



THIS MEETING WILL BE CONDUCTED WITH IN PERSON ATTENDANCE PERMITTED. THE CDC STILL RECOMMENDS MASKING FOR ALL INDIVIDUALS BUT IS NOT MANDATORY. PARTICIPATION WILL ALSO BE AVAILABLE VIA VIDEO CONFERENCE OR TELECONFERENCE.

TO PARTICIPATE IN THE MEETING VIA VIDEO OR TELECONFERENCE, GO TO <https://rainbowmwd.zoom.us/j/82521741222> OR CALL 1-669-900-6833 or 1-346-248-7799 or 1- 253-215-8782 or 1-301-715-8592 or 1-312-626-6799 or 1-929-205-6099 (WEBINAR/MEETING ID: 825 2174 1222).

MEMBERS OF THE PUBLIC WISHING TO SUBMIT WRITTEN COMMENT TO THE BOARD UNDER PUBLIC COMMENT OR ON A SPECIFIC AGENDA ITEM MAY SUBMIT COMMENTS TO OUR BOARD SECRETARY BY EMAIL AT DWASHBURN@RAINBOWMWD.COM OR BY MAIL TO 3707 OLD HIGHWAY 395, FALLBROOK, CA 92028. ALL WRITTEN COMMENTS RECEIVED **AT LEAST ONE HOUR IN ADVANCE OF THE MEETING** WILL BE READ TO THE BOARD DURING THE APPROPRIATE PORTION OF THE MEETING. THESE PUBLIC COMMENT PROCEDURES SUPERSEDE THE DISTRICT'S STANDARD PUBLIC COMMENT POLICIES AND PROCEDURES TO THE CONTRARY.

RAINBOW MUNICIPAL WATER DISTRICT BOARD MEETING

Tuesday, December 6, 2022

Closed Session 12:00 p.m.

Open Session 1:00 p.m.

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

District Office

3707 Old Highway 395

Fallbrook, CA 92028

Board Agenda Policies

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

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

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

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

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

You may also visit us at www.rainbowmwd.com.

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

Board meetings will be audio and video recorded with copies available upon request. Requests for audio recordings will be fulfilled once draft minutes for such meeting have been prepared. There are no costs associated with obtaining copies of audio and video recordings; however, these recordings will only be retained according to the policies provided in the District's Administrative Code. Copies of public records are available as a service to the public; a charge of \$.10 per page up to 99 pages will be collected and \$.14 per page for 100 pages or more.

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

(*) - Asterisk indicates a report is attached.

Notice is hereby given that the Rainbow Municipal Water District Board of Directors will hold Closed Session at 12:00 p.m. and Open Session at 1:00 p.m. Tuesday, December 6, 2022, 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. TERM EXTENSIONS FOR THE FOLLOWING BOARD OF DIRECTORS (Election Code §10507):

Director Miguel Gasca
Director William Stewart

2. CALL TO ORDER

3. ROLL CALL: Gasca___ Hamilton___ Mack___ Moss___ Stewart___

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

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

CHAIR TO READ ALOUD - *"If at any point, anyone would like to ask a question or make a comment and have joined this meeting with their computer, they can click on the "Raise Hand" button located at the bottom of the screen. We will be alerted that they would like to speak. When called upon, please unmute the microphone and ask the question or make comments in no more than three minutes.*

*Those who have joined by dialing a number on their telephone, will need to press *6 to unmute themselves and then *9 to alert us that they would like to speak.*

A slight pause will also be offered at the conclusion of each agenda item discussion to allow public members an opportunity to make comments or ask questions."

6. ORAL/WRITTEN COMMUNICATIONS FROM THE PUBLIC OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD REGARDING CLOSED SESSION AGENDA ITEMS (Government Code § 54954.2).

Under Oral Communications, any person in attendance wishing to address the Board regarding Closed Session agenda items should indicate their desire to speak by filling out and submitting a "Speaker's Slip" to the Board Secretary before the meeting begins. Any person attending the meeting remotely wishing to address the Board regarding Closed Session agenda items may email or mail in their comments to the Board Secretary one hour before the Closed Session scheduled start time to be read to the Board prior to their adjournment to Closed Session or may speak to the Board by calling (760) 728-1178, listening for "Thank you for calling Rainbow Municipal Water District", dialing Extension 429, and entering pin 8607 at the Closed Session scheduled start time. Once all public comment is heard, this call will be disconnected, and the Board will adjourn to Closed Session. To participate in the Open Session portion of the meeting, please follow the instructions provided at the top of Page 1 of this agenda. Speaking time shall generally be limited to three minutes unless a longer period is permitted by the Board President.

7. CLOSED SESSION

A. Appointment of Public Employee – General Manager (Government Code §54957)

(*) - Asterisk indicates a report is attached.

- B. Conference with Legal Counsel - Existing Litigation Pursuant to Government Code Section 54956.9(d)(1)

* TC Construction Company, Inc. v. Rainbow Municipal Water District, et al.

8. REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

Time Certain: 1:00 p.m.

9. REPEAT CALL TO ORDER

10. PLEDGE OF ALLEGIANCE

11. REPEAT ROLL CALL

***12. BOARD OF DIRECTORS CONSIDER ADOPTING RESOLUTION NO. 22-29 RENEWING STATE OF EMERGENCY FINDINGS FOR ASSEMBLY BILL 361 (AB 361)**

(A majority of the RMWD Board of Directors invoked AB361 at their October 26, 2021 meeting and to comply with AB361, the Board must reconsider the circumstances of emergency at all subsequent meetings.)

13. REPEAT REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

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

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

CHAIR TO READ ALOUD - "If at any point, anyone would like to ask a question or make a comment and have joined this meeting with their computer, they can click on the "Raise Hand" button located at the bottom of the screen. We will be alerted that they would like to speak. When called upon, please unmute the microphone and ask the question or make comments in no more than three minutes.

*Those who have joined by dialing a number on their telephone, will need to press *6 to unmute themselves and then *9 to alert us that they would like to speak.*

A slight pause will also be offered at the conclusion of each agenda item discussion to allow public members an opportunity to make comments or ask questions."

16. 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 in attendance wishing to address the Board regarding 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. Any person attending remotely wishing to address the Board regarding matters not on this agenda should indicate their desire to speak or may email or mail their comments to the Board Secretary one hour before the Open Session scheduled start time. All written public comments received will be read to the Board during the appropriate portion of the meeting. 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.

(*) - Asterisk indicates a report is attached.

***17. APPROVAL OF MINUTES**

- A. October 25, 2022 - Regular Board Meeting

***18. 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 Hamilton)
- B. Representative Report (Appointed Representative)
 - 1. SDCWA
 - A. Summary of Board Meeting October 27, 2022
 - 2. CSDA
 - 3. LAFCO
 - 4. Santa Margarita River Watershed Watermaster Steering Committee
 - 5. ACWA
- C. Meeting, Workshop, Committee, Seminar, Etc. Reports by Directors (AB1234)
 - 1. Board Seminar/Conference/Workshop Training Attendance Reports
- D. Directors Comments
- E. Legal Counsel Comments
 - 1. Attorney Report: SB1439 Update

19. COMMITTEE REPORTS

- A. Budget and Finance Committee
- B. Engineering and Operations Committee
- C. Communications and Customer Service Committee

CONSENT CALENDAR ITEMS

***20. CONSIDER APPROVAL OF LETTER OF CONSENT FOR TRANSFER OF CELL SITE LEASE AT 3707 OLD HWY 395, FALLBROOK, CA 92028 FROM SPRINT PCS/T-MOBILE TO DISH NETWORK (DIVISION 1)**

(As part of T-Mobile acquiring Spring PCS, the current tenant (Sprint PCS) is requesting the District to consent to the transfer and assignment of the above-referenced lease to Dish Network.)

