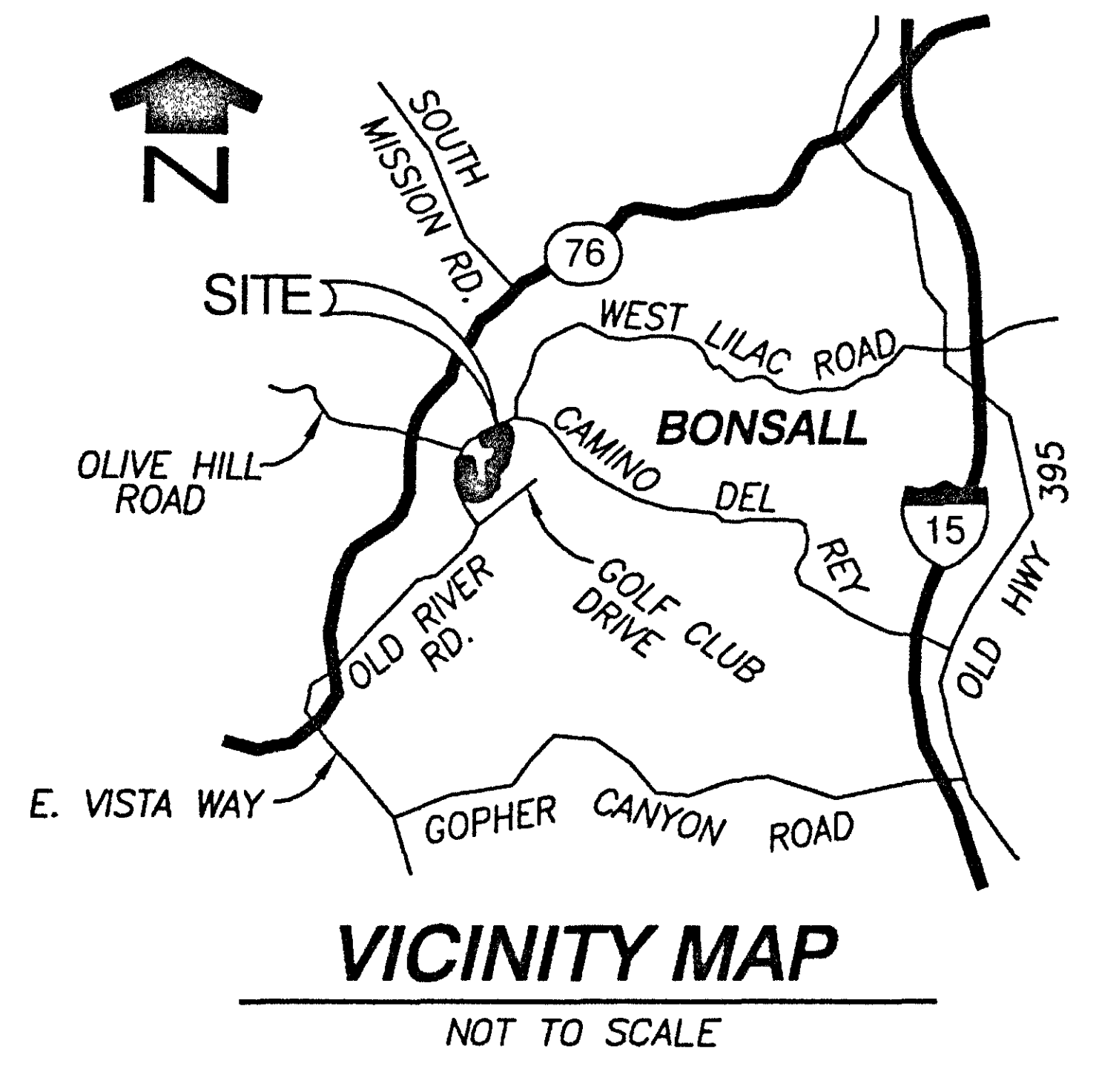
I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND AND OFFICIAL SEAL.

PRINT NAME:
PRINCIPAL PLACE OF BUSINESS: COUNTY
COMMISSION EXPIRATION DATE:

COUNTY OF SAN DIEGO TRACT NO. 5498-1

PROCEDURE OF SURVEY

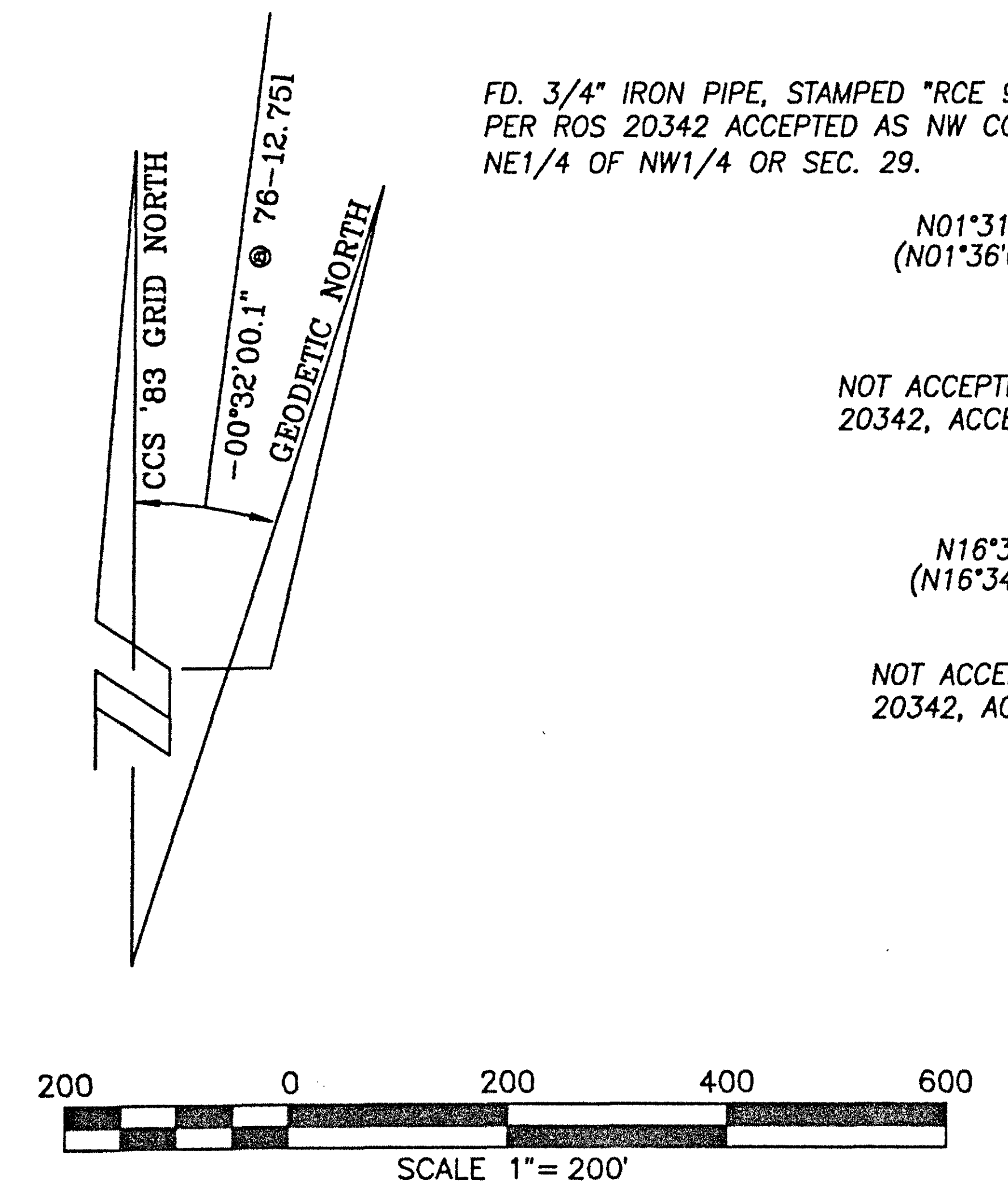


BASIS OF BEARINGS:
THE BASIS OF BEARINGS FOR THIS SURVEY IS CCS '83 CALIFORNIA, ZONE 6, EPOCH 1991.35 GRID BEARING BETWEEN STATION "76-12.75L" AND THE STATION "VWD 3001" PER THE COUNTY OF SAN DIEGO HORIZONTAL CONTROL LIST, BOTH HAVING A CALIFORNIA COORDINATE VALUE OF FIRST ORDER OR BETTER.
I.E. N19°13'31"E
QUOTED BEARINGS FROM REFERENCE MAPS OR DEEDS MAY OR MAY NOT BE IN TERMS OF SAID SYSTEM.
ALL DISTANCES SHOWN HEREON ARE GROUND, UNLESS OTHERWISE NOTED.
THE COMBINED SCALE FACTOR AT STATION 76-12.75L IS 0.9999465.
GRID DISTANCE = GROUND DISTANCE x COMBINED SCALE FACTOR.

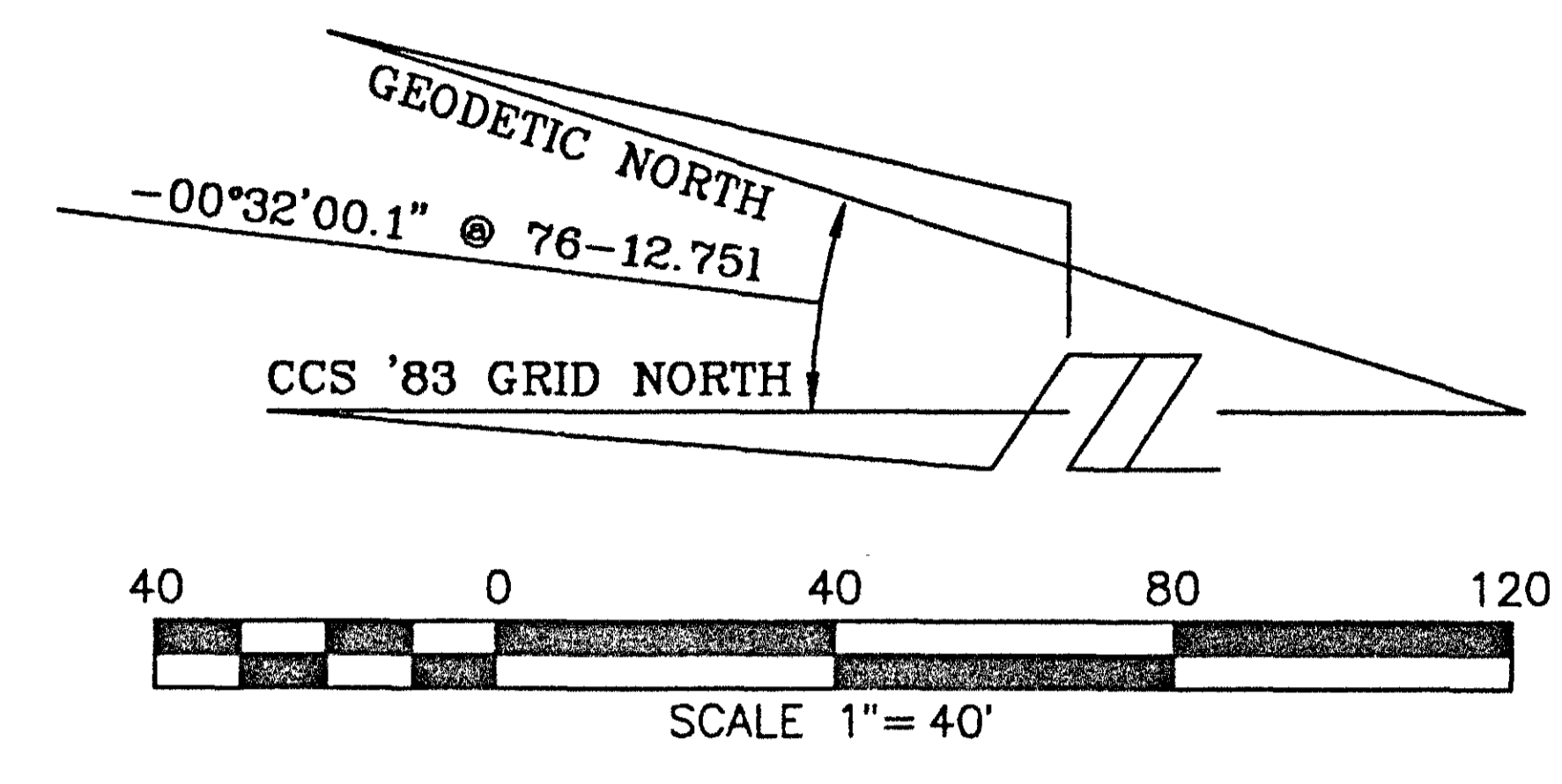
- LEGEND:**
- INDICATES FOUND 2" IRON PIPE AND DISC STAMPED "LS 4250" PER R.O.S. 20342, UNLESS OTHERWISE NOTED.
 - INDICATES SET 2" X 24" IRON PIPE WITH DISC STAMPED "LS 8553" UNLESS OTHERWISE NOTED.
 - △ INDICATES SET STANDARD SURVEY STREET WELL MONUMENT WITH DISC STAMPED "LS 8553" UNLESS OTHERWISE NOTED.
 - ⊗ INDICATES SET CLEAR SPACE EASEMENT MARKER PER SAN DIEGO REGIONAL STANDARD DRAWING DS-16.
 - ⦿ INDICATES FOUND SPIKE AND WASHER STAMPED "LS 3090" PER R.O.S. 13766.
 - INDICATES FOUND 1" IRON PIPE AND DISC STAMPED "L.S. 3090" PER R.O.S. 13766.
 - ⦿ INDICATES FOUND 2" IRON PIPE AS SHOWN ON R.O.S. 20342, ACCEPTED AS DEED CORNER, UNLESS OTHERWISE NOTED.
 - ▲ INDICATES FOUND CENTERLINE WELL MONUMENT AS NOTED.
 - INDICATES SUBDIVISION BOUNDARY.
 - (R) INDICATES RADIAL BEARING.
 - () INDICATES RECORD INFORMATION PER R.O.S. 20342.
 - [] INDICATES RECORD INFORMATION PER R.O.S. 13766.
 - { } INDICATES RECORD INFORMATION PER R.S. 2076.
 - S.F.N.F. INDICATES SEARCHED FOR, NOTHING FOUND.

- NOTES:**
1. ALL BOUNDARY CORNERS HAVE BEEN SET WITH A 2" X 24" IRON PIPE WITH DISC MARKED "LS 8553", UNLESS OTHERWISE SHOWN ON THIS MAP, OR NOTED ABOVE. LOT CORNERS WILL BE SET WITH A 3/4" X 18" IRON PIPE WITH DISC MARKED "LS 8553". LOT CORNERS ALONG THE SIDELINES OF DEDICATED STREETS WILL BE SET WITH A LEAD AND DISC STAMPED "LS 8553" SET ALONG AN EXTENSION OF THE LOT LINE AT AN OFFSET OF 9.75 FEET IN THE TOP OF CURB. EC'S, BC'S, PCR'S AND ANGLE POINTS ALONG THE SIDELINES OF DEDICATED STREETS WILL BE SET WITH A LEAD AND DISC STAMPED "LS 8553" AT AN OFFSET OF 9.75 FEET IN THE TOP OF CURB, MEASURED RADIALY, OR AT A RIGHT ANGLE, TO THE RIGHT-OF-WAY LINE. (SEE DEFERRED MONUMENTATION STATEMENT ON SHEET NO. 1.)
 2. THE TOTAL NUMBER OF LOTS IS 102. RESIDENTIAL LOTS: 94 (LOTS 1 THROUGH 94) HOA LOTS: 8 (LOTS A THROUGH H)
 3. THE TOTAL GROSS AREA IS 29.196 ACRES.
 4. ANY CURVE SHOWN IN THIS MAP IS TANGENT TO ITS ADJACENT COURSES, UNLESS A RADIAL BEARING IS SHOWN AT ITS POINT-OF-CURVATURE.
 5. ALL DISTANCES SHOWN IN THIS MAP HAVE A PRECISION OF .01 FOOT, REGARDLESS OF THE NUMBER OF DECIMAL PLACES SHOWN HEREIN.

NON-PLOTTABLE EASEMENT STATEMENT:
THE FOLLOWING EASEMENTS HAVE NO SPECIFIC LOCATIONS SET FORTH IN THE DOCUMENTS AND ARE NOT PLOTTED HEREON:
SAN DIEGO GAS AND ELECTRIC COMPANY, HOLDER OF EASEMENTS RECORDED MAY 27, 1982 AS DOC. NO. 82-161794 AND JULY 27, 1982 AS DOC. NO. 82-229661, BOTH OF OFFICIAL RECORDS.
WM. G. HENSHAW, HOLDER OF WATER RIGHTS INCLUDING THE RIGHT TO DIVERT WATER, AS PROVIDED IN THAT CERTAIN DOCUMENT RECORDED SEPTEMBER 3, 1920 IN BOOK 751, PAGE 119, OF DEEDS.
COUNTY OF SAN DIEGO, HOLDER OF EASEMENTS RECORDED SEPTEMBER 7, 2016 AS DOC. NO.'S 2016-0468005 AND 2016-0468006, BOTH OF OFFICIAL RECORDS.



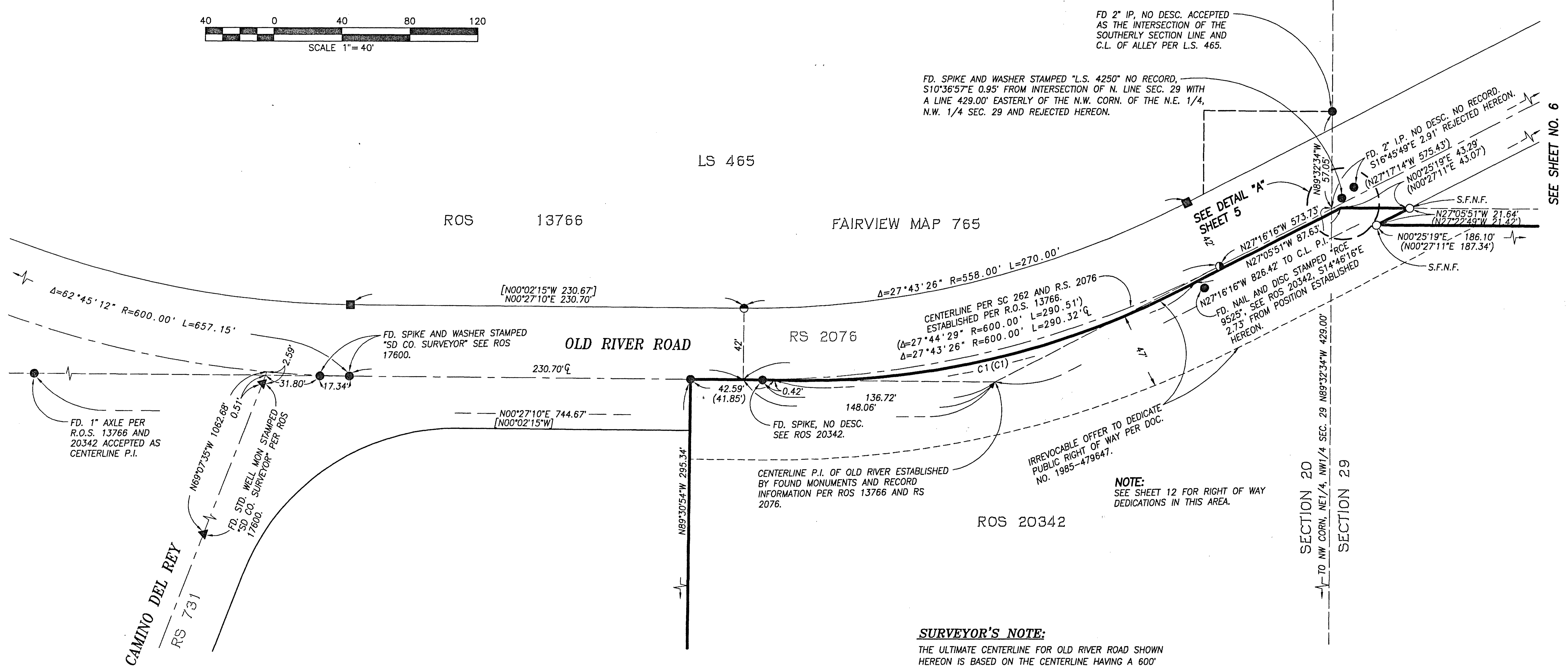
COUNTY OF SAN DIEGO TRACT NO. 5498-1
 PROCEDURE OF SURVEY DETAIL SHEET



LS 465

ROS 13766

FAIRVIEW MAP 765



FD 2" IP, NO DESC. ACCEPTED AS THE INTERSECTION OF THE SOUTHERLY SECTION LINE AND C.L. OF ALLEY PER L.S. 465.

FD. SPIKE AND WASHER STAMPED "L.S. 4250" NO RECORD, S10°36'57"E 0.95' FROM INTERSECTION OF N. LINE SEC. 29 WITH A LINE 429.00' EASTERLY OF THE N.W. CORN. OF THE N.E. 1/4, N.W. 1/4 SEC. 29 AND REJECTED HEREON.

FD. 2" IP, NO DESC. NO RECORD, S16°45'49"E 2.91' REJECTED HEREON.

SEE SHEET NO. 6

SEE DETAIL "A" SHEET 5

FD. NAIL AND DISC STAMPED "RCE" 9525' FROM POSITION ESTABLISHED HEREON.

IRREVOCABLE OFFER TO DEDICATE PUBLIC RIGHT OF WAY PER DOC. NO. 1985-479647.

NOTE: SEE SHEET 12 FOR RIGHT OF WAY DEDICATIONS IN THIS AREA.

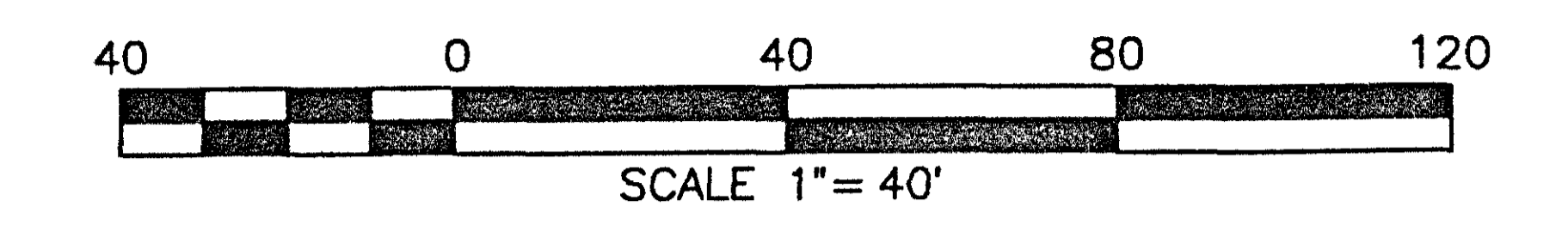
CENTERLINE P.I. OF OLD RIVER ESTABLISHED BY FOUND MONUMENTS AND RECORD INFORMATION PER ROS 13766 AND RS 2076.

SURVEYOR'S NOTE:

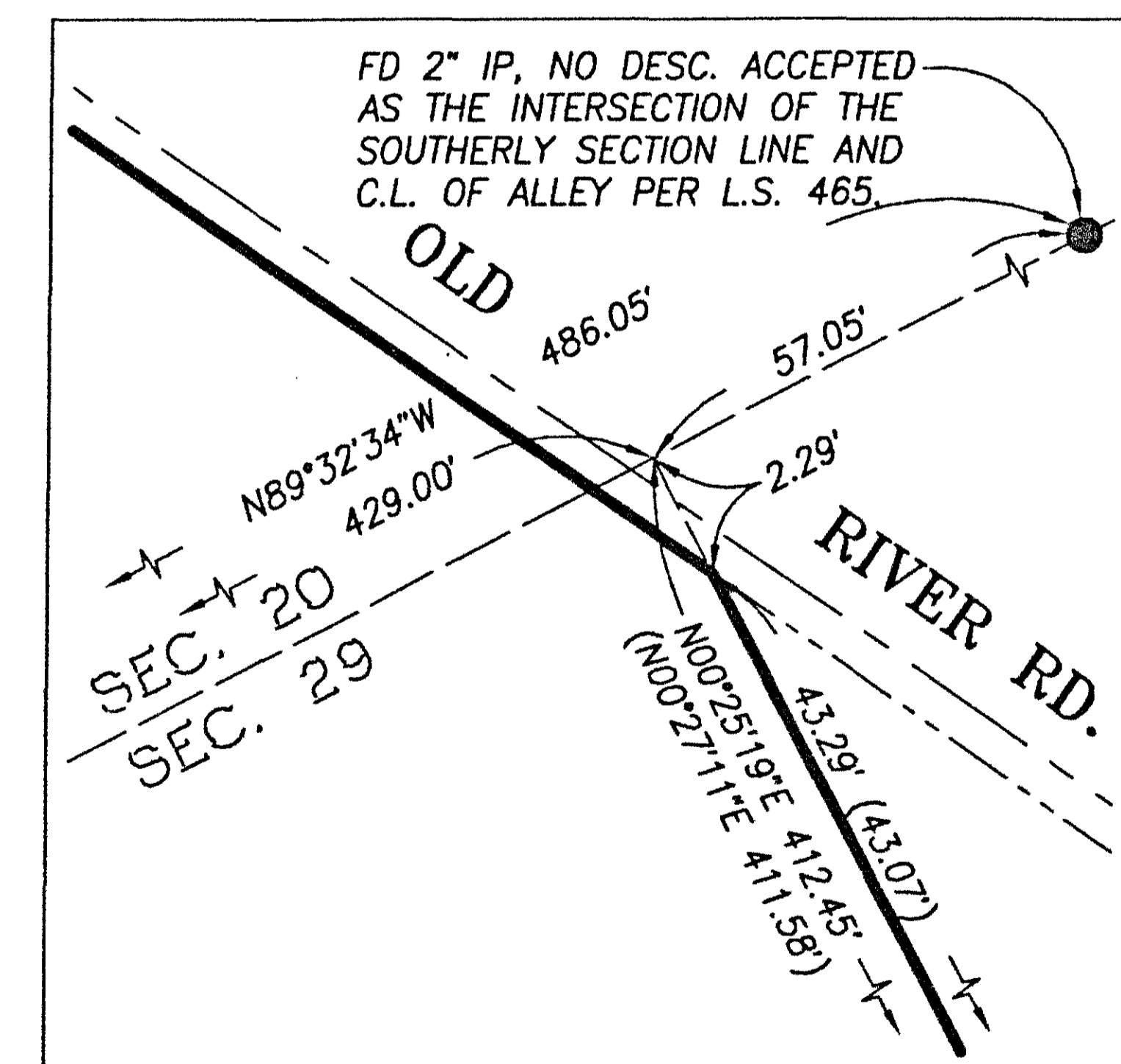
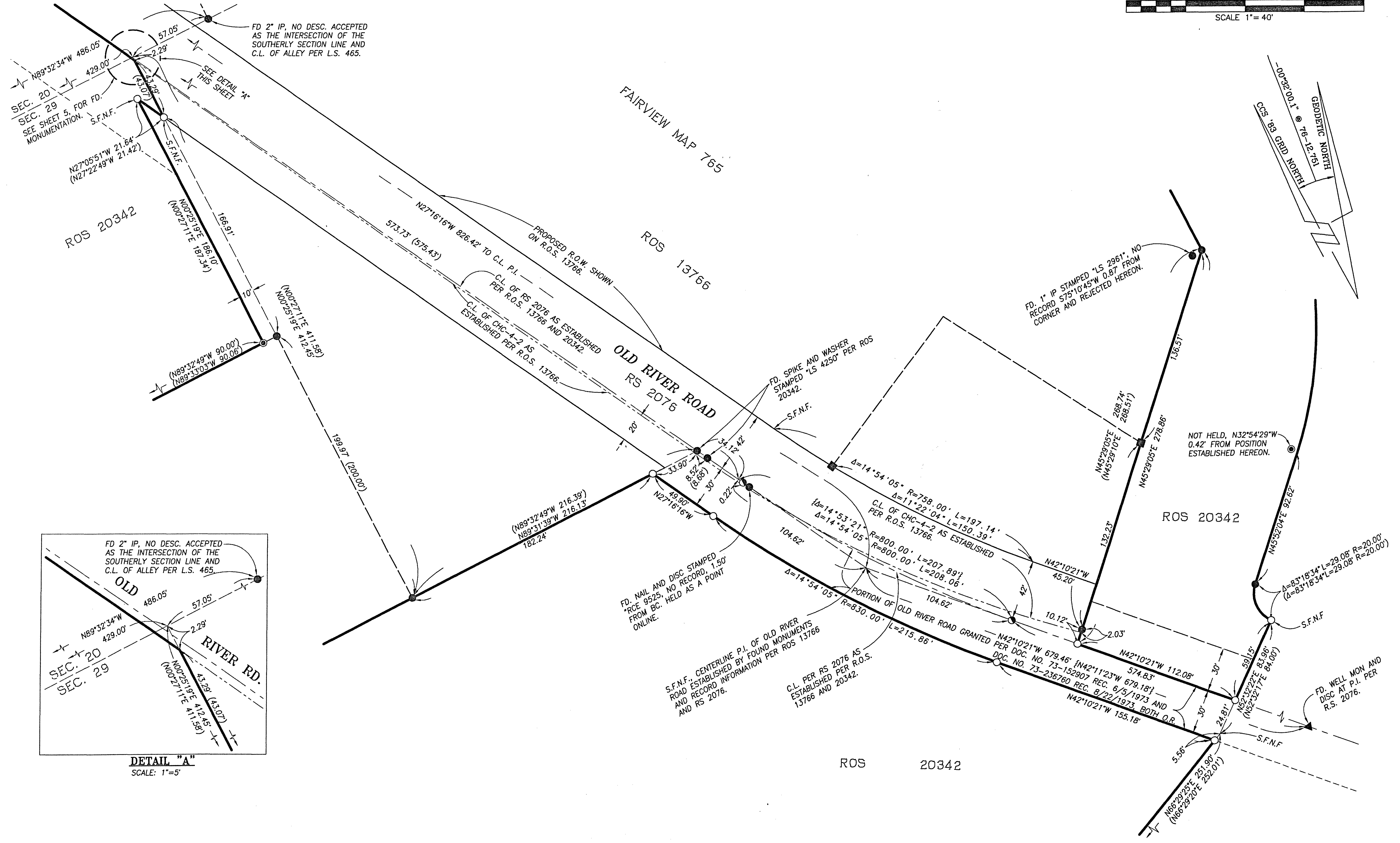
THE ULTIMATE CENTERLINE FOR OLD RIVER ROAD SHOWN HEREON IS BASED ON THE CENTERLINE HAVING A 600' RADIUS AS SHOWN ON ROS 13766 AND SC 262. THE BOUNDARY IN THIS AREA IS BASED ON THE LEGAL DESCRIPTION PER DEED DOC. NO. 2013-0730636 WHICH DESCRIBES A 555.84' RADIUS CENTERLINE AS SHOWN ON LS 465. ALL RIGHT OF WAY DEDICATIONS SHOWN HEREON ARE BASED ON THE CENTERLINE AS ESTABLISHED PER ROS 13766 AND SC 262.

NUMBER	DELTA	RADIUS	LENGTH
C1	27°33'01"	555.84	267.27
(C1)	(27°44'29")	(555.84)	(269.13)

COUNTY OF SAN DIEGO TRACT NO. 5498-1
PROCEDURE OF SURVEY DETAIL SHEET







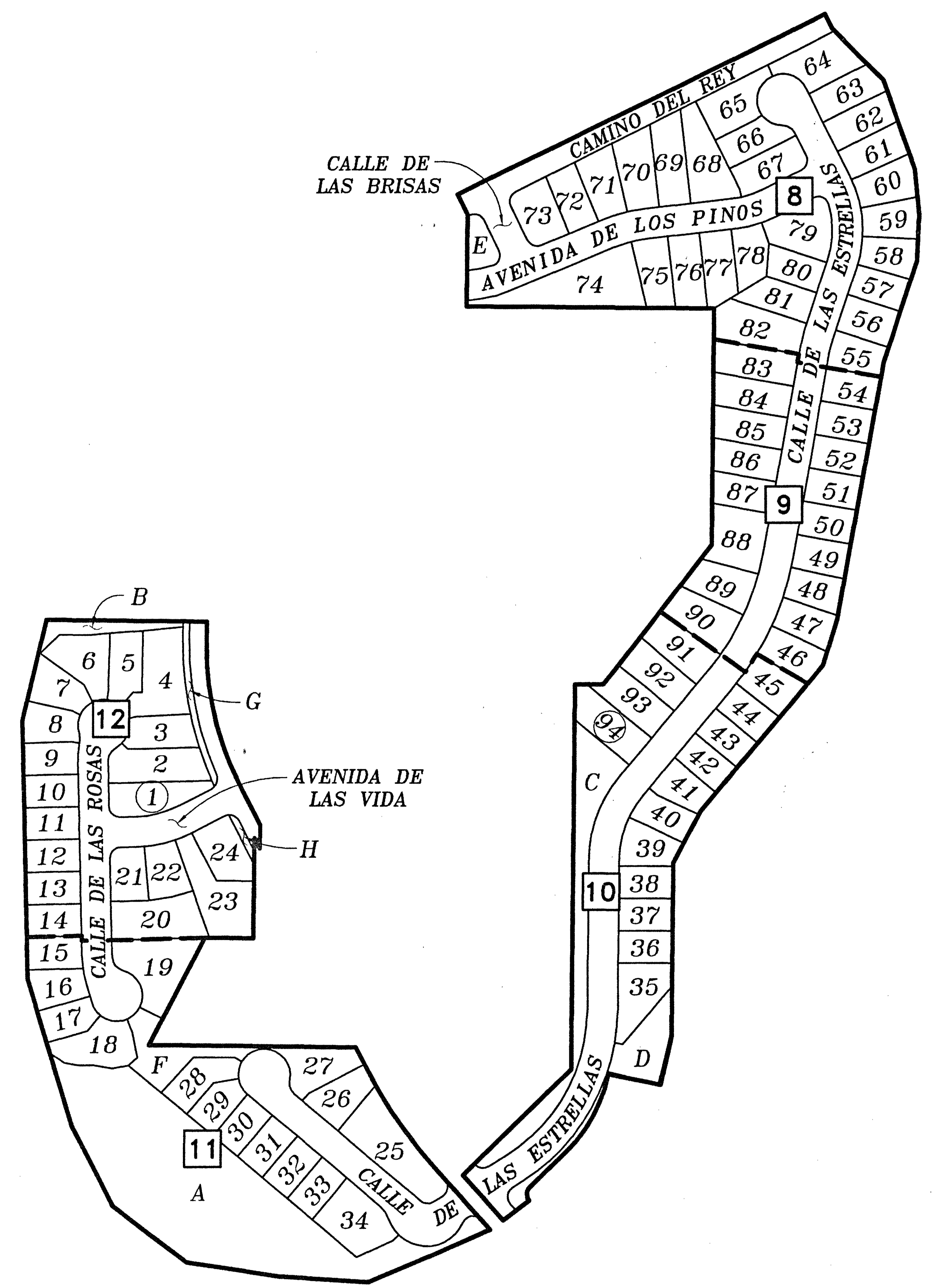
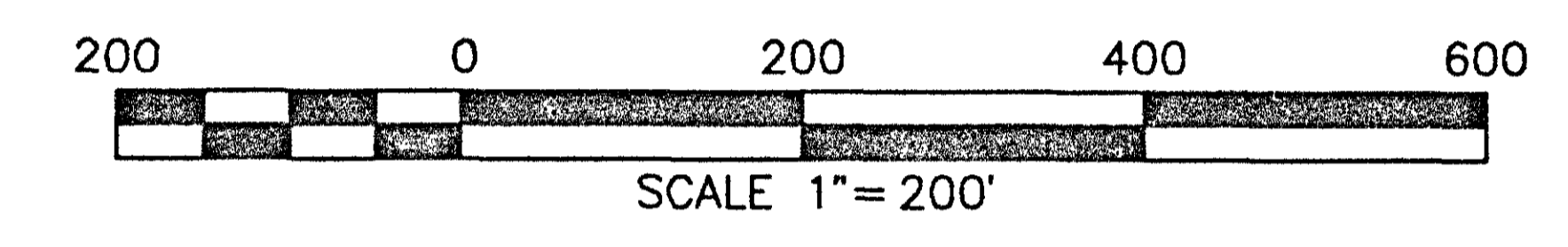
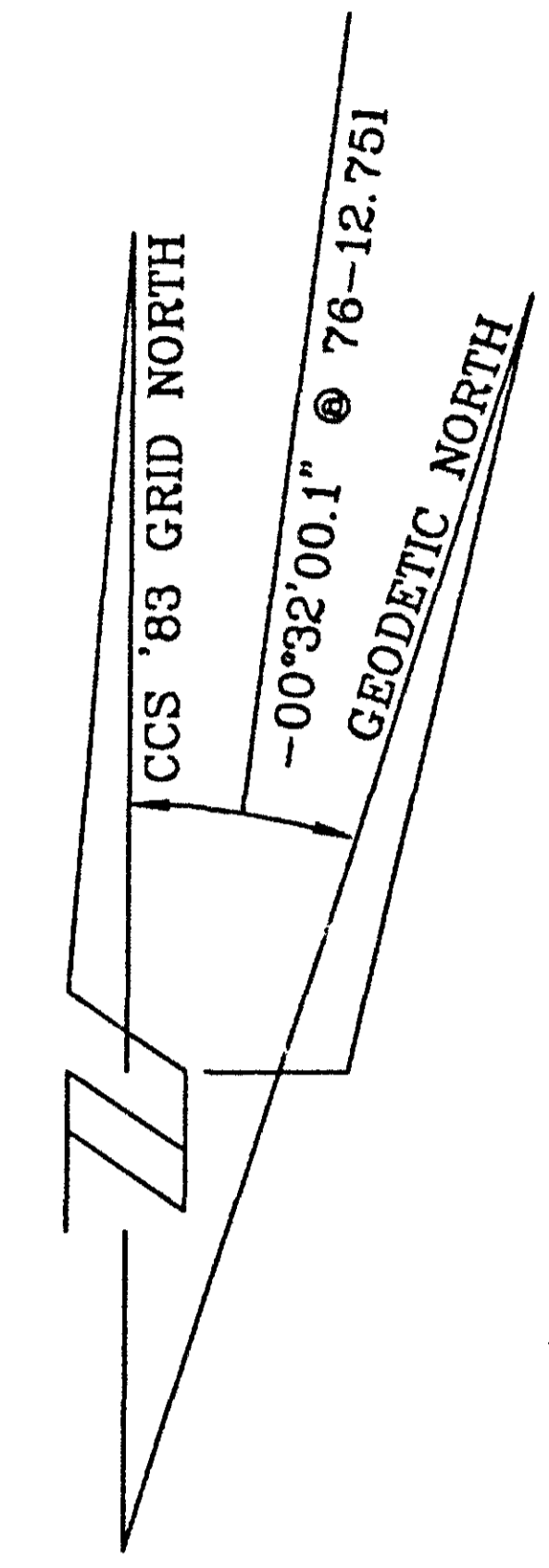
SEE SHEET NO. 5



DETAIL "A"
SCALE: 1"=5'

COUNTY OF SAN DIEGO TRACT NO. 5498-1
INDEX SHEET

- INDEX SHEET LEGEND:**
-  INDICATES SUBDIVISION BOUNDARY.
 -  INDICATES SHEET NUMBER (THIS SHEET ONLY).
 -  INDICATES SHEET LIMITS (THIS SHEET ONLY).
 -  INDICATES FIRST AND LAST LOT NUMBER.

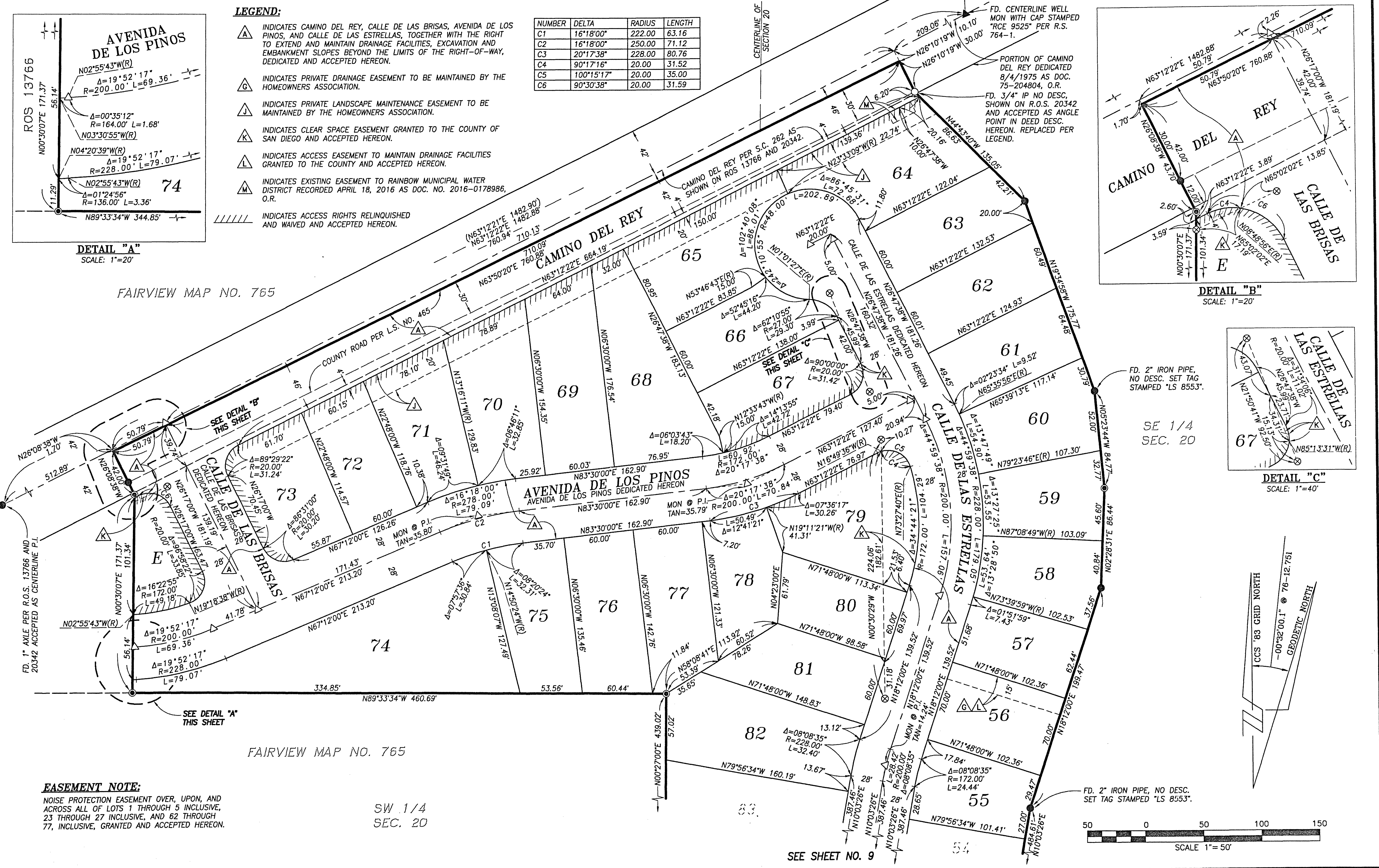
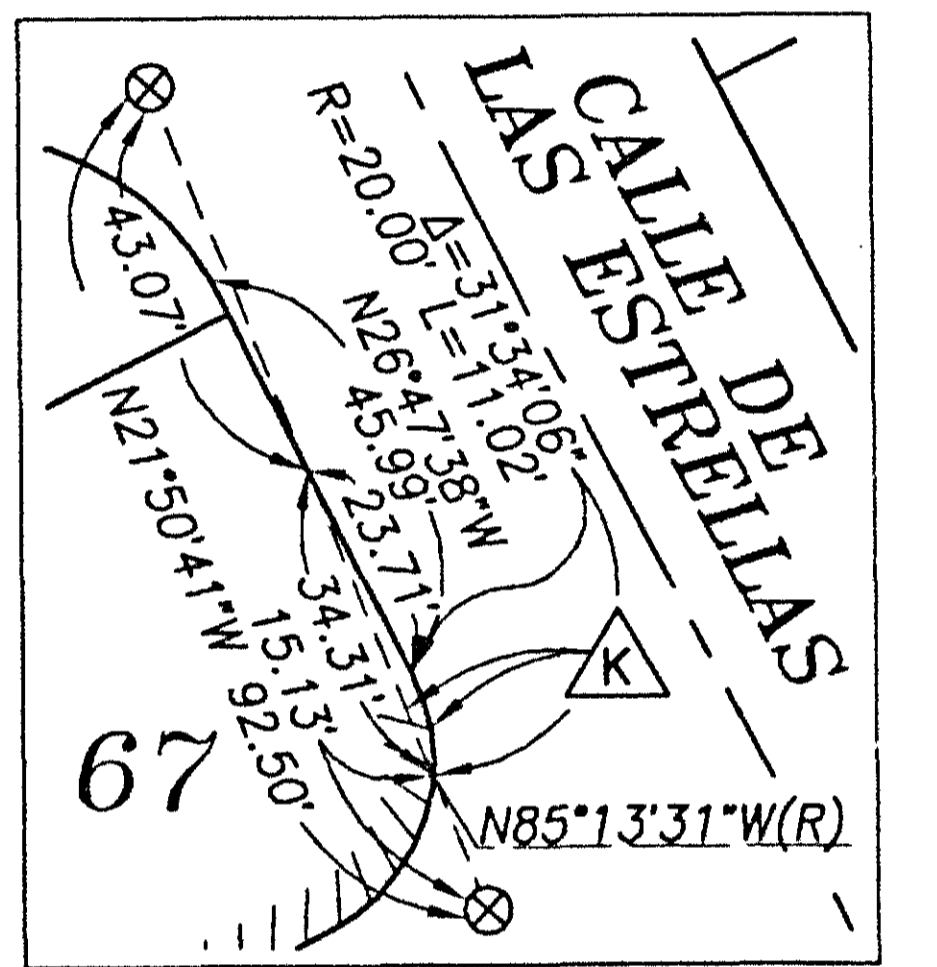
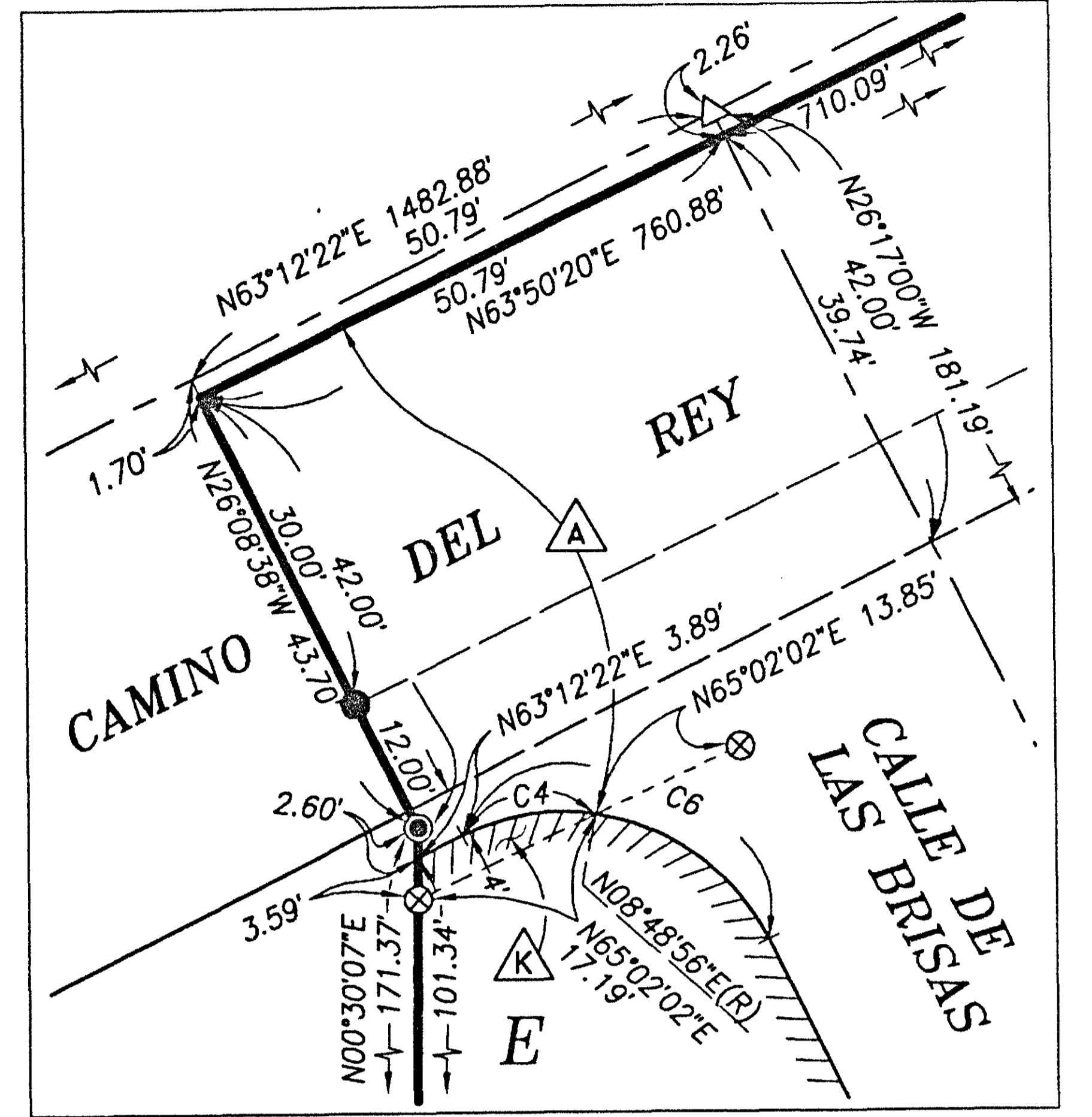
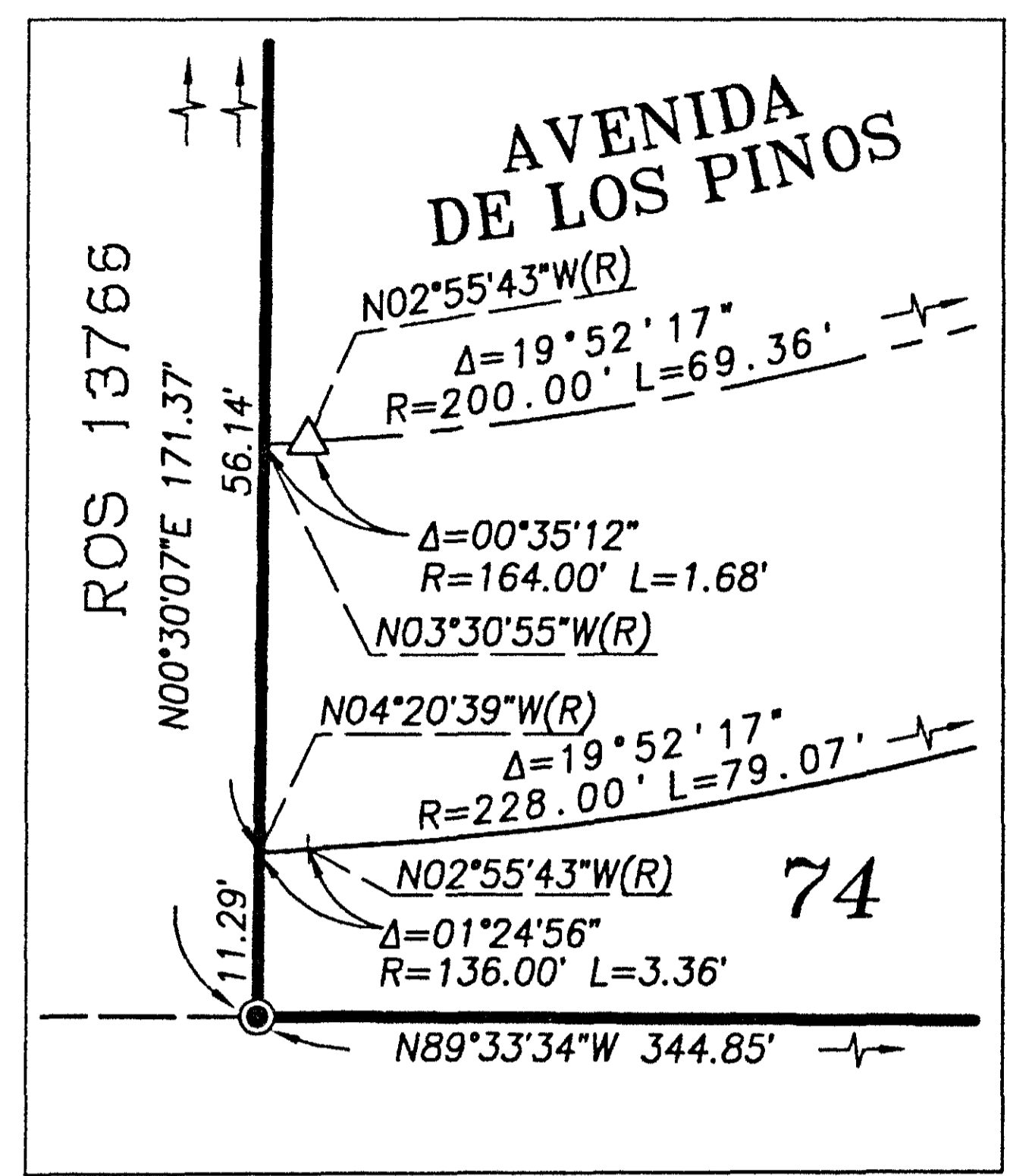


COUNTY OF SAN DIEGO TRACT NO. 5498-1

LEGEND:

- △ INDICATES CAMINO DEL REY, CALLE DE LAS BRISAS, AVENIDA DE LOS PINOS, AND CALLE DE LAS ESTRELLAS, TOGETHER WITH THE RIGHT TO EXTEND AND MAINTAIN DRAINAGE FACILITIES, EXCAVATION AND EMBANKMENT SLOPES BEYOND THE LIMITS OF THE RIGHT-OF-WAY, DEDICATED AND ACCEPTED HEREON.
- △ INDICATES PRIVATE DRAINAGE EASEMENT TO BE MAINTAINED BY THE HOMEOWNERS ASSOCIATION.
- △ INDICATES PRIVATE LANDSCAPE MAINTENANCE EASEMENT TO BE MAINTAINED BY THE HOMEOWNERS ASSOCIATION.
- △ INDICATES CLEAR SPACE EASEMENT GRANTED TO THE COUNTY OF SAN DIEGO AND ACCEPTED HEREON.
- △ INDICATES ACCESS EASEMENT TO MAINTAIN DRAINAGE FACILITIES GRANTED TO THE COUNTY AND ACCEPTED HEREON.
- △ INDICATES EXISTING EASEMENT TO RAINBOW MUNICIPAL WATER DISTRICT RECORDED APRIL 18, 2016 AS DOC. NO. 2016-0178986, O.R.
- ////// INDICATES ACCESS RIGHTS RELINQUISHED AND WAIVED AND ACCEPTED HEREON.