***21. DISCUSSION AND POSSIBLE ACTION TO APPROVE A CHANGE ORDER WITH HAZARD CONSTRUCTION FOR THE LIVE OAK PARK ROAD BRIDGE WATER MAIN IMPROVEMENT PROJECT (600037) IN THE AMOUNT OF \$36,653.55 (DIVISION 5)**

(The District entered into a construction contract with Hazard Construction Engineering in May 2022 in the amount of \$507,700. A second change order requiring Board approval is needed to provide support brackets to install the 8-inch and 16-inch water mains.)

***22. DISCUSSION AND POSSIBLE ACTION TO AWARD THREE PROFESSIONAL SERVICES AGREEMENTS TO PROVIDE ON-CALL GEOTECHNICAL SERVICES (DISTRICT WIDE)**

(The District's On-Call Geotechnical services agreements have since expired. The District recently released a request for proposals, ranked each proposal, and selected the top three firms. Board approval is needed to enter into agreements with the recommended three firms.)

(*) - Asterisk indicates a report is attached.

- *23. DISCUSSION AND POSSIBLE ACTION TO AWARD THREE PROFESSIONAL SERVICES AGREEMENTS TO PROVIDE ON-CALL LAND SURVEYING SERVICES (DISTRICT WIDE)**
(The District's On-Call Land Surveying services agreements have since expired. The District recently released a request for proposals, ranked each proposal, and selected the top three firms. Board approval is needed to enter into agreements with the recommended three firms.)

BOARD ACTION ITEMS

- *24. PRESENTATION AND ACCEPTANCE OF THE AUDIT REPORT AND FINANCIAL STATEMENTS FOR FISCAL YEAR ENDING JUNE 30, 2022**
(Annually, the District contracts for the preparation of an independent audit and compilation of the year-end financial statements with a Certified Public Accountant (CPA) firm. The Board of Directors will consider accepting the June 30, 2022 audit of the District by the CPA firm of Lance, Soll & Lunghard, LLP.)
- 25. PRELIMINARY MID-YEAR BUDGET ADJUSTMENTS PRESENTATION**
- *26. DISCUSSION AND POSSIBLE ACTION TO APPROVE A VARIANCE FROM ORDINANCE 21-03 TO ALLOW A LOT, LARGER THAN 0.5 ACRES, TO QUALIFY FOR CAPACITY CLASS B ¾" METER AND APPROVE THE NEW WATER SERVICE APPLICATION (Division 3)**
(The property owner of APN 124-340-54-00, Evette Rosas-Ramirez, has requested a variance from Ordinance 21-03 to apply for a new ¾ inch water service on a 2 acre parcel.)
- *27. DISCUSSION AND POSSIBLE ACTION TO ADOPT RESOLUTION NO. 22-30 AUTHORIZING SUBMITTAL OF APPLICATION(S) FOR BEVERAGE CONTAINER RECYCLING GRANT FOR WHICH RAINBOW MUNICIPAL WATER DISTRICT IS ELIGIBLE**
(The board previously adopted resolution 22-25 on September 6, 2022. CalRecycle requested revisions to the adopted resolution and provided Rainbow Municipal Water District an extension on the due date to adopt the revised resolution.)
- *28. DISCUSSION AND POSSIBLE ACTION TO APPROVE A GROUND LEASE AND WATER SALES AGREEMENT WITH THE CITY OF OCEANSIDE FOR THE ROBERT A. WEESE FILTRATION PLANT INTERCONNECT PROJECT (DIVISION 1)**
(The District is working to construct permanent facilities to tie into the City of Oceanside's Weese Filtration Plant to provide the District with water during the SDCWA shutdowns. This lease and agreement fall within the District's wholesale water efficiency project to improve water reliability and increase water supply diversification.)
- *29. DISCUSSION AND POSSIBLE ACTION TO AWARD A PROFESSIONAL SERVICES AGREEMENT FOR JANITORIAL SERVICES AT THE DISTRICT HEADQUARTERS (DIVISION 1)**
(The District recently released a request for proposals for janitorial services at the District Headquarters, ranked each proposal and selected the top firm. Board approval is needed to enter into an agreement with the recommended firm.)
- *30. CONSIDER ESTABLISHING THE 2023 REGULAR BOARD MEETING SCHEDULE**
(The Board will consider establishing the 2023 Regular Board Meeting schedule.)
- *31. DISCUSSION AND POSSIBLE APPOINTMENT OF MEMBER OR MEMBERS OF THE COMMUNICATIONS AND CUSTOMER SERVICE COMMITTEE**
(The Board will have the opportunity to officially appoint any members of the public who notified the committee chairperson of their desire to serve as a committee member at the December 1, 2022 Communications and Customer Service Committee meeting.)
- *32. DISCUSSION AND POSSIBLE ACTION SUPPORTING A NOMINATION TO ACWA BOARD OF DIRECTORS REGION 10**
(The Region 10 Board is looking for ACWA members who are interested in leading the direction of ACWA Region 10 for the remainder of the 2022-2023 term.)

(*) - Asterisk indicates a report is attached.

33. BOARD MEMBER REQUESTS FOR AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS

BOARD INFORMATION ITEMS

34. DISCUSSION REGARDING MWD SURPLUS PALA PARCEL (REQUESTED BY DIRECTOR GASCA)

35. DISCUSSION REGARDING COLLABORATION WITH NORTH COUNTY FIRE PROTECTION DISTRICT CONCERNING PROVIDING SUPPORT IN DEALING WITH COMMUNITY ISO RATINGS, AGENCY EASEMENT AND PROPERTY CLEARING AS A FIRE PROTECTION, AND STRATEGIC INCREASE OF FIRE HYDRANTS (REQUESTED BY DIRECTOR GASCA)

***36. 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

2. As-Needed Services Expenditures Summary

3. RMWD Sewer Equivalent Dwelling Units (EDU's) Status

E. Human Resource & Safety Comments

1. Human Resources Report

2. Organizational Chart

F. Finance Comments

1. Board Information Report

A. Budget vs. Actuals

B. Fund Balance & Developer Projections

C. Treasury Report (Sept/Oct FY22-23)

D. Five Year Water Purchases Demand Chart

E. Water Sales Summary (September and October FY22-23)

F. Check Register

G. Directors' Expenses Report

H. Credit Card Breakdown

I. RMWD Properties

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

38. ADJOURNMENT - To Tuesday, January 24, 2023, at 1:00 p.m.

ATTEST TO POSTING:



Pam Moss
Secretary of the Board

11-21-22 @ 1:30 p.m.

Date and Time of Posting
Outside Display Cases

(*) - Asterisk indicates a report is attached.

BOARD OF DIRECTORS

December 6, 2022

SUBJECT

BOARD OF DIRECTORS CONSIDER ADOPTING RESOLUTION NO. 22-29 RENEWING STATE OF EMERGENCY FINDINGS FOR ASSEMBLY BILL 361 (AB 361)

BACKGROUND

On September 16, 2021, Governor Newsom signed Assembly Bill 361 (“AB 361”), which incorporated into California state law some aspects of the teleconferencing rules that have applied by Executive Order to local public agencies during the COVID-19 pandemic. Notably, because AB 361 included an urgency measure, the law was immediately effective as of the date of the Governor’s signature. AB 361 provides that it sunsets on January 1, 2024.

Benefits

Benefits of operating under AB 361 during the COVID-19 pandemic, as opposed to under the normal open meeting laws, include the following:

- Agendas need not be posted at all teleconference locations;
- Each teleconference location need not be identified in the notice and agenda of the meeting;
- Each teleconference location need not be accessible to the public; and
- A quorum of the members of the legislative body do not need to participate in the meeting from locations within the boundaries of the territory over which the public agency exercises jurisdiction.

Requirements

Following are requirements for invoking AB 361 the first time that a public agency does so:

1. There must be a “proclaimed state of emergency,” as there is currently, in that the Governor’s State of Emergency Declaration, issued on March 4, 2020, has not been lifted, and
2. One of the following three circumstances must exist:
 1. State or local officials have imposed or recommended measures to promote social distancing.
 2. The meeting is held to determine, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to health or safety of attendees.
 3. The majority of the legislative body has voted that, as a result of the emergency, meeting in person would present imminent risk to the health or safety of attendees.

If a public agency wishes to consider invoking AB 361 for subsequent meetings, the following is required:

1. The proclaimed state of emergency must remain active; or
2. State or local officials have imposed or recommended measures to promote social distancing; and
3. Not later than 30 days after teleconferencing for the first time under the AB 361 rules, *and every 30 days thereafter*, the Legislative body shall make the following findings by majority vote:
 - The legislative body has reconsidered the circumstances of emergency, and at least one of the following circumstances exist:
 1. The state of emergency continues to directly impact the ability of the members to meet safely in person; or
 2. State or local officials continue to impose or recommend measures to promote social distancing.

If a public agency invokes AB 361, the following notice and public participation requirements apply:

Notice Requirements

- Each notice of the meeting and agenda must identify the means by which members of the public may access the meeting and offer public comment by a call-in option or an internet-based service option (does not need to be both).

Public Participation Requirements

- Cannot require public comments to be submitted in advance of the meeting (although the agency may provide this as an option along with the call-in or internet-based service option).
- Public must be able to attend via call-in option or internet-based service option (does not need to be both).
- Public must be able to address the legislative body “directly” via call-in option or internet-based service option.
- The public agency must provide an opportunity for the public to address the Legislative body and “offer comment in real time.”
- If there is a disruption that prevents the public agency from broadcasting the meeting using the call-in option or internet based service option, or if there is a disruption within the public agency’s control that prevents members of the public from offering public comments using the call-in option or internet-based service option, the body “shall take no further action on items appearing on the agenda until public access to the meeting via the call-in option or internet-based service option is restored.”
- Timing of Public Comment Period
 - If a legislative body does not provide a timed public comment period, but takes public comment separately on each agenda item, it shall allow a “reasonable amount of time per agenda item to allow public members the opportunity to provide public comment,” including time for members of the public to register to provide comment or otherwise be recognized for the purpose of providing public comment.

- If a legislative body provides a timed general public comment period that does not correspond to a specific agenda item, it shall not close the public comment period or the opportunity to register until the timed general public comment period has lapsed.
- If a legislative body provides a timed public comment period for each agenda time, it shall not close the public comment period or the opportunity to register until the timed public comment has elapsed.

DESCRIPTION

Continuing Legislative Findings

On October 26, 2021, the Board of Directors approved a Resolution authorizing virtual meetings in accordance with Assembly Bill 361. The Board of Directors approved a Resolution renewing the virtual meeting authorization pursuant to AB 361 on October 25, 2022. In order to continue virtual meetings, AB 361 requires that the Board adopt the legislative findings discussed above every 30 days, for as long as the Board wishes to continue virtual meetings.

ENVIRONMENTAL

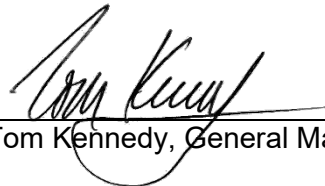
In accordance with CEQA guidelines Section 15378, the action before the Board does not constitute a "project" as defined by CEQA and further environmental review is not required at this time.

BOARD OPTIONS/FISCAL IMPACTS

1. Adopt the attached Resolution No. 22-29 renewing virtual meetings in accordance with Assembly Bill 361.
2. Do not invoke AB 361 and provide staff with direction.

STAFF RECOMMENDATION

Staff supports direction.



Tom Kennedy, General Manager

December 6, 2022

RESOLUTION NO. 22-29

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
RAINBOW MUNICIPAL WATER DISTRICT
RENEWING REMOTE TELECONFERENCE MEETINGS
IN ACCORDANCE WITH ASSEMBLY BILL 361 (AB361)**

WHEREAS, COVID-19 (also known as the “Coronavirus Disease”) is a respiratory disease that has spread across the globe, with thousands of confirmed cases in California; and

WHEREAS, according to data from Johns Hopkins University, the COVID-19 pandemic has caused the death of more than 68,796 Californians as of October 1, 2021; and

WHEREAS, social distancing measures decrease the chance of spreading COVID-19; and

WHEREAS, the Rainbow Municipal Water District is committed to preserving and fostering public access, transparency, observation, and participation in meetings of the Board of Directors and Committee meetings; and

WHEREAS, all meetings of the Board of Directors and Standing Committees are open and public as required by the Ralph M. Brown Act, Government Code sections 54950 – 54963, so that any member of the public may attend, observe, and participate in a meaningful way; and

WHEREAS, Government Section 54953 (b) (3) of the Brown Act allows a local legislative body to hold public meetings by teleconference and to make public meetings accessible telephonically or otherwise electronically to all members of the public seeking to attend and to address the local legislative body, as long as the following requirements are met:

1. Each teleconference location from which a member is participating is noticed on the agenda;
2. Each teleconference location is accessible to the public;
3. Members of the public must be able to address the body at each teleconference location;
4. At least one member of the legislative body must be physically present at the location specified in the meeting agenda; and

5. During teleconference meetings, at least a quorum of the members of the local body must participate from locations within the local body's territorial jurisdiction; and

WHEREAS, the Brown Act, as amended by AB 361 (2021), at Government Code section 54953(e) *et seq.*, allows for remote observation and participation in meetings by members of a legislative body and members of the public without compliance with the requirements of Government Code section 54953(b)(3), subject to certain conditions; and

WHEREAS, the initial required condition is a declaration of a state of emergency by the Governor pursuant to the California Emergency Services Act at Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state and within the boundaries of the Rainbow Municipal Water District, caused by conditions as described in Government Code section 8558; and

WHEREAS, the Governor's Proclamation of a State of Emergency includes area within the boundaries of the Rainbow Municipal Water District; and

WHEREAS, Government Code Section 54953(e)(3)(A-B) added by AB 361 provides an alternative to having public meetings in accordance with Government Code Section 54953(b)(3) when the Rainbow Municipal Water District has reconsidered the circumstances of the COVID-19 state of emergency and that the following circumstances exist:

1. The state of emergency as a result of COVID-19 continues to directly impact the ability of the members of Board of Directors and the members of the Standing Committees to meet safely in person; and
2. The State of California and the County of San Diego continue to recommend measures to promote social distancing.