NUMBER	DELTA	RADIUS	LENGTH
C1	16°18'00"	222.00	63.16
C2	16°18'00"	250.00	71.12
C3	20°17'38"	228.00	80.76
C4	90°17'16"	20.00	31.52
C5	100°15'17"	20.00	35.00
C6	90°30'38"	20.00	31.59

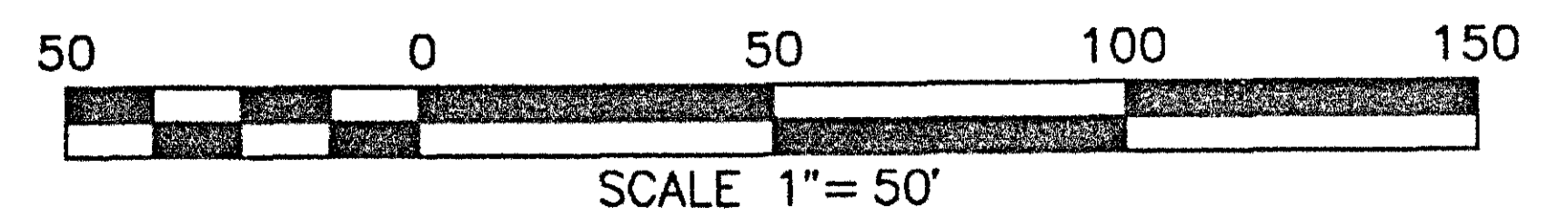


FAIRVIEW MAP NO. 765

FAIRVIEW MAP NO. 765

EASEMENT NOTE:
NOISE PROTECTION EASEMENT OVER, UPON, AND ACROSS ALL OF LOTS 1 THROUGH 5 INCLUSIVE, 23 THROUGH 27 INCLUSIVE, AND 62 THROUGH 77, INCLUSIVE, GRANTED AND ACCEPTED HEREON.

SW 1/4
SEC. 20



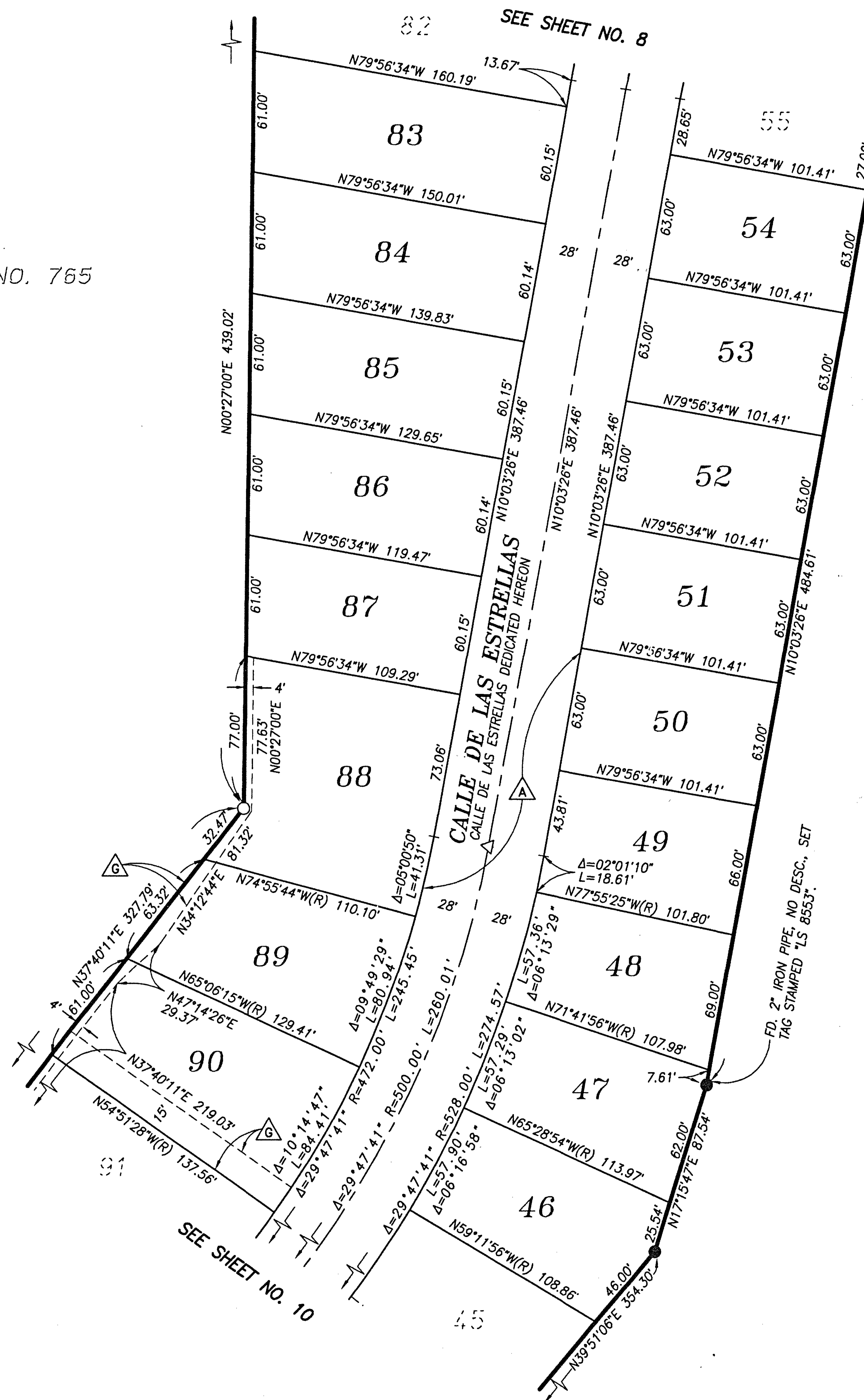
SEE SHEET NO. 9

COUNTY OF SAN DIEGO TRACT NO. 5498-1

FAIRVIEW MAP NO. 765

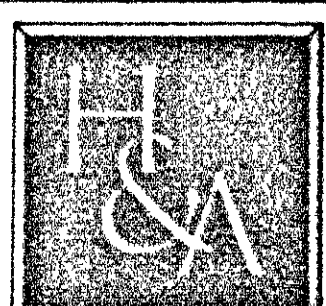
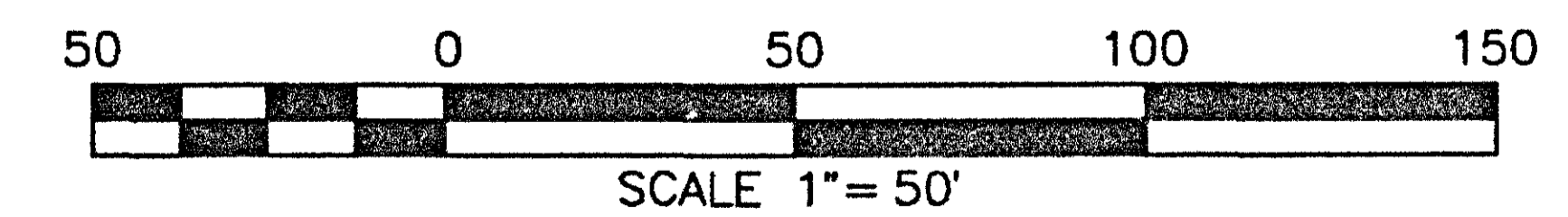
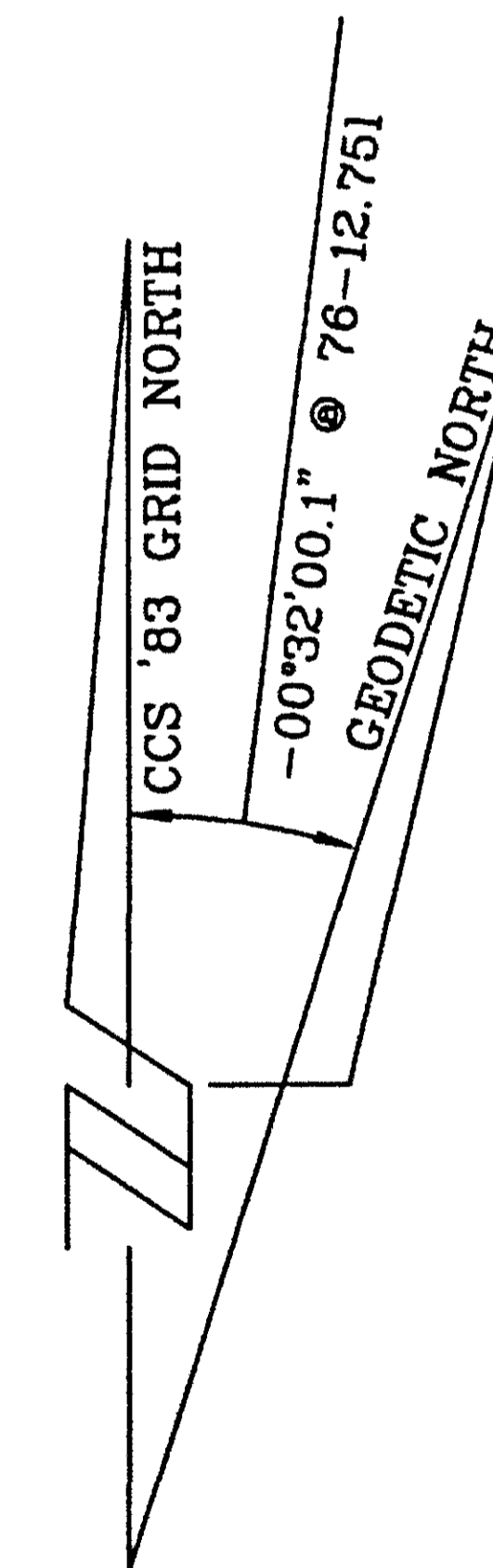
SW 1/4
SEC. 20

SE 1/4
SEC. 20



LEGEND:

- △ INDICATES CALLE DE LAS ESTRELLAS, TOGETHER WITH THE RIGHT TO EXTEND AND MAINTAIN DRAINAGE FACILITIES, EXCAVATION AND EMBANKMENT SLOPES BEYOND THE LIMITS OF THE RIGHT-OF-WAY, DEDICATED AND ACCEPTED HEREON.
- Ⓜ INDICATES PRIVATE DRAINAGE EASEMENT TO BE MAINTAINED BY THE HOMEOWNERS ASSOCIATION.



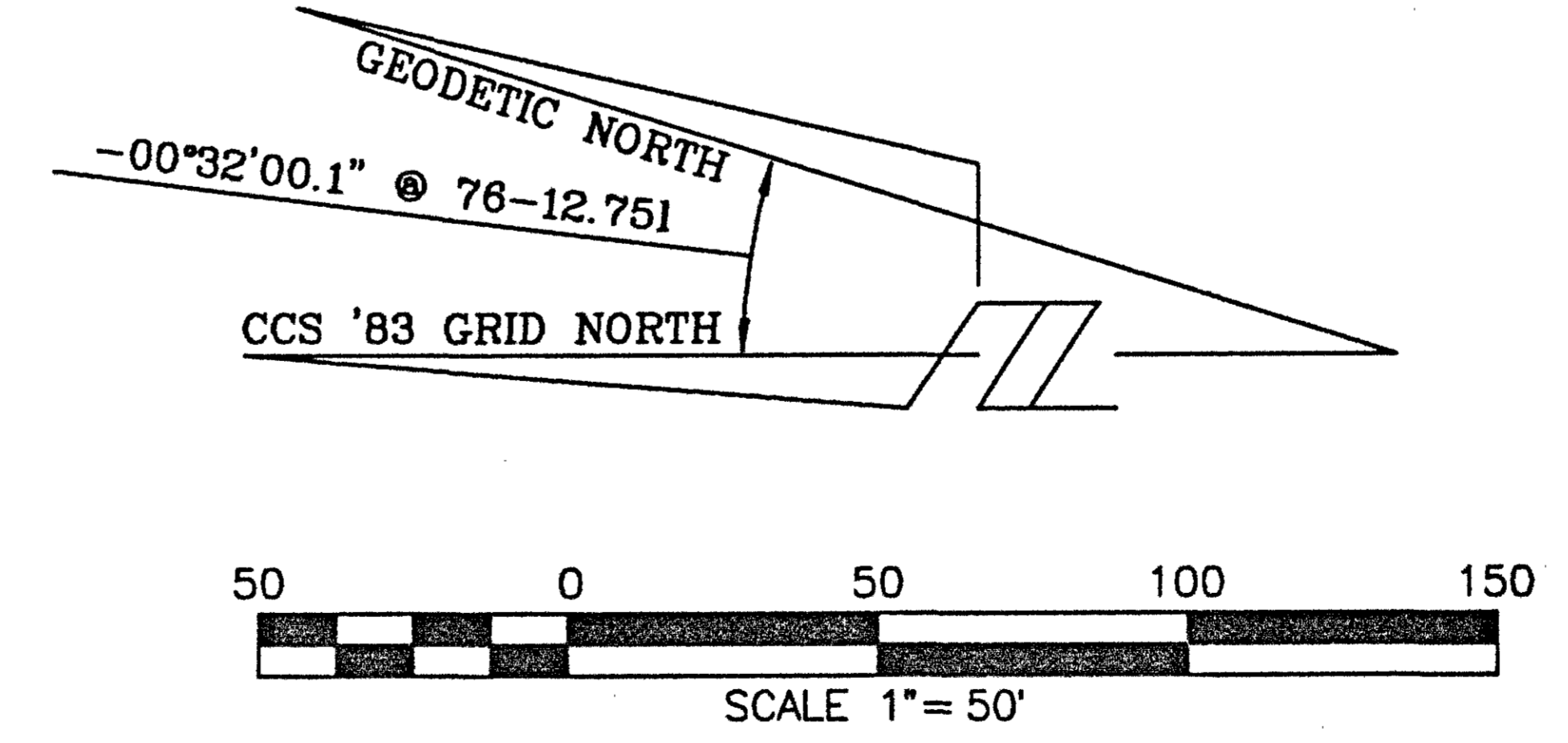
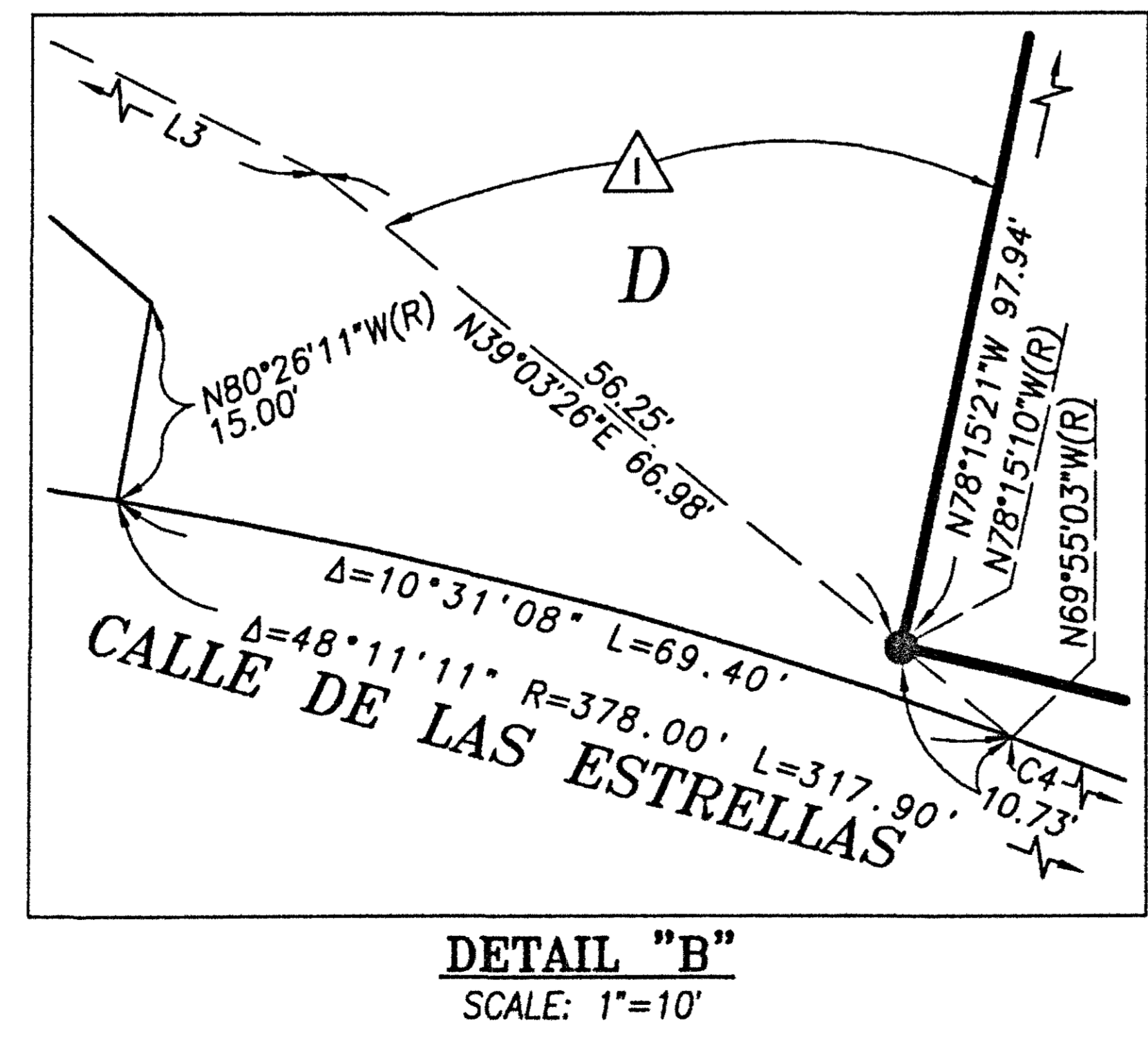
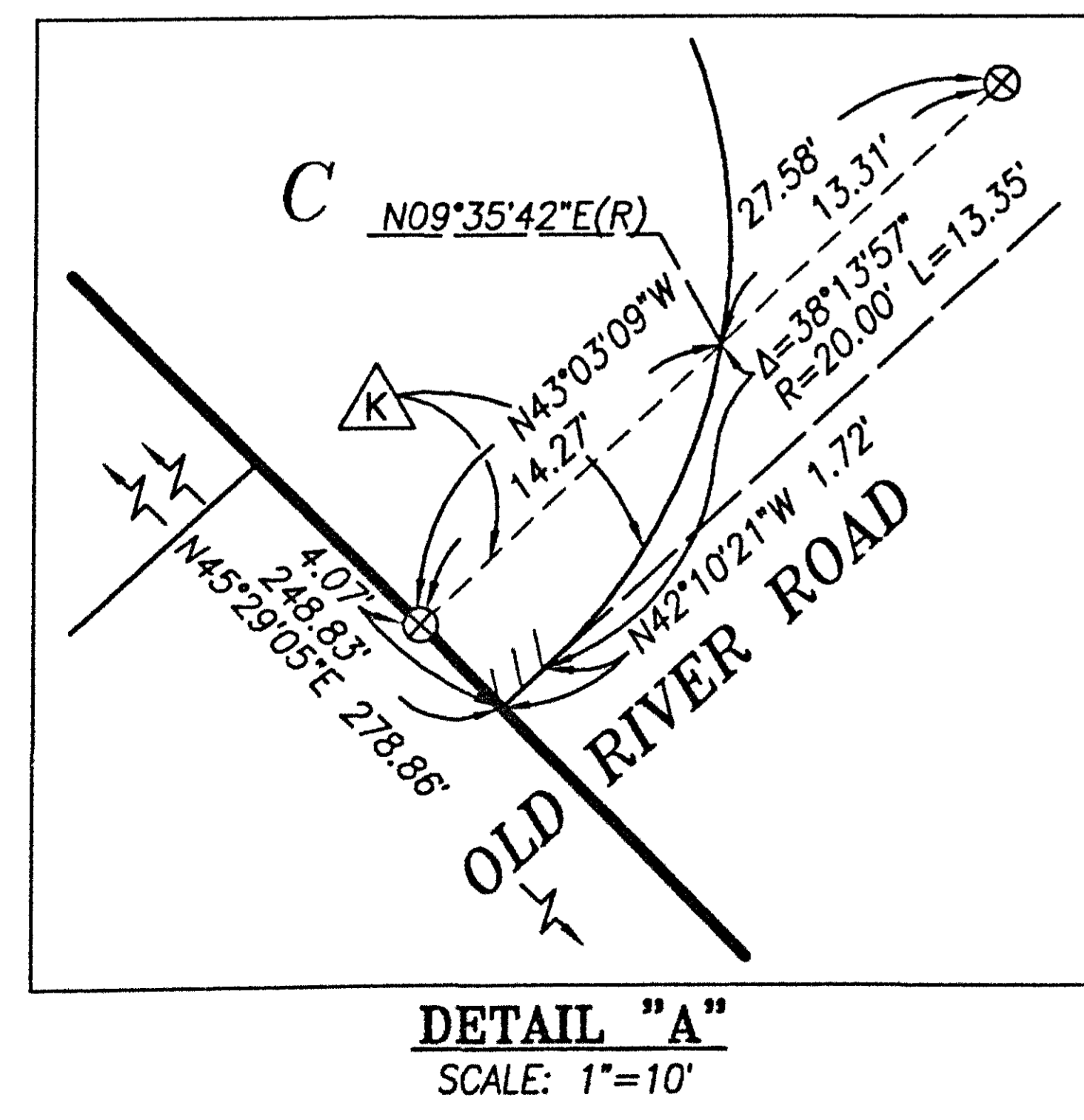
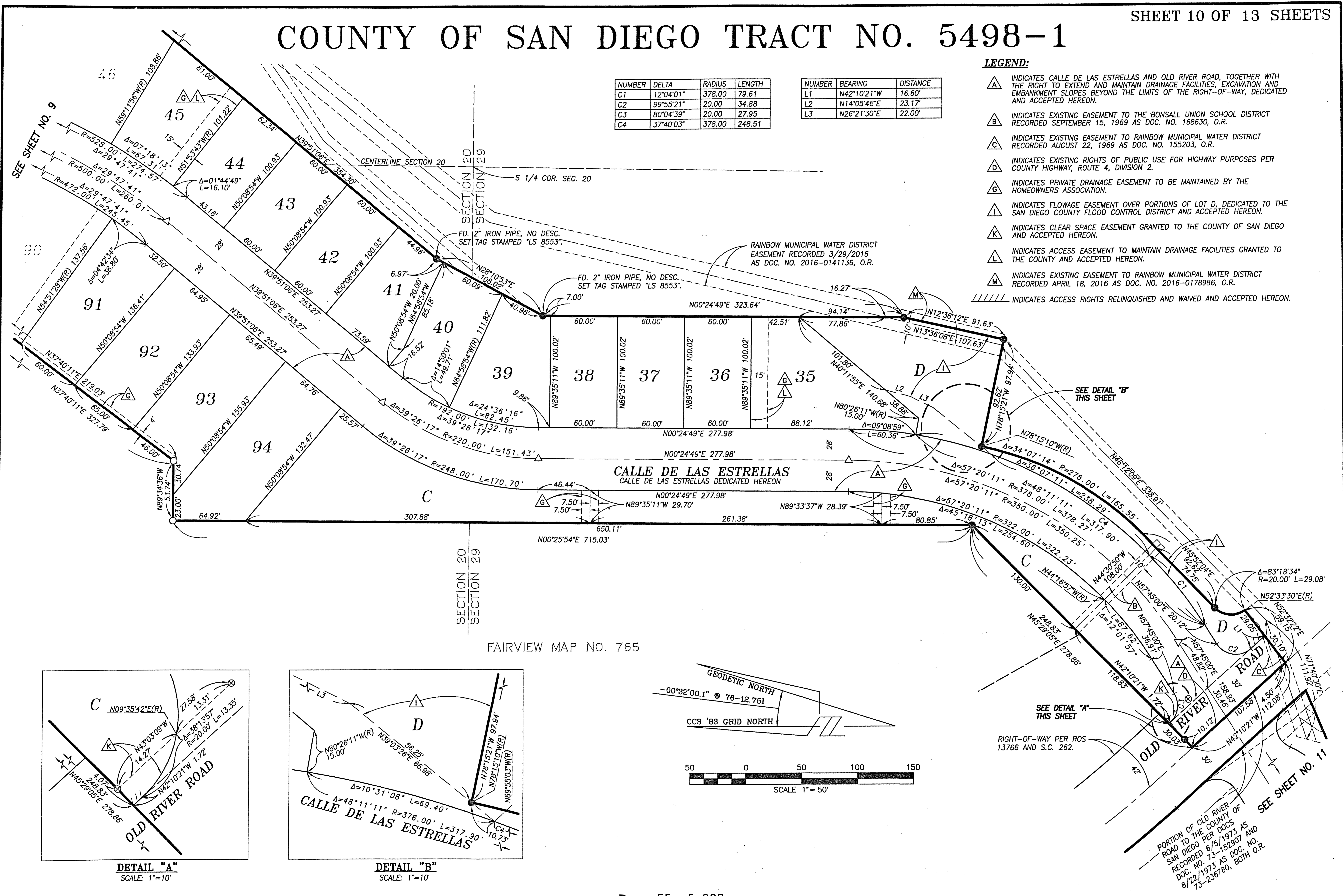
COUNTY OF SAN DIEGO TRACT NO. 5498-1

NUMBER	DELTA	RADIUS	LENGTH
C1	12°04'01"	378.00	79.61
C2	99°55'21"	20.00	34.88
C3	80°04'39"	20.00	27.95
C4	37°40'03"	378.00	248.51

NUMBER	BEARING	DISTANCE
L1	N42°10'21"W	16.60'
L2	N14°05'46"E	23.17'
L3	N26°21'30"E	22.00'

LEGEND:

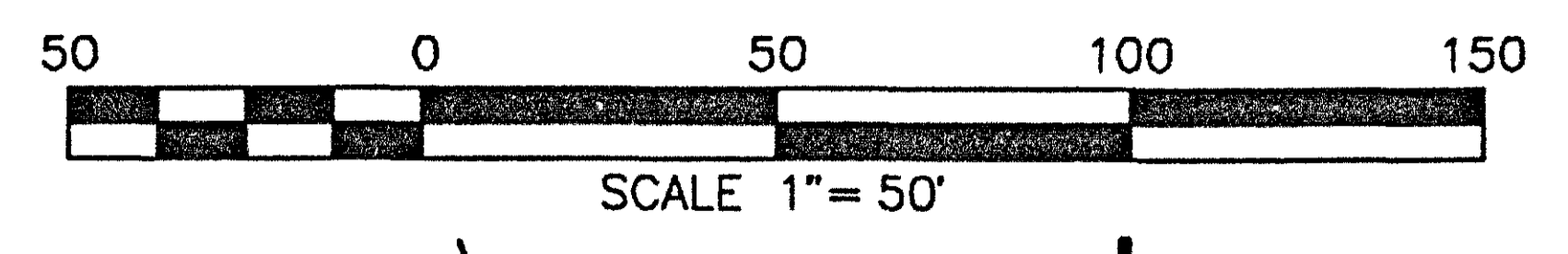
- △ INDICATES CALLE DE LAS ESTRELLAS AND OLD RIVER ROAD, TOGETHER WITH THE RIGHT TO EXTEND AND MAINTAIN DRAINAGE FACILITIES, EXCAVATION AND EMBANKMENT SLOPES BEYOND THE LIMITS OF THE RIGHT-OF-WAY, DEDICATED AND ACCEPTED HEREON.
- △ INDICATES EXISTING EASEMENT TO THE BONSALL UNION SCHOOL DISTRICT RECORDED SEPTEMBER 15, 1969 AS DOC. NO. 168630, O.R.
- △ INDICATES EXISTING EASEMENT TO RAINBOW MUNICIPAL WATER DISTRICT RECORDED AUGUST 22, 1969 AS DOC. NO. 155203, O.R.
- △ INDICATES EXISTING RIGHTS OF PUBLIC USE FOR HIGHWAY PURPOSES PER COUNTY HIGHWAY, ROUTE 4, DIVISION 2.
- △ INDICATES PRIVATE DRAINAGE EASEMENT TO BE MAINTAINED BY THE HOMEOWNERS ASSOCIATION.
- △ INDICATES FLOWAGE EASEMENT OVER PORTIONS OF LOT D, DEDICATED TO THE SAN DIEGO COUNTY FLOOD CONTROL DISTRICT AND ACCEPTED HEREON.
- △ INDICATES CLEAR SPACE EASEMENT GRANTED TO THE COUNTY OF SAN DIEGO AND ACCEPTED HEREON.
- △ INDICATES ACCESS EASEMENT TO MAINTAIN DRAINAGE FACILITIES GRANTED TO THE COUNTY AND ACCEPTED HEREON.
- △ INDICATES EXISTING EASEMENT TO RAINBOW MUNICIPAL WATER DISTRICT RECORDED APRIL 18, 2016 AS DOC. NO. 2016-0178986, O.R.
- ////// INDICATES ACCESS RIGHTS RELINQUISHED AND WAIVED AND ACCEPTED HEREON.



PORTION OF OLD RIVER ROAD TO THE COUNTY OF SAN DIEGO PER DOCS RECORDED 6/5/1973 AS DOC. NO. 73-152907 AND 8/22/1973 AS DOC. NO. 73-236760, BOTH O.R.

COUNTY OF SAN DIEGO TRACT NO. 5498-1

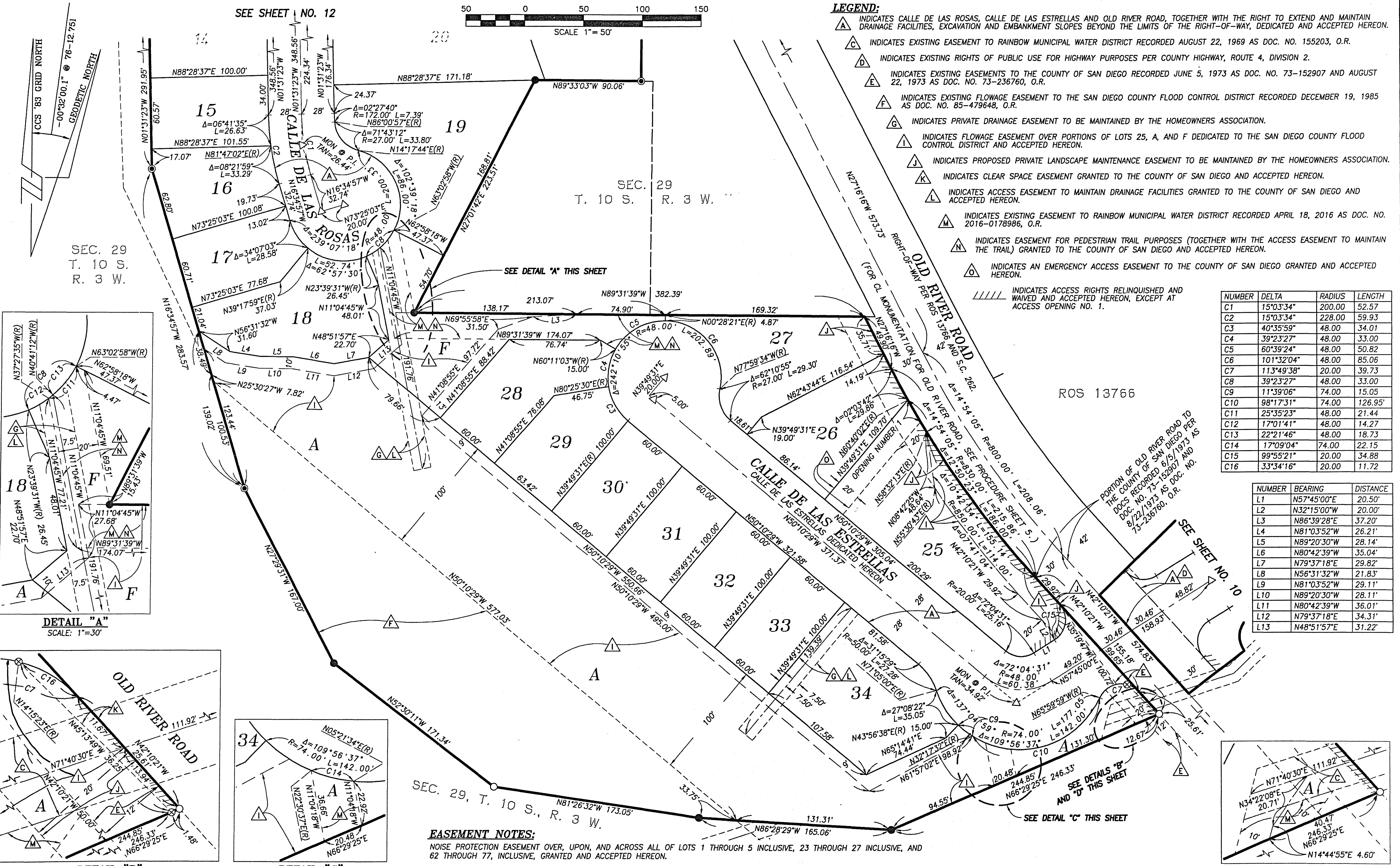
SEE SHEET NO. 12



LEGEND:

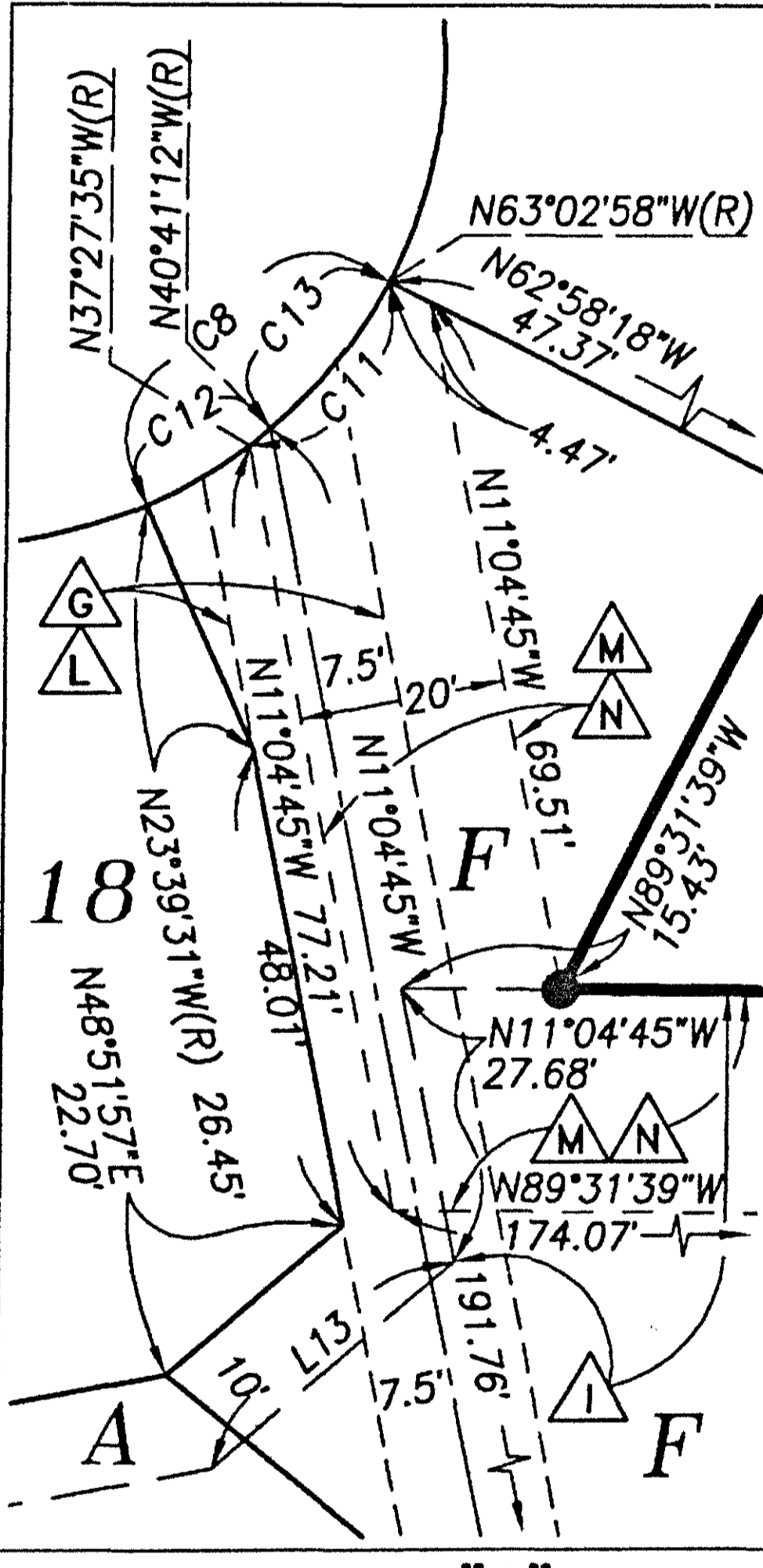
- △ INDICATES CALLE DE LAS ROSAS, CALLE DE LAS ESTRELLAS AND OLD RIVER ROAD, TOGETHER WITH THE RIGHT TO EXTEND AND MAINTAIN DRAINAGE FACILITIES, EXCAVATION AND EMBANKMENT SLOPES BEYOND THE LIMITS OF THE RIGHT-OF-WAY, DEDICATED AND ACCEPTED HEREON.
- △ INDICATES EXISTING EASEMENT TO RAINBOW MUNICIPAL WATER DISTRICT RECORDED AUGUST 22, 1969 AS DOC. NO. 155203, O.R.
- △ INDICATES EXISTING RIGHTS OF PUBLIC USE FOR HIGHWAY PURPOSES PER COUNTY HIGHWAY, ROUTE 4, DIVISION 2.
- △ INDICATES EXISTING EASEMENTS TO THE COUNTY OF SAN DIEGO RECORDED JUNE 5, 1973 AS DOC. NO. 73-152907 AND AUGUST 22, 1973 AS DOC. NO. 73-236760, O.R.
- △ INDICATES EXISTING FLOWAGE EASEMENT TO THE SAN DIEGO COUNTY FLOOD CONTROL DISTRICT RECORDED DECEMBER 19, 1985 AS DOC. NO. 85-479648, O.R.
- △ INDICATES PRIVATE DRAINAGE EASEMENT TO BE MAINTAINED BY THE HOMEOWNERS ASSOCIATION.
- △ INDICATES FLOWAGE EASEMENT OVER PORTIONS OF LOTS 25, A, AND F DEDICATED TO THE SAN DIEGO COUNTY FLOOD CONTROL DISTRICT AND ACCEPTED HEREON.
- △ INDICATES PROPOSED PRIVATE LANDSCAPE MAINTENANCE EASEMENT TO BE MAINTAINED BY THE HOMEOWNERS ASSOCIATION.
- △ INDICATES CLEAR SPACE EASEMENT GRANTED TO THE COUNTY OF SAN DIEGO AND ACCEPTED HEREON.
- △ INDICATES ACCESS EASEMENT TO MAINTAIN DRAINAGE FACILITIES GRANTED TO THE COUNTY OF SAN DIEGO AND ACCEPTED HEREON.
- △ INDICATES EXISTING EASEMENT TO RAINBOW MUNICIPAL WATER DISTRICT RECORDED APRIL 18, 2016 AS DOC. NO. 2016-0178986, O.R.
- △ INDICATES EASEMENT FOR PEDESTRIAN TRAIL PURPOSES (TOGETHER WITH THE ACCESS EASEMENT TO MAINTAIN THE TRAIL) GRANTED TO THE COUNTY OF SAN DIEGO AND ACCEPTED HEREON.
- △ INDICATES AN EMERGENCY ACCESS EASEMENT TO THE COUNTY OF SAN DIEGO GRANTED AND ACCEPTED HEREON.
- ////// INDICATES ACCESS RIGHTS RELINQUISHED AND WAIVED AND ACCEPTED HEREON, EXCEPT AT ACCESS OPENING NO. 1.

SEC. 29
T. 10 S.
R. 3 W.

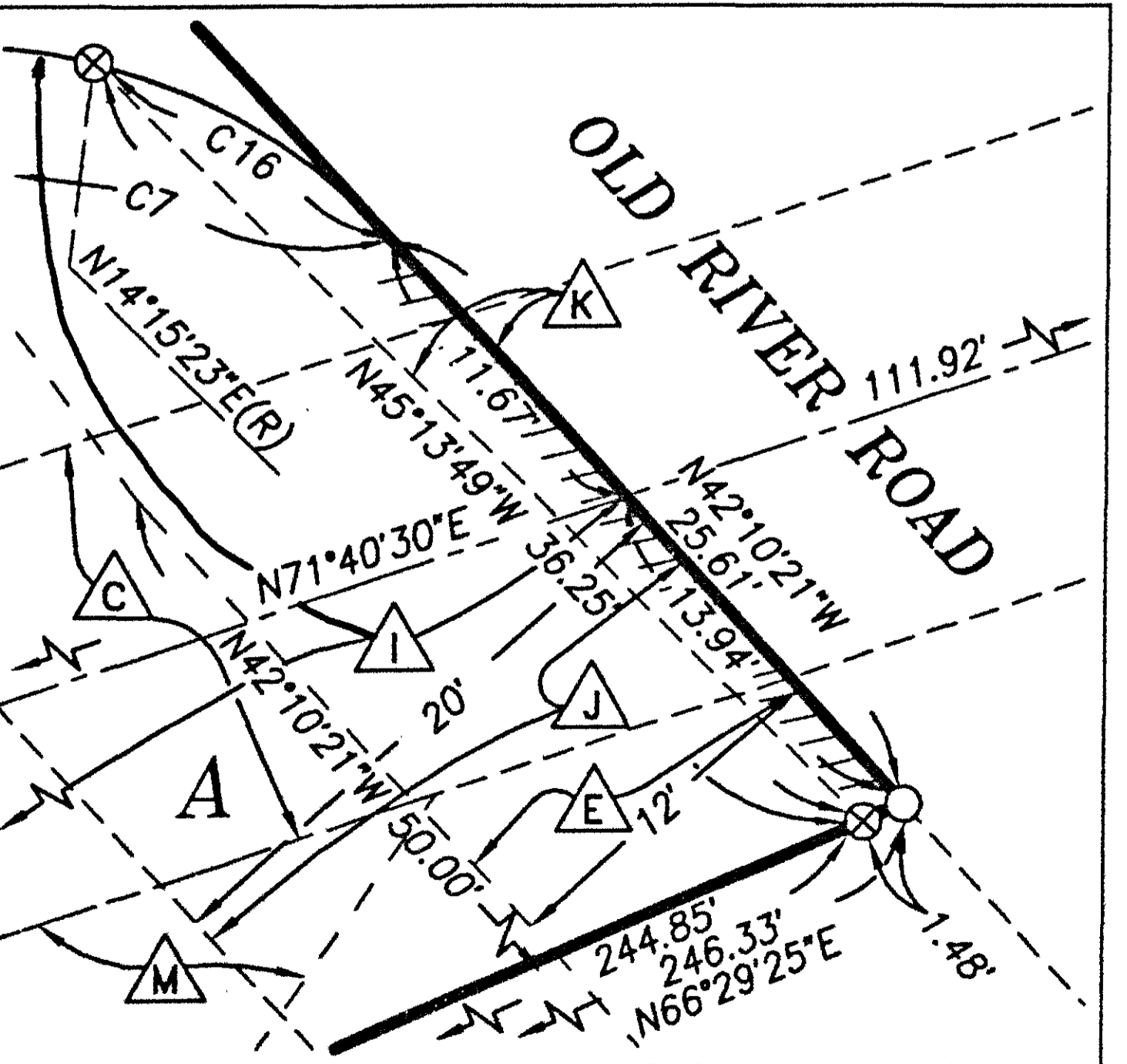


NUMBER	DELTA	RADIUS	LENGTH
C1	15°03'34"	200.00	52.57
C2	15°03'34"	228.00	59.93
C3	40°35'59"	48.00	34.01
C4	39°23'27"	48.00	33.00
C5	60°39'24"	48.00	50.82
C6	101°32'04"	48.00	85.06
C7	113°49'38"	20.00	39.73
C8	39°23'27"	48.00	33.00
C9	11°39'06"	74.00	15.05
C10	98°17'31"	74.00	126.95
C11	25°35'23"	48.00	21.44
C12	17°01'41"	48.00	14.27
C13	22°21'46"	48.00	18.73
C14	17°09'04"	74.00	22.15
C15	99°55'21"	20.00	34.88
C16	33°34'16"	20.00	11.72

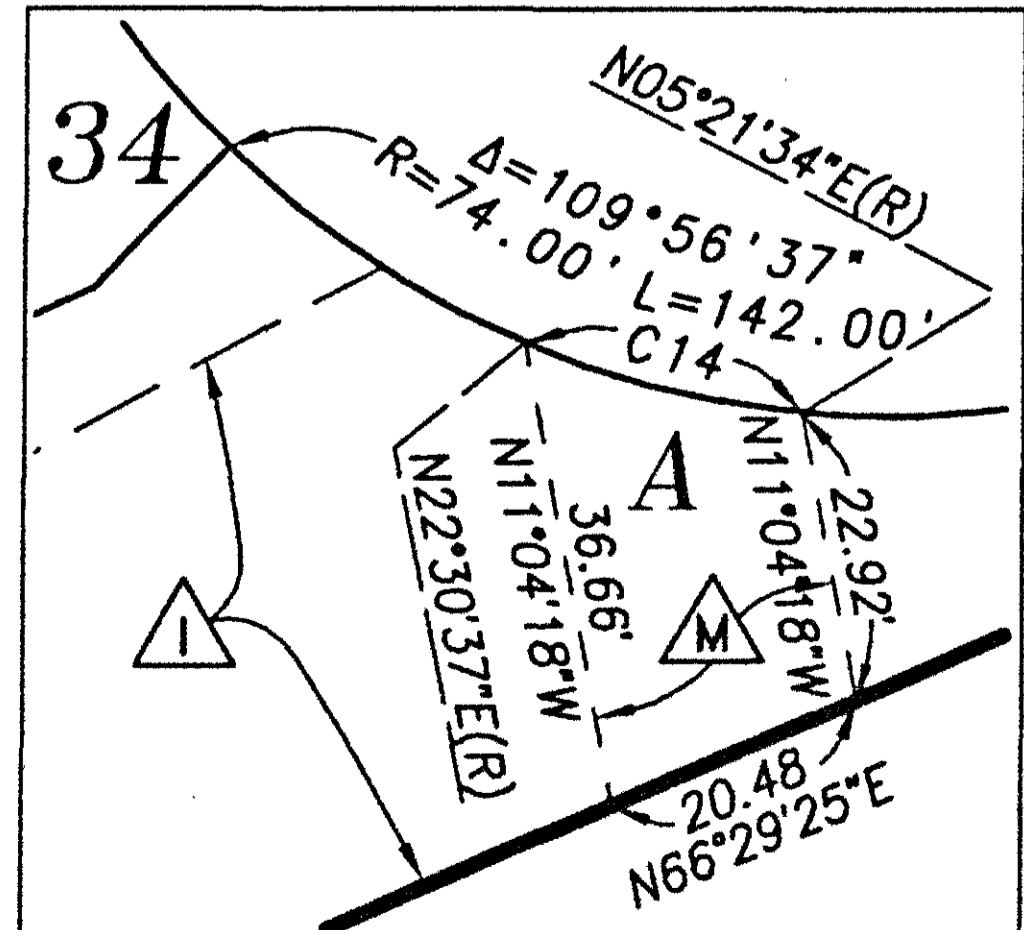
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L3	N86°39'28"E	37.20'
L4	N81°03'52"W	26.21'
L5	N89°20'30"W	28.14'
L6	N80°42'39"W	35.04'
L7	N79°37'18"E	29.82'
L8	N56°31'32"W	21.83'
L9	N81°03'52"W	29.11'
L10	N89°20'30"W	28.11'
L11	N80°42'39"W	36.01'
L12	N79°37'18"E	34.31'
L13	N48°51'57"E	31.22'



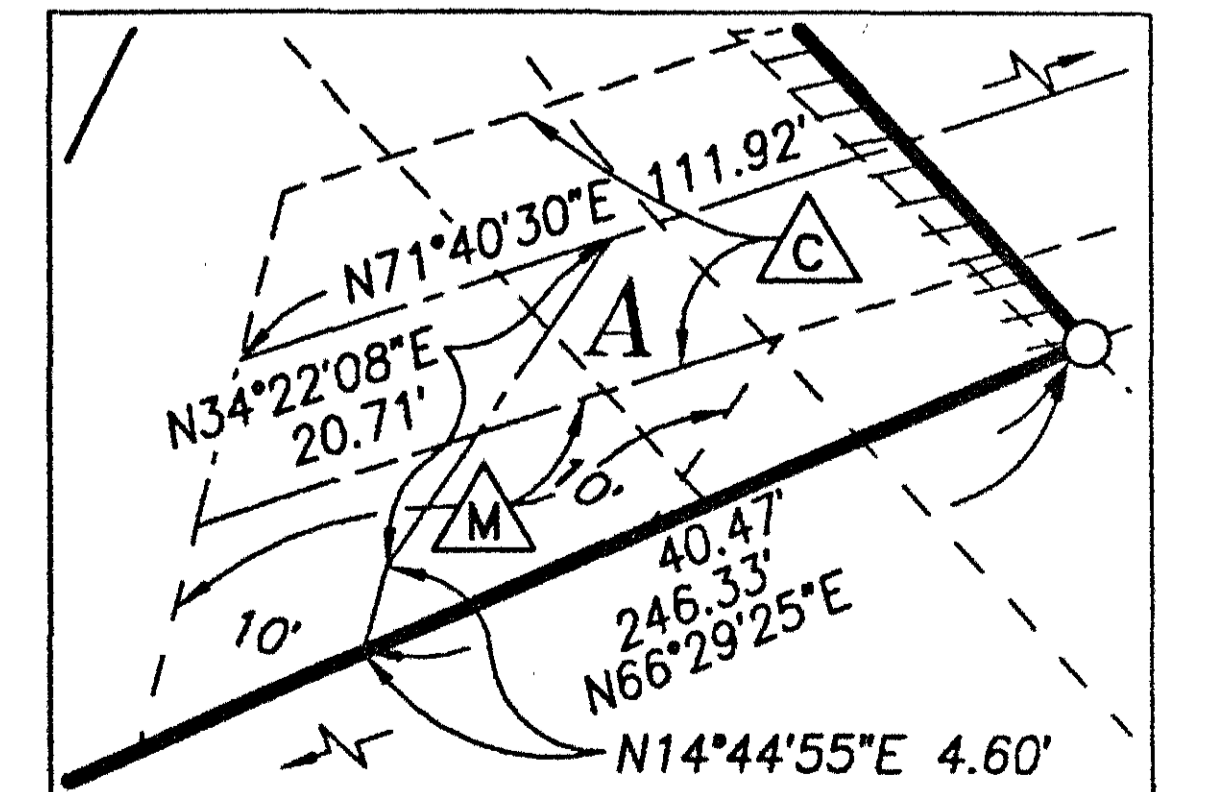
DETAIL "A"
SCALE: 1"=30'



DETAIL "B"
SCALE: 1"=10'



DETAIL "C"
SCALE: 1"=30'

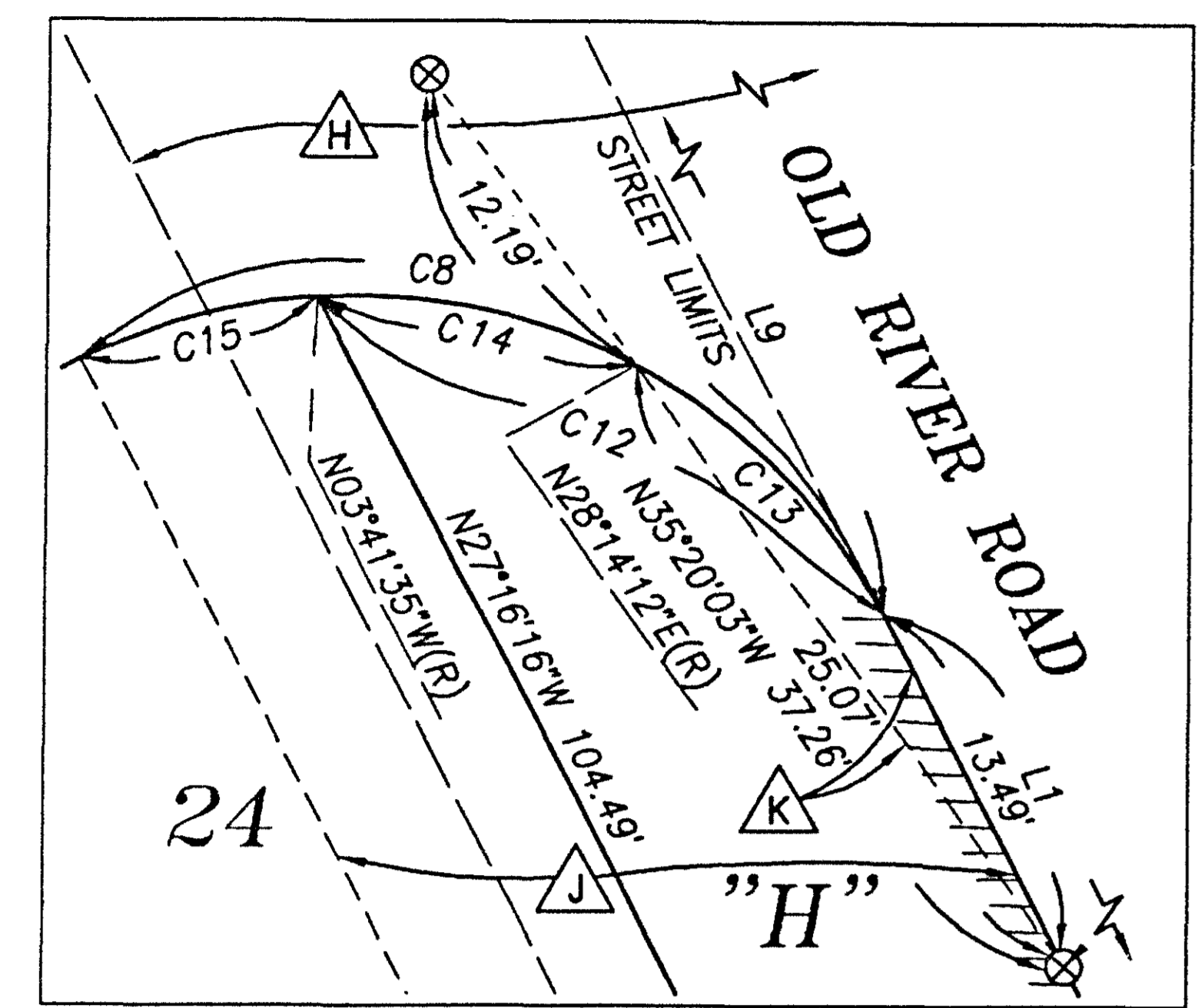


DETAIL "D"
SCALE: 1"=20'

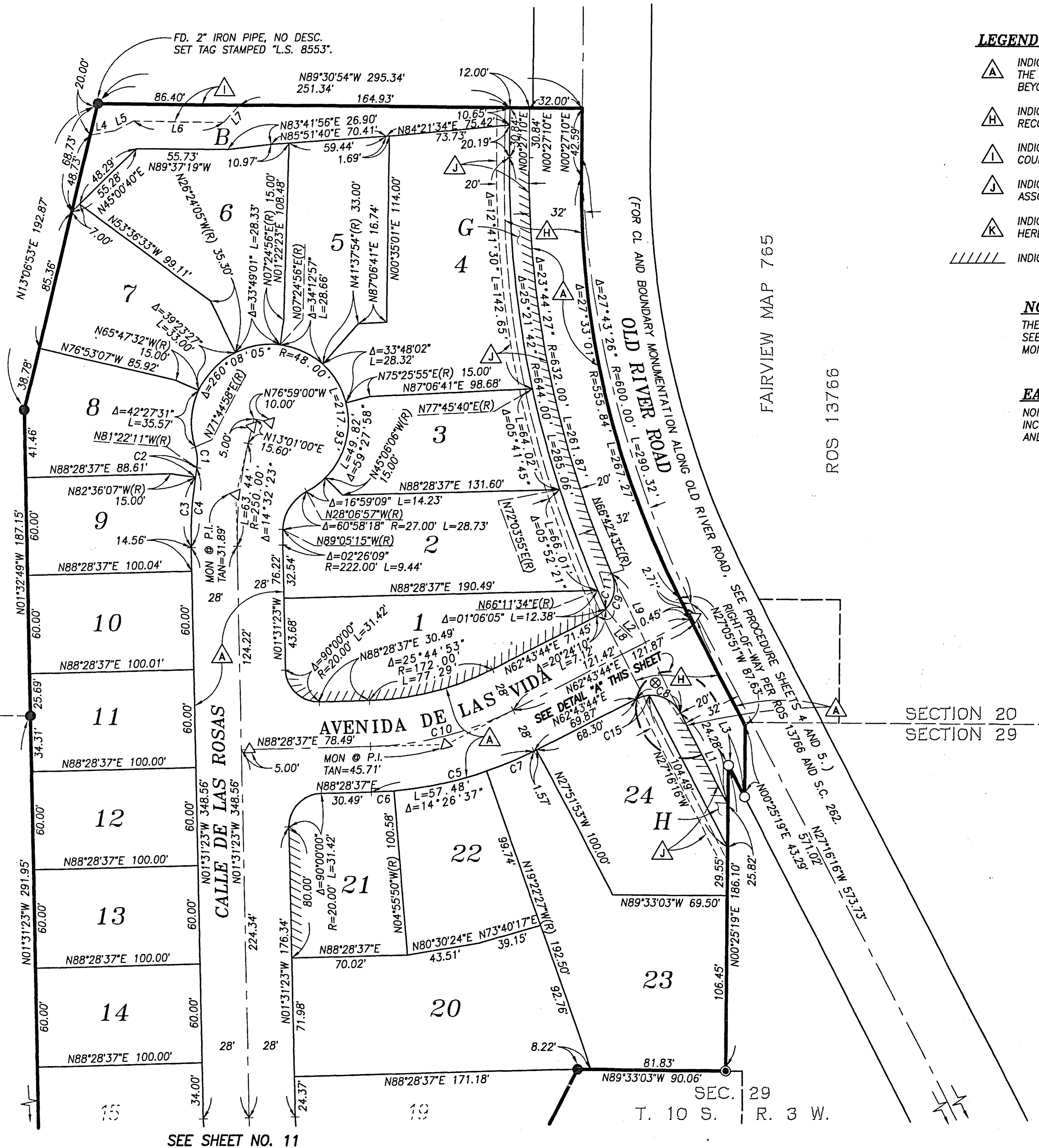
EASEMENT NOTES:
NOISE PROTECTION EASEMENT OVER, UPON, AND ACROSS ALL OF LOTS 1 THROUGH 5 INCLUSIVE, 23 THROUGH 27 INCLUSIVE, AND 62 THROUGH 77, INCLUSIVE, GRANTED AND ACCEPTED HEREON.

IT IS THE RESPONSIBILITY OF THE SUBDIVIDER TO RESERVE EASEMENTS FOR FUTURE USE BY RESIDENTIAL LOTS 26, 27, 28, 29, 30, 31, 32, 33 AND 34 FOR PURPOSES OF EMERGENCY INGRESS AND EGRESS, UPON AND ACROSS LOT 25 AS SHOWN ON THIS MAP.

COUNTY OF SAN DIEGO TRACT NO. 5498-1



DETAIL "A"
SCALE: 1"=10'



LEGEND:

- INDICATES CALLE DE LAS ROSAS, AVENIDA DE LAS VIDA, AND OLD RIVER ROAD, TOGETHER WITH THE RIGHT TO EXTEND AND MAINTAIN DRAINAGE FACILITIES, EXCAVATION AND EMBANKMENT SLOPES BEYOND THE LIMITS OF THE RIGHT-OF-WAY, DEDICATED AND ACCEPTED HEREON.
- INDICATES AN OFFER OF DEDICATION FOR PUBLIC HIGHWAY TO THE COUNTY OF SAN DIEGO RECORDED DECEMBER 19, 1985 AS DOC. NO. 85-479647, O.R.
- INDICATES FLOWAGE EASEMENT OVER A PORTION OF LOT B DEDICATED TO THE SAN DIEGO COUNTY FLOOD CONTROL DISTRICT AND ACCEPTED HEREON.
- INDICATES PRIVATE LANDSCAPE MAINTENANCE EASEMENT TO BE MAINTAINED BY THE HOMEOWNERS ASSOCIATION.
- INDICATES CLEAR SPACE EASEMENT GRANTED TO THE COUNTY OF SAN DIEGO AND ACCEPTED HEREON.
- INDICATES ACCESS RIGHTS RELINQUISHED AND WAIVED AND ACCEPTED HEREON.

NOTE:

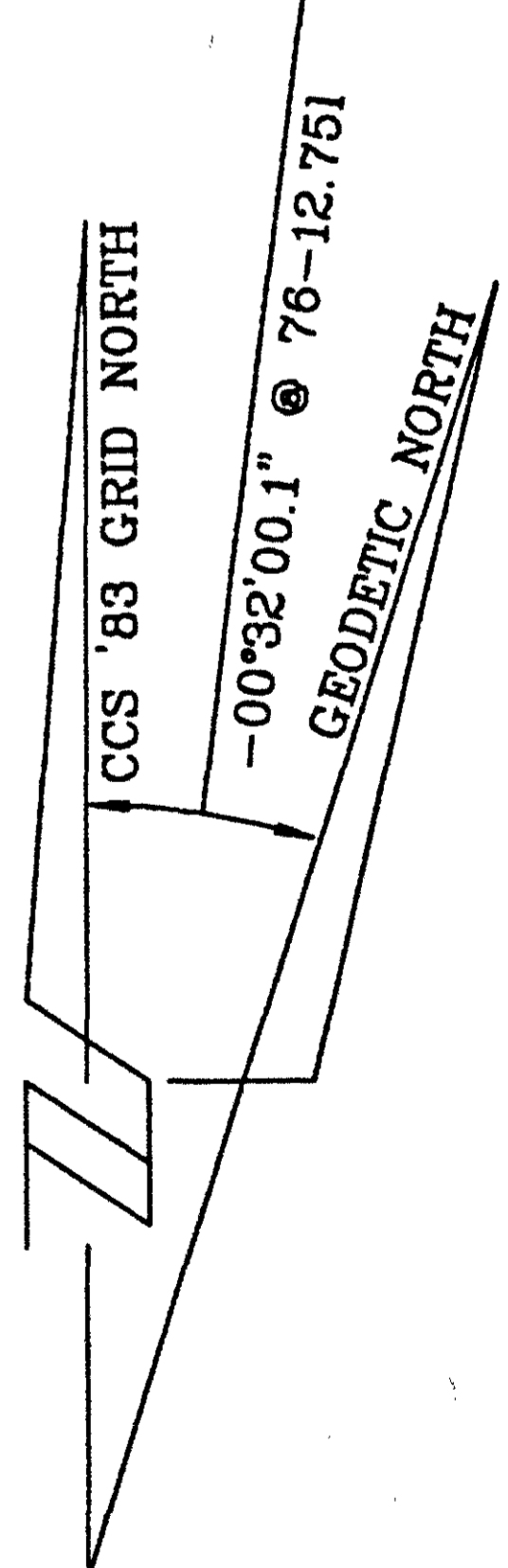
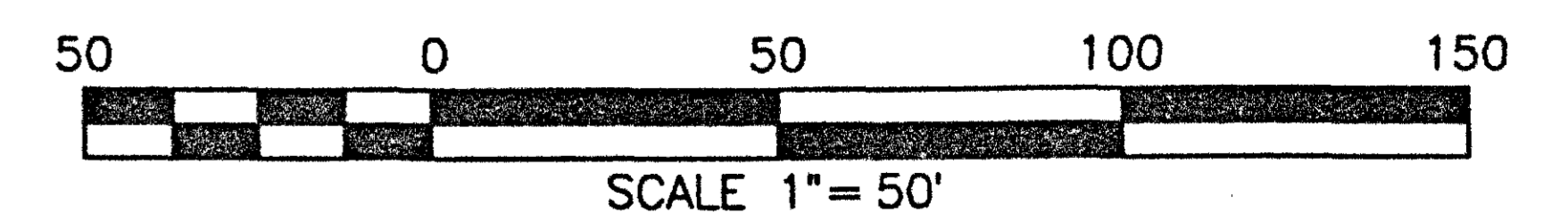
THE CENTERLINE OF OLD RIVER ROAD IS EXAGGERATED FOR CLARITY ON THIS SHEET. SEE PROCEDURE OF SURVEY SHEETS 5 AND 6 FOR CENTERLINE AND BOUNDARY MONUMENTATION ALONG OLD RIVER ROAD.

EASEMENT NOTE:

NOISE PROTECTION EASEMENT OVER, UPON, AND ACROSS ALL OF LOTS 1 THROUGH 5 INCLUSIVE, 23 THROUGH 27 INCLUSIVE, AND 62 THROUGH 77, INCLUSIVE, GRANTED AND ACCEPTED HEREON.

NUMBER	DELTA	RADIUS	LENGTH
C1	26°52'51"	27.00	12.67
C2	01°13'55"	278.00	5.98
C3	08°55'17"	278.00	43.29
C4	10°09'12"	278.00	49.26
C5	25°44'53"	228.00	102.46
C6	03°24'27"	228.00	13.56
C7	07°53'49"	228.00	31.43
C8	90°00'00"	20.00	31.42
C9	86°01'00"	20.00	30.03
C10	25°44'53"	200.00	89.88
C11	65°36'50"	20.00	22.90
C12	66°25'19"	20.00	23.19
C13	34°29'32"	20.00	12.04
C14	31°55'47"	20.00	11.15
C15	23°34'41"	20.00	8.23

NUMBER	BEARING	DISTANCE
L1	N27°16'16"W	63.29'
L2	N47°40'26"W(R) R=20'	
L3	N27°05'51"W	21.64'
L4	N79°05'09"E	15.00'
L5	N62°24'20"E	13.00'
L6	N89°18'12"W	55.00'
L7	N42°33'40"E	14.33'
L8	N65°05'28"E(R) R=644'	
L9	N26°20'48"W	94.62'



SECTION 20
SECTION 29

SECTION 20
SECTION 29

SEC. 29
T. 10 S. R. 3 W.

SEE SHEET NO. 11

COUNTY OF SAN DIEGO TRACT NO. 5498-1

NON-TITLE INFORMATION SHEET

LEGEND:

NOTE A: INFORMATION SHOWN ON THIS SHEET IS ADVISORY ONLY AND IS NOT INTENDED TO AFFECT RECORD TITLE INTEREST.

NOTE B: INFORMATION SHOWN HEREON IS COMPILED FROM PUBLIC RECORDS OR REPORTS AND ITS INCLUSION IN THIS MAP DOES NOT IMPLY THE CORRECTNESS OR SUFFICIENCY OF THESE RECORDS OR REPORTS BY THE PREPARER OF THIS MAP.

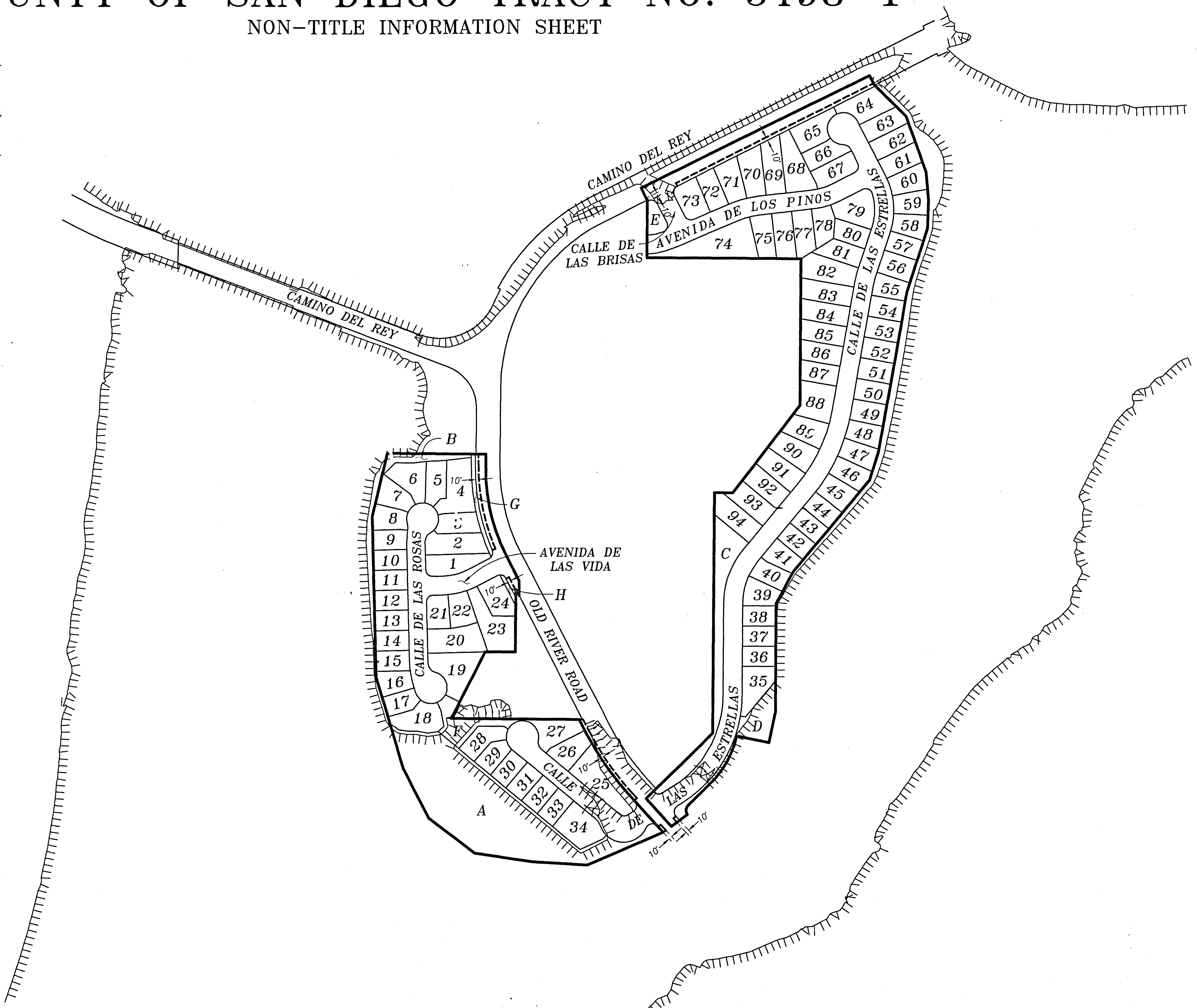
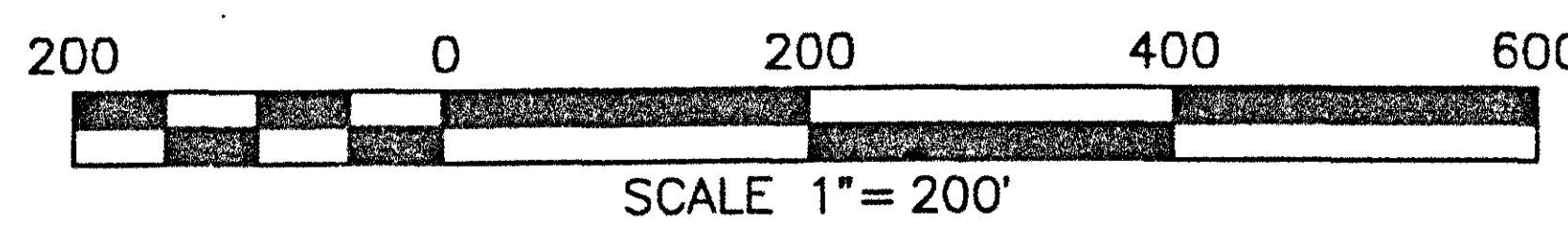
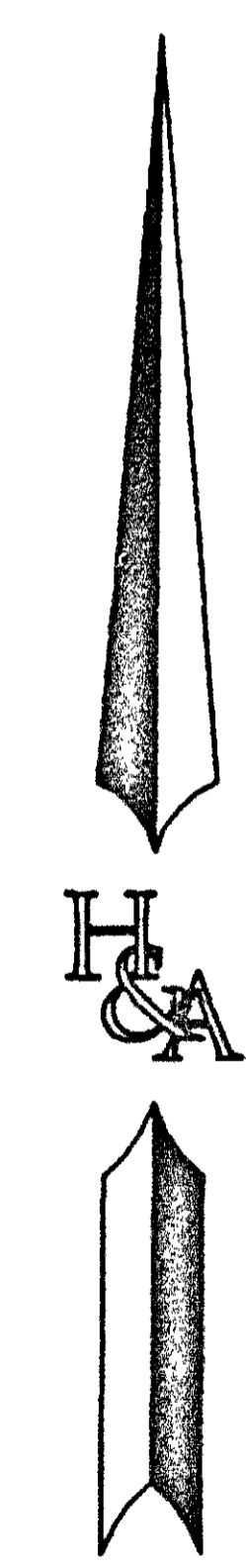
NOTE C: THE FLOODPLAIN INFORMATION SHOWN HEREON IS BASED ON A DOCUMENT TITLED "CONDITIONAL LETTER OF MAP REVISION FOR GOLF GREENS ESTATES" PREPARED BY LYLE ENGINEERING AND APPROVED BY FEMA ON FEBRUARY 2, 2016, CASE NO.: 15-09-2902R.

 INDICATES AREAS SUBJECT TO INUNDATION BY THE 100-YEAR FLOOD.

 INDICATES 10.00' OF PUBLIC ROAD RIGHT OF WAY DESIGNATED AS NON-MOTORIZED MULTI-USE PATHWAY.

SOLAR NOTE

THIS SUBDIVISION HAS A MINIMUM OF 100 SQUARE FEET OF SOLAR ACCESS FOR EACH PROPOSED DWELLING UNIT AS REQUIRED BY SECTION 81.401(m) OF THE SUBDIVISION ORDINANCE.





SEWER PERMIT APPLICATION

A permit is required for each connection to a District Sewer Line

Date: 2/23/16

Expiration Date: 7/31/17

Owner's Name: Development Solutions Bonsall Telephone No.: (858) 259-8500

Service Address: 0 Old River Road City: Bonsall, CA Zip: 92003

Billing Address: 1302 Camino Del Mar City/State: Del Mar, CA Zip: 92014

Assessor's Parcel No.: 126-300-47-00 (Various) Acreage: 29.6

Owner's Authorized Representative: _____ Telephone No.: _____

Property Description: _____

Proposed Use of Property: New: _____ Conversion: _____

LAND USE FACTORS	
Single Family Dwelling: (# of bedrooms)	Multiple Dwelling (units):
Restaurant: Total # of Seats _____ Tableware: <input type="checkbox"/> Disposable <input type="checkbox"/> Non-disposable	Commercial:
Industrial:	Other:

No.(s) of EDU's: 102.46 Total Fee: \$ 1,777,700 (Total Paid)

Per District Policy one EDU is currently equivalent to 2.58 bedrooms (average size home in the District service area per the 2010 census) and 180 gallons per day per EDU. This is subject to change.

Notes: When building 3 or more bedrooms additional fees will be required.

Upon the permit being granted, the Permittee shall be charged a partial monthly fee (currently \$41.67 per EDU) by Rainbow Municipal Water District (District). When connected to the sewer lateral the monthly fee will increase to the full service charge based on water usage. Current maximum charge \$75.50 per EDU.

"Equivalent Dwelling Unit or EDU" means an increment of wastewater flow. An EDU is equivalent to a pre-determined amount of wastewater measured in gallons per day. The amount is set by District policy and is subject to change. Wastewater discharged must have concentrations of no more than 200 milligrams per liter (mg/L) biochemical oxygen demand and 200 mg/L suspended solids.

Conditions of Service

Sewer service shall be subject to the following conditions:

- (a) Applicant, owner and customer shall adhere to requirements prescribed by these rules and regulations and to any additional requirements prescribed by the Manager or by the Board, or both, to insure compliance with the District's rules and regulations as to the quality and quantity of reclaimable and non-reclaimable sewage which the District is willing to receive into its facilities.
- (b) All fees and charges of the District shall be paid when due. Application for service to any property will be granted only if all connection fees, service charges, delinquent bills and penalties; due and charged to or against said property by the District are paid; and if the service application was signed by the then owner of the property. When permits expire they do not transfer to new property owners. All EDU'S will revert back to the District and monies paid will be forfeited if a property is sold, foreclosed or goes into bankruptcy with an expired permit. Sewer service fees shall be included in the monthly water bills of the District. The fees and charges of the District are set by separate Ordinance or Resolution and may be changed by the District from time to time.

Terms of Permits


Permits for sewer connection shall be issued for a term of two years and may be renewed for two additional one-year terms by payment by the permit holder to the District not earlier than 14 days before the expiration of the initial term or, if a permit has been previously renewed, not earlier than 14 days before the expiration of the current renewal term of a renewal fee in the amount of any increase between the initial cost per EDU. If no connection is made and a permit is not so renewed, it shall expire and all rights of the permit holder resulting from the issuance of such permit shall terminate. If connection is made prior to the expiration of the initial or renewal term, the permit shall remain in effect so long as sewer service is required and account is maintained current.

Kevin J. Hiniker
Vice President

Date: 3/23/2016

Name: _____
Please Print

Signature: 

Signature: 
Engineering Manager

DISTRICT USE ONLY:

INSPECTION RECORD

Account No.: 33-8999-0

Map Page: N-3

Location of the District's nearest sewer system pipeline: _____

Date Connected: _____

Inspected by: _____

**WAIVER OF PROPOSITION 218
NOTICE AND HEARING**

WHEREAS, to permit interim orderly development within the RAINBOW MUNICIPAL WATER DISTRICT (“District”), to reserve sufficient capacity to serve customers within the District’s service area, and to ensure that sewer service is immediately available to those customers, the District has established a system of sewer service charges which requires the payment of sewer connection fees for an entire project as a condition of a service commitment by the District and which requires the payment of unconnected fees to ensure sewer service is immediately available;

WHEREAS, Article XIII C and XIII D of the California Constitution (Proposition 218) may apply to the District’s sewer service charges described above;

WHEREAS, Proposition 218 requires a public notice to property owners, a public hearing, and an opportunity to protest the above fees and surcharge; and

WHEREAS, Development Solutions BON, LLC (“Developer”) desires to receive a credit for \$1,777,700.00 in sewer connection fees, previously paid in connection with the Golf Green Estates development, to obtain a deferral of all outstanding sewer connection fees until building permits are issued by the County of San Diego, and to dispense with the requirements of Proposition 218 in order to expedite and complete the Golf Green Estates development.

IT IS THEREFORE AGREED:

1. Developer hereby waives the above Notice, Hearing, and Protest requirements of Proposition 218.
2. Developer is advised that a copy of Proposition 218 and its implementing legislation is available at the District office.
3. Developer is advised to consult its own counsel prior to executing this waiver.

Signature

Print Name

Address

City, State, Zip Code



BOARD ACTION

BOARD OF DIRECTORS

December 5, 2017

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE THE UPDATED WARNER RANCH WATER SUPPLY ASSESSMENT (WSA)

BACKGROUND

A WSA is required by California law commonly known as Senate Bill (SB) 610. The law applies to projects which propose development greater than certain specified thresholds and that are subject to CEQA. Senate Bill (SB) 221, a companion bill approved at the same time as SB 610, requires verification of water supplies as a condition of tentative map approval for residential subdivisions of 500 units or more.

The Board approved the original WSA at its February 26, 2013 meeting.

DESCRIPTION

The residential component of the Warner Ranch proposes 780 units (534 single family), which exceeds the residential threshold, as well as being subject to CEQA, and therefore is subject to the requirements of SB 610. After approval of this updated WSA, the report will be incorporated into the project EIR as a Water Supply Assessment report consistent with the requirements of the legislation enacted by SB 610 and SB 221. This updated WSA incorporates the latest updates of the 2016 District Master Plan, RMWD 2015 Urban Water Management Plan, SDCWA 2015 UWMP, and SANDAG Series 13 Growth Forecast.

Pursuant to SB 610, the WSA incorporates by reference the current Urban Water Management Plans and other planning documents of the District, the San Diego County Water Authority, and Metropolitan Water District of Southern California. RMWD may cite the approved WSA Report as evidence that a sufficient water supply is available to serve the Warner Ranch Project, as concluded in the Report.

Board approval of the WSA is procedural. The Warner Ranch project is within the District's Sphere of Influence. One parcel lies within the current RMWD boundary. Staff will work with the developer on a pre-annexation agreement for the remaining parcels and will develop an annexation agreement as the project proceeds through the approval process.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area One: Water Resources. The Water Supply Assessment is an important component of large development projects' Environmental Documentation. By preparing these reports based on approved SANDAG, SDCWA, MWD, and RMWD planning documents, local and regional water supplies and demands are forecast for a twenty year horizon. Responsible planning ensures that water supplies are available for future customers.

BOARD OPTIONS/FISCAL IMPACTS

No fiscal impact at this time, future revenue from developer fees and charges and new customer water and sewer charges as the project develops.

- 1) Approve the Updated Warner Ranch Water Supply Assessment.
- 2) Provide other direction to staff.

STAFF RECOMMENDATION

Staff recommends Option 1.



Michael Powers, P.E.
Interim Engineering Manager

12/05/2017

Warner Ranch Project Water Supply Assessment

Updated: November 15, 2017
RMWD Approval: December 5, 2017

Original: December 14, 2012
RMWD Approval: February 26, 2013

Warner Ranch Project Water Supply Assessment

November 15, 2017

Prepared for: WHP Warner Ranch LP
1545 Faraday Avenue
Carlsbad, CA 92008

Prepared by: Rainbow Municipal Water District
3707 Old Highway 395
Fallbrook, CA 92028

Kenneth J. Gerdes, P.E.
Interim District Engineer

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WATER SUPPLY ASSESSMENT
FOR THE WARNER RANCH PROJECT

November 13, 2017

Executive Summary

Warner Ranch (Project) is located within the Rainbow Municipal Water District (RMWD) sphere of influence. One parcel, APN 110-021-09, is within the RMWD boundaries, see: **Figure 1-0: Project Location and Existing Water District Boundaries**. RMWD (or District) is a member agency of the San Diego County Water Authority and provides both water and sewer services to its customers. Water and sewer service is proposed to be provided to the Project by the District. The Warner Ranch Project will initiate annexation of the remaining parcels which are currently outside of the District Boundary (see **Figure 1-2: Warner Ranch Parcels**) as the approval process proceeds.

Currently the District relies solely on imported water provided by the San Diego County Water Authority (SDCWA) via the Metropolitan Water District of Southern California (MWD). To comply with the requirements of SB 610 and SB 221, the water supply planning for the District, SDCWA and MWD will be discussed.

Warner Ranch is an unincorporated portion of northern San Diego County east of Interstate 15 at State Route 76 (SR 76), near the community of Pala Village. The Project is within the sphere of influence of RMWD, with one parcel being within RMWD boundaries; therefore, the District is the most logical water distributor for Warner Ranch, being the closest retail water provider in the area. The District relies on current San Diego Association of Governments (SANDAG) projections for population and land use to incorporate into future water demands and water planning documents, including the current Urban Water Management Plan (UWMP).

The proposed water demands for the Project are 519 acre-feet per year and are accounted for through the Accelerated Forecasted Growth demand increment of the SDCWA's current UWMP.

This WSA Report assesses, demonstrates, and documents that sufficient water supplies are planned for and are intended to be available over a 20-year planning horizon, under normal conditions and in single and multiple dry years, to meet the projected demand of the Project inclusive of its defined mitigation measures.

1. Purpose: Senate Bill 610 and 221

This WSA Report is prepared on behalf of the Rainbow Municipal Water District (District) as the retail water provider for the Warner Ranch Specific Plan Amendment (Project). The project area is situated on 513.49 acres, subdivided into 695 lots for a mixed residential land use plan, totaling 780 dwelling units. The report provides a comprehensive review of current and projected water supplies including various factors affecting the availability of supply from the San Diego County Water Authority (Water Authority).

The WSA is required by California law commonly known as Senate Bill (SB) 610 (specifically, Public Resources Code Section 21151.9 and California Water Code Sections 10631, 10656, 10657, 10910, 10911, 10912, and 10915). These requirements were instituted during the 2001 legislative session and became effective January 1, 2002. The law applies to projects larger than certain specified thresholds and that are subject to the California Environmental Quality Act (CEQA). The residential component of the Warner Ranch project exceeds the specified threshold; and, therefore, is subject to the requirements of SB 610 for preparation of a WSA.

SB 221, a companion Senate Bill approved at the same time as SB 610, requires verification of water supplies as a condition of tentative map approval for residential subdivisions of 500 units or more. The Warner Ranch project proposal contains more than 500 residential units; and, therefore, SB 221 is applicable to the project.

After approval of this WSA, the report will be incorporated into the project EIR as a Water Supply Assessment report consistent with the requirements of the legislation enacted by SB 610 and SB 221. The District may cite the approved WSA Report as evidence that a sufficient water supply is available to serve the Warner Ranch development project inclusive of its defined mitigation measures.

2. Project Description

Project Location

The proposed Warner Ranch Project is located in the unincorporated area in the northwestern portion of San Diego County, approximately five miles east of Interstate 15 on Pala Road (SR 76). It is just west of Pala Temecula Road in the Pala Pauma Sub-regional Planning Area. It includes Assessor Parcel Numbers (APNs) 110-021-09 and 110-090-01, 17, 18; 110-021-32; and 110-040-22.

Land Use

The Project is intended to provide a range of workforce housing opportunities consistent with the Job/Housing Balance goals and policies of the San Diego County General Plan. The recently adopted General Plan and associated Pala/Pauma Community Plan provides for the implementation of this project by designating this 513.49-acre property as a Special Study Area (SSA). The SSA requires a focused land use planning analysis “to determine the most compatible and consistent land uses for the property”. The designation requires additional planning studies intended to address the unique character of the site and surrounding area as well as address property constraints to allow for the creation of a “cohesive and comprehensive land use plan”. The Warner Ranch Project proposes a General Plan Amendment, Specific Plan, Rezone Administrative Permit (for gated access) and Vesting Tentative Map to develop 513.49 acres with 780 residential units and associated public and private facilities and services. The following is a summary of the proposed project:

- The project area consists of 780 residential units (534 single family detached, with lot size ranging from 3,000 sq. ft. 8,000 sq. ft., and 246 multi-family and attached townhomes)
- 7.69 acres of private neighborhood parks, clubhouse, and pool
- 14.68 acres of privately maintained landscaped areas
- A 4.23-acre public park (active recreational uses)
- 359.12 acres of preserved open space

- A Fire Station (10,000 sq. ft.)
- Public and private community facilities would include sewer pumps, drainage structures, utility vaults, etc. Additionally, a water reservoir would be constructed on the western portion of the property. The reservoir would receive water from an existing RMWD 8-inch water main in Jeremy Way. Water would then be distributed to the project via a proposed 12-inch main connected to the water reservoir.
- Off-site improvements would include frontage improvements and a signalized intersection at the project entry and SR 76 as well as signalized improvements to the existing SR 76 and Cole Grade Road intersection. In order to provide a water supply to the on-site water reservoir, approximately 3,000 linear feet of 8-inch diameter water main would be constructed from the terminus of the existing line in Jeremy Way to the property's northern boundary line. Additionally, a 6-inch sewer force main would be constructed from a new sewer lift station at the southwestern boundary of the site, to the west within the right-of-way of SR 76, where it would ultimately connect to the Horse Creek Lift Station.

The project area would be accessed by a central entry road at its current intersection with SR 76, where a signalized intersection is required. The project would also make frontage improvements to the existing 120-foot wide SR 76 right of way. These Improvements include widening of the existing 24-foot wide pavement to 52 feet, which includes two 12-foot wide drive lanes, a 12-foot wide painted center median, and 8-foot wide shoulders that also include a painted bike lane in each direction. Additionally, a 350-foot long, 12-foot wide acceleration/deceleration lane is proposed adjacent to the project's main entry.

Earthwork quantities for on-site development are anticipated to consist of 2.3 million cubic yards of cut and 2.3 cubic yards of fill material. The proposed grading will be balanced with no import or export of materials.

The project would be implemented in phases. Major facilities such as the proposed fire station, water storage reservoir, water mains, sewer force main, frontage improvements, drainage improvements, and public park are intended to be constructed as a part of the initial phases of the project.

Table 2-1: Warner Ranch Proposed Land Use Summary

Land Use	Gross Acreage (ac)	Dwelling Units (DU)	Density (DU/ac)	Building Area (sq. ft.)
Multi-Family Residential	17.76	246	14	
Single family Residential	66.86	534	8	
Public Park	4.23	0	0	
Private Parks	7.69	0	0	
HOA - irrigation	14.68	0	0	
Biological Open Space	358.77	0	0	
Right-of-Way & Utility Easements	38.37	0	0	
Fire Station	1.18	0	0	10,000
Fire Management Zones	4.00	0	0	
Totals	513.49	780	1.5	

Projected Water Demands

Water demand projections for the proposed development are based on the number of residential dwelling units, land area or building size and corresponding unit demand factors for specific land use types from the RMWD Domestic Water, Recycled Water and Sanitary Sewer Facilities Construction Standards Manual (July 2016). The water use factors applicable to the Warner Ranch Project are provided in Table 2-2.

Table 2-2: Water Use Factors

Land Use	Average Daily Demand
Single Family residential	500 gal/unit
Duplex	600 gal/structure
Multi-Family Residential	300 gal/unit
General Commercial/Mixed Use	3,000 gal/acre
Parks	4,000 gal/acre

Projected water demand based on the water use factors and proposed development plan for Warner Ranch is provided in Table 2-3. **The total average day water is projected for be 0.464 MGD (519 acre-feet per year)**

The projected water demand for Warner Ranch is 927.3 equivalent dwelling units (EDUs) based on one EDU (single family residence) with a demand of 500 gpd.

Table 2-3: Warner Ranch Water Demand Projections

Land Use	Gross Acreage	Max Square Footage/ Units	Unit Use Factor	Average Annual Demand	
				gpd	gpm
Single Family Residential	66.86	534	500 gpd/unit	267,000	185.4
Multi-Family Residential	17.76	246	300 gpd/unit	73,800	51.2
Parks; Public & Private	11.92	--	4,000 gpd/acre	47,680	33.1
Community Landscape	14.63		4,000 gpd/acre	58,520	40.6
Fire Station	1.18	10,000	100 gpd/1,000 sf	1,000	0.7
Biological Open Space	358.77	--	0 gpd/acre	-	0.0
Right-of-Way & Utility Easements*	38.37	--	4,000 gpd/net acre	7,674	5.3
Fire management Zones**	4.00		4,000 gpd/net acre	8,000	5.5
Totals	513.49			***463,674	321.8

*Mostly pavement, with 5% of the area assumed irrigated (net acres)

**50% is assumed to be irrigated.

***463,674 gpd (Gallons per day) is equivalent to 0.464 MGD (Million gallons per Day)

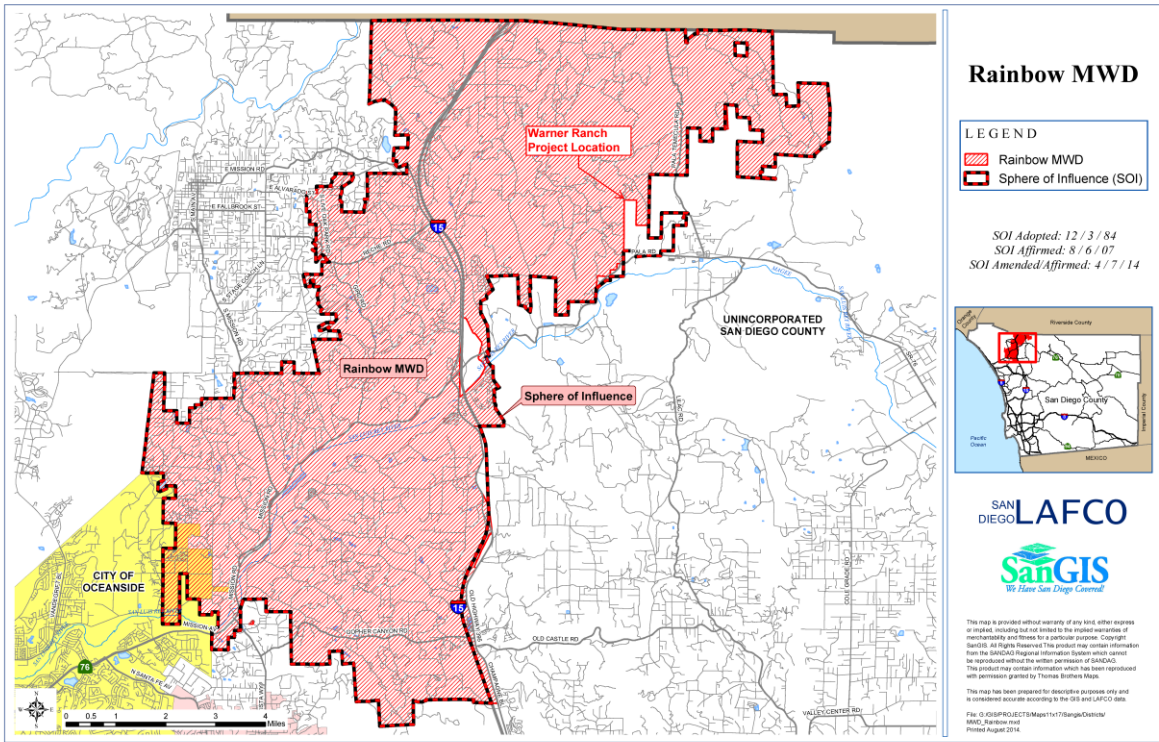


Figure 1-1: Project Location and Rainbow MWD Boundary

3. Rainbow Municipal Water District

Rainbow Municipal Water District (District) was formed in 1953 under the Municipal Water Act of 1911 (Section 7100 et. seq. of the California Water Code) and is a local government agency providing water and sewer services to unincorporated areas in the northern inland section of San Diego County. The District joined the Water Authority and Metropolitan the same year to acquire the right to purchase and distribute imported water. Water received for distribution to customers is entirely imported and therefore the District relies on the Water Authority and Metropolitan for data to project future demands.

Population within the District’s service area was 20,279 in 2015. The projected increase in population reflects planned residential development approved in the last update to the San Diego County General Plan. Current and projected population is provided in Table 3-1.

Table 3-1: Population Projections

Year	2015	2020	2025	2030	2035	2040
Service Area Population	20,279	23,789	24,967	26,145	28,219	28,336

Source: SANDAG Series 13, custom data sort to District service area boundary. Rainbow MWD 2015 Urban Water Management Plan, Table 3-1

Urban Water Management Plan

In accordance with the California Urban Water Management Planning Act, the District has prepared an Urban Water Management Plan (UWMP). The latest Plan update is entitled Rainbow MWD 2015 UWMP, completed in 2016, and was used to provide water demands and supply projections for this WSA.

Water Service Annexation

Warner Ranch is located within the Rainbow Municipal Water District sphere of influence as illustrated on **Figure 1-0: Project Location and Existing Water District Boundaries**. The District is a member agency of the San Diego County Water Authority and provides both water and sewer services. Water and sewer service will be provided to Warner Ranch by the District. The Warner Ranch project will initiate annexation into the District once the project is approved.

Warner Ranch Project and Rainbow Municipal Water District

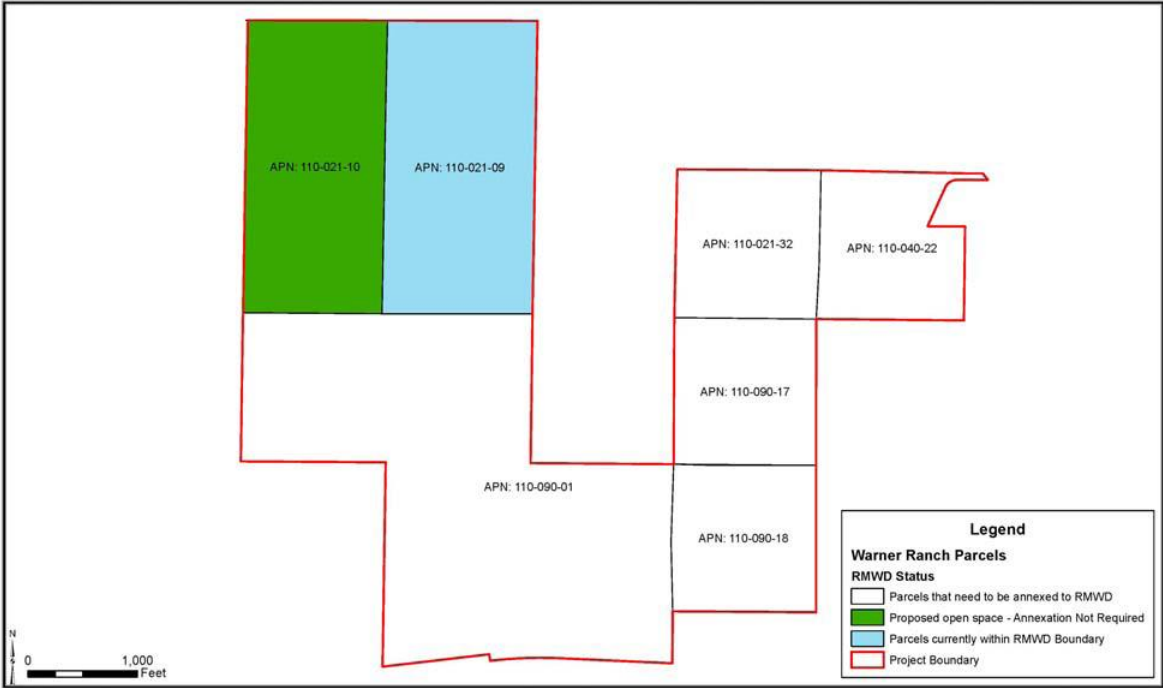


Figure 1-2: Warner Ranch Parcels



Figure 1-3: Proposed Project Site Plan

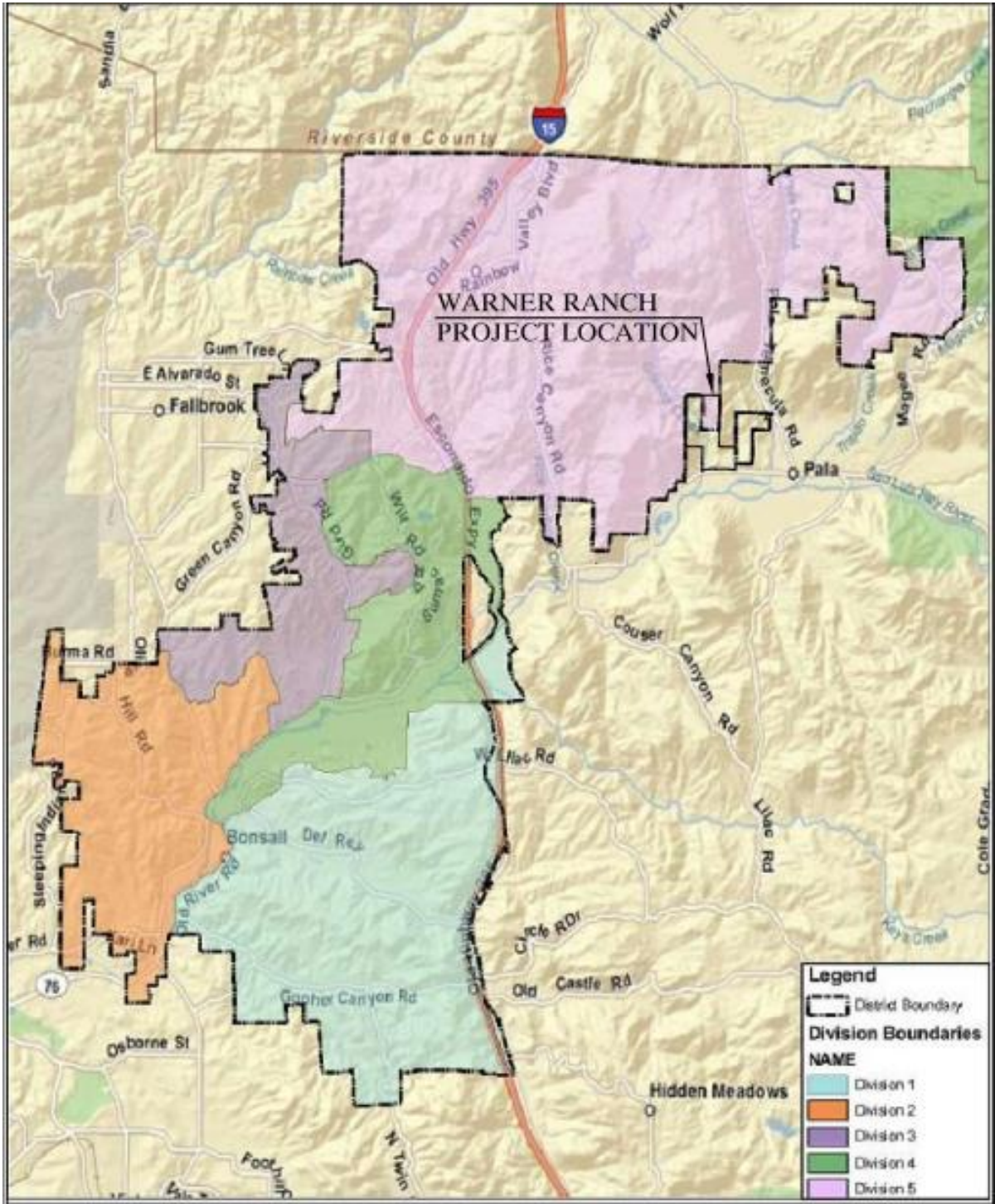
The District has existing water facilities in the vicinity of the Warner Ranch project that have sufficient capacity to serve the project. Additionally, the supply capacity of the Water Authority and Metropolitan aqueduct connections are projected to be adequate for ultimate demands.

4. Historical and Projected Water Demands

The District's customer base is comprised of agricultural and domestic use. Historically, agriculture was a significant portion of the water demands. However, agriculture demand has significantly dropped due to drought conditions and supply restrictions from the State Water Project. An increase in the residential customer base is expected in the near future.

District Historical and Projected Water Demands

The District utilizes SDCWA projected demands which are based on SANDAG's most recent regional growth forecast to calculate future demands within their service area. This provides for consistency between San Diego County planning efforts and SDCWA demand projections, thereby ensuring that adequate supplies are being planned for existing and future water users. SANDAG's growth forecasts are based on the land use planning policies of the cities within San Diego County, so planned growth is included in the water demand forecasts of the County. Sections 1 and 2 of the SDCWA 2015 UWMP (June 2016) provide detail of the current population and water demand, future population and water demand projections (in 5-year increments), and economic data utilized in their water supply planning. Tables in Sections 4, 5 and 6 include the Supply and Demand quantities.



Source: RMWD

Figure 1-4: RMWD Division Boundaries

Table 4-1: Historical Water Demands

Year	Potable Water Use (AF)
1995	21,000
2000	29,929
2005	25,252
2010	18,322
2015	20,062

Source: RMWD 2010 UWMP (Table 6)
RMWD 2015 UWMP (Table 4-1)

Both the District's and the Water Authority's 2015 Urban Water Management Plans' projections for normal, dry year and multiple dry years were used to determine future demands. The tables below summarize both the District's and the Water Authority's future demands with conservation. Conservation is discussed in Section 7.

Table 4-2: Normal Year Water Demand with Conservation

Year	District (AF)	Water Authority (AF)
2020	20,810	587,581
2025	20,820	648,124
2030	20,830	676,721
2035	20,850	694,431
2040	20,660	718,773

Source: RMWD 2015 UWMP (Table 7-2)
SDCWA 2015 UWMP (Table 2-4)

Table 4-3: Single Dry Year Water Demand with Conservation

Year	District (AF)	Water Authority (AF)
2020	22,188	629,198
2025	22,296	694,147
2030	22,321	725,006
2035	22,459	743,990
2040	22,188	770,765

Source: RMWD 2015 UWMP (Table 7-3)
SDCWA 2015 UWMP (Table 2-6)

Table 4-4: Multiple Dry Years Water Demand with Conservation

Dry-year Scenario	Year <small>RMWD/SDCWA</small>	District (AFY)	Water Authority (AFY)
1	20/21	21,188	640,932
	21/22	22,051	647,342
	22/23	21,922	653,815
2	25/26	22,296	699,895
	26/27	22,372	706,894
	27/28	22,449	713,963
3	30/31	22,321	728,330
	31/32	22,418	735,613
	32/33	22,516	742,969
4	35/36	22,459	749,030
	36/37	22,516	756,521
	37/38	22,573	764,086

Source: RMWD 2015 UWMP (Table 7-4)
SDWCA 2015 UWMP (Table 2-7)

5. Water Supply

The District's 2015 UWMP contains a comparison of projected supply and demands within its existing boundaries through the year 2040. Projected potable water resources to meet demands as planned are primarily supplied with imported water purchased from the Water Authority. The District currently has no local supply of potable water or groundwater resources.

The District is currently 100 percent reliant on SDCWA for its potable water supply and therefore, the water supply discussion in this section is based on the District's 2015 UWMP which relied on the SDCWA assessment from its 2015 UWMP. SDCWA has a number of sources of water including MWD, the recently completed Carlsbad Seawater Desalination Project, and water conserved from the Imperial Irrigation District and the lining of the All American and Coachella Canals and other sources as described in their UWMP.

RMWD is a member agency of the San Diego County Water Authority and Metropolitan Water District. RMWD imports all of its potable water through seven turnouts located on the Metropolitan/Water Authority Aqueducts. The Water Authority in turn, currently receives a large portion of its water supply portfolio from Metropolitan. Due to Rainbow's dependency on these two agencies, this WSA report includes information on the existing and projected supplies, supply programs, and related projects of the Water Authority and Metropolitan along with the demands and supplies within Rainbow's service area.

The information and conclusions presented in this report are based on the most recent information, approved documents, and sources (Metropolitan and Water Authority) outside the control of the District; therefore, the District relies on, but takes no responsibility for the accuracy of, said information.

Water Sources - Local

The District is currently conducting and reviewing studies of two possible local supply projects, as described below.

- Groundwater Desalter

The District currently does not utilize groundwater as an existing source of water supply. The District is continuing to evaluate opportunities for development of groundwater supplies from the Bonsall Basin, as described below.

In January 2016 the District completed a preliminary study (West Yost Associates, 2016) examining the feasibility of developing local San Luis Rey River basin groundwater resources² for District use. The project would include a well field, and either the construction

of a Rainbow groundwater desalting plant, or the conveyance to an expansion of the City of Oceanside's existing groundwater desalting plant for treatment and exchange of supply back to the District. The preliminary study examines a project developing up to 4,000 AF/YR of new treated supply. The groundwater to be developed originates as District-supplied imported water to the basin, and percolates to the groundwater as a result of agricultural irrigation and soil salinity management practices. As such, the District classifies the project as an Imported Water Return Flow Reclamation project.

The District is evaluating the findings of the preliminary study prior to committing to further action on the project. Although the preliminary results of the study appear promising, the District recognizes that additional engineering and environmental evaluations will be necessary to confirm project feasibility and sizing. For purposes of the 2015 UWMP, the District anticipates that a Phase I groundwater project would be sized for production of approximately 2,000 AF/yr, and that future expansions to higher capacities maybe possible but are subject to various planning uncertainties.

²Groundwater in the Bonsall basin is classified by the State Water Resources Control Board as an underground stream, and as such is governed by surface water right doctrines.

- Recycled Water

In September 2015 the District completed a preliminary study (Atkins, 2015) examining the feasibility of constructing a District-owned wastewater reclamation facility and recycled water distribution system. These facilities would be capable of delivering up to approximately 1,500 AF/YR of recycled water to District customers, reducing potable water demands by a like amount. The District is currently embarked on more detailed preliminary design studies to confirm the feasibility of the project.

At present, the District conveys the entirety of the wastewater collected within its sewer service area to the City of Oceanside for treatment and disposal. In light of recent and ongoing drought conditions within southern California, the District has contemplated whether construction of its own water recycling project would be more cost effective and resource-efficient than continued conveyance of wastewater flows to the City. The 2015 preliminary study considered several options of plant siting, sizing, and other factors, and compared the overall costs and benefits of these to the No Project alternative of continued wastewater conveyance to Oceanside.

Summary of Possible Local Supply Volumes

For purposes of supply planning, the Water Authority in its Regional UWMP distinguishes between local supply projects that are Verifiable, Planned, or Conceptual. Verifiable projects are those projects that have a high level of certainty of being completed, such that they can be relied on as an assured component of the region's future supply portfolio. Planned projects are those that have been subject to affirmative feasibility investigations, but which have additional permitting, environmental, and/or financial approval hurdles remaining before they are implemented. Conceptual projects are, as the name implies, project concepts that have not been subject to formal study or that have significant uncertainties or obstacles to implementation. The District does not have any future local supplies that have yet advanced to the level of Verifiable.

Regional Supply Projections

The supply projections contained in the SDCWA 2015 UWMP are summarized below.

Table 5-1: SDCWA Water Supply Projections (AF)

Water Supply Source	2015	2020	2025	2030	2035	2040
Imperial Irrigation	100,000	190,000	200,000	200,000	200,000	200,000
Groundwater Supply	23,773	30,040	31,630	32,670	32,670	32,670
Surface Water Supply	51,680	51,580	51,480	51,380	51,280	51,180
Recycled Water	29,095	40,459	43,674	45,758	46,118	46,858
Desalination	0	50,000	50,000	50,000	50,000	50,000
Canal Lining	80,200	80,200	80,200	80,200	80,200	80,200
Potable Reuse	0	3,300	3,300	3,300	3,300	3,300
Total	284,748	445,579	460,284	463,308	463,568	464,208

Source: SDCWA 2015 UWMP (Chapters 4 and 5)

6. Availability of Sufficient Supplies

The District's water supply is dependent on the Water Authority as the wholesale water supplier and, therefore this water supply reliability assessment relies primarily on the Water Authority's 2015 UWMP. Water Code section 10635 requires that every urban water supplier assess the reliability of its water services during normal, dry and multiple dry water years. The water supply and demand assessment compares the total projected water use with expected water supply over the next 20 years in five-year increments. The assessment contained in the SDCWA 2015 UWMP projects reliability through 2040 to correspond with population growth forecasted by SANDAG.

The Water Authority's 2015 UWMP provides for a comprehensive planning analysis at a regional level and includes water use associated with Near-Term Annexations and Accelerated Forecasted Growth (residential development) as part of its municipal and industrial sector demand projections. These housing units were identified by SANDAG in the course of its regional housing needs assessment, but are not yet included in existing general land use plans of local jurisdictions. The demand associated with accelerated forecasted growth is intended to account for SANDAG's land use development currently projected to occur between 2035 and 2050, but has the likely potential to occur on an accelerated schedule. SANDAG estimates that this accelerated residential development could occur within the planning horizon of the 2015 UWMP update. These units are not yet included in local jurisdictions' general plans, so their projected demands are incorporated at a regional level. When necessary, this additional demand increment shown in Table 6-1, termed Accelerated Forecasted Growth, can be used by member agencies to meet the demands of development projects not identified in the general land use plans, as part of general plan amendments, and/or new annexations.