WHEREAS, Government Code Section 54953(e) *et seq.* further requires that state or local officials have imposed or recommended measures to promote social distancing or the legislative body finds that meeting in person would present an imminent risk to the health or safety of attendees; and

WHEREAS, such conditions now exist in the Rainbow Municipal Water District's territorial boundaries in that (i) State and Local officials recommend social distancing measures and (ii) emergency conditions evidenced by COVID-19 and its variants create ongoing COVID-19 cases, hospitalizations, and deaths, such that COVID-19 continues to pose an imminent risk to the public; and

WHEREAS, the Rainbow Municipal Water District affirms that it will allow for observation and participation by Board Members, Committee members and the public via Zoom in an effort to protect the constitutional and statutory rights of all attendees; and

WHEREAS, on October 26, 2021, the Board of Directors approved a Resolution authorizing virtual meetings in accordance with Assembly Bill 361; and

WHEREAS, the Board of Directors approved a Resolution renewing the virtual meeting authorization pursuant to AB 361 on October 25, 2022; and

WHEREAS, Government Code Section 54953 (e)(3) requires that the Rainbow Municipal Water District review the need and make findings for continuing the teleconferencing as authorized by AB 361 at least once every thirty days until the Governor terminates the state of emergency.

NOW, THEREFORE, THE RAINBOW MUNICIPAL WATER DISTRICT HEREBY FINDS, DECLARES, AND RESOLVES AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein by this reference.

Section 2. The Rainbow Municipal Water District finds that the state of emergency conditions related to COVID-19 as set forth in the Governor's Proclamation of Emergency are on-going.

Section 3. The Rainbow Municipal Water District further finds that state and county officials recommend social distancing conditions to prevent imminent risk to in-person meeting attendees.

Section 4. The Rainbow Municipal Water District hereby recognizes and affirms the existence and conditions of a state of emergency as proclaimed by the Governor and by state and local officials; and the Rainbow Municipal Water District affirms, authorizes, and proclaims the existence of a local emergency throughout its territorial boundaries.

Section 5. The Rainbow Municipal Water District finds that the state of emergency as a result of COVID-19 continues to directly impact the ability of members of the Board, Committees and the public to meet safely in person, and that COVID-19 continues to pose an imminent health risk to the public.

Section 6. The Rainbow Municipal Water District hereby authorizes the Board of Directors and Committee members to conduct their meetings without compliance with Government Code section 54953(b)(3), and to instead comply with the remote meeting requirements as authorized by Government Code section 54953(e) *et seq.*

Section 7. The Board President and Board Secretary are authorized and directed to take all actions reasonably necessary to carry out the intent and purpose of this Resolution, including, conducting open and public meetings remotely in accordance with Government Code section 54953(e) *et seq.*, and other applicable provisions of the Brown Act, for all Board of Directors and Standing Committee meetings.

Section 8. This Resolution shall renew the virtual meeting authorization adopted by the Board of Directors on October 25, 2022. This renewed virtual meeting authorization shall take effect immediately upon its adoption and shall be effective until either (i) thirty days after the adoption of this Resolution, or (ii) such time as the Rainbow Municipal Water District adopts a Subsequent Resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Board of Directors and Standing Committees may continue to meet remotely, without compliance with Government Code section 54953(b)(3), but otherwise as permitted by Government Code section 54953(e) *et seq.*

PASSED AND ADOPTED at a meeting of the Board of Directors of the Rainbow Municipal Water District held on the 6th day of December 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Hayden Hamilton, Board President

ATTEST:

Dawn M. Washburn, Board Secretary

**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
RAINBOW MUNICIPAL WATER DISTRICT
OCTOBER 25, 2022**

1. **CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on October 25, 2022, was called to order by President Hamilton at 11:32 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. *(All meetings are being held with in-person attendance following County and State COVID guidelines as well as virtually.)* President Hamilton presiding.

2. **ROLL CALL**

Present: Director Gasca, Director Hamilton, Director Mack *(arrived at 11:35 a.m.)*, Director Moss, Director Stewart.

Also Present: General Manager Kennedy, Legal Counsel Smith, Executive Assistant Washburn, Human Resources Manager Harp, Engineering and CIP Program Manager Williams, Information Systems Specialist Espino.

Also Present Via Teleconference or Video Conference:

Legal Counsel Duran-Brown.

No members of the public were present in person, via teleconference or video conference before Closed Session.

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

There were no amendments to the agenda.

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

There were no members of the public in attendance; therefore, the instructions were not read aloud.

5. **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 not comments.

The meeting adjourned to Closed Session at 11:33 a.m.

6. **CLOSED SESSION**

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

* One Item

(*) - Asterisk indicates a report is attached.

DRAFT

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- B. Conference with Legal Counsel - Existing Litigation (Government Code Section 54956.9(d)(1))
 - * TC Construction Company, Inc. v. Rainbow Municipal Water District, et al.
- C. Appointment of Public Employee – General Manager (Government Code §54957)

The meeting reconvened at 12:56 p.m.

7. REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

This item was addressed under Item #12.

Time Certain: 1:00 p.m.

- 8. **REPEAT CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on October 25, 2022, was called to order by President Hamilton at 1:01 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. *(All meetings are being held with in-person attendance following County and State COVID guidelines as well as virtually.)* President Hamilton presiding.

9. PLEDGE OF ALLEGIANCE

10. REPEAT ROLL CALL

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

Also Present: General Manager Kennedy, Legal Counsel Smith, Executive Assistant Washburn, Engineering and CIP Program Manager Williams, Operations Manager Gutierrez, Water Operations Supervisor Coffey, Project Manager Tamimi, Customer Service and Communications Supervisor Gray, Human Resources Manager Harp, Human Resources Assistant Ramirez, Information Systems Specialist Espino.

Also Present Via Teleconference or Video Conference:

Information and Technology Manager Khattab, Human Resources Manager Harp, Administrative Analyst Rubio, Grant Specialist Kim, Wastewater Superintendent Zuniga.

Two members of the public were present for Open Session in person, via teleconference or video conference.

***11. BOARD OF DIRECTORS CONSIDER ADOPTING RESOLUTION NO. 22-28 RENEWING STATE OF EMERGENCY FINDINGS FOR ASSEMBLY BILL 361 (AB 361)**

Motion:

Adopt the attached Resolution No. 22-28 renewing virtual meetings in accordance with Assembly Bill 361.

(*) - Asterisk indicates a report is attached.

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

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

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

12. REPEAT REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

Legal Counsel reported the Board met in Closed Session to discuss three items noting the Board approved a contract with Reliance Resources Consulting for executive search purposes for which the terms were in the process of being negotiated and will be available upon request. He also reported in the matter of T.C. Construction versus RMWD regarding a bid protest litigation filed by TC Construction, a court hearing was held at which the judge ruled in favor of RMWD on all counts and awarded TC Construction zero dollars.