Therefore, the near-term service for the proposed water demands of the Project can be accounted for in the Water Authority's 2015 UWMP Near-Term Annexation demand and Accelerated Forecasted Growth demand increments. As documented in the Water Authority's 2015 UWMP, the Water Authority is planning to meet future and existing demands which include the demand increments associated with the near-term annexations and accelerated forecasted growth. The Water Authority will also assist its member agencies in tracking the certified EIRs provided by the agencies that include Water Supply Assessments that utilize the accelerated forecasted growth demand increment, to demonstrate adequate supplies for the development. The Warner Ranch project is included in the demand forecast for the Water Authority's 2015 UWMP as a Near-Term Annexation, see Table 6-1.

Table 6-1: Total Regional Baseline Demand Forecast (AF)¹

	2020	2025	2030	2035	2040
Baseline M&I Demand ^{2,3}	602,100	673,886	715,690	744,370	781,433
Baseline Agricultural Demand - Program	52,961	51,379	49,897	48,460	47,214
Near-Term Annexations ⁴	4,029	7,162	7,162	7,162	7,162
Accelerated Forecasted Growth	2,632	4,807	6,806	9,038	11,186
Total Baseline Demand Forecast⁵	661,722	737,234	779,555	809,030	846,995
Additional Conservation*	-74,141	-89,110	-102,834	-114,599	-128,222
Total Long-Range Demand Forecast with Conservation*	587,581	648,124	676,721	694,431	718,773

Source: Water Authority 2015 UWMP (Table 2-2 and Table 2-4*)

¹ Normal water year demands based on 1960-2013 hydrology.

² Includes approximately 11,000 AF of demand for MCB Camp Pendleton – provided by base staff.

³ Reflects passive historic conservation savings.

⁴Known near-term annexation demands include: Safari Highlands (694 AF), Yerba Valley (5 AF), Otay Ranch Village 13 and parcels East of Village 13 (2,361AF), Peaceful Valley Ranch (70 AF), Sycuan Reservation (392 AF), Stoddard Parcel (2 AF), San Ysidro Mt. Parcel Village 17 (148AF), Viejas and Ewiaapaayp (2,307 AF), I-8 corridor near Viejas (81 AF), Rincon (417 AF), **Warner Ranch (519 AF)**, Shadow Run/Schoepe (15 AF), and Warner Ranch/Sycamore Ranch (151 AF). Including the demands for these parcels does not limit the Board's discretion to deny or approve these or other annexations not contemplated at this time.

⁵ Based on an assumed wholesale nominal (above inflation) rate increase of 2 percent per year between 2016-2020, 1 percent per year from 2021-2025, and 3 percent rate of inflation post-2025.

The projected supplies compared with the forecasted normal year water demands for the Water Authority are shown in Table 6-2. If MWD, SDCWA and member agency supplies are maintained and developed as planned, along with achievement of the additional water conservation, no shortages are anticipated within the Water Authority's service area in a normal year through 2040. There will be adequate water supplies to serve the anticipated growth of the District including the Warner Ranch Project.

Table 6-2: Normal Water Year Supply and Demand Assessment (AF/YR)¹

	2020	2025	2030	2035	2040
Water Authority Supplies					
IID Water Transfer	190,000	200,000	200,000	200,000	200,000
ACC and CC Lining Projects	80,200	80,200	80,200	80,200	80,200
Carlsbad Desalination Plant	50,000	50,000	50,000	50,000	50,000
Sub-Total	320,200	330,200	330,200	330,200	330,200
Member Agency Supplies					
Surface Water	51,580	51,480	51,380	51,280	51,180
Water Recycling	40,459	43,674	45,758	46,118	46,858
Seawater Desalination	6,000	6,000	6,000	6,000	6,000
Potable Reuse	3,300	3,300	3,300	3,300	3,300
Brackish GW Recovery	12,100	12,500	12,500	12,500	12,500
Groundwater	17,940	19,130	20,170	20,170	20,170
Sub-Total	131,379	136,084	139,108	139,368	140,008
Metropolitan Water District Supplies	136,002	181,840	207,413	224,863	248,565
Total Projected Supplies	587,581	648,124	676,721	694,431	718,773
Total Demands with Water Efficiency Savings	587,581	648,124	676,721	694,431	718,773

Source: Water Authority 2015 UWMP (Table 9-1)

¹Normal water year demands based on 1960-2013 hydrology.

Table 6-3 provides a comparison of single dry year supply with projected total water demands over the next twenty (20) years in five-year increments. Multiple dry year scenarios are shown in Tables 6-4 through 6-6.

Table 6-3: Single Dry Water Year Supply and Demand Assessment (AF/YR)

	2020	2025	2030	2035	2040
Water Authority Supplies					
IID Water Transfer	190,000	200,000	200,000	200,000	200,000
ACC and CC Lining Projects	80,200	80,200	80,200	80,200	80,200
Carlsbad Desalination Plant	50,000	50,000	50,000	50,000	50,000
Sub-Total	320,200	330,200	330,200	330,200	330,200
Member Agency Supplies¹					
Surface Water	6,004	6,004	6,004	6,004	6,004
Water Recycling	40,459	43,674	45,758	46,118	46,858
Seawater Desalination	6,000	6,000	6,000	6,000	6,000
Potable Reuse	3,300	3,300	3,300	3,300	3,300
Brackish GW Recovery	12,100	12,500	12,500	12,500	12,500
Groundwater	15,281	15,281	15,281	15,281	15,281
Sub-Total	83,144	86,759	88,843	89,203	89,943
Metropolitan Water District Supplies	263,340	264,699	263,340	260,083	258,720
Total Projected Supplies	666,684	681,699	682,383	680,083	678,863
Tot. Demands w/Water Eff. Savings	629,198	694,147	725,006	743,990	770,765
Potential Supply (Shortage) or Surplus	37,486	(12,448)	(42,623)	(63,907)	(91,902)
Utilization of Carryover Supplies	0	12,448	42,623	63,907	91,902
Tot. Projected Supplies w/Carryover	666,684	694,147	725,006	720,083	718,863
Remaining Potential Surplus Supply or (Shortage) handled through Management Actions	37,486	0	0	(23,907)	(51,902)

Source: Water Authority 2015 UWMP (Table 9-2)

¹Member Agency local supplies include verifiable recycling and brackish groundwater, as well as dry-year estimates for surface water and groundwater.

Table 6-4: Multiple Dry Water Year Supply and Demand Assessment Five-Year Increments (AF/YR) – 2017-2019 and 2021-2023

	2017	2018	2019	2021	2022	2023
Member Agency Supplies ¹	71,950	74,034	103,907	124,552	101,885	85,073
Water Authority Supplies	230,200	260,200	290,200	330,200	330,200	330,200
Metropolitan Allocation (Preferential Right)	223,560	224,400	225,120	263,900	245,310	226,680
Total Estimated Core Supplies w/o Storage Tanks	525,710	558,634	586,587	718,652	677,395	641,953
Total Demands w/Water Efficiency Savings	491,000	495,910	500,869	640,932	647,342	653,815
Pot. Supply (Shortage) or Surplus	34,710	62,724	85,718	77,720	30,053	(11,862)
Utilization of Carryover Supplies	0	0	0	0	0	11,862
Total Projected Core Supplies with Utilization of Carryover Storage Supplies	525,710	558,634	586,587	718,652	677,395	653,815
Remaining Potential Surplus Supply (Shortage) that will be handled through Management Actions	34,710	62,724	85,718	77,720	30,053	0

Source: Water Authority 2015 UWMP (Table 9-3 and 9-4)

¹ Member agency local supplies include verifiable recycling and brackish groundwater, as well as dry-year estimates for surface water and groundwater.

Table 6-5: Multiple Dry Year Supply and Demand Assessment Five-Year Increments (AF/YR) – 2026-2028 and 2031-2033

	2026	2027	2028	2031	2032	2033
Member Agency Supplies	127,941	105,048	88,009	129,680	106,224	89,059
Water Authority Supplies	330,200	330,200	330,200	330,200	330,200	330,200
Metropolitan Allocation (Preferential Right)	264,600	245,570	226,400	262,780	243,490	224,280
Total Estimated Core Supplies w/o Storage Tanks	722,741	680,818	644,649	722,660	680,132	643,539
Total Demands w/ Water Efficiency Savings	699,895	706,894	713,963	728,330	735,613	742,969
Potential Supply (Shortage) or Surplus	22,846	(26,076)	(69,314)	(5,670)	(55,481)	(99,430)
Utilization of Carryover Supplies	0	26,076	40,000	5,670	40,000	40,000
Total Projected Core Supplies with Utilization of Carryover Storage Supplies	722,741	706,894	684,694	728,330	720,132	683,539
Remaining Potential Supply (Shortage) or Surplus, that will be handled through Management Actions	22,846	0	(29,314)	0	(15,481)	(59,430)

Source: Water Authority 2015 UWMP (Table 9-5 and 9-6)

Table 6-6: Multiple Dry Year Supply and Demand Assessment Five-Year Increments (AF/YR) – 2036-2038

	2036	2037	2038
Member Agency Supplies	130,116	106,954	89,647
Water Authority Supplies	330,200	330,200	330,200
Metropolitan Allocation (Preferential Right)	260,260	241,410	222,480
Total Estimated Core Supplies w/o Storage Tanks	720,576	678,564	642,327
Total Demands w/ Water Efficiency Savings	749,030	756,521	764,086
Potential Supply (Shortage) or Surplus	(28,454)	(77,957)	(121,759)
Utilization of Carryover Supplies	28,454	40,000	30,000
Total Projected Core Supplies with Utilization of Carryover Storage Supplies	749,030	718,564	682,327
Remaining Potential Surplus Supply (Shortage) that will be handled through Management Actions	0	(37,957)	(81,759)

Source: Water Authority 2015 UWMP (Table 9-7)

Conclusion

Because RMWD depends on imported water from the San Diego County Water Authority and Metropolitan Water District, future supply and demand projections rely on both local and regional planning analyses and approved documents. Based on the analyses and findings contained in those approved planning documents, this report demonstrates that there are sufficient water supplies over a 20-year planning horizon to meet the projected water demands of the District and Water Authority service area (see Tables 6-1 and 6-2), including the Warner Ranch Project. The Warner Ranch Project water demands are included in the local and regional water resource planning documents of the Rainbow Municipal Water District, San Diego County Water Authority and Metropolitan Water District.

7. Water Shortage and Drought Management

Water Shortage Contingency Plan

District Ordinance No. 15-08 addresses the possible water shortage scenarios in conjunction with the Water Authority Drought Management Plan. The sections within the ordinance discuss stages each with both Voluntary and Mandatory reduction of water usage. Subsections herein shall discuss various components of the water shortage contingency plan.

- **Stages of Action**

There are 4 different stages of water shortage scenarios within Ordinance No. 15-08. Each stage has specific instructions for various water uses to be prohibited or to be restricted.

Drought Response Level 1 is for periods when the District is notified that due to drought or other supply reductions, there is a reasonable probability there will be supply shortages and that a voluntary consumer demand reduction of up to 10 percent is targeted in order to ensure that sufficient supplies will be available to meet anticipated demands. Public outreach and conservation practices are promoted during Drought Response Level 1; however, cut backs are not mandatory. For Drought Response Level 2 there is up to a 20 percent reduction. There is a list of conservation practices which during Drought Response Level 1, are voluntary, and during Drought Response Level 2 are mandatory. Drought Response Levels 3 and 4 require a 20-40 percent and more than 40 percent reduction, respectively.

- **Catastrophic Supply Interruption Plan**

A catastrophic water shortage occurs when a disaster, such as an earthquake, results in insufficient available water to meet the region's needs or eliminates access to imported water supplies. The Water Authority's Emergency Response Plan (ERP) and the Emergency Storage Plan (ESP) are developed to protect public health and safety and to prevent or limit economic damage that could occur from a severe shortage of water supplies. The ERP covers concepts such as the authorities, policies, and procedures associated with emergency response activities, emergency staffing, management, and organization required to assist in mitigating any significant emergency or disaster, mutual aid agreements and covenants that outline the terms and conditions under which mutual aid assistance will be provided and pre-emergency planning and emergency operations procedures. The ESP identifies and implements plans to acquire additional storage facilities.

For the District, it is important that the water stored in District reservoirs are monitored and proactively managed to not allow the volumes of all the reservoirs to drop to very low level. Practice should be to maintain at a minimum the required emergency fire flow storage within

all reservoirs at all time. The District has developed an ERP which discusses actions the District will take during a catastrophic interruption of water supplies to ensure operation during such an event. Contingency plans are prepared for each event. Backup generators have been purchased and are easily wired into pump stations for quick connects in case of a power outage. Storage facilities are kept at an optimal level in case of fire flow demands, aqueduct shutdowns, and general operation.

Water Use Efficiency Measures

- **Conservation Measures**

Demand Management Measures are methods or ways to conserve water through efficient tools, education and encouragement through incentives. Currently there are fourteen best management practices (BMP's) that are promoted by California Urban Water Conservation Council (CUWCC). All of these BMP's are implemented by the Water Authority and the District is a participating member of the Water Authority program and the CUWCC. The District became a signatory to the Memorandum of Understanding (MOU) of the CUWCC in 2009 As a member of CUWCC, the District is required to submit a BMP report every two years regarding the implementation of the 14 BMPs. Refer to the Annual CUWCC BMP Report and Section 3 of the Water Authority 2015 UWMP for descriptions of current BMPs.

- **Water Survey Programs for Residential Customers**

The District has not developed an independent marketing strategy for single or multifamily residential water survey program to detect leaks; including toilets, toilet flappers and faucets, check flow rates; including showerheads, aerators and toilets, and other checks to determine efficient use of water and recommend or offer to replace with low flow devices. At present, RMWDs participation is limited to its association with the Water Authority program. The District should consider the initiation of a water survey program to increase the visibility of the District's programs. Such information can be supplied as a leaflet within the monthly water bill.

- **Residential Plumbing Retrofit**

The District, as a member of the Water Authority, participates in an incentive program for water conserving devices.

- **System Water Audits**

The District is in compliance with recommendations and policies for system water audits in accordance with State Senate Bill (SB) 555, including volumetric testing, leakage testing and reporting, etc.

- **Commodity Rate Metering**

The District's 2017 retail variable rate for non-pumped residential water is \$3.42 per unit of water for the first 10 units, \$3.60 per unit from 11-26 units, and \$3.94 per unit thereafter. A unit of water is equivalent to one hundred cubic feet (HCF) or 748 gallons. Included in this rate are Metropolitan Water District and the San Diego County Water Authority costs of imported water.

- **Large Landscape Conservation**

The Water Authority has numerous audit programs and services to assist in water use efficiency through new technology and education.

- **High Efficiency Washing Machines**

The District is a participating member of the Water Authority's Voucher Program to promote efficient machines through incentives for water saving devices.

- **Public Information Programs**

The Public Information Program uses public service announcements, brochures, and newsletters in bills, demonstration gardens, special events and its speaker's bureau to give speeches as its medium to relay the message of conservation. The public can learn how outdoor irrigation can waste water, how the region uses recycled water and how to avoid polluting our local streams and bays.

- **School Education Programs**

The Water Authority has several programs available to school teachers and other youth programs to promote water education among local youth. The programs for teachers are grouped into elementary and secondary categories with 10 programs for K through 6 and 7 programs for 7 through 12th grades respectively. In addition to these grade specific programs, the Water Authority offers a badge program for youth organizations, mini-grants and Xeriscape gardening workshop for teachers, and does the exhibit at Reuben H. Fleet Center. These programs teach water-related activities and science experiments. In addition to highlighting water conservation issues and provides an understanding of California's water supply, these activities are designed to integrate math, science, art and language. Secondary school level programs emphasize on are water quality, water distribution, water conservation, the water cycle and fresh and salt water topics.

- **Conservation Programs for Commercial, Industrial and Institutional Accounts**

The Water Authority managed a Commercial Institutional Industrial (CII) Voucher Program for all participating member agencies. In July 2008, the Water Authority switched to Metropolitan's regional CII Save a Buck Program. These programs installed 56,000 CII water saving devices realized 18,400 AF of water savings from 1993 to 2009.

- **Conservation Pricing**

The District is in preliminary stages of establishing a pricing schedule to promote water conservation and as such has yet to determine stepping points. Also being considered at the time is a rate structure that includes a different schedule for agricultural, industrial and domestic uses.

- **Wholesale Agency Programs**

All the programs with which the District participates are administrated by the Water Authority and in some instances by Metropolitan. Therefore, this section is a summary of programs offered by the Water Authority. Other programs can be found in the Water Authority 2015 UWMP Section 3 Demand Management.

- **Water Conservation Coordinator**

The District has a water conservation coordinator and works with the Water Authority staff to coordinate water conservation related issues.

- **Water Waste Prohibition**

For most arid regions with limited water supply, water waste prohibition is an innate concept well understood and readily practiced. However, that was not the case in Southern California with the abundant imported water from Colorado River, the area residents created water intense lush landscapes. With the increasing demand for water in the region, local governments and water districts created regulations to regulate water conservation. The District adopted Ordinance No. 15-08, Drought Response Conservation Ordinance to promote water conservation and create an emergency water management program. The ordinance states that no customer shall waste or use District provided water unreasonably regardless of the conservation stage of a given time.

- **Residential Ultra-Low Flush Toilet Replacement Programs**

The Water Authority implemented a financial incentive program for water conserving devices from 1991 to 2008. Vouchers were used to encourage replacement of water wasting devices to high efficient devices. The program replaced over 500,000 water-efficient toilets and other devices. In 2008, the Water Authority transitioned over to the regional SoCal WaterSmart rebate program.

- **20 Gallon Challenge**

Increased conservation is essential for residents, business and public agencies due to historic dry conditions and reduced water deliveries from the State Water Project. The Water Authority has developed a conservation campaign to increase the conservation methods called the 20 Gallon Challenge. The 20 Gallon Challenge is region wide, and promotes voluntary water conservation by pledging to save 20 gallons per person, per day to save water now to allow for water in storage for the coming years.

- **Determination of Demand Management Measures Implementation**

Demand Management Measures (DMM) are determined through the evaluation of applications for loans and grants to the Department of Water Resource to implement DMM's identified in Section 6. The District is a signatory to the CWUCC MOU and a participating member of the Water Authority and Metropolitan's programs.

Conservation Management

Drought Management Planning is practiced by the District through its rules, regulations and Ordinances in cooperation with regional efforts by the San Diego County Water Authority.

References

Rainbow Municipal Water District (June 2016) *2015 Urban Water Management Plan*

San Diego County Water Authority (June 2016) *2015 Urban Water Management Plan*

BOARD OF DIRECTORS

December 5, 2017

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE A TIME EXTENSION FOR THE AGREEMENT TO ACKNOWLEDGE AND DEFER SEWER CONNECTION FEE CHARGES BETWEEN RAINBOW MUNICIPAL WATER DISTRICT AND BEAZER HOMES HOLDING CORPORATION.
PALA MESA HIGHLANDS, TM 5187-1

BACKGROUND

Pala Mesa Highlands is a development located on Old Highway 395, consisting of 124 lots, which is currently under construction. The developer and District entered into a number of Agreements regarding sewer connection fees, paid capacity fees (sewer service charges), and EDU allocations dating back to April 14, 1999. On December 14, 2015, the District and Beazer Homes entered into an Agreement to Acknowledge and Defer Sewer Connection Fee Charges (Agreement, attached). The credit for paid sewer service charges of \$965,007, then representing 55 EDU's of capacity identified in Item 1.) of the Agreement expires two years from the date of commencement, or December 14, 2017. Item 2.) of the Agreement deferred payment of outstanding sewer connection fees necessary to bring all sewer fees current, per (previous) Administrative Code sections 9.04.060.3 and 9.05.170.3, until building permits are issued or the Deferral Agreement expires, whichever occurs first.

DESCRIPTION

The sewer service charges of \$965,007 were accepted and confirmed by the submittal of an old Sewer Permit Application dated December 19, 2013, later memorialized in the December 14, 2015 Agreement. The Developer recently requested a time extension of the Agreement, which both Developer and Staff believed could be accomplished by completing and signing a new Sewer Permit Application and Board approval. However, the application procedure has been revised in the Administrative Code for small (5 parcels or less) and large (subdivisions) developments. Subdivisions now require a Sewer Service Agreement.

Because of the time constraints involved in preparation, review and approval of the Sewer Service Agreement and the expiration date of December 14, 2017, Staff and Counsel believe that Board approval of a time extension of the Agreement would provide the appropriate approval documentation, per Section 4. Term of said Agreement. The time extension would be for a period of six months, within which time a new Sewer Service Agreement would be prepared, reviewed and brought to the Board for approval.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Four: Fiscal Responsibility. One of the main purposes of extending the deferment and preparing a new Sewer Service Agreement for the development is to ensure the developer pays an appropriate amount to buy into the existing facilities that will be used by future home owners and contribute an equitable share of the capital costs required to increase capacity in the sewer system.

Strategic Focus Area Five: Customer Service. Utilizing the sewer service agreement with the developer is important in serving both our current and future customers. These agreements ensure that the future customers in the development have access to reliable sewer service. Also, agreements protect the services currently provided to existing customers by ensuring developers contribute the necessary infrastructure to handle their added demands.

BOARD OPTIONS/FISCAL IMPACTS

If the time extension is approved, the District will honor the \$965,007 in sewer connection fees previously paid amounting to the current conversion of that dollar amount to EDUs of sewer capacity for a period of six months, within which time a Sewer Service Agreement, per current Administrative Code, shall be prepared and brought before the Board for approval consideration.

- 1) Approve a six month extension to the Agreement to Acknowledge and Defer Sewer Connection Fee Charges Between Rainbow Municipal Water District and Beazer Homes Holding Corporation for Pala Mesa Highlands, TM 5187-1 and direct Staff to prepare a Sewer Service Agreement, including said fee payment acknowledgement, for subsequent Board consideration.

- 2) Provide other direction to the staff.

STAFF RECOMMENDATION

Staff Recommends Option 1



Michael Powers, P.E.
Interim Engineering Manager

12/05/2017

**AGREEMENT TO ACKNOWLEDGE AND DEFER SEWER CONNECTION FEE CHARGES
BETWEEN RAINBOW MUNICIPAL WATER DISTRICT
AND BEAZER HOMES HOLDING CORPORATION**

PROJECT: PALA MESA HIGHLANDS, TM 5187-1

This Agreement to Acknowledge and Defer Sewer Connection Fee Charges ("Deferral Agreement") is made and entered into this 14 day of DECEMBER, 2015 ("Commencement Date") by and between the RAINBOW MUNICIPAL WATER DISTRICT, a municipal water district, hereinafter referred to as "District", and BEAZER HOMES HOLDING CORPORATION, hereinafter referred to as "Developer", collectively referred to hereinafter as the "Parties".

RECITALS

- A. The Pala Mesa Highlands development consists of 124 lots located on Old Highway 395 and Pala Mesa Drive in Fallbrook, in the County of San Diego, State of California, identified as Assessor's Parcel Number(s) 125-050-53 and 125-050-59, and which lies within the jurisdictional service area of the District ("Pala Mesa").
- B. On April 14, 1999, the District and Pala Mesa LLC entered into an Agreement Consenting to Sewer Connection Fee Charges and the Reimbursement of Charges in Excess of Actual Project Costs in connection with the Pala Mesa development ("Agreement"), a true and correct copy of which is attached hereto as Exhibit A. By the Agreement, Pala Mesa LLC agreed to pay the District \$1,331,200 for a Sewer Availability Letter for 200 Equivalent Dwelling Units ("EDUs") and to join the District's Sewer Allocation Plan, which required that Pala Mesa LLC use the EDUs during an allocation plan year or the EDUs would be forfeited.
- C. On August 27, 2003, the District and Developer, as the assignee of Pala Mesa's rights concerning the Property and as the legal owner of the Property, entered into an Amendment to Agreement ("First Amended Agreement"), a true and correct copy of which is attached hereto as Exhibit B. By the First Amended Agreement, the District acknowledged the allocation of 200 EDUs to Developer, although the rights to those EDUs had expired and had been forfeited under the original Agreement. In exchange, Developer agreed to pay the full amount of then-current sewer connection fees for each EDU used prior to connection. Developer further agreed to irrevocably tender to District 55 EDUs subject to reimbursement by the District. Developer's rights to EDUs and to reimbursement under the First Amended Agreement expired on January 1, 2008, and all related sewer connection fees were forfeited at that time.
- D. On December 19, 2013, Developer submitted to the District a Sewer Permit Application ("Application"), a true and correct copy of which is attached hereto as Exhibit C. The Application seeks to confirm that Developer had previously paid \$965,007 for a total of 55 EDUs of sewer capacity expired on January 1, 2008, and were not renewed or otherwise extended. However, Developer has paid unconnected fees to ensure that sewer service is immediately available to Pala Mesa.
- E. District Administrative Code sections 9.04.060.3 and 9.05.170.3, require that Developer bring current all sewer connection fees for Pala Mesa by payment of the difference between fees originally paid and the now current fee rates, as a condition of the District's service commitment.
- F. Developer acknowledges that under First Amended Agreement, EDUs allocated to it were to have been used by January 1, 2008, or would be forfeited, and that the EDUs were not used, nor was

any extension obtained prior to the date of expiration. Developer further acknowledges that the District has no obligation to either credit Developer for expired EDUs or to defer payment for outstanding EDUs until the time when building permits are issued by the County of San Diego.

- G. District acknowledges that standard industry practice provides for payment of all outstanding sewer charges for a development at the time building permits are issued, and not before. District further acknowledges that it currently has sufficient capacity to serve Pala Mesa and that it is in the best interests of the District for this development to occur.

AGREEMENT

NOW THEREFORE, in consideration of these recitals and the mutual covenants contained herein, the District and Developer hereby enter into this Deferral Agreement subject to the following terms and conditions:

1. Credit of Sewer Service Charges. District hereby honors \$965,007 in sewer service charges previously paid and amounting to a total of 55 EDUs of sewer capacity in connection with Pala Mesa that have otherwise expired, and to credit Developer with the same. This credit will expire two (2) years from the Commencement Date and will not be credited as amounts previously paid if sewer connection fees are not brought current within two (2) years of the Commencement Date.
2. Deferral of Payment. District hereby defers Developer's payment of outstanding sewer connection fees necessary to bring current all sewer fees for Pala Mesa, as required by District Administrative Code sections 9.04.060.3 and 9.05.170.3, up to and until building permits for Pala Mesa are issued by the County of San Diego, or until this Deferral Agreement expires, whichever occurs first.
3. Developer's Obligations.
 - a. Developer agrees to hold District harmless from any and all claims demands, actions, damages, costs, expenses, compensation, causes of action and rights, in law or in equity, in the nature of an administrative procedure or otherwise (known, unknown, contingent, accrued, inchoate or otherwise) that Developer may have against the District relating to, arising from and/or pertaining in any way to the payments made to the District for sewer service fees relating to Pala Mesa.
 - b. Developer agrees to waive any rights it may have against the District under Articles XIII C and XIII D of the California Constitution ("Proposition 218") by executing the Waiver of Proposition 218, attached hereto as Exhibit D.
 - c. Developer further agrees to pay the District the full amount of sewer fees required by the District to serve Pala Mesa, at the rates then in existence, at the time building permits are issued by the County of San Diego and prior to connecting to the sewer system, unless the District seeks payment after this Deferral Agreement expires but before permits are issued as provided for herein.
4. Term. This Agreement shall terminate two years from the Commencement Date or at the time the County of San Diego approves building permits for Pala Mesa, whichever occurs first, unless extended in writing by the District. Upon termination of this Agreement, the obligation of District to Developer shall cease and terminate, any EDU credits provided for herein will expire and District may elect to collect any sewer service payments deferred by this Agreement.

5. Subject to Approval. This Deferral Agreement is subject to the approval of the District Board of Directors, and District shall not be bound to any terms of this Deferral Agreement absent such approval. As a condition precedent to the Deferral Agreement, the Parties will obtain any and all resolutions, approvals, and/or other actions necessary for the adoption and approval of the provisions of this agreement and shall provide the other party with copies of such resolutions, approvals and/or actions upon request.
6. Non-Assignment. This Deferral Agreement shall not be assigned or transferred, nor shall any of Developer's rights hereunder be delegated or subcontracted, without the express written consent of District. Any attempt to assign or delegate this Deferral Agreement without the express written consent of District shall be void and of no force or effect. Consent by District to one assignment shall not be deemed to be consent to any subsequent assignment.
7. 1542 Waiver. The Parties hereby expressly waive all rights against the other which may exist under California Civil Code section 1542 and/or any similar state or federal law. California Civil Code section 1542 provides as follows:

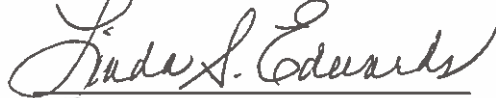
A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.
8. Scope. This Deferral Agreement shall not exempt or relieve Developer from the payment of such other fees and charges as may be established by District, in accordance with the District's Rules and Regulations, for water service to Pala Mesa, including the standard capacity and usage fees as well as other fees of District.
9. Entire Agreement. This Deferral Agreement represents the entire understanding of the Parties as to those matters contained in it, and supersedes and cancels any prior oral or written understandings, promises or representations with respect to those matters covered in it. This Deferral Agreement may not be modified or altered except in writing signed by both Parties.
10. No Third Party Beneficiaries. Nothing in this Deferral Agreement shall confer any rights upon any person or entity which is not a party to this Deferral Agreement.
11. Admissions. It is understood that this Deferral Agreement constitutes a compromise between the Parties, and that the rights and obligations provided for herein shall not be construed as an admission of liability on the part of either Party.
12. Jurisdiction/Venue. This Deferral Agreement shall be governed by and construed in accordance with the substantive laws of the State of California, and any action to enforce this agreement must be brought in the County of San Diego, State of California.
13. Severability. In the event any one of the provisions of this Deferral Agreement shall for any reason be held invalid, illegal or unenforceable, the remaining provisions of this Deferral Agreement shall be unimpaired, and the invalid, illegal or unenforceable provision(s) shall be replaced by a mutually acceptable provision, which being valid, legal and enforceable, comes closest to the intention of the Parties underlying the invalid, illegal or unenforceable provision.
14. Waiver. No covenant, term or condition of this Deferral Agreement shall be deemed to be waived by any Party unless such waiver is in writing and executed by the Party making the

waiver. No waiver of any breach of any of the terms, covenants or conditions of this Deferral Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, covenant or condition contained herein.

15. Modification. This Deferral Agreement may only be modified by an agreement in writing signed by both Parties hereto.

BY SIGNING BELOW, THE UNDERSIGNED WARRANT THEY HAVE READ, UNDERSTAND AND AGREE TO THE TERMS OF THIS AGREEMENT AND HAVE AUTHORITY TO ENTER INTO THIS AGREEMENT.

BEAZER HOMES HOLDING CORP.



Linda S. Edwards, V.P. Area Manager

Date: 12/14/15

RAINBOW MUNICIPAL WATER DISTRICT



Tom Kennedy, General Manager

Date: 12/17/15

ACKNOWLEDGMENT

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.

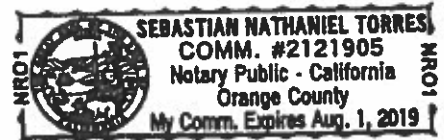
State of California

County of Orange} ss.

On December 14, 2015 before me, Sebastian Nathaniel Torres, Notary Public, personally appeared Linda S. Edwards, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person 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 
Sebastian Nathaniel Torres, Notary Public, # 2121905
(My Commission Expires Aug. 1, 2019)

(seal)

EXHIBIT A

Agreement with Pala Mesa LLC dated April 14, 1999

RAINBOW MUNICIPAL WATER DISTRICT

AGREEMENT CONSENTING TO SEWER CONNECTION FEE CHARGES AND THE REIMBURSEMENT OF CHARGES IN EXCESS OF ACTUAL PROJECT COSTS

This Agreement Consenting to Sewer Connection Fee Charges and the Reimbursement of Charges in Excess of Actual Project Costs, Reimbursement Agreement (Agreement) is made and entered into this 14th day of April, 1999 by and between Rainbow Municipal Water District ("District") and Pala Mesa LLC, a California limited liability company, ("Permittee"), referred to individually as "Party" and collectively as "Parties."

RECITALS

- A. Permittee is the legal owner of real property located in Fallbrook, in San Diego County, State of California, which real property lies within the jurisdictional service area of the District, identified as Assessor's Parcel Number(s) 125-050-53 and 59 ("the Real Property"), more particularly described in the document attached hereto as Exhibit A and incorporated by reference.
- B. In connection with the development plans for the Real Property, on or about April 14, 1999 Permittee paid the District the amount of \$1,331,200. for a Sewer Availability Letter for 200 EDUs.
- C. Permittee wishes to proceed with development rights of the Real Property, and in order to do so must have sewer connection rights issued from the District. The District has existing capacity for the issuance of approximately 1127 equivalent dwelling units ("EDU's"), with the potential for approximately 400 additional EDU's becoming available in the event that an on-site treatment facility is reactivated. Potential development within the District's service area includes projects that will cumulatively require capacity in excess of existing capacity. As a result, the District has imposed a temporary stay on the issuance of sewer permits and sewer availability letters.
- D. A planned upgrade and expansion of the City of Oceanside San Luis Rey Wastewater Treatment Facility and selected portions of the collection systems of the City of Oceanside and the District ("the Project") is expected to provide an additional 2,000 EDU's of treatment and collection facilities for the District. Said project is expected to be completed by or before December 31, 2001. The District believes that this additional capacity will provide the capacity to serve the current General Plan land uses for its service area.
- E. In order to finance the costs of "the Project", District has established a sewer permit and connection fee which has been formulated to adequately fund the Permittee's estimated fair share of the project costs as set forth in Exhibit "B", Statement of Estimated Project Costs ("Statement") and Exhibit "C" ("Board Action"), and an Allocation Plan, Exhibit "D", which Exhibits are attached hereto and incorporated by reference.

F. Permittee has examined, understands, and consents to the Statement of Estimated Project Cost (Exhibit "B"), and the Allocation Plan. Permittee agrees that the project costs and the allocation plan are reasonable, necessary, and constitute the most viable alternative for lifting the temporary stay, and providing the required treatment and collection facilities and the financing thereof.

G. Permittee acknowledges that this agreement is entered into voluntarily and with full knowledge and understanding and with the consent and concurrence of Permittee. In witness hereof, Permittee waives any and all legal right to protest, contest, or otherwise object to the Project, the project cost, and or the establishment of the connection fee.

H. In consideration for the issuance of a Sewer Availability Letter for the Real Property, which will allow Permittee to proceed with the development of their property in advance of the completion of "the project", permittee is willing to pay the "sewer connection fee" and the additional amount established by the District to facilitate the financing, upgrade, and expansion of the facilities comprising "the Project".

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, the District and the Permittee agree as follows:

AGREEMENT

1. Warranties. The foregoing recitals are true and correct. The undersigned, for themselves and the Party on whose behalf they execute this Agreement, warrant and represent that they have full power and authority to bind said Party to the obligations and benefits set forth in this Agreement.
2. Term. This Agreement shall become effective on the date of mutual execution by the Parties, and shall terminate on the earlier of the date of the 10th anniversary of the completion of "the Project", or on the date that Permittee has been fully reimbursed by the District for the pro rata share per EDU of the amount due following completion of "the Project" and final accounting of the project cost, as set forth in Section 4, below.
3. Allocated EDU's. In order to permit owners of real property within its service area to proceed in advance of the Oceanside Expansion ("the Project"), the District has allocated its existing unused sewer capacity ("Allocated EDU's") to qualified owners and permittees ("Allocation Group") as set forth in the Statement of Estimated Project Costs ("Statement of Estimated Project Costs") of an Allocation Plan ("Allocation Plan") adopted and approved by the District on November 18, 1998 pursuant to Resolution No. 98-24, attached hereto as Exhibit B and incorporated by reference.

To District: Rainbow Municipal Water District
Attn: General Manager
3707 Old Highway 395
P.O. Box 2500
Fallbrook, California 92088-2500
Telephone: (760) 728-1178
Facsimile: (760) 728-2575

With a Copy to: Robert H. James, General Counsel
Sachse, James, and Lopardo
205 W. Alvarado Street
Fallbrook, California 92028
Telephone: (760) 728-1154
Facsimile: (760) 728-9648

To Permittee: Pala Mesa, LLC
c/o Hover Development Company, Inc.
3501 Jamboree Road, Suite 2000
Newport Beach, California 92660
Telephone: (949) 725-9554
Facsimile: (949) 725-9450

With a Copy to: Kent G. Snyder
Law Offices of Kent G. Snyder
2212 Dupont Drive, Suite U
Irvine, California 92612
Telephone: (949) 833-9078

Any party may change its address by notice to the others as provided herein. Notices shall be deemed effective when delivered if personally served or if sent by mail. If served or sent by facsimile or telecopier, notices shall be deemed effective on the business day such notices are sent, or if received after 5:00 p.m., then on the next day.

8. Defense Costs on Third Party Challenge. In the event of a third party challenge to the Project, including the financing, design and / or construction thereof by the City of Oceanside and or the Rainbow Municipal Water District, this Agreement, the Allocation Plan, the Waiver of Proposition 218 Notice and Hearing, The Statement of Estimated Project Costs, or the implementation and or administration of any of the foregoing, the District shall pay defense costs as a cost of the Project, and may make calls on Letters of Credit or other security therefore. Notwithstanding the above, litigation regarding rate setting by the Rainbow Municipal Water District is not a Project cost.
9. Assignment. This Agreement, and the reimbursement obligation owing by the District to the Permittee, shall be freely assignable and transferable by Permittee upon written notice to the District, but shall not require the consent of the District. Any such assignment or transfer by Permittee shall not affect Permittee's position on the Reimbursement Priority List.

10. **Agreement Controlling.** With respect to the District's allocation of EDU's to Permittee and the District's reimbursement obligation to Permittee as described herein, in the event of any conflict or ambiguity between this Agreement, the Reimbursement Priority List, the Allocation Plan or any related approvals or documents, this Agreement shall control as between the Parties.
11. **Governing Law/Venue.** The interpretation, validity and enforcement of this Agreement shall be governed by and construed under the laws of the State of California, and appropriate venue for any action brought to enforce or declare its terms shall be brought in the appropriate federal or state court in or nearest to the North County Judicial District, County of San Diego.
12. **Severability.** Should any provision herein be found or deemed to be invalid or contravenes California law, such provision shall be deemed not a part of this Agreement and shall not affect the validity or enforceability of the remaining provisions.
13. **Modification.** This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the Parties hereto or their respective successors-in-interest. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and assigns.
14. **Attorneys' Fees and Costs.** In the event any legal action or proceeding is commenced to interpret or enforce the terms of, or obligations arising out of, this Agreement, including mediation or arbitration, or to recover damages for the breach thereof, the Party prevailing in any such action or proceeding shall be entitled to recover from the non-prevailing Party all reasonable attorneys' fees, costs and expenses incurred by such prevailing Party.
15. **Further Assurances.** The Parties covenant and agree that they will execute such other and further documents and instruments as or may become necessary or convenient to effectuate and carry out this Agreement.
16. **Headings.** The headings contained in this Agreement have been inserted for convenience only and in no way define or limit the scope or interpretation of this Agreement.
17. **General Understandings.** The Parties acknowledge that each Party hereto has reviewed this Agreement and has had an opportunity to consult legal counsel, and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments hereto.
18. **Exhibits.** Exhibits A through D, inclusive, are incorporated herein by reference.
19. **Recordation of Agreement.** The Clerk of the District shall cause a copy of this Reimbursement Agreement to be recorded with the Office of the Recorder of San Diego County, California within ten (10) days following the execution of this Reimbursement Agreement.

IN WITNESS WHEREOF, the Parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained and have caused this Agreement to be executed on the date first set forth above.

DISTRICT: RAINBOW MUNICIPAL WATER DISTRICT, a local Public Agency organized in accordance with the Municipal Water District Law of 1911

By: Eric J. Oltmann
Eric J. Oltmann, General Manager

PERMITTEE: Pala Mesa, LLC, a California limited liability company
c/o Hover Development Company, Inc.
3501 Jamboree Road, Suite 2000
Newport Beach, California 92660

By: Tom Hover
Tom Hover, President

State of California
County of San Diego

On this date, 14 April 1999 before me, Sharon L. Conklin, personally appeared Eric J. Oltmann, or personally known to me (or proven to me on the bases of satisfactory evidence) to be the person(s) whose name(s) is(are) subscribed to the within instrument, and acknowledged that he/she/they executed the same in his/her/their authorized capacity(ies), and that by her/her/their signature(s) on the instrument the person(s), on the entity upon behalf of which the person(s) acted, executed the instrument,

WITNESS my hand and official seal.

Sharon L. Conklin
Notary's Signature



**RAINBOW MUNICIPAL WATER DISTRICT
EXHIBIT "A"**

DESCRIPTION OF PROPERTY

Property Owner: Pala Mesa, LLC. a California limited liability company
c/o Hover Development Company, Inc.

Owner's Address: 3501 Jamboree Road, Suite 2000
Newport Beach, California 92660

Property Description: A 65.18 acre parcel and an adjoining 18.72 acre parcel
for a total of 83.90 acres for single family residential
development.

Location of Property: Old Highway 395 and Pala Mesa Drive.

APN: 125-050-53 and 59

EXHIBIT "A"

RAINBOW MUNICIPAL WATER DISTRICT EXHIBIT "A"

DESCRIPTION OF PROPERTY

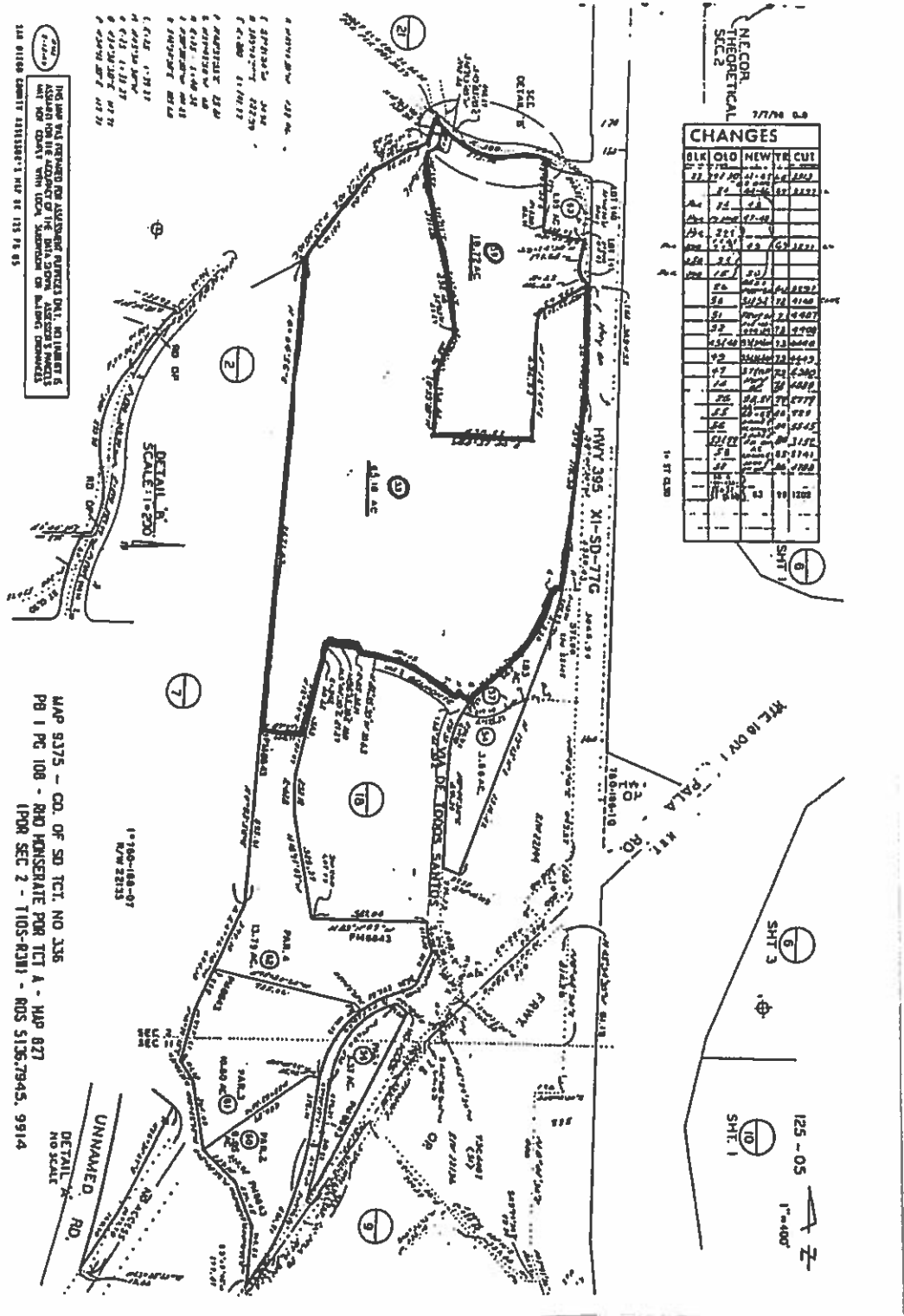


EXHIBIT "A" attachment -pg. _____

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N.E.COR. THEORETICAL SEC. 2

RS 9-0727

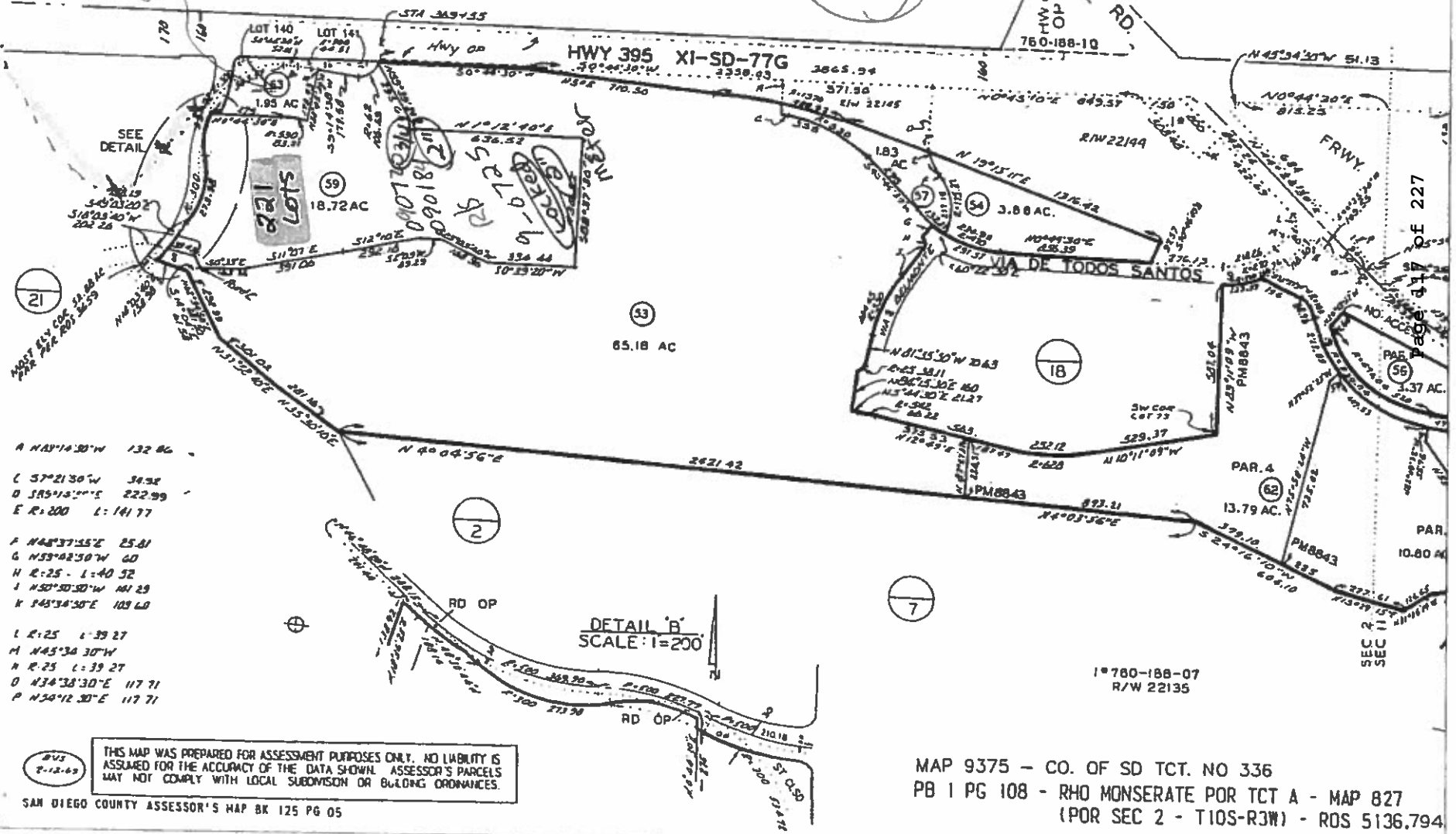
SHT 1

SHT 3

9-1

1° ST CLSD

RTE. 18 DIV 1 PALA HWY. RD. 760-188-10



- A N45°14'30"W 132.86
- C S7°21'30"W 34.58
- D S85°13'20"E 222.99
- E R. 200 L: 141.77
- F N48°37'55"E 25.41
- G N53°02'30"W 60
- H R. 25 L: 40.52
- I N50°50'30"W 141.29
- K N45°34'30"E 103.60
- L R. 25 L: 39.27
- M N45°34'30"W
- N R. 25 L: 39.27
- O N34°38'30"E 117.71
- P N34°42'30"E 117.71

DETAIL 'B' SCALE: 1=200

1° 760-188-07 R/W 22135

THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL SUBDIVISION OR BUILDING ORDINANCES.

8/15 7-12-69

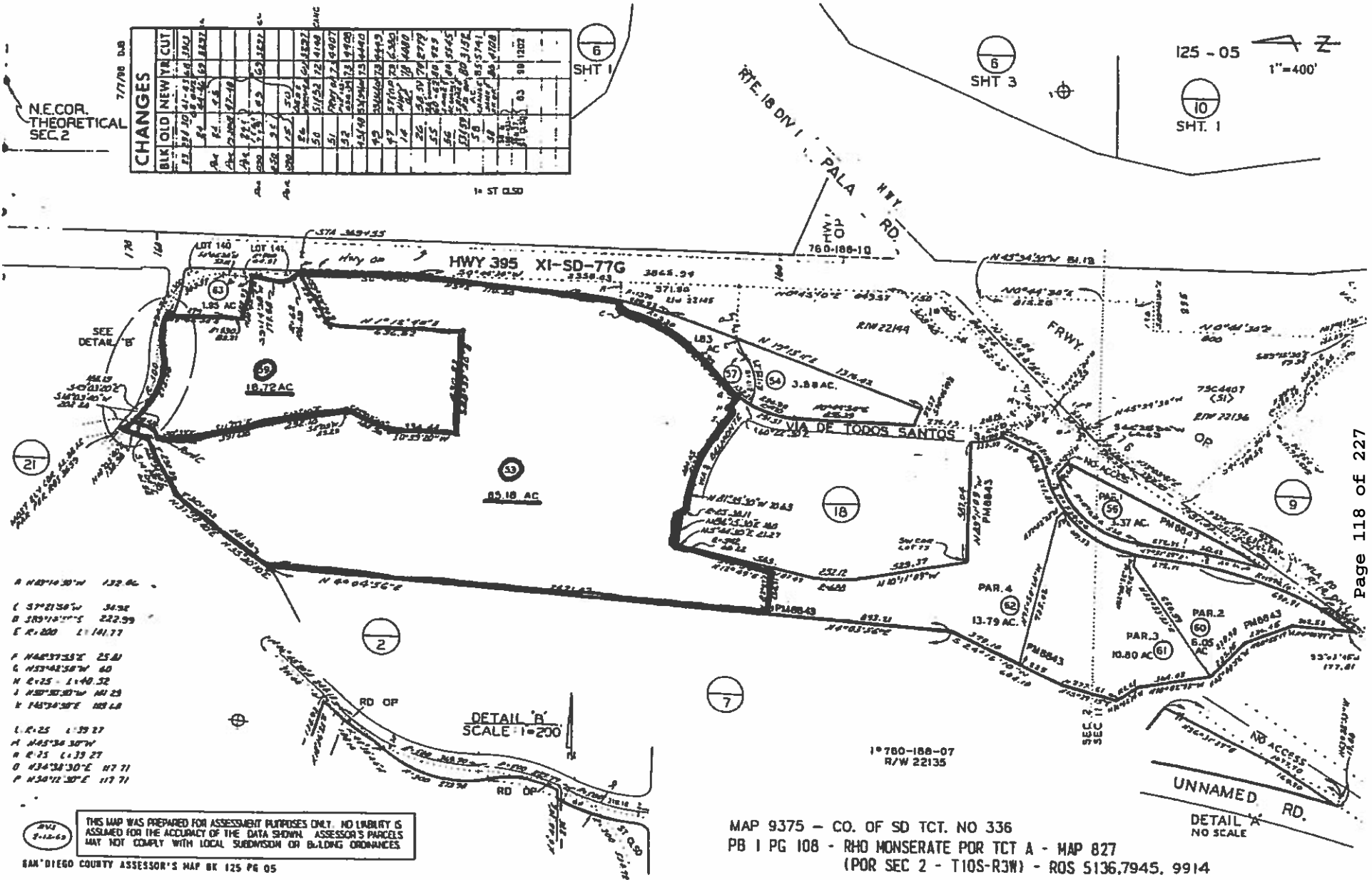
SAN DIEGO COUNTY ASSESSOR'S MAP BK 125 PG 05

MAP 9375 - CO. OF SD TCT. NO 336
 PB 1 PG 108 - RHO MONSERATE POR TCT A - MAP 827
 (POR SEC 2 - T10S-R3W) - ROS 5136.794

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N.E. COR. THEORETICAL SEC. 2

125 - 05
1"=400'
SHT. 1



- A N 40°14'30"W 132.96
- C S 7°21'30"W 34.98
- B S 8°14'10"W 222.99
- E R. 200 1'141.77
- F N 45°37'33"E 25.81
- G N 53°42'58"W 60
- H R 25 1'141.52
- J N 30°50'30"W 141.23
- K N 45°34'58"E 103.68
- L R 25 1'139.27
- M N 45°34'30"W
- N R 25 1'139.27
- O N 34°38'30"E 117.71
- P N 34°12'30"E 117.71

DETAIL 'B'
SCALE 1"=200'

THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL SUBDIVISION OR BUILDING ORDINANCES.

SAN DIEGO COUNTY ASSESSOR'S MAP BK 125 PG 05

MAP 9375 - CO. OF SD TCT. NO 336
PB 1 PG 108 - RHO MONSERATE POR TCT A - MAP 827
(POR SEC 2 - T10S-R3W) - ROS 5136,7945, 9914

Page 118 of 227

**RAINBOW MUNICIPAL WATER DISTRICT
EXHIBIT "B"**

RAINBOW MUNICIPAL WATER DISTRICT

STATEMENT OF ESTIMATED PROJECT COSTS

***A STATEMENT OF THE ESTIMATED PROJECT COSTS
ATTRIBUTABLE TO THE DISTRICT'S PARTICIPATION IN THE CITY OF OCEANSIDE SAN
LUIS REY WASTEWATER TREATMENT PLANT UPGRADE AND CAPACITY EXPANSION;
INCLUDING THE RELATED COLLECTION FACILITIES OF THE CITY OF OCEANSIDE AND
THE RAINBOW MUNICIPAL WATER DISTRICT***

Description of Project

The terms of the agreement between the City of Oceanside and the Rainbow Municipal Water District for the treatment of wastewater obligates the District to participate in the rehabilitation of the San Luis Rey Wastewater Treatment facility and related collection facilities. The rehabilitation project is required to bring the treatment facilities into compliance with current regulations, to provide for the continued treatment of existing wastewater flow, and is necessary for the expansion of the treatment and collection facilities to provide the additional collection and treatment capacity required by the District.

The District currently has treatment capacity for one million gallons per day (1 MGD) or four thousand equivalent dwelling units (4,000 EDU's). The expansion portion of the project will add five hundred thousand gallons per day of additional treatment and collection capacity (500,000 GPD) or two thousand equivalent dwelling units (2,000 EDU's). The additional capacity will enable the District to provide necessary sewer services in compliance with the various Community Plans and the General Plan of the County of San Diego for those areas within the District boundaries.

The financing alternatives available to the District are limited, in part by District Ordinance No. 95-1, which was enacted on April 27, 1995 in response to a local initiative of the electorate. Ordinance No. 95-1 limits the indebtedness of the District to not more than one million dollars (\$1,000,000.) without the approval of a two-thirds (2/3)-majority vote of the District's electorate. The proposed financing of this project is a combination of funding by the District from existing revenues, paid by ratepayers already connected to the system; a one time surcharge on those holding sewer permits with capacity rights in the system that have heretofore not paid their fair share of the operation, maintenance, and capital replacement costs of the system; and, through the payment of capital facility fees to be paid by those desiring sewer connection permits.

There will be no increase in the monthly sewer charge for existing customers to finance this project. The cost of the additional collection and treatment capacity will be borne solely by persons desiring to connect to the system through the payment of sewer connection fees. Due to the inability of the District to readily borrow funds that could be repaid by new connection fees; it is necessary to require those desiring to connect to the system to advance funds in addition to the basic sewer connection fee to pay for the construction of the facilities required to serve their property. Funds that are advanced in addition to the sewer connection fee will be reimbursed following the completion of the project and an accounting of the actual cost of design and construction. It has been recommended that the Board of Directors call for a special election in 1999 to place a revenue bond issue before the voters. The revenue bond issue would be of sufficient size to pay for the cost of the rehabilitation and expansion of the wastewater treatment and collection system. If approved by a 2/3 majority of the voters, funds advanced in addition to the sewer connection fee could be reimbursed earlier.

These financial methods are necessary because the City of Oceanside cannot advance funds on behalf of the Rainbow Municipal Water District. The District must have the funds ready and available at the commencement of the design and the construction of the project facilities.

**RAINBOW MUNICIPAL WATER DISTRICT
EXHIBIT "B"**

Summary - Schedule of Estimated Project Costs

<u>Facility</u>	<u>RMWD Cost</u>	<u>Rehab. Costs</u>	<u>New Capacity</u>
San Luis Rey WWTP	\$2,937,926.	\$1,345,397.	\$1,592,529.
North Valley PS/FM	\$ 363,102.	\$ 164,251.	\$ 198,851.
San Luis Rey Land Outfall	\$ 750,000.	\$ 0.	\$ 750,000.
Trunk Swr. Stallion to Oceanside	\$2,149,698.	\$ 0.	\$2,149,698.
Swr. Trunk System, RMWD	\$3,225,000.	\$1,260,000.	\$1,965,000.
Subtotal	\$9,425,725.	\$2,769,648.	\$6,656,077.
RMWD Contingency (5%)	\$ 471,286.	\$ 138,482.	\$ 333,804.
RMWD Eng./Lgl./Adm. (10%)	\$ 942,573	\$ 276,965.	\$ 665,608.
RMWD Constr. Mgmt. (10%)	\$ 942,573	\$ 276,965.	\$ 665,608.
Grand Total	\$11,782,157.	\$3,462,060.	\$8,320,097.
Say	<u>\$11,800,000.</u>	<u>\$3,462,000.</u>	<u>\$8,320,000.</u>

Rehabilitation Phase of Project - Cost and Benefit Allocation

<u>Connection Status</u>	<u>EDUs and GPD Calculations</u>	<u>Project Cost Allocation %</u>
Connected - In Use	2,872.59 EDUs / 718,148 GPD	2,872.59 / 6,000 EDUs = 47.88%
Paid in Full - Unconnected	1,296.37 EDUs / 324,093 GPD	1,296.37 / 6,000 EDUs = 21.61%
Over-sold - Connections ¹	(156.00 EDUs / (39,000 GPD)	(Incl. in Connected - In Use)
Commitment & Availability Ltrs	745.20 EDUs / 186,300 GPD	745.37 / 6,000 EDUs = 12.42%
Waiting List	485.00 EDUs / 121,250 GPD	485.00 / 6,000 EDUs = 8.08%
Future Connections	600.84 EDUs / 150,210 GPD	600.84 / 6,000 EDUs = 10.01%
Total Connections	6,000 EDUs / 1,500,000 GPD	6,000 / 6,000 EDUs = 100.00%

New Capacity Phase of Project - Cost and Benefit Allocation

<u>Connection Status</u>	<u>EDUs and GPD Calculation</u>	<u>Project Cost Allocation %</u>
Over-sold Connections	156.00 EDUs / 39,000 GPD	156.00 / 2,000 EDUs = 7.80%
Commitment & Availability Ltrs	745.20 EDUs / 186,300 GPD	745.20 / 2,000 EDUs = 37.26%
Waiting List	485.00 EDUs / 121,250 GPD	485.00 / 2,000 EDUs = 24.25%
Future Connections	600.84 EDUs / 150,210 GPD	600.84 / 2,000 EDUs = 30.04%
Deposit Adjustments ²	12.96 EDUs / 3,240 GPD	12.96 / 2,000 EDUs = 0.65%
Total Connections	2,000 EDUS / 500,000 GPD	2,000 / 2,000 EDUs =100.%

¹ The 156 over sold connections are included in the 2,872 "Connected - In Use" category.

² Adjustments for permits issued upon payment of \$5,000 deposit against full connection fee.

**RAINBOW MUNICIPAL WATER DISTRICT
EXHIBIT "B"**

Rehabilitation Phase - Calculation of Cost per EDU

Cost Distribution Formula: Rehabilitation Cost / Total EDU's = Cost per EDU
 Est. Rehabilitation Cost: \$3,462,000.
 Calculation: \$3,462,000. / 6,000 EDUs = \$577 per EDU

<u>Connection Status</u>	<u>Calculation of Cost</u>	<u>Source of Funding</u>
Connected -. In Use ³	2872 EDUs x \$577 = \$1,657,144.	Cost to be paid by District from previously collected monthly service charges
Paid in Full - Unconnected	1296 EDUs x \$577 = \$ 747,792.	Surcharge of \$577 per EDU to be paid by owner / developer as one time charge prior to actual connection.
Commitment & Availability Ltrs.	745.20 EDUs x \$577 = \$ 429980.	\$577 per EDU to be included in connection fee.
Waiting List	485.0 EDUs x \$577 = \$ 279,845.	\$577 per EDU to be included in connection fee.
Future Connections	600.84 EDUs x \$577 = \$346,685.	\$577 to be included in connection fee.
Total	6,000 EDU's x \$577. = \$3,462,000.	

New Capacity - Calculation of Cost per EDU

Cost Distribution Formula: New Capacity Cost / New Connections (EDUs) = Cost per EDU
 Est. New Capacity Cost: \$8,320,000.
 Calculation: \$8,320,000. / 2,000 New Connections (EDUs) = \$4,160 per EDU

New Capacity - Connection Fee Calculation and Application

Calculation of Connection Fee

Connection Fee Compilation:	New Capacity Cost + Share of Rehab Cost = Connection Fee.
Estimated New Capacity Cost	\$4,160. per EDU
Est. Share of Rehabilitation Cost	<u>\$ 577 per EDU</u>
Connection Fee	\$4,737 per EDU

³ "Over sold" included within the "Connected - In Use" category.

RAINBOW MUNICIPAL WATER DISTRICT
EXHIBIT "B"

Application of Fees

Oversold Connections.

Cost per EDU Connection = \$4,160.⁴ To be paid by District. 156 x \$4,160 = \$648,960.

Commitment & Availability Letters.

Cost per EDU Connection = \$4,737. To be paid at 1.41 x \$4,737 for a total of \$6,656 per EDU at time of permit issuance, as provided by allocation plan. Reimbursement agreement for amount in excess of \$4,737 per EDU.⁵
745.20 x \$6,656 = \$4,960,051.

Waiting List.

Cost per EDU Connection = \$4,737. To be paid at 1.41 x \$4,737 for a total of \$6,656 per EDU to receive Availability letter and/or permit, as provided by allocation plan. Reimbursement agreement for amount in excess of \$4,737 per EDU.⁶
485.00 x \$6,656 = \$3,228,160.

Future Connections.

Cost per EDU Connection = \$4,737. To be paid at 1.41 x \$4,737 for a total of \$6,656 per EDU to receive Availability letter and / or permit, as provided by allocation plan. Reimbursement agreement for amount in excess of \$4,737 per EDU.⁷
600.84 x \$6,656 = \$3,999,191.

Deposit Adjustments

Cost per EDU Connection = \$4,737. Deposit of \$5,000 made to District. Additional amount of \$1,656 will be required as provided by District rules and deposit agreement. Reimbursement agreement for amount in excess of \$4,737 per EDU.⁸
12.96 x \$1,656 = \$21,462.

⁵ \$4,737 represents the estimated reimbursement amount. The actual reimbursement will be based on the final project cost, to be determined following completion of the project. If the project costs are less than the estimated amount, the reimbursement will be greater. If the project cost is more than the estimate, the reimbursement will be less. In the event the voters approve a revenue bond measure, reimbursements could occur earlier.

⁶ See footnote 5 above

⁷ See footnote 5 above.

⁸ Actual number of deposits is 78. Those not included here have been included in the "Connected - in Use" category. All "depositors" will pay difference between \$5,000. and the \$6,656. connection fee.

**RAINBOW MUNICIPAL WATER DISTRICT
EXHIBIT "B"**

Financing of Project

As noted in the project description, the District does not have the ability to readily borrow funds to finance improvement. Ordinance No. 95-1 prohibits the District from borrowing in excess of \$1,000,000 without a 2/3 majority vote of the electorate. Although the Board of Directors has the option of scheduling a special election to seek voter approval, there is no guarantee that the required 2/3 majority vote of approval would be obtained. Therefore, in order to meet the design and construction schedule of the City of Oceanside and to provide relief to those requiring connections to the wastewater collection and treatment system, the only viable financing method to accomplish this public objective is through the advance payment of fees by persons desiring to connect to the sewage collection and treatment system of the District as permitted by law.

Persons desiring to connect to the system will be required to pay the established connection fee and advance a portion of the additional funding required to design and construct the project, subject to a reimbursement agreement. The Reimbursement Agreement will provide that the funds collected in excess of the connection fee will be reimbursed upon completion of the project, subject to a final accounting of the project costs, and subject to the availability of sufficient connection fee funds received by the District. The reimbursement of funds is not a general obligation or debt of the District. Reimbursements will be made only from connection fees deposited with the District by persons desiring to connect to the system. Reimbursements will be made only to the extent that such funds become available to permit repayment within the time specified by the agreement. Reimbursements cannot and will not be made from any other source of District funding, with the exception of Revenue Bond funds, if and when such funds become available.

Connection fee revenue will be held in a special District account and reserved for paying the costs of the project. The General Manager of the District will provide the Board of Directors with a monthly report of revenue and expenditures from this fund. Said report shall be made readily available to the general public. Upon completion of the project and a final accounting of the costs, the District will reimburse persons for their pro rata share of the funds advanced in excess of the connection fee or the actual cost of the project. Reimbursements will be made on a "first in, first out" basis. All such reimbursements shall, however, be subject to the availability of connection fee funds available for this purpose.

Permit Issuance Subject to Allocation Plan and Reimbursement Agreements

All new sewer connection will be subject to the Rainbow Municipal Water District Allocation Plan for the Issuance of Sewer Permits, Commitment Letters, and Availability Letters. No permits, commitment letters or availability letters will be issued except as provided by the plan. The issuance of a sewer permits, commitment letters, or availability letters requires each person to pay the required fees and / or post the required letter of credit or other approved surety in addition to entering into the specified reimbursement and waiver agreements with the District. Copies of the Allocation Plan and the Reimbursement and Waiver Agreement are attached as Exhibits.

Additional Information Available

Additional information is available regarding the schedule for the design, construction, and completion of the project improvements, as well as specific information regarding how to obtain a sewer permit, commitment letter, and / or availability letters. Such additional information may be obtained through either the Customer Service Division or the General Manager's Office.

**RAINBOW MUNICIPAL WATER DISTRICT
EXHIBIT "C"**

RESOLUTION NO. 98-24

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE RAINBOW MUNICIPAL WATER DISTRICT
ADOPTING AN ALLOCATION PLAN FOR THE ISSUANCE OF SEWER PERMITS,
COMMITMENT LETTERS AND AVAILABILITY LETTERS; AND APPROVING AN
AGREEMENT CONSENTING TO SEWER CONNECTION FEE CHARGES AND THE
REIMBURSEMENT OF CHARGES IN EXCESS OF ACTUAL PROJECT COSTS; A
THIRTY DAY NOTICE; A PROPOSITION 218 NOTICE, AND RESCINDING THE
TEMPORARY SEWER STAY**

WHEREAS, the Board of Directors of the Rainbow Municipal Water District has heretofore adopted Ordinance No. 98-06 revising and adopting new rules and regulations for the providing of sanitary sewer service within the District; and

WHEREAS, the Board of Directors of the Rainbow Municipal Water District has heretofore adopted Ordinance No. 98-07 establishing fees and charges for sanitary sewer service; and

WHEREAS, the Ordinance No. 98-06 directs the establishment of a plan for orderly development and issuance of sewer permits pending the expansion of the Oceanside Sewer Treatment Plant; and

WHEREAS, it is in the best interest of the District to establish rules, regulations and procedures, as well as forms for issuance of sewer permits, commitment letters, availability letters, to provide for financing of the Oceanside Sewer Plant expansion, provide for reimbursement of developer funds used to finance the Oceanside expansion in excess of actual costs, provide for public notice, provide for expediting procedures under Proposition 218 and rescinding a previously enacted Stay on the issuance of Sewer Permits, Commitment letters and Availability letters.

NOW, IT IS THEREFORE ORDERED AND RESOLVED:

1. An allocation plan for the issuance of sewer permits, commitment letters and availability letters is enacted, Exhibit "A" attached hereto and made a part hereof.
2. An agreement consenting to sewer connection fees charges, and the reimbursement of charges in excess of actual project costs is enacted as a method for payment of the Oceanside Sewer Plant expansion, Exhibit "B" attached hereto and made a part hereof.
3. A thirty-day notice to property owners of the availability of permits and a form

**RAINBOW MUNICIPAL WATER DISTRICT
EXHIBIT "C"**

therefore is approved, Exhibit "C" attached hereto and made a part hereof.

4. A method of expediting allocation of permits and financing of the Oceanside Sewer Plant Expansion Project by waiver of any notice and protest requirements under Proposition 218 is approved, Exhibit "D" attached hereto and made a part hereof.
5. The Board action of February 5, 1998, enacting a Stay on the issuance of Sewer Permits, Commitment letters and Availability letters as extended by Resolution No. 98-13 of July 14, 1998 and subsequent Board Actions is Rescinded hereby.


PASSED AND ADOPTED by the Board of Directors of the Rainbow Municipal Water District at its regular meeting of the Board held on the 18th day of November 1998, by the following vote:

AYES: Directors Baughman, Hatfield, Steere, Tomlinson
NOES: Directors Qualls
ABSTAIN: None
ABSENT: None



Joyce E. Tomlinson, President
Board of Directors

ATTEST:



Maxine F. Qualls, Secretary
Board of Directors

**RAINBOW MUNICIPAL WATER DISTRICT
EXHIBIT "D"**

RAINBOW MUNICIPAL WATER DISTRICT

**ALLOCATION PLAN FOR THE ISSUANCE
OF
SEWER PERMITS, COMMITMENT LETTERS AND AVAILABILITY LETTERS**

RECITALS

A. The District has existing capacity for the issuance of approximately 1,128 equivalent dwelling units ("EDUs"), with the potential for approximately 400 additional EDUs becoming available in the event that an on-site facility is reactivated. Potential development within the District's service area includes projects that will cumulatively require capacity in excess of its existing capacity. As a result, the District has imposed a temporary stay on the issuance of sewer permits and sewer availability letters.

B. A planned expansion of the Oceanside Sewage Treatment Plant is expected to generate an additional 2,000 EDUs for the District ("Oceanside Expansion"), and is further expected to be completed by or before December 31, 2002. The District believes that this additional capacity will serve its needs through the current General Plan build-out of its service area.

C. In order to allow development to proceed in advance of the completion of the Oceanside Expansion, to fairly allocate permits to property owners in the District, and to facilitate the financing of the Oceanside Expansion without incurring debt, the District will allocate sewer connection permits, commitment letters and availability letters in accordance with the terms and conditions set forth in this Plan.

PLAN

1. Year Groups. To permit owners of real property within its service area to proceed in advance of the Oceanside Expansion, the District will allocate its existing unused sewer capacity ("Allocated EDUs") of 1128 EDU to qualified applicants ("Allocation Group") in four separate groups ("Year Groups"):

Year 1:	11-1-1998	to	12-31-1999
Year 2:	1-1-2000	to	12-31-2000
Year 3:	1-1-2001	to	12-31-2001
Year 4:	1-1-2002	to	12-31-2002

2. Notice and Applications. The District shall initiate the allocation process by giving notice ("Notice") of its intent to allocate permits. The Notice shall give interested parties 30 days to submit an application to the District for an allocation of permits within one or more of the Year Groups. Applications shall be in such form as specified by the District General Manager.

**RAINBOW MUNICIPAL WATER DISTRICT
EXHIBIT "D"**

proportionately among Permittees. The General Manager has discretion not to make calls where it would be administratively burdensome to the District.

C. In determining an applicant's ability to use a permit in a requested Year Group, the District Manager shall consider, but not be limited to, such things as the property's General Plan Designation; zoning; parcel, tentative, or final map status; environmental status; availability of other utilities or development prerequisites; and state of entitlements.

5. Use of Allocation. Any allocated permit not used within the designated Year Group will be reallocated in accordance with the above priorities. Upon showing of good cause, at the discretion of the District Manager, any holder or an allocated EDU may receive a six-month grace period upon submission of a written request prior to the expiration of the allocation year. The General Manager shall reasonably consider, among other factors, the good faith of the initial applicant and any changed circumstances. Initial Applicants shall receive one twelve-month grace period per allocation upon submission of a written request prior to the expiration of the allocation year.

6. Monthly Service Charge. On July 14, 1998 RMWD imposed a monthly service charge applying to property owners who owned sewer permits, but which had not physically connected to the sewer system. This monthly charge will not be imposed upon property owners holding sewer connection rights unless they receive an allocation. Further, the monthly charge will only be imposed on the initial applicants at such time as they actually connect. If an allocated EDU is not used within an allocation year or any applicable grace period, the monthly charge will be imposed retroactively as of the first day of the allocation year. The holder of an allocated EDU may voluntarily relinquish the EDU by paying all monthly service charges, which would have accrued since the beginning of the allocation year for which the EDU was issued.

7. Sewer Commitment Letters. A sewer commitment letter will provide the applicant with an allocation to be used within a specified allocation period. Failure to obtain a sewer permit for the allocated period will result in the commitment being reallocated to a latter allocation period. Upon showing of good cause, at the discretion of the General Manager of the District, any holder of a commitment letter may receive a six month grace period to obtain sewer permits upon submission of a written request three month prior to the commencement of the sewer permit allocation period.

8. Sewer Availability Letters. A standard sewer availability letter will be provided to the applicant stating that the District reasonably expects the required sewer capacity to be available within the following five years from the date of issuance. The sewer availability letter is good for one year and must be renewed annually. It is not intended to, nor does it, guarantee the applicant the right to connect to the sewer system. It does satisfy the County of San Diego requirement for processing tentative tract and parcel maps that sewer facilities are reasonably expected to be available within the next five years.

EXHIBIT "E"

WAIVER OF PROPOSITION 218

NOTICE AND HEARING

WHEREAS, the Rainbow Municipal Water District has limited additional sewer capacity pending expansion of the Oceanside Treatment Plant and/or renovation of the District's on-site plant; and

WHEREAS, to permit interim orderly development within the District, the District has established a new capacity (sewer permit) charge and a surcharge for financing the above expansion, an Allocation Plan for the remaining sewer capacity, and a Reimbursement Plan to permittees who pay the surcharge, and in the event the District collects excess funds; and

WHEREAS, Article XIII C and XIII D of the California Constitution (Proposition 218) may apply to the District sewer permit fee and surcharge above; and

WHEREAS, Proposition 218 requires a public notice to property owners, a public hearing, and an opportunity to protest the above fees and surcharge; and

WHEREAS, the applicant desires to receive an immediate allocation under the District Allocation Plan, and dispense with the requirements of Proposition 218 in order to expedite and complete applicant's project;

IT IS THEREFORE AGREED:

1. Applicant hereby waives the above Notice, Hearing, and Protest requirements of Proposition 218.
2. Applicant is advised that a copy of Proposition 218 and its implementing legislation is available at the District office.
3. Applicant is advised to consult his own counsel prior to executing this waiver document.

Dated: 1/29/99


APPLICANT

COASTAL FARM'S REAL ESTATE
LLC.

From Parcel No.

125-050-53 & 59

(in Escrow)

EXHIBIT B

Amendment to Agreement with Beazer Homes dated August 27, 2003

DOC # 2003-1043599

AUG 27, 2003 9:04 AM

RECORDING REQUESTED BY:

WHEN RECORDED MAIL TO

Rainbow Municipal Water District
P.O. Box 2500
Fallbrook, California 92088-2500

NO FEE REQUIRED PER
GOVERNMENT CODE SECTION 6103

DEED TRANSFER TAX: \$ NONE
EXEMPT UNDER SEC. 1192 OF
REVENUE TAXATION CODE

OFFICIAL RECORDS
SAN DIEGO COUNTY RECORDER'S OFFICE
GREGORY J. SMITH, COUNTY RECORDER
FEES: 0.00

FS
12/20
NF

**AMENDMENT TO
AGREEMENT CONSENTING TO SEWER CONNECTION FEE CHARGES AND
THE REIMBURSEMENT OF CHARGES IN EXCESS OF ACTUAL PROJECT COSTS**

Agreement between Rainbow Municipal Water District and Beazer Homes Holding Corp.

**RAINBOW MUNICIPAL WATER DISTRICT
AMENDMENT TO
AGREEMENT CONSENTING TO SEWER CONNECTION FEE CHARGES AND
THE REIMBURSEMENT OF CHARGES IN EXCESS OF ACTUAL PROJECT COSTS**

This Amendment ("Amendment") to Agreement Consenting to Sewer Connection Fee Charges and the Reimbursement of Charges in Excess of Actual Project Costs, Reimbursement Agreement ("Agreement") is made and entered into this 18th day of August, 2003 by and between Rainbow Municipal Water District ("District") and Beazer Homes Holdings Corp. ("Permittee"), referred to individually as "Party" and collectively as "Parties."

RECITALS

A. Permittee is the legal owner of real property located in Fallbrook, in San Diego County, State of California, which real property lies within the jurisdictional service area of the District, identified as Assessor's Parcel Number(s) 125-050-53 and 125-050-59 ("the Real Property"), more particularly described in the document attached hereto as Exhibit A and incorporated by reference.

B. In connection with the development plans for the Real Property, on or about April 14, 1999, Permittee's predecessor in interest, Pala Mesa, LLC ("Pala") paid the District the amount of \$1,331,200, in the form of a letter of credit (the "Letter of Credit"), for a Sewer Availability Letter for 200 EDUs at \$6,656 per EDU pursuant to the Agreement entered into by Pala and the District dated April 14, 1999. *Original never received.*

C. Pala elected to proceed with development of the Real Property, and in order to do so secured sewer connection rights issued from the District by entering into a series of agreements in 1998. At that time, the District had existing capacity for the issuance of approximately 1127 equivalent dwelling units ("EDU's"), although potential development within the District's service area included projects requiring substantially more capacity. As a result, the District imposed a temporary stay on the issuance of sewer permits and sewer availability letters until an interim "pay-as-you-go" financing plan, developed in concert with the development community, which did not rely upon borrowing or taxation, was in place. Pala assigned its rights and obligations to Permittee in conjunction with the acquisition by Permittee of title to the Real Property on or about July 11, 2003.

D. A planned upgrade and expansion of the City of Oceanside San Luis Rey Wastewater Treatment Facility and selected portions of the collection systems of the City of Oceanside and the District ("the Project") is expected to provide an additional 2,000 EDU's of treatment and collection facilities for the District. Said project was expected to be completed by or before December 31, 2002. Although it is now expected that the Treatment Facility upgrade and expansion will be complete by December 31, 2004, other portions of "the Project" will not be complete by that date. The District still believes that the additional capacity provided by "the Project" will supply the capacity needed to serve the current General Plan land uses throughout its service area.

E. In order to finance the costs of "the Project", District established a sewer permit and connection fee, formulated to fund the Permittee's estimated fair share of the project costs. Since 1998, the District has determined that the estimates on which the fees were based were

substantially below the actual cost of funding "the Project". Consequently, the District has determined that no reimbursements will be payable under the Agreement.

F. Permittee acknowledges that under the Agreement, EDUs allocated to it were to have been used during an allocation plan year or be subject to forfeiture, and that the EDUs were neither used, nor was any extension of time requested prior to date of expiration of such rights.

G. In consideration for forbearance by the District in extinguishing its permit rights, and extending the life of the EDU allocation to Permittee through January 1, 2008 for the Real Property, which will allow Permittee to proceed with the development of their property in advance of the completion of "the Project", Permittee is willing to pay, upon connection, the then-current "sewer connection fee" and the additional amount established by the District to facilitate the financing, upgrade, and expansion of the facilities ("rehabilitation fee") comprising "the Project," and to deliver to District a cash payment of \$1,168,974.07 (the "Cash Prepayment") which is equal to the original amount, of the Letter of Credit less draws against the Letter of Credit by the District to date. The District will use the Cash Prepayment as needed to construct "the Project".

H. Permittee may also elect, under this Amendment, to irrevocably tender any portion of Permittee's EDU allocation to District for potential reallocation, thereby entitling Permittee to suspension of monthly service charges thereon and potential reimbursement of funds advanced, on terms and conditions set forth herein.

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, the District and the Permittee hereby amend the Agreement to provide as follows:

AGREEMENT

1. Warranties. The undersigned, for themselves and the Party on whose behalf they execute this Agreement, warrant and represent that they have full power and authority to bind said Party to the obligations and benefits set forth in this Amendment.
2. Term. This Amendment shall become effective on the date of mutual execution by the Parties, and shall terminate on the earlier of the date Permittee has connected and paid for all EDUs allocated under this Agreement or January 1, 2008.
3. Allocated EDU's. In order to permit owners of real property within its service area to proceed in advance of the Oceanside Expansion ("the Project"), in 1998 the District allocated its existing unused sewer capacity ("Allocated EDU's") to qualified owners and permittees ("Allocation Group") as set forth in the Statement of Estimated Project Costs ("Statement of Estimated Project Costs") of an Allocation Plan ("Allocation Plan") adopted and approved by the District on November 18, 1998 pursuant to Resolution No. 98-24. The District determined in May 2003 to honor those allocations, despite the failure of the owners and permittees to actually connect to the sewer system in accordance with their agreements, provided the permittees agreed to amend the Agreement.
4. Permittee EDU Allocation; Payment of Capacity Charges. District confirms its allocation of 200 EDU's to Permittee, to expire on January 1, 2008. Permittee agrees to pay, prior to

connection, for each EDU to be used, the full amount of the then-current "sewer connection fee" in the amounts established by the District as necessary to facilitate the financing, rehabilitation, upgrade, and expansion of the facilities comprising "the Project." Concurrent herewith, Permittee has deposited the Cash Prepayment with District. Permittee shall be entitled to full credit against the sewer connection fee due at the time of connection for the sum of \$1,331,200, representing the total of the Cash Prepayment and the draws made by the District against the Letter of Credit. At the time Permittee desires to obtain Building Permits for lots on the Real Property, Permittee shall pay to the District the difference between the current connection fee and \$6,656 per EDU.

5. Monthly Service Charges. The District established a monthly sewer service charge per unconnected EDU as an integral part of the Sewer Allocation Plan under Ordinance No. 98-04. District agreed to forego collection of such charges in exchange for an agreement deferring the use of allocated EDUs for a defined period. In the case of Permittee, that period has expired by 6 months or more. District believes it is entitled to collect these charges from Permittee. However, to resolve any dispute which may exist between the parties hereto, it is agreed that District shall not collect or attempt to collect any monthly sewer service charges owed under the expired deferral agreement signed by Permittee; Permittee agrees to pay the monthly service charges for the unconnected EDUs allocated to Permittee (and not irrevocably surrendered under paragraph 7 below), as contemplated by the Agreement, commencing August 1, 2003.
6. Reimbursement Payments. Inasmuch as the District has determined that "the Project" Costs have already exceeded, and are now projected to greatly exceed the estimated project costs, no reimbursements are or will be available to be paid to Permittee under the Agreement. Reimbursements may be available under this Amendment only pursuant to paragraph 7.
7. Optional Irrevocable Surrender of Allocated EDUs. Notwithstanding the number of EDUs secured under the Agreement and confirmed by District in paragraph 4, above, Permittee has determined that it will be unable to use its entire allocation of EDUs prior to their expiration date. Consequently, Permittee elects to irrevocably tender to District its allocation of 55 EDUs, as of the date of execution of this Amendment by Permittee. District agrees that no monthly sewer service charges shall be applicable to irrevocably tendered EDUs as of August 1, 2003, or the date of this Amendment, whichever is later. District further agrees to reimburse Permittee for any funds advanced to District under the Agreement for "the Project" as follows:
 - (1) Reimbursements shall be paid solely from the proceeds received by District from the reallocation of some or all of the EDUs to another person;
 - (2) District shall have no obligation to reallocate any irrevocably tendered EDU until its remaining supply of unallocated EDUs has been exhausted;
 - (3) No interest shall be paid on funds advanced;
 - (4) Where the District accepts from a new permittee security other than cash for any of the reallocated EDUs tendered, Permittee shall be entitled only to a pro rata reduction in security posted based upon the number of EDUs accepted for tender and reallocated and

not a cash payment until such time as the District receives cash for the reallocated EDUs;

* (5) District's obligation to reimburse Permittee under this paragraph shall expire as to any EDUs which have not been reallocated prior to January 1, 2008; *

(6) District shall provide reimbursement for tendered EDUs to Permittee following reallocation and repurchase of one or more such EDUs to a new permittee; District shall select among all tendered EDUs each EDU to be reallocated on a random basis, without regard as to when Permittee tendered any EDU or how many EDUs have been tendered by the Permittee.

8. Notice. All notices, demands, requests, consents or other communications which this agreement contemplates or authorizes, or requires or permits any Party to give to the other, shall be in writing and shall be personally delivered, sent by registered mail or certified mail, postage pre-paid, return receipt requested, or by facsimile, addressed to the respective parties as follows:

To District: Rainbow Municipal Water District
Attn: General Manager
3707 Old Highway 395
P.O. Box 2500
Fallbrook, California 92088-2500
Telephone: (760) 728-1178
Facsimile: (760) 728-2575

With a Copy to: Gregory V. Moser, General Counsel
Foley & Lardner
402 W. Broadway, 23rd Floor
San Diego, California 92101-3542
Telephone: (619) 234-6655
Facsimile: (619) 234-3510

To Permittee: Jason Lee
Beazer Homes Holdings Corp.
1100 Town & Country
Suite 100
Orange, California 92868
Telephone: (714) 285-2900
Facsimile: (714) 285-2935

With a Copy to: Sharon L. Tamiya
Jackson DeMarco & Peckenpaugh
2815 Townsgate Road, Suite 200
Westlake Village, California
Telephone: (805) 230-0023
Facsimile: (805) 230-0087


Any party may change its address by notice to the others as provided herein. Notices

shall be deemed effective when delivered if personally served or if sent by mail. If served or sent by facsimile or telecopier, notices shall be deemed effective on the business day such notices are sent, or if received after 5:00 p.m., then on the next day.

9. Modification; Interpretation. This Amendment modifies the obligations of the parties under the Agreement. Except as set forth herein, all of the other terms and conditions of the prior Agreement are incorporated herein by reference. This Amendment may not be modified orally or in any manner other than by an agreement in writing signed by the Parties hereto or their respective successors-in-interest. This Amendment shall inure to the benefit of and be binding upon the Parties and their respective successors and assigns. Exhibit A is incorporated herein by reference.
10. Recordation of Agreement Amendment. The Clerk of the District shall cause a copy of this Reimbursement Agreement Amendment to be recorded with the Office of the Recorder of San Diego County, California within ten (10) days following the execution of this Reimbursement Agreement Amendment.

IN WITNESS WHEREOF, the Parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained and have caused this Agreement to be executed on the date first set forth above.


DISTRICT: **RAINBOW MUNICIPAL WATER DISTRICT**, a local Public Agency organized in accordance with the Municipal Water District Law of 1911

By: 

Greg Ensjinger, General Manager

PERMITTEE: **BEAZER HOMES HOLDINGS CORP.**

a Delaware corporation

By: 

Print Name: Jason Lee

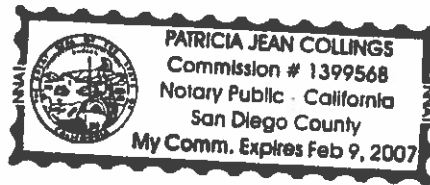
Jason Lee
Vice President-Development
Southern California Division

State of California
County of San Diego

On this date, 8/21/03 before me, PATRICIA JEAN COLLINGS,
personally appeared GREG L ENSMINGER, or personally known
to me (or 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 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), on the entity upon behalf of which the person(s) acted, executed the instrument,

WITNESS my hand and official seal.

Patricia Jean Collings
Notary's Signature



State of California
County of Orange

On this date, August 15, 2003 before me, Consuelo Del Carmen Rodriguez,
personally appeared Jason Lee, or personally known
to me (or 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 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), on the entity upon behalf of which the person(s) acted, executed the instrument,

WITNESS my hand and official seal.

Consuelo Del Carmen Rodriguez
Notary's Signature



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

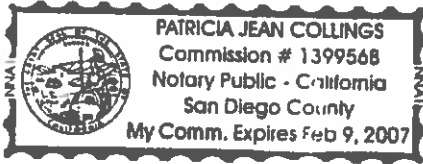
State of California }
County of SAN DIEGO } ss.

On 8 / 21 / 03 before me, PATRICIA COLLINGS
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared GREG L. ENSMINGER
Name(s) of Signer(s)

- personally known to me
- 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.



WITNESS my hand and official seal.

Patricia Collings
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: AGREEMENT CONSENTING TO SENER CONNECTION FEES

Document Date: 7 / 11 / 03 Number of Pages: 6

Signer(s) Other Than Named Above: NONE

Capacity(ies) Claimed by Signer

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____



EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

See attached

PARCEL A:

That portion of the Monserate Rancho, in the County of San Diego, State of California, according to map thereof on file in the Office of County Recorder of San Diego County, in Book 1, Page 108 of patents, described as follows:

Commencing at the most Easterly corner of a parcel of land shown on Record of Survey No. 3659, and designated thereon "52.88 acres gross"; thence along the Southeasterly line of said land South 18° 03' 40" West 138.98 feet to an angle point therein; thence South 14° 04' East 61.58 feet to point "c" of this description; thence South 0° 33' East 163.32 feet; thence South 11° 07' East 391.06 feet; thence South 12° 10' East 292.18 feet; thence South 2° 09' West 89.29 feet; thence South 25° 03' 40" West 188.96 feet; thence South 0° 39' 20" West 334.44 feet to the true point of beginning; thence retracing Northerly along the last six courses described, above to said point "c"; thence North 62° 54' 50" East 38.63 feet; thence North 18° 03' 40" East 138.42 feet to center line of a 60 foot strip of land designated as "60 foot road easement reserved" on said Record of Survey No. 3659; thence along said center line as follows: South 49° 03' 20" East 123.07 feet to the beginning of a tangent 300 foot radius curve, concave Northeasterly; thence Southeasterly along said curve through a central angle of 52° 19' 33" a distance of 273.98 feet to the beginning of a reverse 300 foot radius curve, concave Southwesterly; thence Southeasterly and Southerly along said curve through a central angle of 102° 07' 23" a distance of 534.72 feet; thence tangent to said curve South 0° 44' 30" West 52.01 feet to the beginning of a tangent 300 foot radius curve, concave Westerly; thence Southerly along said curve through an angle of 8° 30' a distance of 44.51 feet; thence tangent to said curve South 9° 14' 30" West 189.58 feet to a tangent 62 foot radius curve, concave Northeasterly; thence Southeasterly along said curve through an angle of 98° 30' a distance of 106.59 feet to a point in the Westerly boundary of land described in deed to the State of California, recorded November 23, 1948 as Recorder's File No. 116540; in Book 3026, Page 490 of Official Records, being a point opposite Engineer's Station 369 + 55 as shown on said Record of Survey No. 3659; thence South 59° 39' 20" West 295.65 feet; thence South 1° 12' 40" West 636.52 feet; thence North 88° 37' 30" West 430.82 feet; thence Westerly in straight line 60 feet, more or less, to the true point of beginning.

Together with any portion of property, which would pass by reason of law pursuant to Resolution of Vacation of Public Street, Highway, or Public Easement recorded April 29, 1998 as Inst. No. 244312 of Official Records of said county.

Excepting therefrom that portion of tract "a" of Rancho Monserate, according to map thereof No. 827, filed in the Office of the County Recorder in the County of San Diego, State of California, being more particularly described as follows:

Beginning at a point in the Westerly right-of-way line of U.S. Highway 395 (11-SD-77-6), as shown on Record of Survey No. 7945, filed in the Office of said County Recorder, being the Southerly terminus of that certain course shown as "North 01° 14' 57" East 1357.92 feet" on said Record of Survey; thence from said point North 00° 44' 30" East (record North 0° 14' 57" east per Record of Survey No. 7945) a distance of 612.92 feet to a point in the arc of a perpendicular 62.00 foot radius curve concave Northeasterly, a radial line of said point bears South 00° 44' 30" West; thence Northwesterly along the arc of said curve through a central angle of 98° 30' 00" a distance of 106.59 feet; thence tangent to said curve North 09° 14' 30" East a distance of 179.58 feet to the true point of beginning; thence North 80° 45' 30" west a distance of 198.93 feet to a point in the arc of a non-tangent 530.00 foot radius curve concave Westerly, a radial line to said point bears South 80° 15' 48" East; thence Northerly along the arc of said curve through a central angle of 08° 59' 42" a distance of 83.21 feet; thence tangent to said curve North 00° 44' 30" East

a distance of 275.00 feet to a point in the arc of a non-tangent 300.00 foot radius curve concave Southwesterly, a radial line to said point bears North $21^{\circ} 13' 44''$ East; thence Southeasterly along the arc of said curve through a central angle of $69^{\circ} 30' 46''$ a distance of 363.97 feet; thence tangent to said curve South $00^{\circ} 44' 30''$ West 52.01 feet to the beginning of a tangent 300.00 foot radius curve concave westerly; thence Southerly along the arc of said curve through a central angle of $08^{\circ} 30' 00''$ a distance of 44.51 feet; thence tangent to said curve South $09^{\circ} 14' 30''$ West a distance of 10.00 feet to the true point of beginning.

PARCEL B:

All that portion of Tract "A" of Monserate Rancho, in the County of San Diego, State of California, according to map thereof on file in the Office of the County Recorder of said County in Book 1, Page 108 of Patents, described as follows:

Commencing at the Southwesterly corner of Lot 73 of Pala Mesa Village Unit No. 1, according to Map thereof No. 5494, filed in the Office of said County Recorder; thence along the Westerly boundary line of said Map No. 5494; along the following three courses: North $10^{\circ} 15' 30''$ West 529.48 feet to a tangent 628.00 foot radius curve concave Easterly, Northerly along said curve through an angle of 23° a distance of 252.10 feet; and tangent to said curve North $12^{\circ} 44' 30''$ East 187.47 feet to the true point of beginning; thence leaving said Westerly boundary line North $82^{\circ} 21'$ West 225.52 feet to a point in the Easterly boundary of land described in Deed to L. A. Reineman, et al, recorded August 23, 1955 as File No. 110521 in Book 5765, Page 572 of Official Records, also being the Northeasterly corner of the land described in Deed to L. A. Reineman and wife, recorded March 4, 1957 as File No. 32821 in Book 6480, Page 38 of Official Records; thence along the said Easterly line of first said Reineman Land being along the Easterly line of Record of Survey Map No. 3659 filed in the Office of the County Recorder of said County as follows: North $4^{\circ} 04'$ East 2421.42 feet to an angle point in the Southeasterly boundary of a parcel of land designated as "52.88 acres gross" on said Record of Survey Map; thence along said Southeasterly boundary along the following four courses: North $35^{\circ} 30' 10''$ East 281.16 feet; North $37^{\circ} 58' 40''$ East 301.02 feet; North $62^{\circ} 54' 50''$ East 281.50 feet; and North $18^{\circ} 03' 40''$ East 138.98 feet to the most Easterly corner of said "52.88 acre gross" parcel also being a point in the center line of the 60.00 foot road easement shown on said Record of Survey Map No. 3659; thence along said center line South $49^{\circ} 03' 20''$ East 65.12 feet to the most Northerly corner of the land described in Parcel 3 in Deed to L. A. Reineman, et al, recorded September 16, 1965 as File No. 168564 of Official Records; thence along the Westerly boundary of said land as follows: South $18^{\circ} 03' 40''$ West 138.42 feet; thence South $62^{\circ} 54' 50''$ West 38.63 feet; thence South $0^{\circ} 33'$ East 163.32 feet; thence South $11^{\circ} 07'$ East 391.06 feet; thence South $12^{\circ} 10'$ East 292.18 feet; thence South $2^{\circ} 09'$ West 89.29 feet; thence South $25^{\circ} 03' 40''$ West 188.96 feet; thence South $0^{\circ} 39' 20''$ West 334.44 feet to the Southwesterly corner of said land described in Parcel 3 of Deed to L. A. Reineman, et al, recorded September 16, 1965 as Document No. 168564 of Official Records; thence along the Southerly line of said land Easterly 60 feet, more or less, to an angle point therein and South $88^{\circ} 37' 30''$ East 430.82 feet to the Southeasterly corner of said land; thence along the Easterly and Southeasterly boundary of said land North $1^{\circ} 12' 40''$ East 636.52 feet and North $59^{\circ} 39' 20''$ East 295.65 feet to a point on the Westerly boundary of land conveyed to the State of California, by deed recorded November 23, 1948 as Document No. 116540 in Book 3026, Page 490 of Official Records being Engineer's Station 369 + 55 as shown on Record of Survey Map No. 3659, filed in the Office of the County Recorder of said County; thence along said Westerly boundary as follows: South $0^{\circ} 44' 30''$ West 1549.87 to the Northeasterly corner of the land described in deed to Dean J. Miller, recorded May 27, 1965 as File No. 94867 of Official Records; thence along the Northerly boundary of said land and the prolongation thereof North $89^{\circ} 14' 50''$ West 132.86 feet; thence South $7^{\circ} 21' 50''$ West 34.52 feet to the beginning of a tangent 530.00 foot radius curve concave Northwesterly; thence Southwesterly along said curve through an angle of $38^{\circ} 22' 40''$ a distance of 355.00 feet to a point of tangency with the Northwesterly boundary of said Miller Land; thence along said boundary tangent to said

curve South $45^{\circ} 44' 30''$ West, 295.00 feet to a tangent 470.00 foot radius curve concave Southeasterly; thence Southwesterly along said curve through an angle of $9^{\circ} 27' 22''$ a distance of 77.57 feet to an angle point in the Easterly boundary of said Pala Mesa Village Unit No. 1; thence along the Northeasterly, Northerly and Westerly boundary of said Pala Mesa Village Unit No. 1, along the following ten courses: North $53^{\circ} 42' 52''$ West 60.00 feet to a point in a 25.00 foot radius curve, concave Northerly, a radial bears South $53^{\circ} 42' 52''$ East to said point; Westerly along said curve, through an angle of $92^{\circ} 52' 02''$ a distance of 40.52 feet; tangent to said curve North $50^{\circ} 50' 50''$ West 141.29 feet to a tangent 530.00 foot radius curve, concave Southwesterly; Northwesterly along said curve, through an angle of $30^{\circ} 45'$ a distance of 284.45 feet; tangent to said curve North $81^{\circ} 35' 50''$ West 70.63 feet to a tangent 25.00 foot radius curve concave Northeasterly; Northwesterly along said curve through an angle of $87^{\circ} 20' 20''$ a distance of 38.11 feet; North $84^{\circ} 15' 30''$ West 160.00 feet; South $5^{\circ} 44' 30''$ West 21.27 feet to a tangent 542.00 foot radius curve, concave Westerly; Southerly along said curve through an angle of $7^{\circ} 00'$ a distance of 66.22 feet; and tangent to said curve South $12^{\circ} 44' 30''$ West 375.53 feet to the true point of beginning.

Excepting therefrom that portion thereof conveyed to the State of California described in Parcel 1 of Grant Deed recorded December 21, 1972 as Instrument No. 338995 of official records.

EXHIBIT C

Beazer Homes Sewer Permit Application dated December 19, 2013



SEWER PERMIT APPLICATION

A permit is required for each connection to a District Sewer Line

Date: 12/19/2013 Expiration Date: 12/19/2015

Owner's Name BEAZER HOMES HOLDING CORP. Telephone # (714) 672-7000
 Service Address TENTATIVE TR. 5187 City FALLBROOK, CA Zip _____
 Billing Address 1000 E. IMPERIAL HIGHWAY, SUITE 140 City/State BREA, CA Zip 92821
 Assessor's Parcel No 125-050-70 & 125-050-71 Acreage _____
 Owner's Authorized Representative JARY COOK ROSE Telephone # 714-672-7047
 Property Description: SEE ATTACHED EXHIBIT
 Proposed Use of Property: New SINGLE FAMILY DWELLINGS Conversion _____

LAND USE FACTORS	
Single Family Dwelling: (# of bedrooms) <u>VARIES</u>	Multiple Dwelling (units):
Restaurant: Total # of seats _____ Tableware: disposable / non-disposable	Commercial:
Industrial:	Other:

No.(s) of EDU's: 55.62 x 17,350 = Total Fee: \$ 965,007 (PREVIOUSLY PAID)
 Per District Policy one EDU is currently equivalent to 2.58 bedrooms (average size home in the District service area per the 2010 census) and 180 gallons per day per EDU. This is subject to change.

Notes: Per the 2010 census, additional fees will be required if there are 3 + bedrooms.

Upon the permit being granted, the Permittee shall be charged a partial monthly fee (currently \$41.67 per EDU) by Rainbow Municipal Water District (District). When connected to the sewer lateral the monthly fee will increase to the full service charge based on water usage. Current maximum charge \$68.54.

"Equivalent Dwelling Unit or EDU" means an increment of wastewater flow. An EDU is equivalent to a pre-determined amount of wastewater measured in gallons per day. The amount is set by District policy and is subject to change. Wastewater discharged must have concentrations of no more than 200 milligrams per liter (mg/L) biochemical oxygen demand and 200 mg/L suspended solids.

Conditions of Service

Sewer service shall be subject to the following conditions:

- (a) Applicant, owner and customer shall adhere to requirements prescribed by these rules and regulations and to any additional requirements prescribed by the Manager or by the Board, or both, to insure compliance with the District's rules and regulations as to the quality and quantity of reclaimable and non-reclaimable sewage which the District is willing to receive into its facilities.

- (b) All fees and charges of the District shall be paid when due. Application for service to any property will be granted only if all connection fees, service charges, delinquent bills and penalties; due and charged to or against said property by the District are paid; and if the service application was signed by the then owner of the property. When permits expire they **do not transfer** to new property owners. All EDU'S will revert back to the District and monies paid will be forfeited if a property is sold, foreclosed or goes into bankruptcy with an expired permit. Sewer service fees shall be included in the monthly water bills of the District. The fees and charges of the District are set by separate Ordinance or Resolution and may be changed by the District from time to time.

Terms of Permits

Permits for sewer connection shall be issued for a term of two years and may be renewed for two additional one-year terms by payment by the permit holder to the District not earlier than 14 days before the expiration of the initial term or, if a permit has been previously renewed, not earlier than 14 days before the expiration of the current renewal term of a renewal fee in the amount of any increase between the initial cost per EDU. If no connection is made and a permit is not so renewed, it shall expire and all rights of the permit holder resulting from the issuance of such permit shall terminate. If connection is made prior to the expiration of the initial or renewal term, the permit shall remain in effect so long as sewer service is required and account is maintained current.

Date: 12/19/2013 Name: JARY COCKROFT
Please Print

Signature: *J. Cockroft*

Signature: _____
District Engineer or Designated Representative.

~~DISTRICT USE ONLY:~~ **INSPECTION RECORD**

Account No. _____ Map Page: _____

Location of the districts nearest sewer system pipeline: _____

Connection to District sewer line: _____
Date

Inspected by: _____



COPY

November 18, 2013

55.62 EDU'S

**BEAZER HOMES HLDG CORP
1800 E IMPERIAL HWY STE 200
BREA CA92821-6072**

This is your second notice informing you of recent actions taken by the Board of Directors. At the August 27th 2013 Board Meeting they passed Ordinance No. 13-07.Section 9.05.010 Term of Permits.

When you were issued a sewer permit you signed a sewer agreement. Permits are issued for a term of two years and may be renewed for two additional one-year terms by payment by the permit holder to the District not earlier than 14 days before the expiration of the current renewal term.

It has come to our attention that your permit(s) have expired and you risk losing the EDU's. An owner of an expired permit may apply fees the owner previously paid on the permit(s) towards the purchase of new EDU's as long as (1) the purchase is made by the owner of the expired permit and (2) the owner of the expired permit(s) has continued to pay unconnected charges without interruption.

Expired permits are non transferable. If any change in ownership, including but not limited to foreclosure, bankruptcy, or sale of land occurs, all fees previously paid on the permit remain non-refundable and may not be applied by the new owner towards the purchase of new EDU's.

Permits must be renewed by January 2, 2014 or all permits and fees paid will expire. Fees are non-refundable.

Please contact Patricia Collings at (760) 728-1125 ext 1125 to renew your permits as soon as possible

Sincerely

Patricia Collings

Patricia Collings
Engineering Services

EXHIBIT D

Waiver of Proposition 218

**WAIVER OF PROPOSITION 218
NOTICE AND HEARING**

WHEREAS, to permit interim orderly development within the RAINBOW MUNICIPAL WATER DISTRICT ("District"), to reserve sufficient capacity to serve customers within the District's service area, and to ensure that sewer service is immediately available to those customers, the District has established a system of sewer service charges which requires the payment of sewer connection fees for an entire project as a condition of a service commitment by the District and which requires the payment of unconnected fees to ensure sewer service is immediately available;

WHEREAS, Article XIII C and XIII D of the California Constitution (Proposition 218) may apply to the District's sewer service charges described above;

WHEREAS, Proposition 218 requires a public notice to property owners, a public hearing, and an opportunity to protest the above fees and surcharge; and

WHEREAS, BEAZER HOMES HOLDING CORPORATION ("Developer") desires to receive a credit for \$965,007 in sewer connection fees, amounting to 55 Equivalent Dwelling Units of sewer capacity, previously paid in connection with the Pala Mesa Highlands development which have since expired, to obtain a deferral of all outstanding sewer connection fees until building permits are issued by the County of San Diego, and to dispense with the requirements of Proposition 218 in order to expedite and complete the Pala Mesa Highlands development.

IT IS THEREFORE AGREED:

1. Developer hereby waives the above Notice, Hearing, and Protest requirements of Proposition 218.
2. Developer is advised that a copy of Proposition 218 and its implementing legislation is available at the District office.
3. Developer is advised to consult its own counsel prior to executing this waiver.

Kim Molina
Signature
Kim Molina
Print Name
BEAZER HOMES
1800 E. Imperial Highway, SUITE 140
Address
BREA, CA 92821
City, State, Zip Code

BOARD OF DIRECTORS

December 5, 2017

SUBJECT

PROJECT UPDATE AND DISCUSSION AND POSSIBLE ACTION TO APPROVE A CHANGE ORDER FOR THE MOOSA CREST WATERLINE EMERGENCY REPAIR PROJECT

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. During a storm in late February, Moosa Creek drastically increased in flow and compromised the pipe. The Moosa Crest pipeline is a vital transmission main to the District's Morro and South Zone and will be necessary to meet demands during the peak summer months. The Board declared the project an emergency in the February Board Meeting and authorized the General Manager to proceed with the replacement of the pipeline.

The project was designed by Infrastructure Engineering Corporation (IEC) and the board awarded the construction contract to Cass Construction on June 20, 2017. During construction, IEC identified a design error and issued a design change to replace an expansion joint, which had already been installed, with a flex-tend joint to address thermal expansion. A construction change order was issued to remove the expansion joint and reconstruct the waterline sufficiently to be used during the San Diego County Water Authority shutdown in November. The remaining construction of installing a flex-tend joint requires an additional change order. This change order requires Board approval because the total cost of construction change orders is above the General Manager's signing authority of \$25,000 or 10% of the total project cost. The change order is necessary for the completion of the project.

DESCRIPTION

The District issued the original construction contract for \$456,200.00. Through the course of construction, three change orders were approved by the General Manager in the amount of \$21,599. On September 13, 2017 the design change was issued by IEC. The fourth construction change order of \$13,604.80, in response to the design change, was approved by the General Manager and allowed the construction to be sufficiently completed to operate the pipeline during the San Diego County Water Authority shutdown. After a series of meetings with District staff to discuss the design error, IEC accepted responsibility for \$32,105.00 which accounted for the materials and installation of the expansion joint and the work of removing the expansion joint and installing a temporary spool in preparation for the future flex-tend joint. The change order in question, the fifth change order, has a cost of \$24,507.00 for the cost of materials and installation of the flex-tend joint.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area One: Asset Management. The change order to allow the installation of the flex-tend joint will enable the Moosa Crest Pipeline to move to account for thermal expansion without increasing the stress on the bends in the steel pipe or the cement mortar lining. This will significantly increase the service life of the pipe and prevent failure of the critical pipe.

BOARD OPTIONS/FISCAL IMPACTS

The total approved construction cost including change orders for the Moosa Crest Waterline Emergency Repair Project is \$491,403.85. This change order adds \$24,507.00 to the construction cost of the project which is above the General Manager’s signing authority. IEC has agreed to accept responsibility for \$32,105 which accounts for construction costs associated with the design change.

- 1) Approve the change order amounting in \$24,507.00 to complete the project construction.
- 2) Provide other direction to staff.

STAFF RECOMMENDATION

Staff recommends Option 1.