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

There were no amendments to the agenda.

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

President Hamilton read aloud the instructions for those attending the meeting via teleconference and video conference.

15. ORAL/WITTEN COMMUNICATIONS FROM THE PUBLIC OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD REGARDING ITEMS NOT ON THIS AGENDA (Government Code § 54954.2).

There were no comments.

16. EMPLOYEE RECOGNITIONS

- A. Excellence Coin Awards**
 - 1. Steve Coffey

Mr. Kennedy stated Steve Coffey was RMWD’s most recent recipient of the five Excellence Coins. He noted Mr. Coffey started at RMWD as a janitor eighteen years ago and now is the Water Operations Supervisor who oversees the system operators. He congratulated Mr. Coffey as he presented him with a plaque.

***17. APPROVAL OF MINUTES**

- A. September 27, 2022 - Regular Board Meeting**
- B. October 7, 2022 – Special Board Meeting**

Motion:

To approve both the regular and special board meeting minutes.

(*) - Asterisk indicates a report is attached.

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

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

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

***18. 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 Hamilton)

President Hamilton said communications with ratepayers may increase because of the August rate increases going into effect; therefore, staff may need to be more responsive.

B. Representative Report (Appointed Representative)

1. SDCWA

A. Summary of Board Meeting September 22, 2022

Mr. Kennedy reported SDCWA had internally established a policy that negatively impacted agencies with local water supply stating those agencies had to apportion some of their local supply to the agricultural accounts equally with PSAWR. He noted this policy is not in the PSAWR Rules and Regulations or Administrative Code. He pointed out this does not impact RMWD or Valley Center Municipal Water Districts and how the SDCWA Board will confirm the rules set by SDCWA and how they should be applied by staff prior to voting on the matter at the next meeting.

2. CSDA

Mr. Kennedy announced the quarterly dinner meeting will be held on November 17, 2022, and that the Directors will be notified as to the location once confirmed.

Discussion returned from Item #19.

Mr. Kennedy announced the November 17, 2022, CSDA Quarterly Dinner will be held at the Butcher Shop.

Discussion went to Item #20.

3. LAFCO

Mr. Kennedy announced there will be a meeting on October 26, 2022, of the Special Districts Advisory Committee at which discussions will take place regarding proposed revisions to the policy on Municipal Service Reviews as well as a report expected to be released soon by LAFCO on some preliminary information related to the detachment.

4. Santa Margarita River Watershed Watermaster Steering Committee

President Hamilton reported the budget has been released for FY22-23. He asked whether these meetings are considered public meetings with recordings required. Legal Counsel clarified the must be noticed and minutes taken but are not required to be recorded.

(*) - Asterisk indicates a report is attached.

5. ACWA

Director Gasca reported statewide water use in August showed savings at 10.5% relative to the year prior. He also noted the Department of Water Resources recently released a set of recommendations that it claims will improve long-term water use efficiency as California adapts to a hotter and drier future driven by climate change. He stated these recommendations were submitted to the State Water Resource Control Board in compliance with SB606 and AB1668 which were enacted in support of making water conservation a California way of life.

Director Gasca reminded the Board the 2022 ACWA Fall Conference will take place November 29-December 2, 2022, in Indian Wells should anyone be interested.

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

1. Board Seminar/Conference/Workshop Training Attendance Reports

President Hamilton stated he attended the recent Colorado River webinar noting the consensus was that everyone was doing a great job in conserving Colorado River water. He noted the webinar was interesting to listen to, but not very productive.

D. Directors Comments

Director Gasca stated he really enjoyed the recent Lift Station 1 Milestone Luncheon and how after hearing of Mr. Kennedy's comments, he wanted to suggest the number of days without loss or injury be included in one of the monthly staff reports.

Ms. Harp pointed out OSHA frowns upon having a sign posted on the property showing the number of days without injury because it applies pressure to employees where they would be the ones breaking the chain. She stated if OSHA were to see something like this, they would not be very pleased; therefore, RMWD has removed the sign from the property. She pointed out this information is provided as part of the Human Sources and Safety report for employees; however, Engineering would have to include something in their report regarding third-party injuries at construction sites.

Director Gasca recommended customers who may be impacted with events such as the heli-hydrant training be notified in advance. Mr. Gutierrez stated notices of the training was published on the District's website with some video and North County Fire and CalFire put out something on their respective Twitter feeds. He also mentioned notices were also made it on the NextDoor Application as well as Friends of Fallbrook.

Mr. Gutierrez briefed the Board on the training that took place at RMWD's heli-hydrant site on Friday and again today. He stated it was a positive experience for all.

E. Legal Counsel Comments

1. Attorney Report: Brown Act Update

Legal Counsel summarized the information contained in the written report related to updates to the Brown Act rules which will take effect January 1, 2023; however, AB361 remains into effect until the emergency declaration is lifted. He confirmed the old Brown Act rules are currently still in place.

(*) - Asterisk indicates a report is attached.

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President Hamilton suggested the Board review the current Code of Conduct policy provided in the Administrative Code to ensure all the bases are covered in terms of the Brown Act. Mr. Kennedy asked Legal Counsel to review the policy and provide the Board with any recommended proposed revisions.

19. COMMITTEE REPORTS

A. Budget and Finance Committee

Ms. Largent reported the committee were provided with a presentation regarding the potentially bringing janitorial services in-house. Mr. Kennedy explained staff was still working through the numbers and will present something as part of next year's staffing analysis and budget process. Mr. Williams stated in the interim, staff will be presenting a third-party contract for janitorial services to the Board in December. Discussion followed.

Ms. Largent stated the committee reviewed a customer variance request for which the committee requested additional information as well as a presentation on RMWD's cash reserve balances.

B. Engineering and Operations Committee

Mr. Williams reported the committee had requested staff organize a site visit to some of the ongoing projects which have since been scheduled for November 1st and November 10th, respectively. He noted the committee also reviewed an on-call civil engineering services contract, an on-call real estate services contract, a change order to Kennedy Jenks, and the Sumac Communications Tower PV and Backup Power Contract. He noted the committee recommended Board approval for each of these items.

C. Communications and Customer Service Committee

President Hamilton reported a member of the committee shared raving reviews regarding the Flume device. He noted the committee also discussed member recruitment efforts, RMWD headquarters being a field trip destination for local schools, as well as exploring opportunities for better communications to non-metered ratepayers.

Discussion returned to Item #18B2.

Discussion returned from Item #18B2.

CONSENT CALENDAR ITEMS

- *20. DISCUSSION AND POSSIBLE ACTION TO APPROVE A CHANGE ORDER WITH KENNEDY JENKS FOR ENGINEERING SERVICES FOR THE LIFT STATION-1 PROJECT IN THE AMOUNT OF \$40,000 & EXTENSION OF CONTRACT TERM TO JULY 31, 2023 (DIVISION 1, 2, 4)**
- *21. DISCUSSION AND POSSIBLE ACTION TO AWARD FOUR PROFESSIONAL SERVICES AGREEMENTS TO PROVIDE ON-CALL CIVIL ENGINEERING SERVICES (DISTRICT WIDE)**
- *22. DISCUSSION AND POSSIBLE ACTION TO AWARD TWO PROFESSIONAL SERVICES AGREEMENTS TO PROVIDE ON-CALL REAL ESTATE APPRAISAL SERVICES (DISTRICT WIDE)**

(*) - Asterisk indicates a report is attached.