Michael Powers
Interim Engineering Manager

December 5, 2017

BOARD OF DIRECTORS

December 5, 2017

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE WATER AND SEWER CONSTRUCTION AGREEMENT FOR THE PALOMAR NORTH EDUCATION CENTER WATER AND SEWER IMPROVEMENTS

BACKGROUND

Palomar acquired 100 Equivalent Dwelling Units (EDU's) from former property owners 15-76 Partnership and Pala Village Investments in 2007 for a proposed new Campus. Passerelle subsequently became successor in interest to both 15-76 Partnership and Pala Village Investments. Sewer Service Agreements have been entered into between the District and Passerelle (Passerelle Agreement), and the District, Passerelle and D.R. Horton in 2012 and 2015 for the purpose of assigning EDU's and construction costs/obligations between the various development concerns. The Passerelle Agreement states that the District agrees to recognize the assignment of 100 EDU's to Palomar.

Palomar is now underway with development of their North Education Center campus. The campus will ultimately provide education services to over 8,000 part-time students and faculty Site grading has been underway since late Summer, 2017.

DESCRIPTION

Palomar College is responsible for construction of public water and sewer mains through the campus property to connect with existing mains in Horse Ranch Creek Road. The sewer main will connect to and convey flow from the Pala Mesa sewer under I-15 to the recently completed sewer main in Horse Ranch Creek Road once the new lift station is operational at SR 76. The existing 12" sewer east of I-15 will then be abandoned, eliminating a significant source of Inflow & Infiltration to the sewer system in the area.

This construction agreement between the District, Palomar Community College District and its contractor, Elite Earthworks & Grading Palomar, is similar to one approved in 2010 between the District, Palomar and its contractor for construction of the water main in Horse Ranch Creek Road.

The plans call for the construction of 680' of 12" sewer main, 40' of 8" main, and 5 manholes which will become part of the District system. Approximately 55' of 12" water main will be installed to serve the campus.

The on-campus construction is expected to take 15-30 days and be completed by the end of 2017. The tie-in to the existing Pala Mesa sewer will occur in March, 2018, after the completion of the Horse Creek Lift Station.

Bonds and Insurance Certificates have been submitted. The Agreement has been reviewed by all parties including District Counsel.

Approval of the Water and Sewer Construction Agreement will allow construction to proceed. Acceptance of the portion of the project within the College's on-site road will be considered so that Palomar can proceed with other improvements. Final acceptance will occur after the sewer tie-in.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Two: Asset Management. The construction of the new sewer main through the Palomar College campus will allow the District to abandon an older sewer line that is prone to inflow and infiltration. This will decrease the peak wet weather flows for the system and allow for more efficient use of our sewer infrastructure.

BOARD OPTIONS/FISCAL IMPACTS

Palomar is responsible for all District costs associated with the project including design review, engineering, inspection, O & M assistance during shutdowns, and project management. A deposit balance remains from the previous construction project and additional deposits will be requested as needed.

- 1) Approve the Water and Sewer Construction Agreement pending Palomar College approval/signature and allow construction to proceed.
- 2) Provide other direction to staff.

STAFF RECOMMENDATION

Staff recommends Option 1.



Michael Powers, P.E.
Interim Engineering Manager

12/05/2017



RAINBOW MUNICIPAL WATER DISTRICT
3707 OLD HIGHWAY 395, FALLBROOK, CALIFORNIA 92028
TELEPHONE (760) 728-1178 FAX (760) 728-2575

WATER AND SEWER SYSTEM CONSTRUCTION AGREEMENT
PROJECT NAME: Palomar College North Education Center Water and Sewer Improvements
RMWD PROJECT NO.: 700-700026
(DEVELOPER INITIATED/CONTRACTOR INSTALLED)

THIS AGREEMENT ("Agreement") is made on this ___day of _____ 2017, by and between **RAINBOW MUNICIPAL WATER DISTRICT**, a municipal water district, with its headquarters at Fallbrook, California ("District") and **PALOMAR COMMUNITY COLLEGE DISTRICT**, located at 1140 West Mission Road, San Marcos, California, 92069 ("Developer") and **ELITE EARTHWORKS & GRADING, dba GK BACKLUND**, located at 19907 Temescal Canyon Road, Corona, California, 92881 ("Contractor").

WHEREAS, Developer is planning construction of public water and sewer facilities to serve the Palomar College North Education Center ("Project"), located in Section 36, Township 9, Range 3, San Bernardino Base and Meridian. The development is referenced within records of the County of San Diego, State of California, as:

Palomar College North Education Center
County TM: 5338-1
Assessor's Parcel No(s): 108-120-55

WHEREAS, the Project requires water and sewer system extension/construction to provide service to the lands referenced above; and

WHEREAS, Developer is desirous of having the District provide water and sewer service to the Project and is willing to develop and convey to the District said systems after the construction thereof; and contingent upon the District's acceptance of such conveyance and to provide water and sewer service to said lands on the terms and conditions set forth herein; and

WHEREAS, Developer has submitted for District review and approval engineered construction plans for the improvements entitled "Palomar College North Education Center Water and Sewer Improvement Plans", consisting of three (3) sheets, prepared by Masson & Associates, 200 E. Washington Ave., Escondido, CA 92025 (the "Plans"), a copy of which are attached hereto and incorporated by reference as Attachment A; and

WHEREAS, Developer has entered into a contract with Contractor for construction of improvements to the Project, including the water and sewer improvements depicted on said Plans (the "Improvements"),

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Developer and Contractor will comply with the District's regulations, as amended from time to time. The provisions of said regulations are incorporated herein by reference.
2. Promptly following execution of this Agreement, Developer shall deposit with the District an amount sufficient to cover the District's estimated costs for engineering, permits, inspection, and system connection fees. If at any time District notifies Developer that additional amounts are required, Developer shall promptly deposit additional funds. Upon acceptance of the Improvements by District, District shall refund any remaining amounts to Developer.
3. The water and sewer system shall comply with the District's specifications. Developer shall provide ready for construction plans and specifications to the District for review and approval prior to construction.
4. Developer and Contractor acknowledge that California law includes certain requirements applicable to public works contracts, including requirements to pay prevailing wages.
 - A. The definition of "public work" includes work performed under the direction and supervision of the District. The parties acknowledge and agree that Developer is fully responsible for directing and supervising design and construction of the system described in this Agreement, and that the District's role is limited to review, inspection and approval of said design and construction, and does not constitute direction or supervision of the work.
 - B. The definition of "public work" also includes work that is paid for in whole or in part out of public funds. Developer and Contractor agree to comply with, and require its contractors and subcontractors to comply with, the requirements set forth in Appendix 1 to this Agreement. To the maximum extent permitted by law, Developer shall defend, indemnify, and hold the District and each of its officials, officers, directors, employees, agents, and volunteers free and harmless from any claims, liabilities, costs, penalties or interest arising out of the failure or alleged failure of Developer, its Contractor or subcontractors to comply with said requirements.
5. Contractor is currently licensed by the State of California with a General Engineering Contractor, "A" license. Any subcontractor working on the water and sewer improvements shall also be currently licensed by the State with an "A" license or a "C-34" license, and shall be experienced in the construction of domestic water supply systems and sewer systems. Contractor shall notify District regarding any selected subcontractor(s) prior to execution of a contract with such firm.
6. The entire cost of the construction of such water and/or sewer systems shall be paid by the Developer. Such construction shall be inspected by District personnel for conformance with the approved plans and specifications. Construction shall not begin until evidence of insurance and bonds are provided in accordance with Paragraphs 11 and 12. District inspection is for the purpose of conformance of construction with District requirements, and not for compliance by the contractor with safety requirements. Developer and Contractor shall coordinate with District in setting the schedule for construction and establishing hold points for inspection by District.

Inspection or final acceptance of the Improvements shall not constitute a waiver by the District of any claims against Developer and/or Contractor for any defects in the work performed hereunder.

7. To the maximum extent permitted by law, Developer and Contractor shall jointly and severally defend, indemnify and hold the District, its agents, directors, officers, and employees and each of them free and harmless from any liability from claims, demands, suits, loss, damage, costs and expenses including reasonable attorneys' fees, and injury to persons or property including wrongful death, in any manner arising out of, related to or incident to, in whole or in part, any action or omission of Developer or its contractors or subcontractors, including any officers, employees or agents of the Developer or its contractors or subcontractors, in connection with the performance of this Agreement, the construction of the water and/or sewer system contemplated by this Agreement and any assertions that the materials, equipment or services, or the use thereof in the water and/or sewer system, infringes any patent, copyright or proprietary right of any third-party or violates any governmental law or regulation. All officers, agents, employees and subcontractors, and their agents, who are employed, contracted or otherwise utilized by Developer or its contractors or subcontractors to perform construction of the water and/or sewer system described herein shall be deemed officers, agents and employees of Developer or its contractors or subcontractors. The foregoing indemnity, hold harmless and defense obligation of Developer shall apply except to the extent the loss, damage or injury is caused by the sole negligence or willful misconduct of an indemnified party, and the foregoing indemnity, hold harmless and defense obligation of Contractor shall apply except to the extent the loss, damage or injury is caused by the sole or active negligence or willful misconduct of an indemnified party. This indemnification, hold harmless and defense obligation of Developer and Contractor shall survive the termination or expiration of this Agreement.
8. Developer shall guarantee the completion of construction within **six months** from the time material is delivered to the jobsite.
9. Developer agrees to pay all costs incurred by the District as may be necessary to complete construction, including administrative costs, as well as costs of any insurance purchased by District if Developer's contractor fails to comply with the requirements of Paragraph 11.
10. Developer shall require its construction contractor(s) to procure and maintain, and Contractor shall procure and maintain, for the duration of the construction period and at least one year from the date of the filing of the "Notice of Completion," insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the contractor, his agents, representatives, employees or subcontractors.
 - A. Coverage shall be at least as broad as:
 - (i) Insurance Services Office Commercial General Liability coverage ("occurrence" form CG0001).
 - (ii) Insurance Services Office form number CA 0001 (Ed. 1/78) covering Automobile Liability, code 1, "any auto" and endorsement CA 0025.
 - (iii) Workers' Compensation insurance as required by the California Labor Code sections 1861 and 3700 *et seq.* and Employers Liability Insurance.
 - (iv) Contractor's Pollution Liability

- B. Limits of Insurance shall be:
- (i) General Liability: One Million Dollars (\$1,000,000) combined single limit per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
 - (ii) Automobile Liability: One Million Dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage.
 - (iii) Worker's Compensation and Employers Liability: Worker's compensation limits as required by the Labor Code of the State of California and Employers Liability limits of One Million Dollars (\$1,000,000) per accident.
 - (iv) Contractor's Pollution Legal Liability with limits no less than One Million Dollars (\$1,000,000) per occurrence or claim, and Two Million Dollars (\$2,000,000) policy aggregate.
- C. Any deductibles or self-insured retentions must be declared to and approved by the District. At the option of the District, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District, its officers, officials, employees, and volunteers; or the contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses.
- D. The Contractor's insurance policies shall contain or be endorsed to comply with the following provisions:
- (i) General Liability, Automobile Liability Coverages and Pollution Legal Liability:
 - (1) The District, its officers, officials, employees and volunteers are to be covered as insured as respects: liability arising out of activities performed by or on behalf of the contractor, products and completed operations of the contractor, premises owned, occupied or used by the contractor, or automobiles owned, leased, hired or borrowed by the contractor. The coverage shall contain no special limitations on the scope of protection afforded to the District, its officers, officials, employees or volunteers.
 - (2) The contractor's insurance coverage shall be primary insurance as respects the District, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the District, its officers, officials, employees or volunteers shall be excess of the contractor's insurance and shall not contribute with it.

- (3) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the District, its officers, officials, employees or volunteers.
 - (4) The contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
 - (ii) Workers' Compensation and Employers Liability Coverage:
 - (1) The insurer shall agree to waive all rights of subrogation against the District, its officers, officials, employees and volunteers for losses arising from work performed by the contractor.
 - (iii) All Coverages:
 - (1) Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the District.
 - E. Developer shall require Contractor to furnish, and Contractor shall furnish, the District with certificates of insurance and with original endorsements affecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on forms provided by the District. Where by statute, the District's workers' compensation-related forms cannot be used, equivalent forms approved by the Insurance Commissioner are to be substituted. All certificates and endorsements are to be received and approved by the District before work commences. The District reserves the right to require complete, certified copies of all required insurance policies, at any time.
 - F. The Contractor's insurance shall include all subcontractors as insureds under its policies or it shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.
11. Developer or Contractor shall provide the District with bonds in form acceptable to District, as follows:
- A. A performance bond with corporate surety or sureties satisfactory to the District, said performance bond being for not less than one hundred percent (100%) of the total price under the construction contract referenced in Paragraph 12(E).
 - B. A labor and materials payment bond being for not less than one hundred percent (100%) of the total contract price as referenced in Paragraph 12(E). Said bond shall conform to requirements applicable to public works projects.

- C. A bond to guarantee the performance of the installed domestic water system and sewer system against failures of any type for one (1) year from the date of the filing of the "Notice of Completion." Said bond shall be in the amount of ten percent (10%) of the total contract price as referenced in Paragraph 13(e) and shall provide for the payment of all costs incurred by the District for the repair of such failures within the one (1) year guarantee period.
12. The District's Inspector shall complete a "Notice of Final Inspection" when all work has been completed in accordance with District requirements and prior to the acceptance of the systems by the District. As a condition to such acceptance, Developer shall furnish to the District any and all requested documents including but not limited to, the following:
- A. Easement Deed or Grant Deed to any rights-of-way or other real property interests necessary for roads, ingress and egress, and for maintenance and operation of the domestic water and sewer systems;
 - B. An unconditional waiver and release on final payment under Civil Code section 8138 from the Developer's Contractor and each subcontractor that provided labor, service, equipment or material for the system that is the subject of this Agreement.;
 - C. A Notice of Completion under Civil Code sections 9204 et seq., covering the system, executed by the Developer, in form suitable for recordation by the District within 15 days after the District's acceptance of the system;
 - D. A Grant Deed/Bill of Sale executed by Developer vesting title to the system improvements and appurtenances to the District;
 - E. A copy of the contract between Developer and Contractor or other documents which verify the actual cost of the water and sewer systems as installed, and an assignment of Developer's rights against Contractor with respect to any defects in the system improvements and appurtenances.
13. The District will not commence water and/or sewer service until the completed system passes final inspection by the District, and Developer has fully complied with its obligations under this Agreement required to be performed prior to acceptance, including delivery of documents required by Paragraph 12. Following fulfillment of the terms and conditions herein and acceptance by the District of said system, the District will provide service to said lands in accordance with the District's Rules and Regulations governing the provisions of such service.
14. This Agreement comprises the entire integrated understanding between the parties concerning the matters addressed herein and supersedes all prior negotiations, representations, or agreements whether express or implied, oral or written. The express terms hereof control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms herein.
15. The interpretation, validity and enforcement (including, without limitation, provisions concerning limitation of actions) of this Agreement shall be governed by and construed under the laws of the State of California, notwithstanding any conflict-of-laws doctrines or rule requiring

construction against the draftsman. This Agreement does not limit any other rights or remedies available to the District. Should any provision herein be found or deemed invalid, the Agreement shall be construed as not containing such provision and all other provisions which are otherwise lawful shall remain in full force and effect, and to this end the provisions of this Agreement are severable.

16. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto.
17. The proper jurisdiction, forum and venue for any claims, causes of action or other proceedings concerning this Agreement shall be in the state and federal courts located in the State of California, County of San Diego. The District and Developer agree not to bring any action or proceeding arising out of or relating to this Agreement in any other jurisdiction, forum or venue. The District and Developer hereby submit to personal jurisdiction in the State of California for the enforcement of this Agreement and hereby waive any and all personal rights under the law of any state to object to jurisdiction within the State of California for purposes of any legal action or proceeding to enforce this Agreement whether on grounds of inconvenient forum or otherwise. Developer agrees to include this provision, modified as appropriate, in its contracts for performance of the work described in this Agreement.
18. Notices shall be in writing and (a) delivered personally, (b) sent by certified mail, return receipt requested, (c) sent by a recognized overnight mail or courier service, with delivery receipt requested, or (d) sent by email followed by a hard copy, to the addresses specified on page 1 of this Agreement (or to such other address as may from time to time be specified in writing by such Person). Notices shall be deemed received when actually received in the office of the addressee (or by the addressee if personally delivered) or when delivery is refused, as shown on the receipt of the U.S. Postal Service, private carrier or other delivery service. Notwithstanding the foregoing, notices received after 5:00 p.m. shall be deemed received on the first business day following delivery. Each party may update its address for receipt of notices under this Agreement by providing a written change of address notification to the other parties.
19. Each party represents that the individual executing this Agreement on its behalf has the right, power, legal capacity and authority to enter into and execute this Agreement on behalf of such party.
20. This Agreement may be executed in counterparts, each of which shall constitute an original, but all of which together shall constitute one and the same Agreement, and the signature or any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart. A signature on a copy of this Agreement received by either party by facsimile transmission or electronic signature is binding upon the other party as an original.
21. In the event of a dispute arising under the terms of this Agreement, it is agreed that the prevailing party may be awarded reasonable attorneys' fees and actual costs.

22. This Agreement is binding on the assigns of the District and on the assigns, successors and representatives of Developer and Contractor.

RAINBOW MUNICIPAL WATER DISTRICT:

PALOMAR COMMUNITY COLLEGE DISTRICT:

By _____

By _____

Name _____

Name _____

Title _____

Title _____

ELITE EARTHWORKS & ENGINEERING
dba GK BACKLUND:

By _____

Name _____

Title _____

APPENDIX 1

LABOR CODE REQUIREMENTS

The following provisions are incorporated into this Agreement to the extent required by applicable law.

A. Worker's Compensation

Developer shall comply with the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code.

B. Prevailing Wages

Pursuant to the provisions of Section 1773 of the State Labor Code, the District has obtained the general prevailing rate of wages (which rate includes employer payments for health and welfare, pension, vacation, travel time and subsistence pay as provided for in Section 1773.1 of said Code, apprenticeship or other training programs authorized by Section 3093 of said Code, worker protection and assistance programs or committees established under the Federal Labor Management Cooperation Act of 1978, industry advancement and collective bargaining agreements administrative fees, provided that these payments are required under a collective bargaining agreement pertaining to the particular craft, classification, or type of work within the locality or the nearest labor market area at issue and other similar purposes applicable to the Work to be done), for straight time, overtime, Saturday, Sunday, and holiday work. The holiday wage rate listed shall be applicable to all holidays recognized in the collective bargaining agreement of the particular craft, classification or type of worker concerned; provided that if the prevailing wage rate is not based on a collectively bargained rate, the holidays upon which the prevailing rate shall be paid shall be as provided in Section 6700 of the California Government Code. Copies of the prevailing rates of wages are on file at the District's offices, and will be furnished to Developer and other interested parties on request. For crafts or classifications not shown on the prevailing wage determinations, Developer may be required to pay the wage rate of the most closely related craft or classification shown in such determinations for design-build work.

If the Division of Labor Standards Enforcement determines that employees of any contractor or subcontractor were not paid the general prevailing rate of per diem wages as required by law, Developer shall withhold an amount of moneys due to its contractor sufficient to pay those employees the general prevailing wage rate of per diem wages if requested by the Division of Labor Standards Enforcement. Developer shall pay any money retained from and owed such contractor upon receipt of notification by the Division of Labor Standards Enforcement that the wage complaint has been resolved. Pursuant to Section 1773.2 of the Labor Code, Developer shall post prevailing wage rates at a prominent place at the Site.

C. Hours of Work

Eight hours labor constitutes a legal day's work.

D. Apprenticeship

Developer shall comply with the provisions of Labor Code Sections 1777.5 and 1777.6, and Title 8, Code of Regulations, Sections 200 et seq., relating to apprentice employment and training. Developer shall assume full responsibility for compliance with said sections with respect to all apprenticeable occupations on the Project. To ensure compliance and complete understanding of the law regarding

apprentices, and specifically the required ratio thereunder, Developer should, where some question exists, contact the Division of Apprenticeship Standards, Los Angeles Office, 320 West 4th Street, Suite 830, Los Angeles, CA 90013, prior to commencement of the Work.

E. Specific Labor Code Provisions

Developer's attention is directed to the following requirements of the Labor Code. A copy of each such Code section (except 1810, 1811 and 1812) shall be included in each contract for work described in this Agreement that is subject to prevailing wage requirements under applicable law:

Labor Code Section 1725.5

1725.5. A contractor shall be registered pursuant to this section to be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any public work contract that is subject to the requirements of this chapter. For the purposes of this section, "contractor" includes a subcontractor as defined by Section 1722.1.

(a) To qualify for registration under this section, a contractor shall do all of the following:

(1)(A) Register with the Department of Industrial Relations in the manner prescribed by the department and pay an initial nonrefundable application fee of four hundred dollars (\$400) to qualify for registration under this section and an annual renewal fee on or before July 1 of each year thereafter. The annual renewal fee shall be in a uniform amount set by the Director of Industrial Relations, and the initial registration and renewal fees may be adjusted no more than annually by the director to support the costs specified in Section 1771.3.

(B) Beginning June 1, 2019, a contractor may register or renew according to this subdivision in annual increments up to three years from the date of registration. Contractors who wish to do so will be required to prepay the applicable nonrefundable application or renewal fees to qualify for the number of years for which they wish to preregister.

(2) Provide evidence, disclosures, or releases as are necessary to establish all of the following:

(A) Workers' Compensation coverage that meets the requirements of Division 4 (commencing with Section 3200) and includes sufficient coverage for any worker whom the contractor employs to perform work that is subject to prevailing wage requirements other than a contractor who is separately registered under this section. Coverage may be evidenced by a current and valid certificate of workers' compensation insurance or certification of self-insurance required under Section 7125 of the Business and Professions Code.

(B) If applicable, the contractor is licensed in accordance with Chapter 9 (commencing with Section 7000) of the Business and Professions Code.

(C) The contractor does not have any delinquent liability to an employee or the state for any assessment of back wages or related damages, interest, fines, or penalties pursuant to any final judgment, order, or determination by a court or any federal, state, or local administrative agency, including a confirmed arbitration award. However, for purposes of this paragraph, the contractor shall not be disqualified for any judgment, order, or determination that is under appeal, provided that the contractor has secured the payment of any amount eventually found due through a bond or other appropriate means.

(D) The contractor is not currently debarred under Section 1777.1 or under any other federal or state law providing for the debarment of contractors from public works.

(E) The contractor has not bid on a public works contract, been listed in a bid proposal, or engaged in the performance of a contract for public works without being lawfully registered in accordance with this section, within the preceding 12 months or since the effective date of the requirements set forth in subdivision (e), whichever is earlier. If a contractor is found to be in violation of the requirements of this paragraph, the period of disqualification shall be waived if both of the following are true:

(i) The contractor has not previously been found to be in violation of the requirements of this paragraph within the preceding 12 months.

(ii) The contractor pays an additional nonrefundable penalty registration fee of two thousand dollars (\$2,000).

(b) Fees received pursuant to this section shall be deposited in the State Public Works Enforcement Fund established by Section 1771.3 and shall be used only for the purposes specified in that section.

(c) A contractor who fails to pay the renewal fee required under paragraph (1) of subdivision (a) on or before the expiration of any prior period of registration shall be prohibited from bidding on or engaging in the performance of any contract for public work until once again registered pursuant to this section. If the failure to pay the renewal fee was inadvertent, the contractor may renew its registration retroactively by paying an additional nonrefundable penalty renewal fee equal to the amount of the renewal fee within 90 days of the due date of the renewal fee.

(d) If, after a body awarding a contract accepts the contractor's bid or awards the contract, the work covered by the bid or contract is determined to be a public work to which Section 1771 applies, either as the result of a determination by the director pursuant to Section 1773.5 or a court decision, the requirements of this section shall not apply, subject to the following requirements:

(1) The body that awarded the contract failed, in the bid specification or in the contract documents, to identify as a public work that portion of the work that the determination or decision subsequently classifies as a public work.

(2) Within 20 days following service of notice on the awarding body of a determination by the Director of Industrial Relations pursuant to Section 1773.5 or a decision by a court that the contract was for public work as defined in this chapter, the contractor and any subcontractors are registered under this section or are replaced by a contractor or subcontractors who are registered under this section.

(3) The requirements of this section shall apply prospectively only to any subsequent bid, bid proposal, contract, or work performed after the awarding body is served with notice of the determination or decision referred to in paragraph (2) of this subdivision.

(e) The requirements of this section shall apply to any bid proposal submitted on or after March 1, 2015, and any contract for public work, as defined in this chapter, entered into on or after April 1, 2015, and to any work performed under a contract for public work on or after January 1, 2018, regardless of when the contract for public work was executed.

(f) This section does not apply to work performed on a public works project of twenty-five thousand dollars (\$25,000) or less when the project is for construction, alteration, demolition, installation, or repair work or to work performed on a public works project of fifteen thousand dollars (\$15,000) or less when the project is for maintenance work.

Labor Code Section 1771

1771. Except for public works projects of one thousand dollars (\$1,000) or less, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in this chapter, shall be paid to all workers employed on public works.

This section is applicable only to work performed under contract, and is not applicable to work carried out by a public agency with its own forces. This section is applicable to contracts let for maintenance work.

Labor Code Section 1775

1775. (a) (1) The contractor and any subcontractor under the contractor shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit not more than two hundred dollars (\$200) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rates as determined by the director for the work or craft in which the worker is employed for any public work done under the contract by the contractor or, except as provided in subdivision (b), by any subcontractor under the contractor.

(2) (A) The amount of the penalty shall be determined by the Labor Commissioner based on consideration of both of the following:

(i) Whether the failure of the contractor or subcontractor to pay the correct rate of per diem wages was a good faith mistake and, if so, the error was promptly and voluntarily corrected when brought to the attention of the contractor or subcontractor.

(ii) Whether the contractor or subcontractor has a prior record of failing to meet its prevailing wage obligations.

(B) (i) The penalty may not be less than forty dollars (\$40) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, unless the failure of the contractor or subcontractor to pay the correct rate of per diem wages was a good faith mistake and, if so, the error was promptly and voluntarily corrected when brought to the attention of the contractor or subcontractor.

(ii) The penalty may not be less than eighty dollars (\$80) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, if the contractor or subcontractor has been assessed penalties within the previous three years for failing to meet its prevailing wage obligations on a separate contract, unless those penalties were subsequently withdrawn or overturned.

(iii) The penalty may not be less than one hundred twenty dollars (\$120) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, if the Labor Commissioner determines that the violation was willful, as defined in subdivision (c) of Section 1777.1.

(C) If the amount due under this section is collected from the contractor or subcontractor, any outstanding wage claim under Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 against that contractor or subcontractor shall be satisfied before applying that amount to the penalty imposed on that contractor or subcontractor pursuant to this section.

(D) The determination of the Labor Commissioner as to the amount of the penalty shall be reviewable only for abuse of discretion.

(E) The difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the contractor or subcontractor, and the body awarding the contract shall

cause to be inserted in the contract a stipulation that this section will be complied with.

(b) If a worker employed by a subcontractor on a public works project is not paid the general prevailing rate of per diem wages by the subcontractor, the prime contractor of the project is not liable for any penalties under subdivision (a) unless the prime contractor had knowledge of that failure of the subcontractor to pay the specified prevailing rate of wages to those workers or unless the prime contractor fails to comply with all of the following requirements:

(1) The contract executed between the contractor and the subcontractor for the performance of work on the public works project shall include a copy of the provisions of this section and sections 1771, 1776, 1777.5, 1813, and 1815.

(2) The contractor shall monitor the payment of the specified general prevailing rate of per diem wages by the subcontractor to the employees, by periodic review of the certified payroll records of the subcontractor.

(3) Upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages, the contractor shall diligently take corrective action to halt or rectify the failure, including, but not limited to, retaining sufficient funds due the subcontractor for work performed on the public works project.

(4) Prior to making final payment to the subcontractor for work performed on the public works project, the contractor shall obtain an affidavit signed under penalty of perjury from the subcontractor that the subcontractor has paid the specified general prevailing rate of per diem wages to his or her employees on the public works project and any amounts due pursuant to Section 1813.

(c) The Division of Labor Standards Enforcement shall notify the contractor on a public works project within 15 days of the receipt by the Division of Labor Standards Enforcement of a complaint of the failure of a subcontractor on that public works project to pay workers the general prevailing rate of per diem wages.

Labor Code Section 1776

1776. (a) Each contractor and subcontractor shall keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with the public work. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following:

(1) The information contained in the payroll record is true and correct.

(2) The employer has complied with the requirements of Sections 1771, 1811, and 1815 for any work performed by his or her employees on the public works project.

(b) The payroll records enumerated under subdivision (a) shall be certified and shall be available for inspection at all reasonable hours at the principal office of the contractor on the following basis:

(1) A certified copy of an employee's payroll record shall be made available for inspection or furnished to the employee or his or her authorized representative on request.

(2) A certified copy of all payroll records enumerated in subdivision (a) shall be made available for inspection or furnished upon request to a representative of the body awarding the contract and the

Division of Labor Standards Enforcement of the Department of Industrial Relations.

(3) A certified copy of all payroll records enumerated in subdivision (a) shall be made available upon request by the public for inspection or for copies thereof. However, a request by the public shall be made through either the body awarding the contract or the Division of Labor Standards Enforcement. If the requested payroll records have not been provided pursuant to paragraph (2), the requesting party shall, prior to being provided the records, reimburse the costs of preparation by the contractor, subcontractors, and the entity through which the request was made. The public may not be given access to the records at the principal office of the contractor.

(c) Unless required to be furnished directly to the Labor Commissioner in accordance with paragraph (3) of subdivision (a) of Section 1771.4, the certified payroll records shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information as the forms provided by the division. The payroll records may consist of printouts of payroll data that are maintained as computer records, if the printouts contain the same information as the forms provided by the division and the printouts are verified in the manner specified in subdivision (a).

(d) A contractor or subcontractor shall file a certified copy of the records enumerated in subdivision (a) with the entity that requested the records within 10 days after receipt of a written request.

(e) Except as provided in subdivision (f), any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by the awarding body or the Division of Labor Standards Enforcement shall be marked or obliterated to prevent disclosure of an individual's name, address, and social security number. The name and address of the contractor awarded the contract or the subcontractor performing the contract shall not be marked or obliterated. Any copy of records made available for inspection by, or furnished to, a multiemployer Taft-Hartley trust fund (29 U.S.C. Sec. 186(c)(5)) that requests the records for the purposes of allocating contributions to participants shall be marked or obliterated only to prevent disclosure of an individual's full social security number, but shall provide the last four digits of the social security number. Any copy of records made available for inspection by, or furnished to, a joint labor-management committee established pursuant to the federal Labor Management Cooperation Act of 1978 (29 U.S.C. Sec. 175a) shall be marked or obliterated only to prevent disclosure of an individual's social security number.

(f)(1) Notwithstanding any other provision of law, agencies that are included in the Joint Enforcement Strike Force on the Underground Economy established pursuant to Section 329 of the Unemployment Insurance Code and other law enforcement agencies investigating violations of law shall, upon request, be provided nonredacted copies of certified payroll records. Any copies of records or certified payroll made available for inspection and furnished upon request to the public by an agency included in the Joint Enforcement Strike Force on the Underground Economy or to a law enforcement agency investigating a violation of law shall be marked or redacted to prevent disclosure of an individual's name, address, and social security number.

(2) An employer shall not be liable for damages in a civil action for any reasonable act or omission taken in good faith in compliance with this subdivision.

(g) The contractor shall inform the body awarding the contract of the location of the records enumerated under subdivision (a), including the street address, city, and county, and shall, within five working days, provide a notice of a change of location and address.

(h) The contractor or subcontractor has 10 days in which to comply subsequent to receipt of a written notice requesting the records enumerated in subdivision (a). In the event that the contractor or subcontractor fails to comply within the 10-day period, he or she shall, as a penalty to the state or

political subdivision on whose behalf the contract is made or awarded, forfeit one hundred dollars (\$100) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Labor Standards Enforcement, these penalties shall be withheld from progress payments then due. A contractor is not subject to a penalty assessment pursuant to this section due to the failure of a subcontractor to comply with this section.

(i) The body awarding the contract shall cause to be inserted in the contract stipulations to effectuate this section.

(j) The director shall adopt rules consistent with the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code) and the Information Practices Act of 1977 (Title 1.8 (commencing with Section 1798) of Part 4 of Division 3 of the Civil Code) governing the release of these records, including the establishment of reasonable fees to be charged for reproducing copies of records required by this section.

Regulations implementing Labor Code Section 1776 are located in Sections 16000, 16400, 16401, 16402, 16403, and 16500 of Title 8, California Code of Regulations.

Labor Code Section 1777.5

1777.5. (a) This chapter does not prevent the employment of properly registered apprentices upon public works.

(b)(1) Every apprentice employed upon public works shall be paid the prevailing rate of per diem wages for apprentices in the trade to which he or she is registered and shall be employed only at the work of the craft or trade to which he or she is registered.

(2) Unless otherwise provided by a collective bargaining agreement, when a contractor requests the dispatch of an apprentice pursuant to this section to perform work on a public works project and requires the apprentice to fill out an application or undergo testing, training, an examination, or other preemployment process as a condition of employment, the apprentice shall be paid for the time spent on the required preemployment activity, including travel time to and from the required activity, if any, at the prevailing rate of per diem wages for apprentices in the trade to which he or she is registered. Unless otherwise provided by a collective bargaining agreement, a contractor is not required to compensate an apprentice for the time spent on preemployment activities if the apprentice is required to take a preemployment drug or alcohol test and he or she fails to pass that test.

(c) Only apprentices, as defined in Section 3077, who are in training under apprenticeship standards that have been approved by the Chief of the Division of Apprenticeship Standards and who are parties to written apprentice agreements under Chapter 4 (commencing with Section 3070) of Division 3 are eligible to be employed at the apprentice wage rate on public works. The employment and training of each apprentice shall be in accordance with either of the following:

(1) The apprenticeship standards and apprentice agreements under which he or she is training.

(2) The rules and regulations of the California Apprenticeship Council.

(d) If the contractor to whom the contract is awarded by the state or any political subdivision, in performing any of the work under the contract, employs workers in any apprenticeable craft or trade, the contractor shall employ apprentices in at least the ratio set forth in this Section and may apply to any apprenticeship program in the craft or trade that can provide apprentices to the site of the public work for a certificate approving the contractor under the apprenticeship standards for the employment and training of apprentices in the area or industry affected. However, the decision of the apprenticeship program to

approve or deny a certificate shall be subject to review by the Administrator of Apprenticeship. The apprenticeship program or programs, upon approving the contractor, shall arrange for the dispatch of apprentices to the contractor. A contractor covered by an apprenticeship program's standards shall not be required to submit any additional application in order to include additional public works contracts under that program. "Apprenticeable craft or trade," as used in this section, means a craft or trade determined as an apprenticeable occupation in accordance with rules and regulations prescribed by the California Apprenticeship Council. As used in this section, "contractor" includes any subcontractor under a contractor who performs any public works not excluded by subdivision (o).

(e) Before commencing work on a contract for public works, every contractor shall submit contract award information to an applicable apprenticeship program that can supply apprentices to the site of the public work. The information submitted shall include an estimate of journeyman hours to be performed under the contract, the number of apprentices proposed to be employed, and the approximate dates the apprentices would be employed. A copy of this information shall also be submitted to the awarding body if requested by the awarding body. Within 60 days after concluding work on the contract, each contractor and subcontractor shall submit to the awarding body, if requested, and to the apprenticeship program a verified statement of the journeyman and apprentice hours performed on the contract. The information under this subdivision shall be public. The apprenticeship programs shall retain this information for 12 months.

(f) The apprenticeship program supplying apprentices to the area of the site of the public work shall ensure equal employment and affirmative action in apprenticeship for women and minorities.

(g) The ratio of work performed by apprentices to journeymen employed in a particular craft or trade on the public work may be no higher than the ratio stipulated in the apprenticeship standards under which the apprenticeship program operates where the contractor agrees to be bound by those standards. However, except as otherwise provided in this section, in no case shall the ratio be less than one hour of apprentice work for every five hours of journeyman work.

(h) This ratio of apprentice work to journeyman work shall apply during any day or portion of a day when any journeyman is employed at the jobsite and shall be computed on the basis of the hours worked during the day by journeymen so employed. Any work performed by a journeyman in excess of eight hours per day or 40 hours per week shall not be used to calculate the ratio. The contractor shall employ apprentices for the number of hours computed as above before the end of the contract or, in the case of a subcontractor, before the end of the subcontract. However, the contractor shall endeavor, to the greatest extent possible, to employ apprentices during the same time period that the journeymen in the same craft or trade are employed at the jobsite. When an hourly apprenticeship ratio is not feasible for a particular craft or trade, the Administrator of Apprenticeships, upon application of an apprenticeship program, may order a minimum ratio of not less than one apprentice for each five journeymen in a craft or trade classification.

(i) A contractor covered by this section who has agreed to be covered by an apprenticeship program's standards upon the issuance of the approval certificate, or that has been previously approved for an apprenticeship program in the craft or trade, shall employ the number of apprentices or the ratio of apprentices to journeymen stipulated in the applicable apprenticeship standards, but in no event less than the 1-to-5 ratio required by subdivision (g).

(j) Upon proper showing by a contractor that he or she employs apprentices in a particular craft or trade in the state on all of his or her contracts on an annual average of not less than one hour of apprentice work for every five hours of labor performed by journeymen, the Administrator of Apprenticeship may grant a certificate exempting the contractor from the 1-to-5 hourly ratio, as set forth in this Section for that craft or trade.

(k) An apprenticeship program has the discretion to grant to a participating contractor or contractor association a certificate, which shall be subject to the approval of the Administrator of Apprenticeship, exempting the contractor from the 1-to-5 ratio set forth in this section when it finds that any one of the following conditions is met:

(1) Unemployment for the previous three-month period in the area exceeds an average of 15 percent.

(2) The number of apprentices in training in the area exceeds a ratio of 1 to 5.

(3) There is a showing that the apprenticeable craft or trade is replacing at least one-thirtieth of its journeymen annually through apprenticeship training, either on a statewide basis or on a local basis.

(4) Assignment of an apprentice to any work performed under a public works contract would create a condition that would jeopardize his or her life or the life, safety, or property of fellow employees or the public at large, or the specific task to which the apprentice is to be assigned is of a nature that training cannot be provided by a journeyman.

(l) If an exemption is granted pursuant to subdivision (k) to an organization that represents contractors in a specific trade from the 1-to-5 ratio on a local or statewide basis, the member contractors shall not be required to submit individual applications for approval to local joint apprenticeship committees, if they are already covered by the local apprenticeship standards.

(m) (1) A contractor to whom a contract is awarded, who, in performing any of the work under the contract, employs journeymen or apprentices in any apprenticeable craft or trade shall contribute to the California Apprenticeship Council the same amount that the director determines is the prevailing amount of apprenticeship training contributions in the area of the public works site. A contractor may take as a credit for payments to the council any amounts paid by the contractor to an approved apprenticeship program that can supply apprentices to the site of the public works project. The contractor may add the amount of the contributions in computing his or her bid for the contract.

(2) At the conclusion of the 2002-03 fiscal year and each fiscal year thereafter, the California Apprenticeship Council shall distribute training contributions received by the council under this subdivision, less the expenses of the Department of Industrial Relations for administering this subdivision, by making grants to approved apprenticeship programs for the purpose of training apprentices. The funds shall be distributed as follows:

(A) If there is an approved multiemployer apprenticeship program serving the same craft or trade and geographic area for which the training contributions were made to the council, a grant to that program shall be made.

(B) If there are two or more approved multiemployer apprenticeship programs serving the same craft or trade and county for which the training contributions were made to the council, the grant shall be divided among those programs based on the number of apprentices registered in each program.

(C) All training contributions not distributed under subparagraphs (A) and (B) shall be used to defray the future expenses of the Department of Industrial Relations for the administration and enforcement of apprenticeship standards and requirements under this code.

(3) All training contributions received pursuant to this subdivision shall be deposited in the Apprenticeship Training Contribution Fund, which is hereby created in the State Treasury. Upon appropriation by the Legislature, all moneys in the Apprenticeship Training Contribution Fund shall be used for the purpose of carrying out this subdivision and to pay the expenses of the Department of

Industrial Relations.

(n) The body awarding the contract shall cause to be inserted in the contract stipulations to effectuate this section. The stipulations shall fix the responsibility of compliance with this Section for all apprenticeable occupations with the prime contractor.

(o) This Section does not apply to contracts of general contractors or to contracts of specialty contractors not bidding for work through a general or prime contractor when the contracts of general contractors or those specialty contractors involve less than thirty thousand dollars (\$30,000).

(p) An awarding body that implements an approved labor compliance program in accordance with subdivision (b) of Section 1771.5 may, with the approval of the director, assist in the enforcement of this section under the terms and conditions prescribed by the director.

Labor Code Section 1810

1810. Eight hours labor constitutes a legal day's work in all cases where the same is performed under the authority of any law of this State, or under the direction, or control, or by the authority of any officer of this State acting in his official capacity, or under the direction, or control or by the authority of any municipal corporation, or of any officer thereof. A stipulation to that effect shall be made a part of all contracts to which the State or any municipal corporation therein is a party.

Labor Code Section 1811

1811. The time of service of any workman employed upon public work is limited and restricted to eight hours during any one calendar day, and 40 hours during any one calendar week, except as hereinafter provided for under Section 1815.

Labor Code Section 1812

1812. Every contractor and subcontractor shall keep an accurate record showing the name of and actual hours worked each calendar day and each calendar week by each worker employed by him or her in connection with the public work. The record shall be kept open at all reasonable hours to the inspection of the awarding body and to the Division of Labor Standards Enforcement.

Labor Code Section 1813

1813. The contractor or subcontractor shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit twenty-five dollars (\$25) for each worker employed in the execution of the contract by the respective contractor or subcontractor for each calendar day during which the worker is required or permitted to work more than 8 hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of this article. In awarding any contract for public work, the awarding body shall cause to be inserted in the contract a stipulation to this effect. The awarding body shall take cognizance of all violations of this article committed in the course of the execution of the contract, and shall report them to the Division of Labor Standards Enforcement.

Labor Code Section 1815

1815. Notwithstanding the provisions of Sections 1810 to 1814, inclusive, of this code, and notwithstanding any stipulation inserted in any contract pursuant to the requirements of said sections, work performed by employees of contractors in excess of 8 hours per day, and 40 hours during any one week, shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 1/2 times the basic rate of pay.

F. Labor Nondiscrimination

Developer's attention is directed to Section 1735 of the Labor Code, which reads as follows:

"A contractor shall not discriminate in the employment of persons upon public works on any basis listed in subdivision (a) of Section 12940 of the Government Code, as those bases are defined in Sections 12926 and 12926.1 of the Government Code, except as otherwise provided in Section 12940 of the Government Code. Every contractor for public works who violates this section is subject to all the penalties imposed for a violation of this chapter."

Developer's attention is directed to the following "Nondiscrimination Clause" that is required by Chapter 5 of Division 4 of Title 2, California Code of Regulations.

Nondiscrimination Clause

1. During the performance of this contract, contractor and its subcontractors shall not unlawfully discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, agesexual orientation, or military or veteran status. Contractors and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination. Contractors and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code, Section 12900 et seq.) and the applicable regulations promulgated thereunder (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing Council implementing Government Code, section 12990, set forth in Subchapter 5 of Division 4.1 of Title 2 of the California Code of Regulations are incorporated into this contract by reference and made a part hereof as if set forth in full. Developer and its contractors and subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
2. Developer shall include the nondiscrimination and compliance provisions of this clause in all contracts to perform work under the Agreement.

MEETINGS/SEMINARS/CONFERENCES/WORKSHOPS

VARIABLE					
DATE	2018	MEETING	LOCATION	ATTENDEES	POST
January	11	SDCWA Special Board Meeting	SDCWA	GM	N/A
January	*	CSDA – San Diego Chapter	(Location to be Announced) 6:00 p.m.	Mack	N/A
January	*	LAFCO Special Meeting	County Admin Center, Room 302 – 9:30am	(As Advised by GM)	N/A
January	*	Santa Margarita Watershed Council	Rancho California Water District	Hamilton	N/A

* To Be Announced

MEETINGS/SEMINARS/CONFERENCES/WORKSHOPS

RECURRING					
DATE	2018	MEETING	LOCATION	ATTENDEES	POST
January	*	LAFCO Advisory Committee	LAFCO, 9335 Hazard Way, 9:30 a.m.	General Manager	N/A
January	3	Engineering Committee Meeting	RMWD Board Room 3:00 p.m.	Appointed Director, General Manager	12/19
January	4	Communications Committee Mtg.	RMWD Board Room 3:30 p.m.	Appointed Director, General Manager	12/19
January	8	LAFCO	County Admin. Center Room 302 9:00 am	As Advised by GM	N/A
January	9	Budget & Finance Committee Mtg.	RMWD Board Room 1:00 p.m.	Appointed Director, General Manager	12/19
January	15	Council of Water Utilities	Stoneridge Country Club 7:15 a.m. Poway	All Directors, General Manager	5/11
January	16	SDCWA GM's Meeting	SDCWA, San Diego 9:30 a.m.	General Manager	N/A
January	19	NC Managers	Golden Egg 7:45 a.m.	General Manager	N/A
January	23	RMWD General Board	RMWD Board Room (Start Time to Be Determined)	All Directors	1/16
January	24	North County Water Group	Rincon Del Diablo, Escondido 7:30 a.m.	All Directors on a Rotating Schedule, General Manager	N/A
January	24	San Luis Rey Watershed Council	Pala Administration Building 1:00 p.m.	Stewart	N/A
January	25	SDCWA Full Board Meeting	SDCWA Board Room, 3-5 p.m.	General Manager	N/A

MEETINGS/SEMINARS/CONFERENCES/WORKSHOPS

- **CHANGES – ADDITIONS - DELETIONS:**



STAFF TRAINING REPORT

ATTENDEES NAME(S):	Dawn Washburn
TITLE OF TRAINING/CONFERENCE/WORKSHOP/CLASS:	2017 Board Secretary/Clerk Conference
DATE(S) ATTENDED:	10/22/17 - 10/24/17
AGENCY HOSTING TRAINING/CONFERENCE/WORKSHOP/CLASS:	CSDA
LOCATION:	Anaheim, CA
BRIEF DESCRIPTION:	
<p>As a current certificate holder, I attended several advanced breakout sessions; some providing encouraging tools sessions for my role and others providing vital information (listed below):</p> <p>The keynote presentation was a mock Board meeting demonstrating to all attendees what should and should not take place during the course of a Board meeting as a means of strengthening the Board's decision-making process. Key notes:</p> <ul style="list-style-type: none"> ** When the Board Chair asks if there are any objections to a change to the agenda, the Chair is in fact asking the Board Members for a vote. The term for this is "unanimous consent". ** One Board Member cannot speak for a second time on one item until the remaining Board Members who wishes to do so has spoken once. ** When a Board Members states "point of order", the Chair should respond "state your point". One the Member asking for point of order states their point, the Chair should response "The point is well taken (elaborating on the point made by the Member)" or "The point is not well taken (explaining the reason for rejection)". <p>There was a breakout on the differences between policies, procedures and task lists that was informative in that it provided tools for recognizing the difference between the three in order to make for more direct, condensed, and concise policy writing.</p> <p>The most informative breakout session was on Form 700's presented by the Assistant Chief, Legal Division of the Fair Political Practices Commission. Key notes involve reviewing the RMWD Conflict of Interest Code to ensure filers are categorized correctly, gift limits and who should be claiming gifts on their Form 700 (i.e., addressee), electronic and hard copy filing requirements, reporting requirements, FPPC resources that may assist with the regulatory requirements and tracking, record retention schedules, Public Records Act Rules, how to properly amend a filed Form 700, and when Form 700's must be filed for both assuming and leaving office/positions listed in RMWD Conflict of Interest Code.</p>	

BOARD OF DIRECTORS

December 5, 2017

SUBJECT

Operations Report for October 2017

DESCRIPTION

Activities for Operations & Maintenance Division

CONSTRUCTION & MAINTENANCE:

The Construction crews repaired eleven (11) leaks, five (5) main line repairs and six (6) services. The crew performed five (5) planned/emergency shutdowns. They installed two (2) 6" gate valves and one (1) 6" Cla-valve. The crew also installed and/or repaired four (4) appurtenances. The Construction & Maintenance crews maintained District easements as well as completed the work at the District Yard. The crew finished installing one of the three pressure stations being installed at Vista Valley Estates.

The District's mechanic completed a total of (32) District vehicles with regular *scheduled* preventative maintenance and/or repairs. Emergency equipment inspection completed and Logged. All repairs and maintenance were logged into the Mitchel program. New vehicles picked up and beginning vehicle preparation.

The following maintenance and/or repairs were considered *unscheduled*:

- Vehicles with Emergency Repairs (4)
- Small Equipment (1)
- Off-Road Equipment / Trailers Repairs & Maintenance (2)
- Off-Road Equipment / Trailer Emergency Repairs (2)
- Large Vehicles Maintenance / Repairs (13)
- Large Equipment Emergency Repairs (3)
- Safety Recalls (0)

WATER OPERATIONS:

The Valve Maintenance crew exercised a total of 156 valves this month, well below their average goal of 303 per month due to other emergencies/priorities. The crew also completed 179 Dig Alert tickets/mark-outs for the District.

- Completed thirteen (13) monthly tank inspections and 3 (3) reservoir cover inspections
- Serviced and rebuilt bypass pressure station at Rainbow Heights Pump Station
- Serviced and rebuilt bypass pressure station at Lookout Mountain Pump Station
- Serviced and rebuilt bypass pressure station at Gomez Pump Station
- Serviced and rebuilt pressure station on Moonridge

- Serviced and rebuilt Big View pressure relief valve
- Serviced and rebuilt West Lilac pressure relief valve
- Erosion repair at Lower Beck drain basin
- Replaced old pressure station at Via Vera with new valves
- Performed three (3) water quality complaints

ANNUAL SDCWA SHUTDOWN

The San Diego County Water Authority (SDCWA) conducts routine inspection, maintenance and/or repairs as part of their Capital Improvement Projects. SDCWA recently conducted their scheduled annual 10-Day Treated Water shutdown, which impacted the District since 100% of our water is imported. This shutdown impacted Gopher, Turner and Hutton Tanks. This went into effect on November 5th and concluded on November 14th.

The purpose of this SDCWA shutdown was for the following outlined below, but not all this work directly affected Rainbow Municipal Water District's (RMWD) infrastructure. This project was scheduled to address the following:

- CR6 (CR1 Rehab) Project – Contractor to complete final tie-in work on Pipeline 3 and 4 turnouts for connection
- Warranty inspection of Conveyance Pipeline and Twin Oaks Desal Improvements (54" pipeline, Clearwells)
- Carlsbad Desalination Plant semi-annual maintenance shutdown

In preparation of this scheduled shutdown, RMWD Staff deployed a total of three (3) portable pumps at the following locations: Camino Del Rey (Moosa Line), West Lilac (Line P) and Silverleaf (Gopher Tank). All of these pumps served the public demand by pumping water from Morro Reservoir to the three above-mentioned tanks.

RMWD Staff were well-prepared, as there was a plan in place for staff to follow, which was communicated and executed effectively. However, on the third day of the shutdown, RMWD Staff had no choice but to notify customers within the southern zones to cut back on irrigating for a few days due to the high-water demand and tank levels dropping.

A special "thank you" goes out to the customers who supported this shutdown, and to RMWD Staff who played a role in overseeing this operation. Overall, this was a successful shutdown, in which the distribution system remained fully operational.

Water Quality:

- 22 Routine coliform samples
- 8 Contractor Special samples
- 14 Nitrification samples
- 2 Water Quality calls

WASTEWATER:

Monthly, Semi-Annual and Annual Reports:

California Integrated Water Quality System (CIWQS): Confirmation #2499761 Reported "No Spill Report" for Month of October 2017.

Lift Station Pumps / Preventative Maintenance:

<u>Date</u>	<u>Location</u>	<u>Cause</u>
October 6, 2017	Lift Station #3	High level alarm – Reset floats
October 17, 2017	Lift Station #3	Replace worn out sewer impeller, adjust and put in service
October 17, 2017	Lift Station #3 & 4	Power outage (two locations) - SDGE transformer; Check fuel: status okay
October 17, 2017	Lift Station #3	Confined Space: Grind down & weld rusted spot on Dry Well; avoid infiltration inside dry well.

New Development:

October 05,2017 – Sewer bypass on Golf Green Estates, Crew monitor/check sewer plugs and monitor wet well for backup. (Standby)

Megging:

October 2017: Electrical Megging – N/A

Lift Stations Generators:

Lift #5 Generator: Block Heater failure - Researching outdated part number / placed on bypass until purchased placed call into Johnson Power Systems

Sewer Line Cleaning:

September 28, 2017 - October 4, 2017: 6,339' cleaned (Club Vista Lane, Lake Vista)

October 5, 2017 – October 11, 2017: 4,152' cleaned (Golf Club Drive, Lake Vista Drive)

October 12, 2017 – October 18, 2017 – N/A

October 19, 2017 – October 25, 2017 - 6,575' cleaned (Camino Del Rey, West Lilac Road)

October 26, 2017 – November 1, 2017 - 3,757' cleaned (Pala Mesa Drive)

Total sewer lines cleaned: **20,823'**

High Frequency Cleaning:

October 5, 2017 – October 11, 2017: 722'

October 12, 2017 – October 18, 2017: 1,410': Cleaned 8" & 10" siphon sewer lines

October 19, 2017 – October 25, 2017: 1,679'

October 26, 2017 – November 1, 2017: 1,865'

Total sewer lines cleaned: **5,676'**

Odor:

October 5, 2017: Located odor problem at Lake Rancho Viejo Lake

Easements:

October 2, 2017: Met with CalTrans to review Rainbow's sewer easement access blocked by Ames contractor

October 10, 2017: Met with Palomar College to review sewer manhole relocation

Manhole (M/H) Inspections:

August 31, 2017 – September 6, 2017: 9 M/H inspected at Sweetgrass Lane

October 5, 2017 – October 11, 2017: 21 M/H inspected at Golf Club Drive & Lake Vista Drive

October 12, 2017 – October 18, 2017: 4 M/H inspected

October 19, 2017 – October 25, 2017: 20 M/H inspected at Camino Del Rey & West Lilac Road

October 26, 2017 – November 1, 2017: 28 M/H inspected at Pala Mesa Drive

Total manholes inspected for the month of October 2017: **102**

Smart/Cover Alarm Units:

October 18, 2017: High level alarm (flushed sewer line on Northcliff Drive)

October 24, 2017: Rechecked Tilt alarm

EMPLOYEE RECOGNITION – OPERATIONS DIVISION:

District's Monthly "Excellence Program" Coin Award Winner

Teamwork:

- Gerardo Cancino

Other Certifications Obtained

- Ruben Lopez passed his D2 Water Distribution Operator Exam
- Gerardo Cancino passed his D3 Water Distribution Operator Exam
- David Hill passed his D3 Water Distribution Operator Exam

The following employees received certificates from Cal State University, San Marcos after completing an extensive year and a half course in Water Management and Leadership:

- Ed Bradley
- Steve Coffey
- Jesus Hernandez
- Darren Milner
- Joe Perreira



Darren S. Milner
Operations Manager

12/5/17

BOARD OF DIRECTORS

December 5, 2017

SUBJECT

Engineering Report for October 2017

DESCRIPTION

CAPITAL PROJECTS:

Bonsall Basin Imported Return Flow: Consultant is working on updating the model and confirming water rights.