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***23. CONSIDER APPROVAL OF LETTER OF CONSENT FOR TRANSFER OF CELL SITE LEASE AT HUTTON TANK FROM SPRINT PCS/T-MOBILE TO DISH NETWORK (DIVISION 1)**

Motion:

To approve the Consent Calendar Items #20, #21, #22, and #23.

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

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

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

BOARD ACTION ITEMS

***24. DISCUSSION AND POSSIBLE ACTION TO AWARD A CONSTRUCTION AGREEMENT IN THE AMOUNT OF \$170,635.39 FOR THE SUMAC COMMUNICATIONS TOWER PHOTOVOLTAIC AND BACK UP BATTERY DESIGN- BUILD PROJECT (DIVISION 4)**

Mr. Williams stated he was pleased to report RMWD received a bid from Anderson Burton to design, procure and construct the Sumac Communications project upon Board's approval. He noted RMWD owns and cooperates the Sumac Communications Tower which is critical infrastructure for the District's and North County Fire Protection District's communications network.

Mr. Williams pointed out in the past when power goes out, this is one of the first systems that would go offline; therefore, it will have both solar as well as battery backup. He said this is a design-build project with specifications that the batteries must last up to seven days in the event of a power outage.

Mr. Williams mentioned this is a small project with a niche market; therefore, there was some challenges with getting bidders to bid. He explained because this was not a residential or commercial solar project, a great deal of coordination with RMWD's Legal Counsel was necessary to ensure it could be done.

President Hamilton inquired as to whether the expenses for this project was the sole responsibility of RMWD and not shared with North County Fire or anyone else. Mr. Williams confirm this was correct. Mr. Kennedy pointed out RMWD received some CalOES grant monies. Discussion ensued.

Director Mack mentioned there is a state organization that will pay up to 90% of the costs associated with certain emergency-related projects. Mr. Williams asked Director Mack to share any information he may have so staff can research it further.

Motion:

To approve Staff Recommendation Option 1 - Make a determination that the action defined herein is categorically exempt per Section 15303 and 15304 as defined by CEQA, establish appropriations in the amount of \$200,000 for the Sumac Communications Tower Solar Photovoltaic and Backup Battery System Design-Build Project, approve a Construction Agreement with Anderson Burton in the amount of \$170,635.39, and authorize the General Manager to execute a Construction Agreement

(*) - Asterisk indicates a report is attached.

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

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

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

***25. DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 22-27—A RESOLUTION ESTABLISHING CLASSIFICATIONS AND MONTHLY PAY RANGES FOR DISTRICT EMPLOYEES AND THE GENERAL MANAGER EFFECTIVE OCTOBER 25, 2022 THROUGH JUNE 30, 2023.**

Ms. Harp explained due to the recent resignation of the Associate Engineer, she performed an updated compensation analysis to determine RMWD’s pay structure is compared to the overall labor market which resulted in RMWD’s existing pay grade for this position was closer to the market; therefore, she was recommending is that RMWD make this job classification a series that has an Associate Engineer, Engineer, and Senior Engineer levels placing the Senior Engineer where the former Associate Engineer level was with the others below such. She noted this will provide flexibility to hire in at one of the lower pay grades and if successful, RMWD will be able to bring someone in that will see a promotional pathway within the District even though this is a single incumbent position.

Ms. Harp also pointed out because the Project Manager classification is currently in the same department and performs somewhat similar work, she also conducted an updated compensation analysis for this classification which showed RMWD’s Project Manager classification was equivalent to Senior Project Manager in the overall labor market; therefore, she was also recommending a Senior Project Manager classification be created to be placed at the current pay grade for Project Manager and down grade the Project Manager classification. She noted both incumbents currently at RMWD would be qualify for the senior level project manager; thus, it will not affect either of their existing paygrades, but would place RMWD more in alignment with the overall labor market should there be a need to recruit for this position in the future.

Mr. Kennedy added one of the issues related to this matter was that nobody forecasted there would be an 8.3% inflation rate; therefore, when RMWD needed to move the paygrades up to match the increased inflation rate as provided in the current MOU’s, it was realized these positions needed to be created at lower paygrades to not go outside of market. He pointed out the pay rates for all employees did not increase 8.3%, but rather 1.5% as agreed upon; however, the spike in inflation has impacted the current paygrade structure as well as the District’s expenses.

Ms. Harp pointed out when it comes to single incumbent positions, it provides RMWD with a competitive advantage where it is more attractive to potential applicants when they can see there is an opportunity to move up in their career without having to leave the organization such as in the case of RMWD’s former Associate Engineer.

President Hamilton noted the fiscal impact would essentially be negative if RMWD is able to hire at the appropriate levels. Ms. Harp agreed if RMWD is able to hire in at the associate or engineer level, this change would be a cost savings to the District.

Motion:

To approve Staff Recommendation Option 1 – Approve Resolution No. 22-27.

(*) - Asterisk indicates a report is attached.

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

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

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

***26. DISCUSSION AND POSSIBLE ACTION TO APPROVE ORDINANCE NO. 22-17 - AMENDING AND UPDATING ADMINISTRATIVE CODE SECTION 1.02.020 – CONFLICT OF INTEREST**

Mr. Kennedy pointed out this item coincides with Item #25 updating the Administrative Code to include these new job titles in the Conflict of Interest.

Motion:

To approve Staff Recommendation Option 1 – Approve Ordinance No. 22-17 amending and updating Administrative Code Section 1.02.020.

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

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

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

27. BOARD MEMBER REQUESTS FOR AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS

Director Moss said she would like to review the information Mr. Kennedy passed along the information

Mr. Kennedy passed along the information related to elections taking place at the JPIA portion of the 2022 ACWA Fall Conference.

Directors Gasca and Stewart expressed an interest in attending Water Summit 2022 on October 27, 2022 should it be available via Zoom.

Motion:

To approve Director Gasca and Director Stewart’s attendance at the Water Summit 2022.

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

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

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

BOARD INFORMATION ITEMS

***28. CASH RESERVE POLICY 5.03.220 COMPLIANCE REPORT**

Ms. Largent gave a presentation as she announced the audit was complete which means the cash report for the ending cash fund balances for 2022 can be reported to the Board as required under the current Cash Reserve Policy and that the annual Comprehensive Financial Report will

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be available in December. She pointed out when analyzing the cash fund balances, it is important to take note that the District uses pooled cash; therefore, funds do not have separate bank accounts and any movement of cash between funds is strictly an accounting entry that does not require a transfer between bank accounts.

Ms. Largent reported the total cash for all District bank accounts as of year-end was \$20,889,567 as of the start of FY23 compared to \$25 million for the prior year. She pointed out the following:

- The Water Capital Fund sources have the following changes compared to the original budget:
 - * Actual beginning cash balances were \$3.3 million higher than budgeted.
 - * Zion funding available balance was \$972,000 more than budgeted due to timing, invoices, and reimbursements from Zion.
 - * Planned interfund loan from wastewater was not utilized due to the funding being needed in the wastewater fund for the Lift Station 1 increased budget.
 - * Actual transfers from operating came in \$2 million lower than budgeted due mainly to inflation related to supplies and increasing fuel costs as well as more main breaks and shutdowns than anticipated.
 - * Rate increases were set to cover known costs as of August 2021 within a 3% inflation estimate factored in which came in closer to 9%.
 - * Capacity fees for new developments were higher than budgeted. In late 2021, the projections were up for a bit, but ended up coming back down due to Citro being pushed out.
 - * With interest rates for homes going from 3.5% to 7.5% over the past few months and speculated continued increases throughout the end of the year, there will likely be significant repercussions in the housing market for which RMWD will be prepared for by monitoring the planned developments daily and budgeting the capacity fees very conservatively.

Ms. Largent reported for the second year in a row the capital spending on projects was in line with the budget; however, RMWD was still experiencing inflation and supply chain issues. She noted the Water Service Upgrade Project (WSUP) had similar issues with inflation and supply chain delays and how COVID and challenges with field conditions also had an effect in overall costs for WSUP. She explained these were all issues that would have also been experienced by ABM, which could have been even higher costs if they had been in the picture likely delaying work. She said while it is impossible to know what the change orders would have looked like from the actual contract amount, one of the reasons the relationship with ABM deteriorated is they started talking about change orders to preserve their profit margin early on.

Ms. Largent reported the FY22 expenditures for WSUP were \$3.8 million that were paid out of the Zion funds for which RMWD had a remaining amount of \$2.9 million for the year. She noted the balance of this was paid out of the capital fund. She pointed out the original ABM contract was for \$10.7 million and how in early FY22 initial estimates were that there could be a savings of \$2 million compared to the ABM contract. She reported the final spend on the WSUP project as of June 30, 2022 accepted completion date was \$11,344,233.00 of which \$1,159,000.00 was internal labor and just over \$10 million was external expenses, professional services, inventory, etc. She stated the payment for external expenses also included the payment to ABM in the amount of \$3.225 million of which \$1.7 million was for inventory that RMWD took possession of that had already been purchased. She noted also out of the \$3.225 million was \$1.5 million for the termination of the contract. She explained while the \$2 million savings estimate did not materialize, the project is still a success coming in at just 6% over the original contract amount which RMWD

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knew they would never come in at anyway. She stated had this project moved forward with ABM, she has no doubt the number would have been millions more. She pointed out this project was isolated from RMWD's regular budget process; it was originally the ABM contract that was funded through the financial instruments associated with the project. She said when ABM went out of the picture, the District in-sourced the work at which time the sources of funding became a little blurred compounded by the fact that the regular budgets had not contemplated the staffing levels as well as the additional construction management that ended up being necessary. She said although it was known there would be some uncertainties with the project that could be challenging and that the original estimates had not been right on, a number of those challenges came to fruition including the unknown inflation and COVID issues throughout the project. She explained this project was run outside RMWD's regular budget and CIP process, so the financial controls were not in place which lead to overages that were not fully understood until later and how in order to expeditiously complete the project, more internal labor was used than original forecasted along with the need to rent a second vacuum machine that was charged to the project in the amount of \$160,000 which is still available for use by RMWD.

Ms. Largent explained all the information provided is summarized into a table and how the ending balance for the capital fund is \$3,354,000 going into FY23. She shared a slide showing how this would look with the five-year forecast. She noted the five-year projected balance should be higher to support the planned projects for this timeframe and how depending on the time of detachment, the projects included in this plan will need to be reprioritized which she was already working through with the engineering team and that the noticed rate increases may need to be reevaluated as well. She said with this year's interest rate increases and economic volatility, staff will be monitoring the forecasted capacity fees with actual capacities received monthly, but as of Q1 FY23, RMWD has received 41% of the forecasted capacity fee revenue for the year. She said RMWD was slightly above where it was expected to be at this point; however, staff was watching it very closely.

Ms. Largent continued her presentation reviewing what transpired with the wastewater fund forecasts. She pointed out the FY22-23 projected negative ending balance shown will be adjusted once the Cost of Service Study currently being finished up is complete and how proposed rate increases will be brought to the Board to hopefully go into effect in February 2023.

Ms. Largent noted the Wholesale Water Efficiency Projects includes those projects secured with the 4.02% loan from Western Alliance for the purpose of saving on the transportation costs charged by SDCWA. She stated this will basically be the focus of the projects on which engineering will be working.

Ms. Largent continued with the presentation as she reviewed the five-year noticed rate increases, water sales revenue for Q1 FY23 was \$1 million over budget based on historical sales landing 37% in the first quarter, year-to-date water sales, purchased water cost increases, as well as the operating expenses being within budget after accounting for the pre-paid pension costs. She reported the wastewater sales for Q1 are \$167,000 over the prior year, the general fund operating expenses were slightly under budget for Q1 for the prepaid costs, as well as how oversight has been added in regard to monitoring the capacity fees within pending housing market fluctuations. She noted finance was also meeting monthly with engineering to review capacity fee and capital project spending as well as with operations to review operating and in-house capital project spending. She noted any projected budget overages for operating or capital are being balanced with cuts and delays wherever possible.

(*) - Asterisk indicates a report is attached.

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Ms. Largent concluded with noting priorities have been shifted within the finance department so that payroll, journal entries, and accounts payable are booked daily as well as inventory usage and revenue for the month prior are booked within the first 2-3 days of the month. She explained this will allow RMWD to have real time budget versus actual expense reports for the different departments resulting in more timely reporting.

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

A. General Manager Comments

1. Meetings, Conferences and Seminar Calendar

B. Operations Comments

1. Operations Report

C. Engineering Comments

1. Engineering Report
2. As-Needed Services Expenditures Summary
3. RMWD Sewer Equivalent Dwelling Units (EDU's) Status

D. Human Resource & Safety Comments

1. Human Resources Report

E. Finance Comments

1. Board Information Report
 - A. Budget vs. Actuals
 - B. Fund Balance & Developer Projections
 - C. Treasury Report
 - D. Five Year Water Purchases Demand Chart
 - E. Water Sales Summary
 - F. Check Register
 - G. Directors' Expenses Report
 - H. Credit Card Breakdown
 - I. RMWD Properties

Discussion ensued regarding development slowing down and the potential impacts this will have in terms of sewer EDU's.

Director Stewart inquired as to the water sales for the prior year as well as this fiscal year. Mr. Kennedy referenced the information provided in the financial report. Discussion followed.

The information and financial items were received and filed.

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

There were no items suggested for the next regular board meeting.

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31. ADJOURNMENT

The meeting was adjourned by President Hamilton to a regular meeting on December 6, 2022, at 1:00 p.m.

The meeting was adjourned at 2:12 p.m.

Hayden Hamilton, Board President

Dawn M. Washburn, Board Secretary

(*) - Asterisk indicates a report is attached.