Condition Assessment of Water Facilities: The Consultant is working on the technical memorandum.

Gird to Monserate Hill: Bid documents pending new alignment. Staff working on alignment with minimal environmental impacts.

Horse Creek Lift Station: The Lift Station is scheduled to be completed by March 2018.

Highway 76 East Segment: Contractor is completing the punch list.

Knottwood Way Waterline Improvements: Notice of completion to be issued.

Lift Station 1 Replacement: The lift station design is underway.

Moosa Crest Waterline (Emergency) Project: CWA shutdown is complete. The waterline is in use. The expansion joint is scheduled to be installed.

Pump Station #1 Upgrades: Received 100% design submittal. Receiving bids in January 2018.

Wastewater Outfall Replacement: Project on hold until further evaluation from local water alternatives. Project may take the form of rehabilitation with equalization basin.

Weese Filtration Plant Interconnect: Consultant is working on 60% design submittal.

DEVELOPER PROJECTS:

Golf Green Estates – Rio Estrella: (near Lift Station 1): 94 SFR planned across from Bonsall Elementary School. The Contractor is installing 8” sewerline for phase three.

Horse Ranch Creek Ridge (D.R. Horton - formally Campus Park, Passerelle): 850 WMs / 850 EDUs – Off of Highway 76 and Horse Ranch Creek Road. Models completed.

Malabar Ranch: 31 WMs / 29 EDUs - There are 17 out of 31 homes built. Contractor completing 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 SFR on Old Highway 395. Contractor has completed a large percentage of the sewer facilities and will begin installing the potable water soon.

Palomar College: Staff working on sewer and water agreements. A pre-construction meeting was scheduled on 11/16/17. Staff is receiving submittals. Sewer construction to be completed by the end of the 2017. Connection to existing sewer is scheduled in March 2018, after the Horse Creek Lift Station is completed.

OTHER:

ITEMS	NO#	ITEMS	NO#
Water Availability Letters	1	Water Meters Purchased	10
Sewer Availability Letters	1	Sewer EDUs Purchased	0
Water Commitment Letters	0	Developer Shutdowns	0
Sewer Commitment Letters	0	Jobs Closed:	0



Michael Powers
Acting Engineering Manager

12/5/17



BOARD INFORMATION

BOARD OF DIRECTORS

November 14, 2017

SUBJECT

October: Customer Service & Meter Services

DESCRIPTION

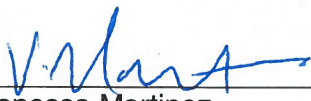
METER SERVICES:

Meter Services completed 948 service orders. Here is a summary of the most pertinent service orders shown by category.

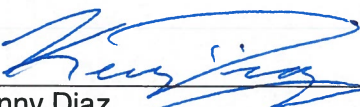
SERVICE ORDERS	COMPLETED
Check Reads	510
Transfers	84
Locked	52
Unlocked	32
Pressure Calls	28
Leaks	58
Drought	2

CUSTOMER SERVICE & METER SERVICES:

Nothing to report.


 Vanessa Martinez
 Finance Manager

11/14/2017


 Kenny Diaz
 Meter Services Crew Leader

11/14/2017



BOARD INFORMATION

BOARD OF DIRECTORS

December 5, 2017

SUBJECT

HUMAN RESOURCES REPORT FOR OCTOBER/NOVEMBER 2017

DESCRIPTION

Personnel changes, human resources activities, and safety report for October/November 2017.

PERSONNEL CHANGES:

- One employee from Valve Maintenance returned from a leave of absence in November.
- The Engineering Manager continues a leave of absence that is expected to last until December or January.
- One temporary Customer Service Representative will continue filling in until the lock box system is installed.

STAFFING:

Purchasing / Warehouse Technician

The job description has been updated and the responsibilities more accurately reflect the District's needs. Accordingly, the job title changed slightly and the new job description was compared to the market data by Nyhart Compensation Consultants. The new position will be added to the pay grades for the Board's approval.

Information Technology

Management staff is currently conducting a needs assessment in conjunction with Ostari to refine the position needs before posting the recruitment. A draft job description has been provided by Ostari and is being reviewed by the HR Manager to assess the proper salary grade for the position before posting.

Right of Way / Facilities Maintenance Technician

The Associate Engineer and Human Resources Manager researched the cost of outsourcing this role to an engineering services firm. The findings were that the rate would range from \$135 to \$210 per hour. Given the quantity of easements that need to be managed, as well as the building and facilities maintenance that the position would cover, the need would be full-time. Therefore, the annual cost to outsource this function would be between \$270,000 and \$420,000. The cost for a full-time employee would likely be less than \$125,000 annually, inclusive of benefits. Additionally, the need for this function will be ongoing, not temporary, so the recommended method of meeting this operational need is to hire a full-time employee.

BENEFITS:

Open Enrollment

Open enrollment for the 2018 plan year ended on October 31, 2017. Several employees switched to less expensive Kaiser plans or the Anthem CDHP. However, some employees who had previously waived coverage decided to enroll in the District's low-cost Kaiser CDHP plan, which absorbed the cost offset the District would have had as a result of the voluntary plan changes.

Health Fair

The District held the annual Health Fair and employee appreciation luncheon on October 23, 2017.

EMPLOYEE RECOGNITION:

Excellence Coin Awards

The following coin was issued in September:

Teamwork

Gerardo Cancino – Gerardo normally works in Valve Maintenance, but he had previous experience in a warehouse and purchasing, so when the Purchasing / Warehouse Technician went on an unexpected leave of absence in May, he volunteered to perform the job during his absence. When another employee from his own department also went on leave, he split his time between both departments and effectively did both jobs. His dedicated was very appreciated!

NEOGOV:

Insight Module

Since implementation in December, the District has accumulated over 2,179 subscriptions for email notifications for job opportunities.

Onboard Module

The Human Resources Manager conducted training meetings with Department Heads and Bargaining Unit representatives. Each Department and Bargaining Unit is currently building custom portals with important information for employees to access.

Perform Module

The implementation process is underway. The temp HR Analyst and HR Manager are conducting training and building online performance evaluations as a sample to present to management, and the employee groups via the DREAM team. The new reviews will be build around the District's core values, job specific competencies, and District goals.

SAFETY:

Incidents

The District had a lost time injury on 11/7/17 due to a slip on loose dirt at a job site. The investigation is underway to determine whether it was preventable. Preliminary findings indicate that an easement encroachment of a chain link fence too close to a Pressure Reducing Station made the job more challenging and likely contributed to the circumstances that led to the injury.

Safety Training

Target Solutions online training: 32 completions for October 2017.



Tailgate Trainings

- **The Great Shakeout: Earthquake Safety**
On October 19 at 10:19 AM, the District participated in the Great Shakeout, an annual international program to educate the public on earthquake safety. Schools, businesses, and government agencies around the world conducted training programs and a synchronized earthquake drill to remind people of how to prepare for, remain safe during, and recover from earthquakes.
- **Silica in Construction: 30 Employees**
The Safety Administrator discussed the health hazards of silica dust in construction, and how to protect workers from exposure.



Karleen Harp, COSM
Human Resources Manager

12/05/2017

General Ledger

Interim Financials

Period: SEPTEMBER-17



Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Variance	Encumbered Amount	Amount Available	% Available
Fund 01	WATER FUND							
Department 01-00								
	Water Revenue							
01-00-41110	Water Sales-SF, MF, CM, IS	7,210,100	889,557	2,734,939	4,475,161	0	4,475,161	62%
01-00-41115	Water Sales-Domestic-Unbilled	0	0	0	0	0	0	0%
01-00-41120	Water Sales-Agriculture Dom	1,086,300	125,613	370,662	715,638	0	715,638	66%
01-00-41125	Water Sales-Ad Noncert Unbilld	0	0	0	0	0	0	0%
01-00-41130	Water Sales-Ag/Dom Met Cert	0	0	0	0	0	0	0%
01-00-41160	Water Sales- Agriculture	4,120,500	491,643	1,515,463	2,605,037	0	2,605,037	63%
01-00-41165	Water Sales-Ag.Nondis Unbilled	0	0	0	0	0	0	0%
01-00-41170	Water Sales-Construction	224,700	39,293	206,639	18,061	0	18,061	8%
01-00-41175	Water Sales-Construction-Unbil	0	0	0	0	0	0	0%
01-00-41180	Water Sales - TSAWR Com	4,162,600	680,842	2,045,994	2,116,606	0	2,116,606	51%
01-00-41185	Water Sales-Sawr Ag Unbilled	0	0	0	0	0	0	0%
01-00-41190	Water Sales- TSAWR Dom	6,164,200	884,194	2,708,013	3,456,187	0	3,456,187	56%
01-00-41195	Water Sales Sawr Ag/D Unbilled	0	0	0	0	0	0	0%
01-00-42120	Monthly O&M Charges - Rainbow	5,593,500	465,829	1,540,112	4,053,388	0	4,053,388	72%
01-00-42121	Monthly O&M Charges - CWA	5,744,570	468,476	1,559,783	4,184,787	0	4,184,787	73%
01-00-42130	Readiness-To-Serve Rev Id#1	290,000	0	306	289,694	0	289,694	100%
01-00-42140	Pumping Charges	579,622	68,377	190,030	389,592	0	389,592	67%
01-00-43101	Operating Inc Turn On/Off Fees	5,000	600	4,275	725	0	725	15%
01-00-43104	Operating Inc. R.P. Charges	273,775	22,929	74,464	199,311	0	199,311	73%
01-00-43106	Operating Inc Water Letter Fee	0	0	0	0	0	0	0%
01-00-43109	Operating Inc Inspections	100,000	(2,124)	(15,265)	115,265	0	115,265	115%
01-00-43110	Operating Inc Plans And Specs	1,000	0	0	1,000	0	1,000	100%
01-00-43111	Operating Inc Install Fees,Hyd	3,500	1,035	1,725	1,775	0	1,775	51%
01-00-43114	Operating Inc-Miscellaneous	8,000	582	2,336	5,665	0	5,665	71%
01-00-43116	New Meter Sales/Install Parts	55,000	675	26,430	28,570	0	28,570	52%
01-00-43117	Notice Delivery Revenue	40,000	3,560	9,720	30,280	0	30,280	76%
	Water Revenue Sub Totals:	35,662,367	4,141,081	12,975,625	22,686,742	0	22,686,742	64%

General Ledger

Interim Financials

Period: SEPTEMBER-17



Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Variance	Encumbered Amount	Amount Available	% Available
Interest Income								
01-00-49201	Interest Revenues-Water Fund	0	0	0	0	0	0	0%
	Interest Income Sub Totals:	0	0	0	0	0	0	0%
Other Revenue								
01-00-49102	Non Oper Inc-NSF Check Fees	1,500	120	330	1,170	0	1,170	78%
01-00-49109	Non Oper Inc-Miscellaneous	50,000	6,740	6,776	43,224	0	43,224	86%
01-00-49301	Property Tax Rev. - Ad Valorem	315,000	2,116	7,828	307,172	0	307,172	98%
01-00-49401	Gains/Loss	0	0	0	0	0	0	0%
	Other Revenue Sub Totals:	366,500	8,977	14,934	351,566	0	351,566	96%
	Revenue Sub Totals:	36,028,867	4,150,058	12,990,559	23,038,308	0	23,038,308	64%
Cost Of Water Sold								
01-00-50001	Water Purchases	20,556,651	2,130,171	7,114,722	13,441,929	0	13,441,929	65%
01-00-50003	Water In Storage	0	52,844	31,976	(31,976)	0	(31,976)	0%
01-00-50005	Ready To Serve Charge	519,902	41,309	123,928	395,974	0	395,974	76%
01-00-50006	Infrastructure Access Charge	473,118	41,629	124,887	348,231	0	348,231	74%
01-00-50008	Ag Credit-Sawr	(1,563,157)	701,323	436,495	(1,999,652)	0	(1,999,652)	0%
01-00-50009	Seasonal Storage Credit	0	0	0	0	0	0	0%
01-00-50010	Customer Service Charge	1,163,960	95,873	287,620	876,340	0	876,340	75%
01-00-50011	Capacity Reservation Charge	667,622	39,028	117,083	550,540	0	550,540	82%
01-00-50012	Emergency Storage Charge	1,640,036	132,476	397,429	1,242,607	0	1,242,607	76%
01-00-50013	Supply Reliability Charge	739,391	55,348	166,044	573,347	0	573,347	78%
01-00-52176	Overhead Transfer To Gen Fund	3,843,297	0	0	3,843,297	0	3,843,297	100%
	Cost of Water Sold Sub Totals:	28,040,820	3,290,001	8,800,183	19,240,637	0	19,240,637	69%
Payroll & Employee Expenses								
01-00-56101	Regular Salaries	0	0	0	0	0	0	0%
01-00-56501	Employer's Share FICA SSI	0	0	0	0	0	0	0%
01-00-56502	Employer's Share FICA Medicare	0	0	0	0	0	0	0%
01-00-56503	Medical Ins ACWA Health Ben	0	0	0	0	0	0	0%
01-00-56504	Dental Insurance	0	0	0	0	0	0	0%
01-00-56505	Vision Ins ACWA Serv Corp	0	0	0	0	0	0	0%
01-00-56506	Life, S/T, L/T Disability Ins	0	3,284	12,626	(12,626)	0	(12,626)	0%
01-00-56507	Retirement - CalPers	0	0	0	0	0	0	0%
01-00-57100	Depreciation Expenses-Curr Yr	0	0	0	0	0	0	0%
	Payroll & Employee Expense Sub Totals:	0	3,284	12,626	(12,626)	0	(12,626)	0%

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Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Variance	Encumbered Amount	Amount Available	% Available
Transfers Out								
01-00-57000	Transfers Out	1,120,142	0	0	1,120,142	0	1,120,142	100%
	Transfers Sub Totals:	1,120,142	0	0	1,120,142	0	1,120,142	100%
	Expense Sub Totals:	29,160,962	3,293,285	8,812,809	20,348,153	0	20,348,153	70%
	Department 00 Sub Totals:	6,867,905	856,772	4,177,750	2,690,155	0		
Department 01-31	PUMPING							
Payroll & Employee Expenses								
01-31-56101	Regular Salaries	91,676	2,836	13,574	78,102	0	78,102	85%
01-31-56103	Overtime Paid, Comptime Earn.	500	570	930	(430)	0	(430)	0%
01-31-56501	Employer's Share FICA SSI	5,684	195	827	4,857	0	4,857	85%
01-31-56502	Employer's Share FICA Medicare	1,329	49	208	1,121	0	1,121	84%
01-31-56503	Medical Ins ACWA Health Ben	19,206	652	2,610	16,596	0	16,596	86%
01-31-56504	Dental Insurance	1,830	63	243	1,587	0	1,587	87%
01-31-56505	Vision Ins ACWA	236	8	32	204	0	204	87%
01-31-56506	Life, S/T,L/T Disability Ins	1,392	40	40	1,352	0	1,352	97%
01-31-56507	Retirement - CalPERS	15,310	287	1,373	13,938	0	13,938	91%
01-31-56512	Employee Training/Tuition Reimbursed	0	0	0	0	0	0	0%
01-31-56515	Worker's Compensation Ins	3,478	0	0	3,478	0	3,478	100%
01-31-56516	State Unemployment Ins, E.T.T.	252	0	0	252	0	252	100%
01-31-56520	Deferred Comp-Employer Contribution	2,600	82	311	2,289	0	2,289	88%
	Payroll & Employee Expense Sub Totals:	143,493	4,781	20,147	123,346	0	123,346	86%
Pumping Expenses								
01-31-63100	Equipment Maintenance/Repair	59,000	207	207	58,793	0	58,793	100%
01-31-63401	Building Maintenance	1,500	0	0	1,500	0	1,500	100%
01-31-72000	Supplies & Services	10,000	0	0	10,000	0	10,000	100%
01-31-72150	Regulatory Permits	4,000	0	0	4,000	0	4,000	100%
01-31-73000	Small Tools And Equipment	1,000	0	0	1,000	0	1,000	100%
01-31-78000	Utilities - Electricity	515,000	50,200	93,143	421,857	0	421,857	82%
	Pumping Expenses Sub Totals:	590,500	50,407	93,350	497,150	0	497,150	84%
	Expense Sub Totals:	733,993	55,188	113,497	620,496	0	620,496	85%
	Department 31 Sub Totals:	733,993	55,188	113,497	620,496	0		

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Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Variance	Encumbered Amount	Amount Available	% Available
Department 01-32	OPERATIONS							
	Payroll & Employee Expenses							
01-32-56101	Regular Salaries	631,710	60,227	169,286	462,424	0	462,424	73%
01-32-56103	Overtime Paid, Comptime Earn.	50,000	3,069	10,610	39,390	0	39,390	79%
01-32-56501	Employer's Share FICA SSI	39,166	3,681	10,552	28,614	0	28,614	73%
01-32-56502	Employer's Share FICA Medicare	9,160	929	2,656	6,504	0	6,504	71%
01-32-56503	Medical Ins ACWA Health Ben	127,948	12,186	28,796	99,152	0	99,152	77%
01-32-56504	Dental Insurance	11,894	1,162	2,720	9,174	0	9,174	77%
01-32-56505	Vision Ins ACWA	1,535	152	353	1,182	0	1,182	77%
01-32-56506	Life, S/T,L/T Disability Ins	9,258	750	750	8,508	0	8,508	92%
01-32-56507	Retirement - CalPers	105,496	5,832	16,317	89,179	0	89,179	85%
01-32-56512	Employee Training/Tuition Reimbursed	13,000	235	4,319	8,681	0	8,681	67%
01-32-56515	Worker's Compensation Ins	23,967	0	0	23,967	0	23,967	100%
01-32-56516	State Unemployment Ins, E.T.T.	1,638	0	0	1,638	0	1,638	100%
01-32-56518	Duty Pay	13,000	1,100	3,550	9,450	0	9,450	73%
01-32-56520	Deferred Comp-Employer Contribution	14,040	1,530	4,062	9,978	0	9,978	71%
	Payroll & Employee Expense Sub Totals:	1,051,812	90,854	253,971	797,841	0	797,841	76%
	Water Operation Expenses							
01-32-60000	Electronics	8,500	0	1,003	7,497	0	7,497	88%
01-32-63100	Equipment Maintenance/Repairs	17,800	0	0	17,800	0	17,800	100%
01-32-63102	Equipment Maintenance Contract	48,000	0	(523)	48,523	0	48,523	101%
01-32-63401	Building Maintenance	1,000	0	0	1,000	0	1,000	100%
01-32-72000	Supplies And Services	222,000	3,424	17,204	204,796	61,177	143,619	65%
01-32-72010	Tank Maintenance	599,043	0	137,131	461,912	0	461,912	77%
01-32-72150	Regulatory Permits	43,000	2,892	2,892	40,108	0	40,108	93%
01-32-72400	Dues & Subscriptions	0	0	0	0	0	0	0%
01-32-72700	Printing & Reproductions	6,000	0	0	6,000	0	6,000	100%
01-32-73000	Small Tools And Equipment	7,500	88	88	7,412	0	7,412	99%
01-32-75300	Travel/Conf/Training	2,000	475	1,140	860	0	860	43%
01-32-78000	Utilities	13,500	860	12,116	1,384	0	1,384	10%
01-32-82000	Capital Equipment	15,000	0	0	15,000	0	15,000	100%
	Water Operation Expenses Sub Totals:	983,343	7,739	171,050	812,293	61,177	751,116	76%
	Expense Sub Totals:	2,035,155	98,593	425,021	1,610,134	61,177	1,548,957	76%
	Department 32 Sub Totals:	2,035,155	98,593	425,021	1,610,134	61,177		

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Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Variance	Encumbered Amount	Amount Available	% Available
Department 01-33	VALVE MAINTENANCE							
	Payroll & Employee Expenses							
01-33-56101	Regular Salaries	317,813	16,397	47,672	270,141	0	270,141	85%
01-33-56103	Overtime Paid, Comptime Earn.	5,000	0	0	5,000	0	5,000	100%
01-33-56501	Employer's Share FICA SSI	19,704	895	2,674	17,030	0	17,030	86%
01-33-56502	Employer's Share FICA Medicare	4,608	227	674	3,934	0	3,934	85%
01-33-56503	Medical Ins ACWA Health Ben	79,241	5,361	10,385	68,856	0	68,856	87%
01-33-56504	Dental Insurance	7,319	494	958	6,361	0	6,361	87%
01-33-56505	Vision Ins ACWA	944	64	124	820	0	820	87%
01-33-56506	Life, S/T,L/T Disability Ins	4,808	233	233	4,575	0	4,575	95%
01-33-56507	Retirement - CalPers	53,075	1,618	4,722	48,353	0	48,353	91%
01-33-56512	Employee Training/Tuition Reimbursed	2,000	0	0	2,000	0	2,000	100%
01-33-56515	Worker's Compensation Ins	12,058	0	0	12,058	0	12,058	100%
01-33-56516	State Unemployment Ins, E.T.T.	1,008	0	0	1,008	0	1,008	100%
01-33-56520	Deferred Comp-Employer Contribution	8,450	537	1,253	7,197	0	7,197	85%
	Payroll & Employee Expense Sub Totals:	516,028	25,825	68,696	447,332	0	447,332	87%
	Valve Maintenance Expenses							
01-33-72000	Supplies And Services	50,000	3,491	12,139	37,861	5,457	32,404	65%
01-33-73000	Small Tools And Equipment	1,500	0	0	1,500	0	1,500	100%
01-33-75300	Travel/Conferences/Training	1,000	0	0	1,000	0	1,000	100%
01-33-82000	Shop And Field Equipment	50,000	0	0	50,000	0	50,000	100%
	Valve Maintenance Expenses Sub Totals:	102,500	3,491	12,139	90,361	5,457	84,904	83%
	Expense Sub Totals:	618,528	29,315	80,835	537,693	5,457	532,236	86%
	Department 33 Sub Totals:	618,528	29,315	80,835	537,693	5,457		
Department 01-34	WATER DISTRIBUTION							
	Payroll & Employee Expenses							
01-34-56101	Regular Salaries	938,806	54,099	190,577	748,229	0	748,229	80%
01-34-56103	Overtime Paid, Comptime Earn.	140,000	8,396	40,181	99,819	0	99,819	71%
01-34-56501	Employer's Share FICA SSI	58,206	3,581	13,501	44,705	0	44,705	77%
01-34-56502	Employer's Share FICA Medicare	13,613	903	3,355	10,258	0	10,258	75%
01-34-56503	Medical Ins ACWA Health Ben	195,337	13,315	34,402	160,935	0	160,935	82%
01-34-56504	Dental Insurance	17,991	1,255	3,232	14,759	0	14,759	82%
01-34-56505	Vision Ins ACWA	2,479	172	443	2,036	0	2,036	82%

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Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Variance	Encumbered Amount	Amount Available	% Available
01-34-56506	Life, S/T,L/T Disability Ins	13,551	798	798	12,753	0	12,753	94%
01-34-56507	Retirement - CalPers	156,781	4,954	14,788	141,993	0	141,993	91%
01-34-56512	Employee Training/Tuition Reimbursed	7,000	160	2,634	4,366	0	4,366	62%
01-34-56515	Worker's Compensation Ins	36,490	0	0	36,490	0	36,490	100%
01-34-56516	State Unemployment Ins, E.T.T.	2,646	0	0	2,646	0	2,646	100%
01-34-56518	Duty Pay	13,000	1,200	3,500	9,500	0	9,500	73%
01-34-56520	Deferred Comp-Employer Contribution	24,960	1,699	5,118	19,842	0	19,842	79%
Payroll & Employee Expense Sub Totals:		1,620,860	90,531	312,530	1,308,330	0	1,308,330	81%
Water Distribution Expenses								
01-34-63100	Equipment Rental	0	0	0	0	0	0	0%
01-34-72000	Supplies And Services	403,000	20,945	80,025	322,975	25,214	297,761	74%
01-34-73000	Small Tools And Equipment	4,000	0	0	4,000	0	4,000	100%
01-34-75300	Travel/Conferences/Meetings	4,000	0	75	3,925	0	3,925	98%
01-34-82000	Shop And Field Equipment	0	0	25,300	(25,300)	0	(25,300)	0%
Water Distribution Expenses Sub Totals:		411,000	20,945	105,400	305,600	25,214	280,386	68%
Expense Sub Totals:		2,031,860	111,476	417,929	1,613,931	25,214	1,588,717	78%
Department 34 Sub Totals:		2,031,860	111,476	417,929	1,613,931	25,214		
Department 01-35	METER SERVICES							
Payroll & Employee Expenses								
01-35-56101	Regular Salaries	443,481	26,056	83,210	360,271	0	360,271	81%
01-35-56103	Overtime Paid, Comptime Earn.	3,000	1,771	6,203	(3,203)	0	(3,203)	0%
01-35-56501	Employer's Share FICA SSI	27,496	1,594	5,121	22,375	0	22,375	81%
01-35-56502	Employer's Share FICA Medicare	6,430	401	1,292	5,138	0	5,138	80%
01-35-56503	Medical Ins ACWA Health Ben	88,794	4,700	14,771	74,023	0	74,023	83%
01-35-56504	Dental Insurance	10,064	550	1,661	8,403	0	8,403	83%
01-35-56505	Vision Ins ACWA	1,298	71	215	1,083	0	1,083	83%
01-35-56506	Life, S/T, L/T Disability Ins	6,720	340	340	6,380	0	6,380	95%
01-35-56507	Retirement - CalPers	74,061	2,632	8,329	65,732	0	65,732	89%
01-35-56512	Employee Training/Tuition Reimbursed	2,000	90	140	1,860	0	1,860	93%
01-35-56515	Worker's Compensation Ins	19,357	0	0	19,357	0	19,357	100%
01-35-56516	State Unemployment Ins, E.T.T.	1,386	0	0	1,386	0	1,386	100%
01-35-56520	Deferred Comp-Employer Contribution	13,000	725	2,559	10,441	0	10,441	80%
01-35-56524	Other Post Employment Benefits	0	0	0	0	0	0	0%
Payroll & Employee Expense Sub Totals:		697,087	38,930	123,841	573,246	0	573,246	82%

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Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Variance	Encumbered Amount	Amount Available	% Available
Meter Services Expenses								
01-35-63404	Backflow Expenses	280,000	1,278	1,278	278,722	1,700	277,022	99%
01-35-72000	Supplies & Services	125,000	22,115	59,742	65,258	4,187	61,071	49%
01-35-73000	Small Tools And Equipment	3,000	151	151	2,849	0	2,849	95%
01-35-75300	Replacement Reserve-Oceanside	1,000	0	0	1,000	0	1,000	100%
01-35-82000	Shop And Field Equipment	135,000	3,274	5,027	129,973	0	129,973	96%
Meter Services Expenses Sub Totals:		544,000	26,819	66,198	477,802	5,887	471,915	87%
Expense Sub Totals:		1,241,087	65,748	190,039	1,051,048	5,887	1,045,161	84%
Department 35 Sub Totals:		1,241,087	65,748	190,039	1,051,048	5,887		
Fund Revenue Sub Totals:		36,028,867	4,150,058	12,990,559	23,038,308	0	23,038,308	64%
Fund Expense Sub Totals:		35,821,585	3,653,606	10,040,131	25,781,454	97,734	25,683,720	72%
Fund 01 Sub Totals:		207,282	496,451	2,950,428	(2,743,146)	97,734		
Fund	02	SEWER FUND						
Department	02-00	Wastewater Revenue						
02-00-41110	Sewer Charges-Established Acct	2,250,000	195,060	728,762	1,521,238	0	1,521,238	68%
02-00-41210	Sewer Charges-Developing Accts	100,000	43	16,459	83,541	0	83,541	84%
02-00-43101	Sewer-Oakcrest Service Charges	20,000	1,950	5,850	14,150	0	14,150	71%
02-00-43106	Operating Inc-Sewer Letter Fee	500	0	0	500	0	500	100%
02-00-43110	Operating Inc-Plan Chk/Ins Fee	10,000	0	0	10,000	0	10,000	100%
02-00-49109	Non-Operating Revenue	5,000	0	0	5,000	0	5,000	100%
Wastewater Revenue Sub Totals:		2,385,500	197,053	751,070	1,634,430	0	1,634,430	69%
Other Revenue								
02-00-49301	Property Tax Rev - Ad Valorem	35,000	298	1,104	33,896	0	33,896	97%
02-00-49401	Gains/Losses	0	0	0	0	0	0	0%
Other Revenue Sub Totals:		35,000	298	1,104	33,896	0	33,896	97%
Revenue Sub Totals:		2,420,500	197,352	752,174	1,668,326	0	1,668,326	69%

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Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Variance	Encumbered Amount	Amount Available	% Available
Wastewater Expenses								
02-00-52176	Overhead Transfer to General Fund	901,514	0	0	901,514	0	901,514	100%
02-00-57100	Depreciation Expenses - Current Year	0	0	0	0	0	0	0%
Wastewater Expenses Sub Totals:		901,514	0	0	901,514	0	901,514	100%
Expense Sub Totals:		901,514	0	0	901,514	0	901,514	100%
Department 00 Sub Totals:		(1,518,986)	(197,352)	(752,174)	(766,812)	0		
Department 02-61	WASTEWATER							
Payroll & Employee Expenses								
02-61-56101	Regular Salaries	414,843	25,398	85,819	329,024	0	329,024	79%
02-61-56103	Overtime Paid, Comp Time Earned	35,000	2,276	7,037	27,963	0	27,963	80%
02-61-56501	Employer's Share FICA SSI	25,720	1,599	5,419	20,301	0	20,301	79%
02-61-56502	Employer's Share FICA Medicare	6,015	403	1,360	4,655	0	4,655	77%
02-61-56503	Medical Ins ACWA Health Ben	100,059	6,545	17,210	82,849	0	82,849	83%
02-61-56504	Dental Insurance	9,149	602	1,582	7,567	0	7,567	83%
02-61-56505	Vision Ins ACWA	1,180	78	205	975	0	975	83%
02-61-56506	Life, S/T,L/T Disability Ins	6,182	347	347	5,835	0	5,835	94%
02-61-56507	Retirement - CalPERS	69,279	2,534	8,005	61,274	0	61,274	88%
02-61-56512	Employee Training/Tuition Reimbursed	3,000	301	301	2,699	0	2,699	90%
02-61-56515	Worker's Compensation Ins	19,333	0	0	19,333	0	19,333	100%
02-61-56516	State Unemployment Ins, E.T.T.	1,260	0	0	1,260	0	1,260	100%
02-61-56518	Duty Pay	13,000	1,100	3,150	9,850	0	9,850	76%
02-61-56520	Deferred Comp-Employer Contribution	11,050	689	2,120	8,931	0	8,931	81%
02-61-56524	Other Post Employment Benefits	0	0	0	0	0	0	0%
Payroll & Employee Expense Sub Totals:		715,070	41,870	132,553	582,517	0	582,517	81%
Wastewater Expenses								
02-61-60000	Equipment	7,300	0	0	7,300	467	6,833	94%
02-61-63100	Equipment Maintenance-Sewer	39,400	13,699	13,699	25,701	7,125	18,575	47%
02-61-63401	Building Maintenance	10,000	0	3,972	6,028	0	6,028	60%
02-61-70000	Professional Services	60,000	1,950	5,850	54,150	0	54,150	90%
02-61-70300	Legal Services	0	0	0	0	0	0	0%
02-61-72000	Supplies And Services-Sewer	127,000	993	1,925	125,075	1,164	123,911	98%
02-61-72150	Regulatory Permits	18,000	547	547	17,453	0	17,453	97%
02-61-72200	Books And Resources	500	147	147	353	0	353	71%
02-61-72400	Dues And Subscriptions	800	0	0	800	538	262	33%

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Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Variance	Encumbered Amount	Amount Available	% Available
02-61-72600	Sewer Line Cleaning	25,000	0	0	25,000	0	25,000	100%
02-61-73000	Small Tools And Equipment	5,000	0	0	5,000	479	4,521	90%
02-61-75300	Travel/Conferences/Training	2,000	0	0	2,000	0	2,000	100%
02-61-77000	Sewage Treat.-Oceanside Plant	840,000	0	0	840,000	0	840,000	100%
02-61-77100	Replacement Reserve-Oceanside	200,000	0	0	200,000	0	200,000	100%
02-61-78000	Utilities	65,000	4,621	9,464	55,536	0	55,536	85%
02-61-78300	Hazardous Waster Material Disp	12,000	4,590	4,800	7,200	0	7,200	60%
02-61-78700	Utilities-Propane	6,000	0	0	6,000	0	6,000	100%
02-61-82000	Shop And Field Equipment	25,000	0	0	25,000	10,000	15,000	60%
	Wastewater Expenses Sub Totals:	1,443,000	26,548	40,404	1,402,596	19,774	1,382,822	96%
	Expense Sub Totals:	2,158,070	68,418	172,957	1,985,113	19,774	1,965,339	91%
	Dept 61 Sub Totals:	2,158,070	68,418	172,957	1,985,113	19,774		
	Fund Revenue Sub Totals:	2,420,500	197,352	752,174	1,668,326	0	1,668,326	69%
	Fund Expense Sub Totals:	3,059,584	68,418	172,957	2,886,627	19,774	2,866,853	94%
	Fund 02 Sub Totals:	(639,084)	128,934	579,217	(1,218,301)	19,774		
Fund 03	GENERAL FUND							
Department 03-00	Other Revenue							
03-00-42200	Overhead Transfers From Water, Sewer	4,744,811	0	0	4,744,811	0	4,744,811	100%
03-00-43102	Operating Inc Penalty/Int Chgs	240,000	20,200	54,877	185,123	0	185,123	77%
03-00-43108	Operating Inc Plan Check Rev.	13,470	0	465	13,005	0	13,005	97%
03-00-49108	Non Oper Inc-Rents And Leases	125,000	15,362	40,955	84,045	0	84,045	67%
03-00-49109	Miscellaneous Revenue	50,000	2,754	3,144	46,856	0	46,856	94%
03-00-49114	Miscellaneous Revenue - Eng. Services	0	850	1,150	(1,150)	0	(1,150)	0%
	Other Revenue Sub Totals:	5,173,281	39,166	100,591	5,072,690	0	5,072,690	98%
	Revenue Sub Totals:	5,173,281	39,166	100,591	5,072,690	0	5,072,690	98%
	Department 00 Sub Totals:	5,173,281	39,166	100,591	5,072,690	0		

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Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Variance	Encumbered Amount	Amount Available	% Available
Department 03-20	BOARD OF DIRECTORS							
	Payroll & Employee Expenses							
03-20-56202	Board Member Expenses	13,500	0	2,800	10,700	0	10,700	79%
03-20-56501	FICA	837	0	174	663	0	663	79%
03-20-56502	MEDI	196	0	41	155	0	155	79%
03-20-56515	Worker's Compensation Ins.	80	0	0	80	0	80	100%
	Payroll & Employee Expense Sub Totals:	14,613	0	3,014	11,599	0	11,599	79%
	Board of Directors Expenses							
03-20-72000	Supplies And Services	300	0	0	300	0	300	100%
03-20-75300	Travel/Conferences/Training	25,000	913	3,841	21,159	0	21,159	85%
	Board of Directors Expenses Sub Totals:	25,300	913	3,841	21,459	0	21,459	85%
	Expense Sub Totals:	39,913	913	6,856	33,057	0	33,057	83%
	Department 20 Sub Totals:	39,913	913	6,856	33,057	0		
Department 03-36	GARAGE							
	Payroll & Employee Expenses							
03-36-56101	Regular Salaries	87,250	7,201	20,307	66,943	0	66,943	77%
03-36-56103	Overtime Paid, Comp Time Earn.	1,500	0	208	1,292	0	1,292	86%
03-36-56501	Employer's Share FICA SSI	5,410	410	1,173	4,237	0	4,237	78%
03-36-56502	Employer's Share FICA Medicare	1,265	104	298	967	0	967	76%
03-36-56503	Medical Ins ACWA Health Benefit	16,619	1,555	3,734	12,885	0	12,885	78%
03-36-56504	Dental Insurance	1,830	164	385	1,445	0	1,445	79%
03-36-56505	Vision Ins ACWA	236	21	50	186	0	186	79%
03-36-56506	Life, S/T,L/T Disability Ins	1,323	96	96	1,227	0	1,227	93%
03-36-56507	Retirement-CalPers	14,571	728	2,051	12,520	0	12,520	86%
03-36-56515	Worker's Compensation Ins	3,603	0	0	3,603	0	3,603	100%
03-36-56516	State Unemployment Ins, E.T.T.	252	0	0	252	0	252	100%
03-36-56520	Deferred Comp-Employer Contribution	650	51	161	489	0	489	75%
	Payroll & Employee Expense Sub Totals:	134,509	10,330	28,463	106,046	0	106,046	79%
	Garage Expenses							
03-36-63000	Equipment	3,000	0	138	2,862	13	2,849	95%
03-36-63100	Equipment Maintenance	34,000	151	7,686	26,314	9,411	16,903	50%
03-36-63421	Fuel And Oil	100,000	9,175	18,143	81,857	47,989	33,868	34%
03-36-63422	Repair, Supplies, Auto	70,000	6,146	10,798	59,202	8,496	50,706	72%

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Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Variance	Encumbered Amount	Amount Available	% Available
03-36-72000	Supplies And Services	5,500	221	406	5,094	2,008	3,086	56%
03-36-72150	Regulatory Permits	4,000	1,575	1,575	2,425	0	2,425	61%
03-36-73000	Small Tools And Equipment	2,000	41	195	1,805	0	1,805	90%
03-36-75300	Travel/Conferences/Training	1,000	990	990	10	0	10	1%
03-36-83000	Vehicles	284,500	0	0	284,500	276,254	8,246	3%
	Garage Expenses Sub Totals	504,000	18,269	39,931	464,069	344,171	119,898	24%
	Expense Sub Totals:	638,509	28,599	68,394	570,115	344,171	225,944	35%
	Department 36 Sub Totals:	638,509	28,599	68,394	570,115	344,171		
Department 03-41	ADMINISTRATION							
	Payroll & Employee Expenses							
03-41-56101	Regular Salaries	404,272	34,695	128,908	275,364	0	275,364	68%
03-41-56103	Overtime Paid, Comp Time Earn.	10,000	905	6,457	3,543	0	3,543	35%
03-41-56501	Employer's Share FICA SSI	25,065	1,211	4,699	20,366	0	20,366	81%
03-41-56502	Employer's Share FICA Medicare	5,862	519	1,986	3,876	0	3,876	66%
03-41-56503	Medical Ins ACWA Health Ben	31,672	2,943	8,133	23,539	0	23,539	74%
03-41-56504	Dental Insurance	4,268	416	1,132	3,136	0	3,136	73%
03-41-56505	Vision Ins ACWA	708	65	176	532	0	532	75%
03-41-56506	Life, S/T,L/T Disability Ins	4,786	384	384	4,402	0	4,402	92%
03-41-56507	Retirement-CalPers	67,513	3,735	11,680	55,833	0	55,833	83%
03-41-56511	Employee Uniform Allowance	16,000	736	1,419	14,581	0	14,581	91%
03-41-56512	Employee Training/Tuition Reimbursed	4,000	0	0	4,000	0	4,000	100%
03-41-56515	Worker's Compensation Ins	16,204	11,824	11,824	4,380	0	4,380	27%
03-41-56516	State Unemployment Ins, E.T.T.	756	0	0	756	0	756	100%
03-41-56520	Deferred Comp-Employer Contribution	5,200	527	1,705	3,496	0	3,496	67%
03-41-56524	Other Post Employment Benefits	0	0	0	0	0	0	0%
	Payroll & Employee Expense Sub Totals:	596,306	57,961	178,502	417,804	0	417,804	70%
	Administration Expenses							
03-41-56513	Employee Relations	0	2,207	3,209	(3,209)	0	(3,209)	0%
03-41-60100	Computers	230,000	96,569	104,513	125,487	51,319	74,167	32%
03-41-63102	Equipment Maintenance Contract	2,700	0	0	2,700	0	2,700	100%
03-41-63200	Equipment Rental	40,200	3,889	10,058	30,142	0	30,142	75%
03-41-63400	Kitchen Supplies	3,000	0	292	2,708	0	2,708	90%
03-41-63401	Building Maintenance	82,600	7,162	14,159	68,441	0	68,441	83%

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Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Variance	Encumbered Amount	Amount Available	% Available
03-41-65000	Property/Liability Insurance	225,000	2	214,088	10,912	0	10,912	5%
03-41-65100	District Paid Insurance Claims	20,000	4,410	20,685	(685)	0	(685)	0%
03-41-70000	Professional Services	120,000	13,355	32,985	87,015	0	87,015	73%
03-41-70300	Legal Services	200,000	40,680	40,680	159,320	0	159,320	80%
03-41-72000	Supplies And Services	17,050	726	2,987	14,063	0	14,063	82%
03-41-72200	Books And Resources	250	0	0	250	0	250	100%
03-41-72400	Dues And Subscriptions	62,840	0	23,981	38,859	0	38,859	62%
03-41-72702	Public Notices/Advertising	1,000	0	0	1,000	0	1,000	100%
03-41-72900	Stationary & Office Supplies	25,000	0	158	24,843	0	24,843	99%
03-41-74000	Communicatons & Phone Bills	0	0	2,465	(2,465)	0	(2,465)	0%
03-41-74100	Phone Bill	53,400	6,875	15,899	37,501	0	37,501	70%
03-41-75300	Travel/Conferences/Training	15,050	1,092	2,721	12,329	0	12,329	82%
03-41-78000	Utilities-Electricity	50,400	5,298	10,728	39,672	0	39,672	79%
03-41-78700	Utilities -Propane	8,000	0	33	7,967	0	7,967	100%
03-41-78900	Trash Pick-Up	6,400	346	1,691	4,709	0	4,709	74%
03-41-82000	Capital Expenditures	100,000	0	0	100,000	44,976	55,024	55%
	Administration Expense Sub Totals:	1,262,890	182,613	501,332	761,558	96,295	665,263	53%
	Expense Sub Totals:	1,859,196	240,574	679,834	1,179,362	96,295	1,083,067	58%
	Department 41 Sub Totals:	1,859,196	240,574	679,834	1,179,362	96,295		
Department 03-42	HUMAN RESOURCES							
	Payroll & Employee Expenses							
03-42-56101	Regular Salaries	141,788	8,612	19,986	121,802	0	121,802	86%
03-42-56103	Overtime paid, Comp Time Earn	0	0	0	0	0	0	0%
03-42-56501	Employer's Share FICA SSI	8,791	485	1,096	7,695	0	7,695	88%
03-42-56502	Employer's Share FICA Medicare	2,056	127	294	1,762	0	1,762	86%
03-42-56503	Medical Ins ACWA Health Ben	0	297	394	(394)	0	(394)	0%
03-42-56504	Dental Insurance	1,830	114	196	1,634	0	1,634	89%
03-42-56505	Vision Ins ACWA	236	15	26	210	0	210	89%
03-42-56506	Life, S/T, L/T Disability Ins	1,799	100	100	1,699	0	1,699	94%
03-42-56507	Retirement-CalPers	23,679	617	1,427	22,252	0	22,252	94%
03-42-56512	Employee Training/Tuition Reimbursed	2,000	0	0	2,000	0	2,000	100%
03-42-56515	Worker's Compensation Ins	5,766	0	0	5,766	0	5,766	100%
03-42-56516	State Unemployment Ins, E.T.T.	252	10	10	242	0	242	96%
03-42-56520	Deferred Comp-Employer Contribution	2,600	185	387	2,213	0	2,213	85%
	Payroll & Employee Expense Sub Totals:	190,797	10,562	23,918	166,879	0	166,879	87%

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Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Variance	Encumbered Amount	Amount Available	% Available
Human Resources Expenses								
03-42-56513	Employee Relations	11,950	0	69	11,881	0	11,881	99%
03-42-60100	Computer	16,500	0	0	16,500	0	16,500	100%
03-42-70000	Professional Services	80,000	8,725	8,725	71,275	0	71,275	89%
03-42-70300	Legal Services	20,000	0	0	20,000	0	20,000	100%
03-42-72000	Supplies and Services	3,000	252	1,177	1,823	0	1,823	61%
03-42-72200	Books and Resources	100	0	0	100	0	100	100%
03-42-72400	Dues and Subscriptions	1,100	3,600	3,649	(2,549)	0	(2,549)	0%
03-42-75300	Workforce Development	36,500	1,247	3,146	33,354	0	33,354	91%
Human Resources Expense Sub Totals:		169,150	13,824	16,766	152,384	0	152,384	90%
Expense Sub Totals:		359,947	24,386	40,684	319,263	0	319,263	89%
Department 42 Sub Totals:		359,947	24,386	40,684	319,263	0		
Department	03-43 SAFETY							
Payroll & Employee Expenses								
03-43-56101	Regular Salaries	71,615	6,822	23,741	47,874	0	47,874	67%
03-43-56103	Overtime Paid, Comp Time Earn.	300	0	229	71	0	71	24%
03-43-56501	Employer's Share FICA SSI	4,440	402	1,410	3,030	0	3,030	68%
03-43-56502	Employer's Share FICA Medicare	1,038	101	356	682	0	682	66%
03-43-56503	Medical Ins ACWA Health Ben	12,662	1,079	3,030	9,632	0	9,632	76%
03-43-56504	Dental Insurance	1,830	169	477	1,353	0	1,353	74%
03-43-56505	Vision Ins ACWA	236	22	62	174	0	174	74%
03-43-56506	Life, S/T,L/T Disability Ins	1,080	72	72	1,008	0	1,008	93%
03-43-56507	Retirement-CalPers	11,960	645	2,180	9,780	0	9,780	82%
03-43-56512	Employee Training/Tuition Reimbursed	350	0	0	350	0	350	100%
03-43-56515	Worker's Compensation Ins	2,912	0	0	2,912	0	2,912	100%
03-43-56516	State Unemployment Ins, E.T.T.	252	0	0	252	0	252	100%
03-43-56520	Deferred Comp-Employer Contribution	2,600	235	777	1,823	0	1,823	70%
03-43-56524	Other Post Employment Benefits	0	0	0	0	0	0	0%
Payroll & Employee Expense Sub Totals:		111,275	9,547	32,333	78,942	0	78,942	71%

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Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Variance	Encumbered Amount	Amount Available	% Available
Safety Expenses								
03-43-63100	Equipment Maintenance	10,700	451	1,648	9,052	85	8,967	84%
03-43-63102	Equipment Maintenance Contract	19,300	985	5,404	13,896	0	13,896	72%
03-43-72000	Supplies And Services	14,500	890	2,493	12,007	0	12,007	83%
03-43-72200	Books And Resources	200	0	0	200	0	200	100%
03-43-72400	Dues And Subscriptions	2,300	0	0	2,300	0	2,300	100%
03-43-72500	Safety Supplies	25,550	2,447	4,838	20,712	3,594	17,119	67%
03-43-73000	Small Tools And Equipment	0	0	0	0	0	0	0%
03-43-75300	Travel/Conferences/Training	3,800	0	0	3,800	0	3,800	100%
	Safety Expenses Sub Totals:	76,350	4,773	14,383	61,967	3,679	58,288	76%
	Expense Sub Totals:	187,625	14,320	46,716	140,909	3,679	137,230	73%
	Department 43 Sub Totals:	187,625	14,320	46,716	140,909	3,679		
Department 03-51	FINANCE							
Payroll & Employee Expenses								
03-51-56101	Regular Salaries	354,607	25,596	78,883	275,724	0	275,724	78%
03-51-56103	Overtime Paid, Comp Time Earn.	6,000	625	1,349	4,651	0	4,651	78%
03-51-56501	Employer's Share FICA SSI	21,986	1,507	4,645	17,341	0	17,341	79%
03-51-56502	Employer's Share FICA Medicare	5,142	389	1,193	3,949	0	3,949	77%
03-51-56503	Medical Ins ACWA Health Ben	46,007	4,262	11,631	34,376	0	34,376	75%
03-51-56504	Dental Insurance	3,654	351	960	2,694	0	2,694	74%
03-51-56505	Vision Ins ACWA	944	81	215	729	0	729	77%
03-51-56506	Life, S/T,L/T Disability Ins	5,154	350	350	4,804	0	4,804	93%
03-51-56507	Retirement-CalPers	59,219	2,264	6,949	52,270	0	52,270	88%
03-51-56512	Employee Training/Tuition Reimbursed	3,000	0	0	3,000	0	3,000	100%
03-51-56515	Worker's Compensation Ins	13,573	0	0	13,573	0	13,573	100%
03-51-56516	State Unemployment Ins, E.T.T.	1,008	0	0	1,008	0	1,008	100%
03-51-56520	Deferred Comp-Employer Contribution	10,400	848	2,742	7,658	0	7,658	74%
03-51-56524	Other Post Employment Benefits	0	0	0	0	0	0	0%
	Payroll & Employee Expense Sub Totals:	530,694	36,274	108,916	421,778	0	421,778	79%

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Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Variance	Encumbered Amount	Amount Available	% Available
Finance Expenses								
03-51-69000	Postage	46,500	0	2,807	43,693	0	43,693	94%
03-51-70100	Annual Audit Services	20,000	9,500	10,000	10,000	0	10,000	50%
03-51-70400	Bank Service Charges	45,000	0	11,566	33,434	0	33,434	74%
03-51-72000	Supplies And Services	0	0	0	0	0	0	0%
03-51-72700	Printing And Reproductions	2,000	0	0	2,000	0	2,000	100%
03-51-75300	Travel/Conferences/Training	3,000	150	150	2,850	0	2,850	95%
	Finance Expenses Sub Totals:	116,500	9,650	24,523	91,977	0	91,977	79%
	Expense Sub Totals:	647,194	45,924	133,439	513,755	0	513,755	79%
	Department 51 Sub Totals:	647,194	45,924	133,439	513,755	0		
Department 03-52	CUSTOMER SERVICE							
Payroll & Employee Expenses								
03-52-56101	Regular Salaries	158,596	13,819	36,501	122,095	0	122,095	77%
03-52-56103	Overtime Paid, Comp Time Earn.	5,000	622	1,152	3,848	0	3,848	77%
03-52-56501	Employer's Share FICA SSI	9,833	848	2,212	7,621	0	7,621	78%
03-52-56502	Employer's Share FICA Medicare	2,300	213	556	1,744	0	1,744	76%
03-52-56503	Medical Ins ACWA Health Benefit	39,304	2,487	5,586	33,718	0	33,718	86%
03-52-56504	Dental Insurance	4,268	275	624	3,644	0	3,644	85%
03-52-56505	Vision Ins ACWA	708	49	114	594	0	594	84%
03-52-56506	Life, S/T,L/T Disability Ins	2,363	178	178	2,185	0	2,185	92%
03-52-56507	Retirement-CalPers	26,486	1,214	3,220	23,266	0	23,266	88%
03-52-56512	Employee Training/Tuition Reimbursed	1,000	0	0	1,000	0	1,000	100%
03-52-56515	Worker's Compensation Ins	6,070	0	0	6,070	0	6,070	100%
03-52-56516	State Unemployment Ins, E.T.T.	756	33	33	723	0	723	96%
03-52-56520	Deferred Comp-Employer Contribution	6,175	445	1,141	5,034	0	5,034	82%
03-52-56524	Other Post Employment Benefits	0	0	0	0	0	0	0%
	Payroll & Employee Expense Sub Totals:	262,859	20,183	51,319	211,540	0	211,540	80%
Customer Service Expenses								
03-52-63100	Equipment Maintenance	0	0	0	0	0	0	0%
03-52-69110	Bad Debt Expense/Billing Adjustments	10,000	0	0	10,000	0	10,000	100%
03-52-72000	Supplies And Services	205,500	19,238	55,595	149,905	0	149,905	73%
03-52-72700	Printing And Reproductions	3,000	0	526	2,474	0	2,474	82%
03-52-75300	Travel/Conferences/Training	1,000	0	0	1,000	0	1,000	100%
	Customer Service Expenses Sub Totals:	219,500	19,238	56,121	163,379	0	163,379	74%

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Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Variance	Encumbered Amount	Amount Available	% Available
Expense Sub Totals:		482,359	39,421	107,439	374,920	0	374,920	78%
Department 52 Sub Totals:		482,359	39,421	107,439	374,920	0		
Department 03-91	ENGINEERING							
Payroll & Employee Expenses								
03-91-56101	Regular Salaries	411,773	24,011	108,513	303,260	0	303,260	74%
03-91-56103	Overtime Paid, Comp Time Earn.	4,000	569	1,612	2,388	0	2,388	60%
03-91-56501	Employer's Share FICA SSI	25,690	1,347	6,341	19,349	0	19,349	75%
03-91-56502	Employer's Share FICA Medicare	6,081	354	1,601	4,480	0	4,480	74%
03-91-56503	Medical Ins ACWA Health Benefit	73,130	5,081	15,312	57,818	0	57,818	79%
03-91-56504	Dental Insurance	6,809	518	1,483	5,326	0	5,326	78%
03-91-56505	Vision Ins ACWA	998	67	210	788	0	788	79%
03-91-56506	Life, S/T,L/T Disability Ins	5,602	343	343	5,259	0	5,259	94%
03-91-56507	Retirement-CalPers	68,826	2,300	9,027	59,799	0	59,799	87%
03-91-56512	Employee Training/Tuition Reimbursed	2,000	0	0	2,000	0	2,000	100%
03-91-56515	Worker's Compensation Ins	16,742	0	0	16,742	0	16,742	100%
03-91-56516	State Unemployment Ins, E.T.T.	1,138	0	0	1,138	0	1,138	100%
03-91-56520	Deferred Comp-Employer Contribution	10,920	711	2,693	8,227	0	8,227	75%
03-91-56524	Other Post Employment Benefits	0	0	0	0	0	0	0%
Payroll & Employee Expense Sub Totals:		633,709	35,300	147,135	486,574	0	486,574	77%
Engineering Expenses								
03-91-63000	Equipment	4,000	102	102	3,898	0	3,898	97%
03-91-63102	Equipment Maintenance Contract	96,500	213	87,953	8,548	0	8,548	9%
03-91-70000	Professional Services	200,000	26,664	50,803	149,197	0	149,197	75%
03-91-72000	Supplies And Services	16,134	266	3,789	12,345	2,705	9,641	60%
03-91-72200	Books And Resources	500	0	0	500	0	500	100%
03-91-72400	Dues And Subscriptions	895	180	180	715	0	715	80%
03-91-72700	Printing And Reproductions	6,000	0	0	6,000	0	6,000	100%
03-91-75300	Travel/Conferences/Training	5,000	0	0	5,000	0	5,000	100%
Engineering Expenses Sub Totals:		329,029	27,425	142,827	186,202	2,705	183,497	56%
Expense Sub Totals:		962,738	62,725	289,963	672,775	2,705	670,071	70%
Department 91 Sub Totals:		962,738	62,725	289,963	672,775	2,705		

General Ledger

Interim Financials

Period: SEPTEMBER-17



Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Variance	Encumbered Amount	Amount Available	% Available
	Fund Revenue Sub Totals:	5,173,281	39,166	100,591	5,072,690	0	5,072,690	98%
	Fund Expense Sub Totals:	5,177,481	456,861	1,373,325	3,804,156	446,849	3,357,307	65%
	Fund 03 Sub Totals:	(4,200)	(417,695)	(1,272,734)	1,268,534	446,849		
	Revenue Totals:	43,622,648	4,386,575	13,843,324	29,779,324	0	29,779,324	68%
	Expense Totals:	44,058,650	4,178,885	11,586,413	32,472,237	564,358	31,907,879	72%
	Report Totals:	(436,002)	207,690	2,256,911	(2,692,913)	564,358		

Accounts Payable

September American Express



Check Number	Check Date		Amount
245 - ABCANA INDUSTRIES			
10101701	10/10/2017		
Inv	1011934		
<u>Line Item Date</u>	<u>Line Item Description</u>		
08/11/2017	HYPOCHLORITE SOLUTION 12.5% 8PG III, RQ		1,046.49
Inv 1011934 Total			1,046.49
Inv	1012464		
<u>Line Item Date</u>	<u>Line Item Description</u>		
08/18/2017	HYPOCHLORITE SOLUTION 8PG III, RQ 53GL, 55 GALLON D		844.96
Inv 1012464 Total			844.96
10101701 Total:			1,891.45
245 - ABCANA INDUSTRIES Total:			1,891.45
280 - AMAZON.COM			
10101702	10/10/2017		
Inv	3158080-9989809		
<u>Line Item Date</u>	<u>Line Item Description</u>		
09/11/2017	3X UBIQUITI EDGESWITCH ES-24-250W 24-PORTS L3		1,181.58
Inv 3158080-9989809 Total			1,181.58
Inv	4761064-2088206		
<u>Line Item Date</u>	<u>Line Item Description</u>		
09/14/2017	DISPLAY PORT TO DVI-D ADAPTER, 1080P		12.75
Inv 4761064-2088206 Total			12.75
10101702 Total:			1,194.33
280 - AMAZON.COM Total:			1,194.33
4970 - BRADY SAND & MATERIAL, INC.			
10101703	10/10/2017		
Inv	201707-25		
<u>Line Item Date</u>	<u>Line Item Description</u>		

Check Number	Check Date	Amount
07/28/2017	CLASS II & 3/4" CR, THE YARD FT BILL 75371 & 75372	1,931.98
Inv 201707-25 Total		1,931.98
Inv 201708-12		
<u>Line Item Date</u>	<u>Line Item Description</u>	
08/03/2017	CLASS II, THE YARD FT BILL 75990	2,157.59
Inv 201708-12 Total		2,157.59
Inv 201708-19		
<u>Line Item Date</u>	<u>Line Item Description</u>	
08/09/2017	CLASS II & COLD MIX, THE YARD FT BILL 75998 & 75997	3,086.83
Inv 201708-19 Total		3,086.83
Inv 201708-38		
<u>Line Item Date</u>	<u>Line Item Description</u>	
08/21/2017	CLASS II, THE YARD FT BILL 76008 & 76011	1,796.95
Inv 201708-38 Total		1,796.95
Inv 201708-49		
<u>Line Item Date</u>	<u>Line Item Description</u>	
08/25/2017	CLASS II, THE YARD FT BILL 76015	1,814.51
Inv 201708-49 Total		1,814.51
10101703 Total:		10,787.86
4970 - BRADY SAND & MATERIAL, INC. Total:		10,787.86
3015 - CALPELRA		
10101704	10/10/2017	
Inv 73572		
<u>Line Item Date</u>	<u>Line Item Description</u>	
09/08/2017	PELRAC 2017 ANNUAL CONFERENCE	285.00
Inv 73572 Total		285.00
10101704 Total:		285.00
3015 - CALPELRA Total:		285.00
603409 - CIVILITY PARTNERS		
10101705	10/10/2017	
Inv 475		
<u>Line Item Date</u>	<u>Line Item Description</u>	
08/31/2017	PROFESSIONAL SERVICES	5,500.00

Check Number	Check Date		Amount
		Inv 475 Total	5,500.00
		10101705 Total:	5,500.00
		603409 - CIVILITY PARTNERS Total:	5,500.00
		2885 - CORELOGIC INFORMATION	
10101706	10/10/2017		
		Inv 81833225	
		<u>Line Item Date</u>	<u>Line Item Description</u>
		08/31/2017	REALQUEST.COM MAP SEARCH, GEOGRAPHIC MAP SEARC
			192.50
		Inv 81833225 Total	192.50
		Inv 81833367	
		<u>Line Item Date</u>	<u>Line Item Description</u>
		08/31/2017	REALQUEST.COM SALE DOC IMAGE
			10.00
		Inv 81833367 Total	10.00
		10101706 Total:	202.50
		2885 - CORELOGIC INFORMATION Total:	202.50
		2027 - CULLIGAN OF ESCONDIDO	
10101707	10/10/2017		
		Inv 083117	
		<u>Line Item Date</u>	<u>Line Item Description</u>
		08/31/2017	WATER SOFTNER, SERVICE PERIOD 09/01-09/30
			74.93
		Inv 083117 Total	74.93
		10101707 Total:	74.93
		2027 - CULLIGAN OF ESCONDIDO Total:	74.93
		3325 - GRAINGER, W.W. INC.	
10101708	10/10/2017		
		Inv 9522798603	
		<u>Line Item Date</u>	<u>Line Item Description</u>
		08/08/2017	LCD HOUR METER, 3-HOLE, 2.87 IN FLANGE
			64.03
		Inv 9522798603 Total	64.03
		Inv 9529286180	
		<u>Line Item Date</u>	<u>Line Item Description</u>

Check Number	Check Date	Amount
08/15/2017	ASHPALT LUTE, ALUMINUM, 79 IN, 24 TINES	196.47
Inv 9529286180	Total	196.47
Inv 9545982382		
<u>Line Item Date</u>	<u>Line Item Description</u>	
09/01/2017	GASKET SCRAPER, 1-1/2", CV STEEL	306.66
Inv 9545982382	Total	306.66
Inv 9547401530		
<u>Line Item Date</u>	<u>Line Item Description</u>	
09/05/2017	COMBINATION VISE, SWIVEL, 3-1/2 IN JAW	1,798.89
Inv 9547401530	Total	1,798.89
10101708	Total:	2,366.05
3325 - GRAINGER, W.W. INC. Total:		2,366.05
603373 - MANUFACTURERS EDGE, INC.		
0	10/10/2017	
Inv SO-0057576		
<u>Line Item Date</u>	<u>Line Item Description</u>	
09/08/2017	LMI METERING PUMP 0.0 TO 1.3GPH @ 300PSI. PVC/ CERAM	1,177.30
Inv SO-0057576	Total	1,177.30
0	Total:	1,177.30
603373 - MANUFACTURERS EDGE, INC. Total:		1,177.30
603404 - NATUREBOX		
10101709	10/10/2017	
Inv 00138129		
<u>Line Item Date</u>	<u>Line Item Description</u>	
09/19/2017	EMPLOYEE SNACKS, NATUREBOX UNLIMITED	750.00
Inv 00138129	Total	750.00
10101709	Total:	750.00
603404 - NATUREBOX Total:		750.00
5286 - NOSSAMAN, LLP		
10101710	10/10/2017	

Inv 469576

<u>Line Item Date</u>	<u>Line Item Description</u>	
08/08/2017	PROFESSIONAL SERVICES RENDERED THROUGH 7/31/17	7,284.99
08/08/2017	PROFESSIONAL SERVICES RENDERED THROUGH 7/31/17	461.50
08/08/2017	PROFESSIONAL SERVICES RENDERED THROUGH 7/31/17	568.00
08/08/2017	PROFESSIONAL SERVICES RENDERED THROUGH 7/31/17	639.00
08/08/2017	PROFESSIONAL SERVICES RENDERED THROUGH 7/31/17	852.00

Inv 469576 Total 9,805.49

10101710 Total: 9,805.49

5286 - NOSSAMAN, LLP Total: 9,805.49

5425 - OFFICE DEPOT

10101711 10/10/2017

Inv 950045515001

<u>Line Item Date</u>	<u>Line Item Description</u>	
08/04/2017	FILE, WALL, LETTER, MAGNETIC AND CHAIR, WORKPRO, 1	387.26
08/04/2017	MESH 3 TIER DESK TRAY	29.62
08/04/2017	PAPER ROLL, 2-1/4X130	9.79

Inv 950045515001 Total 426.67

Inv 950045776001

<u>Line Item Date</u>	<u>Line Item Description</u>	
08/04/2017	STAK-A-FILE, 3-PACK, SM	12.81

Inv 950045776001 Total 12.81

Inv 957340978001

<u>Line Item Date</u>	<u>Line Item Description</u>	
08/25/2017	POCKET, WALL, 3/PK, STACK	23.37

Inv 957340978001 Total 23.37

Inv 957341042001

<u>Line Item Date</u>	<u>Line Item Description</u>	
08/25/2017	RECYCLED CUBICLE COAT	15.06
08/25/2017	TAPE, CORRECTION, 4PK	27.13

Inv 957341042001 Total 42.19

Inv 958369883001

<u>Line Item Date</u>	<u>Line Item Description</u>	
08/29/2017	LABELER, HANDHELD, PERSONAL	40.93
08/29/2017	TAPE-LETTERING 5" BLACK, CARTRIDGE, TAPE-LABELER 1	161.38

Inv 958369883001 Total 202.31

Check Number	Check Date	Amount
Inv	958698166001	
<u>Line Item Date</u>	<u>Line Item Description</u>	
08/30/2017	SIT-TO-STAND DESK RISER, ERGONOMICS	244.42
08/30/2017	STACKABLE WALL FILE POCKET, 3 PACK	46.74
Inv 958698166001 Total		291.16
10101711 Total:		998.51
5425 - OFFICE DEPOT Total:		998.51
5910 - PACIFIC PIPELINE SUPPLY		
10101712	10/10/2017	
Inv	316314	
<u>Line Item Date</u>	<u>Line Item Description</u>	
09/01/2017	6X4" REDUCER	1,456.61
Inv 316314 Total		1,456.61
Inv	316533	
<u>Line Item Date</u>	<u>Line Item Description</u>	
09/06/2017	EPOXY COATING, TNEMEC PART B 1 GALLON	106.61
09/06/2017	EPOXY COATING, TNEMEC PART A 1 GALLON	106.61
Inv 316533 Total		213.22
10101712 Total:		1,669.83
5910 - PACIFIC PIPELINE SUPPLY Total:		1,669.83
603405 - PCL.ORG		
10101713	10/10/2017	
Inv	451	
<u>Line Item Date</u>	<u>Line Item Description</u>	
09/26/2017	PCL/PCLF CEQA CLASS ON 9/30/17, M. GASCA	45.00
Inv 451 Total		45.00
10101713 Total:		45.00
603405 - PCL.ORG Total:		45.00
603118 - POWELL'S OFFICE FURNITURE		
10101714	10/10/2017	
Inv	9004	
<u>Line Item Date</u>	<u>Line Item Description</u>	
09/08/2017	DESK, LATERAL FILES, HUTCH, DESK	557.13

Check Number	Check Date	Amount
Inv 9004 Total		557.13
10101714 Total:		557.13
603118 - POWELL'S OFFICE FURNITURE Total:		557.13
5976 - PRUDENTIAL OVERALL SUPPLY		
10101715	10/10/2017	
Inv 130766201		
<u>Line Item Date</u>	<u>Line Item Description</u>	
08/15/2017	MONTHLY UNIFORMS	130.41
08/15/2017	MATS & MISC	138.83
Inv 130766201 Total		269.24
Inv 130766202		
<u>Line Item Date</u>	<u>Line Item Description</u>	
08/15/2017	MONTHLY UNIFORMS	94.15
Inv 130766202 Total		94.15
Inv 130767731		
<u>Line Item Date</u>	<u>Line Item Description</u>	
08/22/2017	MONTHLY UNIFORMS	123.56
08/22/2017	MATS & MISC	6.62
Inv 130767731 Total		130.18
Inv 130767732		
<u>Line Item Date</u>	<u>Line Item Description</u>	
08/22/2017	MONTHLY UNIFORMS	94.15
Inv 130767732 Total		94.15
Inv 130769286		
<u>Line Item Date</u>	<u>Line Item Description</u>	
08/29/2017	MATS & MISC	138.83
08/29/2017	MONTHLY UNIFORMS	130.41
Inv 130769286 Total		269.24
Inv 130769287		
<u>Line Item Date</u>	<u>Line Item Description</u>	
08/29/2017	MONTHLY UNIFORMS	94.15
Inv 130769287 Total		94.15
Inv 130770812		
<u>Line Item Date</u>	<u>Line Item Description</u>	
09/05/2017	MATS & MISC	6.62

Check Number	Check Date	Amount
09/05/2017	MONTHLY UNIFORMS	123.56
Inv 130770812	Total	130.18
Inv 130770813		
<u>Line Item Date</u>	<u>Line Item Description</u>	
09/05/2017	MONTHLY UNIFORMS	94.15
Inv 130770813	Total	94.15
10101715	Total:	1,175.44
5976 - PRUDENTIAL OVERALL SUPPLY	Total:	1,175.44
603407 - STAPLES		
10101716	10/10/2017	
Inv 9760634420.01		
<u>Line Item Date</u>	<u>Line Item Description</u>	
09/19/2017	POPPIN CLIPBOARD AQUA	6.45
Inv 9760634420.01	Total	6.45
Inv 9760634420.02		
<u>Line Item Date</u>	<u>Line Item Description</u>	
09/19/2017	PLASTIC CLIPBOARD, 9X13, BLUE, SOLID	6.45
Inv 9760634420.02	Total	6.45
Inv 9760634420.03		
<u>Line Item Date</u>	<u>Line Item Description</u>	
09/19/2017	STAPLE REMOVER, SCISSORS, CLAW STAPLE REMOVER	42.50
Inv 9760634420.03	Total	42.50
10101716	Total:	55.40
603407 - STAPLES	Total:	55.40
603406 - THE FRUIT GUYS		
10101717	10/10/2017	
Inv 5143979		
<u>Line Item Date</u>	<u>Line Item Description</u>	
09/26/2017	EMPLOYEE SNACKS, HARVEST-SMALL	54.00
Inv 5143979	Total	54.00
10101717	Total:	54.00

603406 - THE FRUIT GUYS Total:		54.00
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603174 - VILLAGE PIZZA

10101718 10/10/2017

Inv 126560

<u>Line Item Date</u>	<u>Line Item Description</u>	
09/26/2017	BOARD MEETING LUNCH	37.34
09/26/2017	BOARD MEETING LUNCH	44.82

Inv 126560 Total		82.16
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10101718 Total:		82.16
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603174 - VILLAGE PIZZA Total:		82.16
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Total:		38,672.38
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**Director's Expenses
FY 2017-2018**

Disbursement Date	Description	Miguel Gasca	Helene Brazier	Claude Hamilton	Michael Mack	William Stewart	Retiree
07/31/17	CAL PERS - HEALTH INS.						\$ 354.80
	WATER AGENCIES ASSOC OF S.D.						
	CSDA,SAN DIEGO CHAPTER						
	CONFERENCES (CSDA, ACWA, etc.)	\$ 600.00			\$ 600.00	\$ 600.00	
	TRAINING						
	COUNCIL OF WATER UTILITIES						
	DIRECTORS' PER DIEMS	\$ 150.00	\$ 300.00		\$ 700.00	\$ 450.00	
	TRAVEL EXPENSES	\$ 989.52			\$ 940.78	\$ 754.99	
	MILEAGE EXPENSE			\$ 23.54		\$ 577.82	
	REIMBURSEMENT FROM DIRECTORS						\$ (354.80)
	Monthly Totals	\$ 1,739.52	\$ 300.00	\$ 23.54	\$ 2,240.78	\$ 2,382.81	\$ -
08/31/17	CAL PERS - HEALTH INS.						\$ 354.80
	WATER AGENCIES ASSOC OF S.D.						
	CSDA,SAN DIEGO CHAPTER		\$ 30.00		\$ 30.00		
	CONFERENCES (CSDA, ACWA, etc.)						
	TRAINING						
	COUNCIL OF WATER UTILITIES	\$ 25.00					
	DIRECTORS' PER DIEMS	\$ 150.00	\$ 150.00	\$ 150.00	\$ 300.00	\$ 150.00	
	TRAVEL EXPENSES						
	MILEAGE EXPENSE						
	REIMBURSEMENT FROM DIRECTORS						\$ (354.80)
	Monthly Totals	\$ 175.00	\$ 180.00	\$ 150.00	\$ 330.00	\$ 150.00	\$ -

**Director's Expenses
FY 2017-2018**

Disbursement Date	Description	Miguel Gasca	Helene Brazier	Claude Hamilton	Michael Mack	William Stewart	Retiree
09/30/17	CAL PERS - HEALTH INS.						\$ 354.80
	WATER AGENCIES ASSOC OF S.D.						
	CSDA,SAN DIEGO CHAPTER						
	CONFERENCES (CSDA, ACWA, etc.)				\$ 580.00		
	TRAINING	\$ 45.00					
	COUNCIL OF WATER UTILITIES						
	DIRECTORS' PER DIEMS	\$ 300.00	\$ 300.00	\$ 300.00	\$ 450.00	\$ 450.00	
	TRAVEL EXPENSES				\$ 1,637.32		
	MILEAGE AND EXPENSES	\$ 21.40					
	REIMBURSEMENT FROM DIRECTORS				\$ 300.00		\$ (354.80)
	Monthly Totals	\$ 366.40	\$ 300.00	\$ 300.00	\$ 2,967.32	\$ 450.00	\$ -
10/31/17	CAL PERS - HEALTH INS.						
	WATER AGENCIES ASSOC OF S.D.						
	CSDA,SAN DIEGO CHAPTER						
	CONFERENCES (CSDA, ACWA, etc.)						
	TRAINING						
	COUNCIL OF WATER UTILITIES						
	DIRECTORS' PER DIEMS						
	TRAVEL EXPENSES						
	MILEAGE AND EXPENSES						
	REIMBURSEMENT FROM DIRECTORS						
	Monthly Totals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Bank Reconciliation
Board Audit



Check No.	Vendor/Employee	Transaction Description	Date	Amount
Fund: 01 WATER FUND				
Department: 00				
ACH	CB&T / ACWA-JPIA	MONTHLY HEALTH AND VISION INSURANCE - OCT 2017	09/21/2017	74,168.20
ACH	PRINCIPAL LIFE INSURANCE COMPANY	MONTHLY INSURANCE - SEP 2017	09/11/2017	9,099.48
ACH	PRINCIPAL LIFE INSURANCE COMPANY	SHORT TERM DISABILITY, ER FICA AUG 2017 (ACCT-1017971)	09/21/2017	129.22
ACH	RENE BUSH	REIMBURSE RETIRED EMPLOYEE HEALTH INS - AUG 2017	09/11/2017	726.00
ACH	RENE BUSH	REIMBURSE RETIRED EMPLOYEE HEALTH INS - SEP 2017	09/28/2017	726.00
ACH	SAN DIEGO COUNTY WATER AUTH	WIRE TRANSFER FOR WATER PURCHASES_JUL 2017	09/13/2017	2,417,163.54
ACH	CHARLES C. SNEED	REIMBURSE RETIRED EMPLOYEE HEALTH INS - SEP 2017	09/21/2017	363.00
ACH	KEVIN MILLER	REIMBURSE RETIRED EMPLOYEE HEALTH INS - SEP 2017	09/11/2017	726.00
ACH	KEVIN MILLER	REIMBURSE RETIRED EMPLOYEE HEALTH INS - OCT 2017	09/28/2017	726.00
ACH	SHERRY MULLENNIX	REIMBURSE RETIRED EMPLOYEE HEALTH INS - SEP 2017	09/27/2017	300.00
53837	DOCS WATER INC	Refund Check	09/11/2017	1,319.88
53839	ROBERT PFEIFER	Refund Check	09/11/2017	98.21
53842	RON SHAVER	Refund Check	09/11/2017	208.02
53844	SHU YUAN SMITH	Refund Check	09/11/2017	6.49
53859	FERGUSON WATERWORKS #1083	1" MIP X COMPRESSION	09/21/2017	5,836.04
53891	WHITE CAP CONSTRUCTION SUPPLY	BASIC CONCRETE MIX 2500 PSI 60LB QUIKRETE	09/25/2017	270.02
53906	FERGUSON WATERWORKS #1083	2.5" FEMALE FIRE THREAD X 1.5" MALE FIRE THREAD	09/27/2017	419.70
53913	IFLOW ENERGY SOLUTIONS INC.	1 1/2" MODEL 3101 KAMSTRUP ULTRASONIC WATER METER WITH ENCODED O	09/27/2017	18,809.82
53926	DOUGLASS THORNE	REIMB FOR BAL OF INSP FEE DEP NEW FIRE HYDRANT-CANYON HEIGHTS RD	09/27/2017	210.68
53931	ABC CONSTRUCTION, CO.	Refund Check	09/28/2017	1,572.44
Total for Department: 00				2,532,878.74
Department: 31 PUMPING				
53924	SAN DIEGO GAS & ELECTRIC	MONTHLY GAS AND ELECTRIC SERVICE	09/27/2017	50,200.33
Total for Department: 31 PUMPING				50,200.33

Department: 32 OPERATIONS

ACH	MISSION VALLEY SANITATION-SD	PORTA POTTY RENTAL FOR WEED ABATEMENT	09/27/2017	141.07
53841	SAN DIEGO GAS & ELECTRIC	MONTHLY ELECTRIC SERVICE	09/11/2017	90.62
53853	AIRGAS SAFETY INC	CYLNDER RENTAL-NITROGEN	09/21/2017	19.28
53860	HOME DEPOT	HEPA FILTER, QUICK DRY CONTACT CLEANER	09/21/2017	103.28
53871	UNION BANK (VISA)	DINGO/VERMEER WALK BEHIND (CREDIT)	09/21/2017	156.55
53876	COUNTY OF S.D. DEPT OF ENVIRONMENTAL HE/	ANNUAL HAZ MAT PERMIT FOR BECK RESERVOIR	09/25/2017	1,407.00
53877	CROP PRODUCTION SVC INC,	WHIP LINE FOR WEED WHACKERS	09/25/2017	105.53
53881	FALLBROOK IRRIGATION SUPPLIES	MA PVC80 11/4, BUSH PVC80 SXT 1 1/4 X 1", NIPPLE PVC80 TBE 1X12	09/25/2017	11.54
53885	HOME DEPOT	MILWAUKEE 12PC SAWZALL BLADE SET	09/25/2017	211.51
53895	AMERICAN WATER WORKS ASSOC.	WATER TREATMENT OPERATOR TRINING HANDBOOK, 3RD EDITION	09/27/2017	75.50
53903	COUNTY OF S.D. DEPT OF ENVIRONMENTAL HE/	HAZ MAT PERMIT ANNUAL RENEWAL FOR NORTH RESERVOIR PROPANE GAS	09/27/2017	1,485.00
53909	CHRIS HEINCY	TRAVEL EXPENSE REIMB CLA-VAL UNIV, C. HEINCY	09/27/2017	199.18
53910	JESUS HERNANDEZ	REIMB FOR SWRCB WATER TREATMENT OPERATOR CERT GRADE 4 EXAM FEE	09/27/2017	235.00
53912	HOME DEPOT	SMALL BOX, HUSKY 40PC RATCHETTING SCREWDRIVER, 45PC BIT SET	09/27/2017	61.27
53921	JOE PERREIRA	TRAVEL EXPENSE REIMB CLA-VAL UNIV	09/27/2017	119.15
53924	SAN DIEGO GAS & ELECTRIC	MONTHLY GAS AND ELECTRIC SERVICE	09/27/2017	769.60

Total for Department: 32 OPERATIONS 5,191.08

Department: 33 VALVE MAINTENANCE

53861	JOE'S HARDWARE	HARWARE	09/21/2017	3.04
53905	FALLBROOK AUTO PARTS	8 TON BOTTLE JACK	09/27/2017	40.40

Total for Department: 33 VALVE MAINTENANCE 43.44

Department: 34 WATER DISTRIBUTION

ACH	ART'S TRENCH PLATE & KRAIL SERVICE CO, INC	TRENCH PLATE RENTAL 8X12	09/25/2017	2,834.95
ACH	FALLBROOK EQUIPMENT RENTAL	RENTALS: CRAWLER-MINI EXCAVATOR, BUCKET 24", DELIVERY, FUEL	09/27/2017	436.28
ACH	JOE'S PAVING CO, INC	DIG OUT COLD MIX AND PAVE 4" OF HOT MIX ON RIO VISTA	09/25/2017	9,932.80
53853	AIRGAS SAFETY INC	CYLNDER RENTAL-ACETYLENE, CARBON DIOXIDE, OXYGEN	09/21/2017	57.85
53871	UNION BANK (VISA)	AFTER HOURS MEALS FOR EMPLOYEES	09/21/2017	34.37
53873	AMERICAN RIGGING	REPAIR OF HOISTING CHAIN AND FITTINGS	09/25/2017	129.30
53885	HOME DEPOT	60 D NAILS	09/25/2017	57.08
53890	PERRAULT CORPORATION	CLASS II BASE PLUS ENVIRONMENTAL FEE PER LOAD	09/25/2017	130.07
53912	HOME DEPOT	BEHR PPE 5340 SG DEEP, MSK TAPE, MASKING PAPER, PAINTCARE FEE	09/27/2017	136.60
53915	JOE'S HARDWARE	CAP COPPER TUBE 1/2 IN, ADHESIVE FLOORING LATEX BS GA	09/27/2017	16.73
53925	THOMAS SJUNESON	SWRCB GRADE 2 WATER TREATMENT OPERATOR CERT RENEWAL FEE REIMB	09/27/2017	160.00
53938	UNION BANK (VISA)	AFTER HOURS MEALS FOR EMPLOYEES	09/28/2017	26.64

Total for Department: 34 WATER DISTRIBUTION 13,952.67

Department: 35 METER SERVICES

ACH	TEMECULA VALLEY BACKFLOW, INC.	ANNUAL BACKFLOW PREVENTION DEVICE TESTING/REPAIR SERVICES	09/05/2017	33,197.00
ACH	TEMECULA VALLEY BACKFLOW, INC.	WILKINS 375XL LF RP ASSEMBLY 2', BACKFLOW ASSEMBLY, HYDRANT TEST	09/27/2017	1,278.00
53859	FERGUSON WATERWORKS #1083	3/8" SECURITY CHAIN	09/21/2017	1,239.13
53888	KNOCKOUT PEST CONTROL& TERMITES, INC.	ONE TIME PEST CONTROL FOR 3 BEE REMOVALS	09/25/2017	225.00
53911	CHRIS HOELSCHER	REIMBURSEMENT FOR SWRCB WATER DISTR OPS GRADE 3 CERT RENEWAL FEE	09/27/2017	90.00
53912	HOME DEPOT	10 PC DRV ST, H2DUNIV, ADJ WRENCH, 9 SAW BLADE SET, 1" FLAT CHSL	09/27/2017	150.96
53916	KNOCKOUT PEST CONTROL& TERMITES, INC.	ONE TIME PEST CONTROL 16 BEE REMOVALS	09/27/2017	1,200.00
Total for Department: 35 METER SERVICES				37,380.09
Total for Fund:01 WATER FUND				2,639,646.35

Fund: 02 SEWER FUND

Department: 00

53839	ROBERT PFEIFER	Refund Check	09/11/2017	60.83
53844	SHU YUAN SMITH	Refund Check	09/11/2017	2.49
Total for Department: 00				63.32

Department: 61 WASTEWATER

ACH	ATLAS PUMPING SERVICE	ROLLOFF	09/21/2017	4,380.00
ACH	ATLAS PUMPING SERVICE	MONTHLY BIN RENTAL	09/25/2017	210.00
ACH	BP BATTERY	AUTO BATTERY W/ CORE EXCHANGE, BATTERY TAX	09/27/2017	107.52
ACH	HADRONEX, INC.	RENEWAL SMARTCOVERLEVEL -I YEAR SERVICE, REQUIRD FOR SYSTEM TO	09/27/2017	10,268.59
ACH	MUNICIPAL MAINTENANCE EQUIP.	BOOM LATCH, LESS HOOK	09/25/2017	522.32
53841	SAN DIEGO GAS & ELECTRIC	MONTHLY ELECTRIC SERVICE	09/11/2017	7.00
53852	MARC WALKER	REIMB FOR CWEA PLANT MAINT TECH GRADE 1 CERT RENEWAL	09/11/2017	85.00
53869	RHO MONSERATE C.C.H.A.	ELECTRIC CHARGES	09/21/2017	315.99
53879	EAGLE EYE FABRICATION.COM	CUT OUT NIPPLE FOR FLOAT/INSTALL NEW ONE WELDING INCLUDED	09/25/2017	3,200.00
53887	JOE'S HARDWARE	V32 SWIV HASP ZN	09/25/2017	10.74
53900	CAVCOM	BATTERY FOR KNB-40LCV . KENWOOD TK.3360 RADIO	09/27/2017	345.98
53903	COUNTY OF S.D. DEPT OF ENVIRONMENTAL HE	HAZ MAT PERMIT ANNUAL RENEWAL FOR L/S 2	09/27/2017	547.00
53907	CHRIS HAND	REIMB FOR CWEA COLLECTION SYS MAINT TECH GRADE 1 CERT RENEWAL FE	09/27/2017	83.00
53924	SAN DIEGO GAS & ELECTRIC	MONTHLY GAS AND ELECTRIC SERVICE	09/27/2017	4,298.50
53929	WATER QUALITY SPECIALISTS	MONTHLY OPERATIONS - AUG 2017	09/27/2017	1,950.00
53934	RUBEN LOPEZ	REIMB FOR CWEA COLLECTION SYSTEM MAINT TECH GRADE 1 CERT RENEWAL	09/28/2017	83.00
53935	UNION BANK (VISA)	HYD CYLINDER 2", 90 DEG ADPTR 6SAE-8 JIC & 6 NPT, BREATHER ASSY	09/28/2017	377.56
Total for Department: 61 WASTEWATER				26,792.20
Total for Fund:02 SEWER FUND				26,855.52

Fund: 03 GENERAL FUND

Department: 00

ACH	CB&T / ACWA-JPIA	MONTHLY HEALTH AND VISION INSURANCE - OCT 2017	09/21/2017	1,964.30
ACH	PUBLIC EMPLOYEES RETIREMENT	ER CONTRIBUTION-UNFUNDED ACCRUED LIABILITY, PEPRA 26407	09/11/2017	28,507.82

Total for Department: 00 30,472.12

Department: 20 BOARD

Total for Department: 20 BOARD 0.00

Department: 36 GARAGE

ACH	CONTROLLED MOTION SOLUTIONS	BRASS FITTING, 1/2 ID 3000 PSI 100R17 ASSEMBLY	09/27/2017	35.68
ACH	FLYERS ENERGY LLC	ORDER 1232874-17, CARB REG 10% ETH 350 UNITS/DSL 180 UNITS	09/25/2017	4,331.26
ACH	FLYERS ENERGY LLC	ORDER 1263850-17, CARB REG 10% ETH 350 UNITS/DSL 350 UNITS	09/27/2017	4,843.37
ACH	O'REILLY AUTO PARTS	UNIT 28-TRANS FILTER, CERAMIC PADS	09/25/2017	69.52
ACH	PARKHOUSE TIRE, INC.	P255/70R17 110S FST DEST A/T OWL, CA RECYCLING FEE	09/21/2017	785.07
ACH	PARKHOUSE TIRE, INC.	12R22.5 H BST R268 ECOPIA, FLEET SERVICE, RECYCLING FEE	09/25/2017	1,187.22
ACH	QUALITY CHEVROLET	MOUNT	09/25/2017	86.82
53836	RENE DEL RIO	REIMBURSEMENT FOR TRAVEL EXPENSES-BENDIX AIR BRAKE TRAINING	09/11/2017	475.09
53845	THE WELD SHOP, INC	FABRICARE BRACKETS FOR WATER JUG AND OXYGEN AND ACETYLENE TANKS	09/11/2017	150.00
53866	NETWORK FLEET, INC.	MONTHLY AIRTIME CHARGES FOR GPS TRACKING - SEP 2017	09/21/2017	780.00
53871	UNION BANK (VISA)	BENDIX BRAKE TRAINING - RENE DEL RIO	09/21/2017	514.80
53880	FALLBROOK AUTO PARTS	HI PWR II IND V-BELT	09/25/2017	313.77
53883	FREEWAY TRAILER SALES	DUMPVALVE, T1020 CAP, LINKS, TRAILER END, SEALS, T1003-6MVP	09/25/2017	150.91
53889	KONECRANES, INC.	QRTRLY INSPECTION/PREVENTATIVE MAINTENANCE SERVICE AUG-2017	09/25/2017	945.00
53894	ALAN TAYLOR COMPANY	RODENT DETERENT SCENT BAGS FOR DISTRICT VEHICLES	09/27/2017	177.79
53903	COUNTY OF S.D. DEPT OF ENVIRONMENTAL HE	HAZ MAT PERMIT ANNUAL RENEWAL FOR DISTRICT YARD	09/27/2017	1,575.00

Total for Department: 36 GARAGE 16,421.30

ACH	ACCELA, INC. #774375	CREDIT-WEB PAYMENTS WITH ONLINE-BILLS.COM	09/21/2017	49,603.95
ACH	ACCELA, INC. #774375	WEB PAYMENTS WITH ONLINE-BILLS.COM	09/27/2017	2,334.00
ACH	HEALTH EQUITY	MONTHLY ADMINISTRATION FEE - SEP 2017	09/25/2017	32.45
ACH	IMAGE SOURCE	MONTHLY COPY COUNT	09/25/2017	564.64
ACH	INFOR PUBLIC SECTOR, INC.	SOFTWARE SUBSCRIPTIONS-UB, WATER METERS, ASSETS WEB, OPEN 311API	09/28/2017	44,366.40
ACH	PUBLIC EMPLOYEES RETIREMENT	FEES FOR GASB-68 REPORTS & SCHEDULES	09/11/2017	1,054.80
ACH	RAFTELIS FINANCIAL CONSULTANTS	WATER AND WASTEWATER RATE STUDY SERVICES	09/27/2017	4,968.20
ACH	REM MECHANICAL, INC	REPAIR BUILDING #1, ADMIN AREA	09/21/2017	200.00
ACH	REM MECHANICAL, INC	REPAIR BUILDING #1 ADMIN AREA	09/27/2017	208.00
ACH	SPECIAL DISTRICT RISK	ANNUAL WORKERS COMPENSATION RECONCILIATION 2016-17	09/21/2017	11,825.93
ACH	WESTERN LANDSCAPE MAINTENANCE PLUS, INC	LANDSCAPE MAINTENANCE SERVICE	09/27/2017	787.55
ACH	XEROX CORP.	MONTHLY LEASE	09/21/2017	1,307.54
53835	ADECCO USA, INC	TEMP STAFFING: A. ACHARTZ & A. LOPEZ-ZAMORANO (CS CLERKS)	09/11/2017	4,182.58
53838	SHANE ENTWISLE	SETTLEMENT FOR DAMAGES DUE TO EXCESSIVE WATER PRESSURE	09/11/2017	2,544.87
53840	SAN DIEGO COUNTY ASSESSOR/RECORDER/CLERK	PROCESSING FEE FOR RECORDING RELEASE OF LIEN DOC (2)	09/11/2017	26.00
53841	SAN DIEGO GAS & ELECTRIC	MONTHLY ELECTRIC SERVICE	09/11/2017	5,297.81
53846	UNION BANK (VISA)	GM VEHICLE FUEL	09/11/2017	556.23
53849	UNION BANK (VISA)	INTERVIEW PANEL LUNCH	09/11/2017	38.09
53851	VERIZON WIRELESS	MONTHLY CELLULAR SERVICE	09/11/2017	2,499.87
53854	BONSALL PEST CONTROL	MONTHLY PEST CONTROL	09/21/2017	90.00
53856	COVERALL NORTH AMERICA, INC.	COMMERCIAL CLEANING SERVICES	09/21/2017	995.00
53857	ED SHOBE PLUMBING	CAP WATERLINE INSIDE OF WALL, ELIMINATE DRAIN FOR SINK, RECONNECT	09/21/2017	127.00
53858	FALLBROOK WASTE AND RECYCLING	MONTHLY REFUSE AND RECYCLE	09/21/2017	345.60
53863	MITEL LEASING	LEASE AGREEMENT	09/21/2017	764.30
53864	MODULAR BUILDING CONCEPTS, INC	RENTAL AGREEMENT	09/21/2017	793.03
53868	PITNEY BOWES INC.	LEASE AGREEMENT	09/21/2017	686.82
53870	SAN DIEGO COUNTY ASSESSOR/RECORDER/CLERK	PROCESSING FEE FOR RECORDING RELEASE OF LIEN DOC (1)	09/21/2017	13.00
53872	UNION BANK (VISA)	3RD QUARTER ANNIVERSARY BREAKFAST	09/21/2017	141.97
53885	HOME DEPOT	SUPPLIES FOR CAMERAS: SPRING NUT, JUNCTION BOX, AUTOMATIC NIGHTLIGHT	09/25/2017	250.25
53893	ADECCO USA, INC	STAFFING: A. ACHARTZ & A. LOPEZ-ZAMORANO (CS CLERKS)	09/27/2017	3,504.50
53896	AT&T	MONTHLY PHONE SERVICE	09/27/2017	627.66
53898	CAPITAL ONE COMMERCIALS	FINANCE CHARGES	09/27/2017	4.64
53902	COUNCIL OF WATER UTILITIES	COWU ATTENDANCE 9/19/17-T KENNEDY	09/27/2017	25.00
53912	HOME DEPOT	TWIN-HEAD WORKLIGHT	09/27/2017	1,179.20
53922	QUALITY GATE COMPANY	QUARTERLY FULL SERVICE, MAIN PLANT GENERATOR	09/27/2017	333.00
53923	SAN DIEGO COUNTY ASSESSOR/RECORDER/CLERK	PROCESSING FEE FOR RECORDING RELEASE OF LIEN DOC (1)	09/27/2017	13.00
53927	TIME WARNER CABLE	MONTHLY INTERNET CONNECTION - AUG 2017	09/27/2017	1,250.00
53930	XEROX FINANCIAL SERVICES	MONTHLY LEASE	09/27/2017	565.83
53932	DENNIS MUNYON	SETTLEMENT FOR DAMAGES DUE TO A BROKEN MAINLINE PIPE	09/28/2017	1,865.00
53935	UNION BANK (VISA)	OFFICE FURNITURE FOR OPERATIONS DEPT, DESK & LATERAL	09/28/2017	1,465.07
53936	UNION BANK (VISA)	POPSICLES FOR EMPLOYEES	09/28/2017	27.38
53937	UNION BANK (VISA)	FINANCE CHARGE & LATE FEE	09/28/2017	11.75
53939	VERIZON WIRELESS	MONTHLY CELLULAR SERVICE	09/28/2017	2,497.95

Total for Department: 41 ADMINISTRATION/HR

149,975.86

Department: 42 HUMAN RESOURCES

ACH	GOVERNMENTJOBS.COM, INC.	ADDENDUM, BACKGROUND CHECK API INTEGRATION	09/21/2017	200.00
ACH	TEG STAFFING, INC.	TEMP STAFFING: J. WHITE (HS ASST)	09/11/2017	3,957.51
ACH	TEG STAFFING, INC.	STAFFING: J. WHITE (HR ASST)	09/21/2017	1,936.99
ACH	TEG STAFFING, INC.	STAFFING: J. WHITE (HR ASST)	09/27/2017	1,277.98
ACH	TEG STAFFING, INC.	STAFFING: J. WHITE (HR ASST)	09/28/2017	1,462.43
53897	CALPELRA	MEMBERSHIP DUES 2017-2018	09/27/2017	350.00
53918	LIEBERT CASSIDY WHITMORE	ERC MEMBERSHIP DUES AND LATE FEE, 7/1/17-6/30/18	09/27/2017	3,250.00
53919	OCCUPATIONAL HEALTH CENTERS OF CA, A ME	SERVICES PERFORMED AT CMC	09/27/2017	52.00
53936	UNION BANK (VISA)	PELRAC'S CONFERENCE-K. HARP	09/28/2017	1,246.94

Total for Department: 42 HUMAN RESOURCES 13,733.85

Department: 43 SAFETY

ACH	FIREHAWK CORPORATION	RE-CERTIFICATION OF DISTRICT FIRE EXTINGUISHERS AND MISC. PARTS	09/27/2017	450.55
ACH	T.R.Y. ENTERPRISES, INC.	PATROL SERVICES 9/1-9/30, DISTRICT AND HUNTLY PUMP STATION	09/27/2017	985.00
53843	THOMAS SJUNESON	REIMBURSE FOR PURCHASE OF SAFETY BOOTS	09/11/2017	135.01
53853	AIRGAS SAFETY INC	GLOVES MICROFLEX X-LARGE	09/21/2017	1,728.54
53867	PACIFIC SAFETY CENTER	CPR/1ST AID/AED REFRESHER FOR 2 EMPLOYEES	09/21/2017	90.00
53874	BOOT BARN INC	SAFETY BOOTS- TERRELL, ZARAGOZA, AND CANCINO	09/25/2017	583.61
53917	LANCE PICOTTE SAFETY CONSULT.	ANNUAL AC PIPE CLASS	09/27/2017	800.00

Total for Department: 43 SAFETY 4,772.71

Department: 51 FINANCE

53892	WHITE NELSON DIEHL EVANS LLP	FINANCIAL STATEMENTS FOR YEAR ENDING 6/30/17, 1ST INTERIM	09/25/2017	9,500.00
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Total for Department: 51 FINANCE 9,500.00

Department: 52 CUSTOMER SERVICE

ACH	MISSION RESOURCE CONSERVATION DISTRICT	HOME WATER USE EVALUATIONS - AUG 2017	09/21/2017	578.00
ACH	TCN, INC	MONTHLY 48 HOUR NOTICE CALLS	09/27/2017	50.22

Total for Department: 52 CUSTOMER SERVICE 628.22

Department: 91 ENGINEERING

53847	UNION BANK (VISA)	HACH TEST KIT	09/11/2017	154.99
53882	FIRST AMERICAN TITLE INSURANCE	SEARCH AND EXAM RMWD EASEMENT FOR PROPERTY 2778 N LOS ALISOS LN	09/25/2017	1,250.00
53884	HDR ENGINEERING, INC.	CONDITION ASSESSMENT OF WATER FACILITIES	09/25/2017	3,326.50
53904	CWEA	CWEA MEMBERSHIP RENEWAL-SHERRY KIRKPATRICK 000336536I	09/27/2017	180.00
53908	HDR ENGINEERING, INC.	CONDITION ASSESSMENT OF WATER FACILITIES	09/27/2017	10,362.25
53912	HOME DEPOT	48" LEVEL, EMPIRE DIGITAL LASER	09/27/2017	159.47
53920	OSTARI INC.	ONSITE COMPUTER AND DATABASE SERVICES	09/27/2017	7,200.00

Total for Department: 91 ENGINEERING 22,633.21

Total for Fund:03 GENERAL FUND 248,137.27

Fund: 26 NEW WATER SOURCES FUND

Department: 00

ACH	STONEY-MILLER CONSULTANTS, INC.	AS-NEEDED HYDROGEOLOGIST SERVICES	09/27/2017	1,006.25
			Total for Department: 00	1,006.25
				Total for Fund:26 NEW WATER SOURCES FUND
				1,006.25

Fund: 52 SEWER CAPITAL REPLACEMENT

Department: 00

ACH	KENNEDY/JENKS CONSULTANTS INC	LIFT STATION 1 REPLACEMENT- LS1A DESIGN AND PRELIMINARY DESIGN	09/25/2017	25,712.65
ACH	KENNEDY/JENKS CONSULTANTS INC	LIFT STATION 1 REPLACEMENT	09/27/2017	24,571.25
			Total for Department: 00	50,283.90
				Total for Fund:52 SEWER CAPITAL REPLACEMENT
				50,283.90

Fund: 53 SEWER CAPITAL EXPANSION

Department: 00

53878	DEPT OF TRANSPORTATION	HWY 76 E SEGMENT CONSTRUCTION, RELOCATION AND UPSIZE - 3RD PYMT	09/25/2017	85,964.00
			Total for Department: 00	85,964.00
				Total for Fund:53 SEWER CAPITAL EXPANSION
				85,964.00

Fund: 60 WTR CAP EXPANSION/REPLACEMENT

Department: 00

ACH	PSOMAS	GIRD/MONSERATE HILL WATERLINE DESIGN	09/25/2017	1,486.25
53862	L-Com, Global Connectivity	CMSP-CAT6T-2 LP ,2-PORT GAS TUBE CA T6 rNDOOR B(see attachment)	09/21/2017	702.96
53865	M-RAE ENGINEERING, INC.	KNOTTWOOD WAY WATERLINE IMPROVEMENTS	09/21/2017	68,305.00
53875	CASS CONSTRUCTION, INC.	MOOSA CREST WATERLINE	09/25/2017	9,500.00
53886	INFRASTRUCTURE ENGINEERING	AS-NEEDED GENERAL ENGINEERING SERVICES	09/25/2017	65,624.23
53899	CASS CONSTRUCTION, INC.	MOOSA CREST WATERLINE	09/27/2017	233,890.00
53914	INFRASTRUCTURE ENGINEERING	AS-NEEDED GENERAL ENGINEERING SERVICES	09/27/2017	4,760.00
53928	TORY R. WALKER ENGINEERING, INC.	MOOSA CANYON HYDROLOGIC ANALYSIS	09/27/2017	5,055.00
Total for Department: 00				393,300.45
Total for Fund:60 WTR CAP EXPANSION/REPLAC				393,300.45
Grand Total				3,445,193.74

Comparative Water Sales YTD from Prior Years

FISCAL YEAR 2017-2018

Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
591	AD	33368	29810	36240	31341									300
403	AG	143947	131374	145023	120650									1,242
5	C	0	0	0	0									-
231	CM	33760	42525	33852	26225									313
30	CN	2468	3986	8073	10498									57
24	IS	2320	2440	2793	2488									23
88	MF	11472	10002	13072	10304									103
326	SC	179822	156120	202103	148336									1,576
1034	SD	246972	223157	271457	221749									2,212
5122	SF	175041	165722	194945	155283									1,586
7854	Total	829170	765136	907558	726874	0	0	0	0	0	0	0	0	7,412
		1904	1757	2083	1669									7,412

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									316
403	AG	156957	152359	172040	132882									1,410
5	C	0	0	0	0									-
231	CM	47830	45043	43040	26707									373
30	CN	4900	4950	7309	11456									66
24	IS	3806	3701	3980	3061									33
88	MF	11307	11657	13746	10597									109
326	SC	183744	166212	206354	150910									1,624
1034	SD	279246	253718	298226	222243									2,418
5122	SF	187516	175736	202555	154361									1,653
7854	Total	911522	847510	986369	740434	0	0	0	0	0	0	0	0	8,002

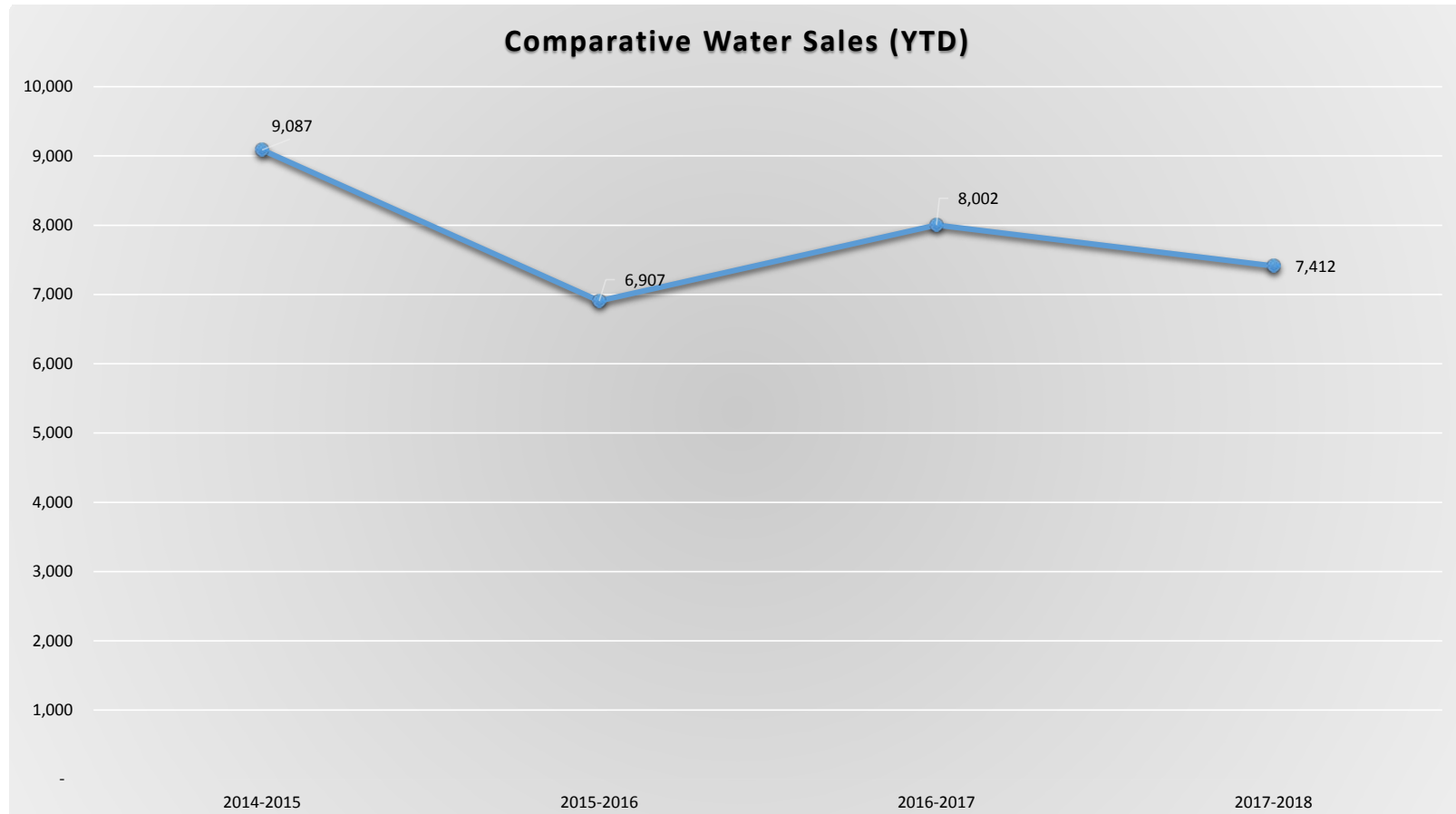
FISCAL YEAR 2015-2016

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									262
404	AG	143174	124130	153414	124219									1,251
6	C	4342	3764	4773	2948									36
221	CM	28620	33259	34668	28374									287
37	CN	6680	7040	5931	3994									54
24	IS	2773	2779	2486	3073									26
88	MF	11351	10279	10887	9952									97
326	SC	162756	144892	188145	132002									1,441
1038	SD	245736	213120	257965	197426									2,099
5092	SF	148573	143404	162621	135030									1,354
7837	Total	783896	708879	853940	662184	0	0	0	0	0	0	0	0	6,907

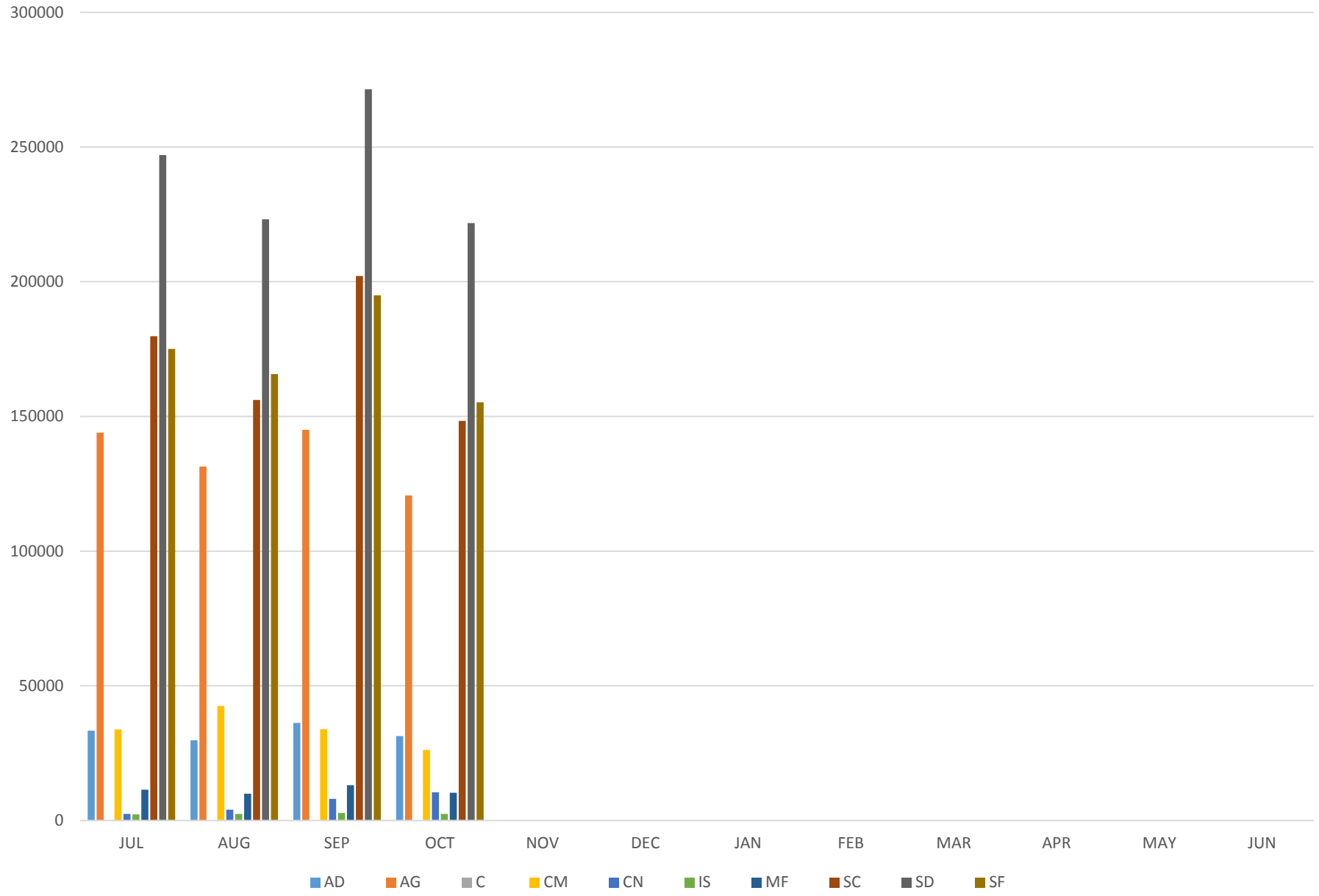
FISCAL YEAR 2014-2015

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									1,134
341	C	102461	111946	90197	95608									919
36	CN	3175	3510	3579	2898									30
5558	D	220019	244786	204723	208649									2,016
96	MF	15917	16081	14016	14241									138
323	SC	207708	245358	221301	241409									2,102
1040	SD	284083	332533	282418	297792									2,748
7820	Total	951509	1090560	933172	983164	0	0	0	0	0	0	0	0	9,087

Comparative Water Sales YTD from Prior Years



USAGE BY CUSTOMER CLASS FY 17-18





**SEWER EQUIVALENT DWELLING UNITS (EDUs) STATUS REPORT
OCTOBER 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	3,942.82
EDUs Unconnected	1,265.28
Total EDUs Available for Purchase:	2,648.57

DEVELOPMENTS WITH UNCONNECTED EDUs	EDUs	CAPACITY FEES PAID
Others (Misc. SFR)	11.40	\$ 271,738
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 *
Vista Valley Country Club	5.00	\$ 85,450
Silver Holdings	9.00	\$ 153,810
VNUIT LLC (Kakileti)	3.00	\$ 51,270
TOTAL UNCONNECTED:	1,265.28	\$ 4,327,750

*Deferred Total Payment until Building Permits are Issued.