Our Region's Trusted Water Leader
San Diego County Water Authority

SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING OCTOBER 27, 2022

1. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed the Treasurer's report.
2. Establish 2023 Board meeting dates.
The Board approved combining the November and December Board meeting dates to November 16, 2023, and approved the 2023 Board meeting dates calendar.
3. Financial Strategy Work Group's Recommendation to Amend the Permanent Special Agricultural Water Rate (PSAWR) Calculation Methodology.
The Board approved the Financial Strategy Work Group's (FSWG) recommendation to implement, effective January 1, 2023, a bifurcated local supply adjustment to enable PSAWR participating agencies the ability to prescribe how their local supply is allocated under the program.
4. Project Labor Agreement for Water Authority Capital Improvement Program.
The Board approved the proposed Project Labor Agreement (PLA) negotiated by the Water Authority and the San Diego Building Trades Council; and determined that the approved PLA applies to the Capital Improvement Program (CIP) projects as listed in attachment 2 of the board memo.
5. Professional Services Agreement with Mission Resource Conservation District for WaterSmart Field Services.
The Board authorized the General Manager to execute a three-year professional services agreement with Mission Resource Conservation District in an amount not to exceed \$200,000 for administration of the WaterSmart Field Services Program through October 31, 2025, with an option for a two-year extension.
6. Assembly Bill 361 Continued Determination Acknowledging the Governor of the State of California's Proclamation of a State of Emergency and of Remote Teleconference Meetings of the Legislative Bodies of San Diego County Water Authority due to the Emergency Pursuant to Brown Act Provisions.
The Board acknowledged the Governor's proclaimed State of Emergency, and approved continuing remote teleconference meetings of the legislative bodies of San Diego County Water Authority due to the emergency pursuant to Brown Act after reconsidering the circumstances and finding that state or local officials continue to impose or recommend measures to promote social distancing.
7. Notice of Biennial Review of Representatives to the Metropolitan Water District of Southern California.
The Board approved MWD Delegates representatives Lois Fong-Sakai, Marty Miller, Tim Smith, and Gail Goldberg for the next two years.
8. Director Reappointment.
The Board confirmed the reappointment of Consuelo Martinez representing the City of Escondido. Term ending October 18, 2028.



9. Approval of Minutes.

The Board approved the minutes of the Formal Board of Directors' meeting of September 22, 2022.



Our Region's Trusted Water Leader
San Diego County Water Authority

SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING NOVEMBER 17, 2022

1. **Monthly Treasurer's Report on Investments and Cash Flow.**
The Board noted and filed the Treasurer's report.
2. **Vote Entitlement Resolution for Calendar Year 2023.**
The Board adopted Resolution No. 2022-19 establishing the vote and representative entitlements of each member agency effective January 1, 2023.
3. **Adopt Annual Statement of Investment Policy, as amended, and continue to delegate authority to the Treasurer to invest Water Authority funds for Calendar Year 2023.**
Adopt the Annual Statement of Investment Policy, as amended, and continue to delegate authority to the Treasurer to invest Water Authority funds for Calendar Year 2023.
4. **Resources for PLA Implementation.**
The Board authorized the General Manager to enter into a contract with The Solis Group to provide professional services related to the implementation, coordination and monitoring of the Water Authority's Project Labor Agreement (PLA) through December 31, 2027, for an amount not to exceed \$1.5 million, and directed the General Manager to add a limited duration employment, full-time senior management analyst position in the Engineering Department and needed software and legal support costs as part of the General Manager's Recommended Budget for Fiscal Years 2024-2025 for oversight of PLA implementation and related activities.
5. **Construction Contract with SWCS, Inc., dba Southwest Construction Services for Kearny Mesa Building Heating, Ventilation and Air Conditioning Equipment Replacement.**
The Board authorized the General Manager, or designee, to award a construction contract to SWCS, Inc., dba Southwest Construction Services (Southwest) in the amount of \$834,900 to replace Kearny Mesa building heating, ventilation, and air conditioning equipment.
6. **Valve Procurements for the Helix 9 Flow Control Facility Project.**
The Board authorized the General Manager, or designee, to award a contract to Henry Pratt Company to purchase one 30-inch rotary cone valve with electric motor actuator in the amount of \$403,907.59 for the Helix 9 Flow Control Facility Project; and reject Cascade Consultants LLC bid and solicit new bids for two 30-inch ball valves for the Helix 9 Flow Control Facility project.
7. **Contract Amendment for Van Ness Feldman related to the proposed San Vicente Energy Storage Facility Project.**
The Board authorized the General Counsel to execute an amendment to the legal services agreement with Van Ness Feldman related to the proposed San Vicente Energy Storage Facility Project in the amount of \$110,000, increasing the not to exceed amount from \$110,000 to \$220,000.



8. **Authorization of the Urban and Community Drought Relief Grant Application to the California Department of Water Resources for Water Conservation Projects.**
The Board adopted Resolution 2022-20 authorizing and directing the General Manager to apply to the California Department of Water Resources and to commit the Water Authority to the financial and legal obligations associated with the receipt of grant funds.
9. **Adopt the 2023 Legislative Policy Guidelines.**
The Board adopted the 2023 Legislative Policy Guidelines as presented.
10. **Adopt the 2023 Legislative Priorities.**
The Board adopted the 2023 Legislative Priorities as presented.
11. **Sponsor legislation on Atmospheric Rivers.**
The Board approved to sponsor legislation with Assemblymember Ward as the author on atmospheric rivers.
12. **Audit Committee Annual Report.**
The Board accepted and filed the Audit Committee Annual Report pursuant to the Administrative Code, Section 2.00.066; and the Annual Comprehensive Financial Report (ACFR) for fiscal year ended June 30, 2022, prepared in accordance with Generally Accepted Accounting Principles (GAAP).
13. **Assembly Bill 361 Continued Determination Acknowledging the Governor of the State of California's Proclamation of a State of Emergency and of Remote Teleconference Meetings of the Legislative Bodies of San Diego County Water Authority due to the Emergency Pursuant to Brown Act Provisions.**
The Board acknowledged the Governor's proclaimed State of Emergency, and approve continued remote teleconference meetings of the legislative bodies of San Diego County Water Authority due to the emergency pursuant to Brown Act after reconsidering the circumstances and finding that state or local officials continue to impose or recommend measures to promote social distancing.
14. **Approval of Minutes.**
The Board approved the minutes of the Special Board of Directors' meeting of October 13, 2022 and the Formal Board of Directors' meeting of October 27, 2022.



TO: Rainbow Municipal Water District
FROM: Alfred Smith
DATE: December 6, 2022
RE: Attorney Report: SB 1439 Update
501668-0002

I. INTRODUCTION.

This attorney report provides an update on a new law signed by Governor Newsom providing that water district and other local agency board members are prohibited from accepting or soliciting contributions exceeding \$250 from pending contractors. The new law expands the Levine Act (“the Act”) to prohibit local agency board members who have received a contribution of \$250 or more from an applicant or affiliated party from voting on the applicant’s matter — whether it be a contract, license, permit or “other entitlement for use” — if the board member has willfully or knowingly received a contribution in excess of \$250.

Certain State and local officials were previously excluded from the Act’s prohibitions. Senate Bill 1439 expands the Act to include locally elected or appointed board members of water and other special districts.

The Levine Act amendments apply to contributions from parties (or affiliated persons, such as agents or employees) seeking a license, permit, contract or other entitlement from the District during the *preceding* 12 months. SB 1439 also extends from three months to 12 months the time frame *after* an approval during which a director is prohibited from receiving a campaign contribution.

Additionally, a contractor or anyone appearing before a local agency with a contracting request must disclose if they made contributions over \$250 during the prior 12 months.

II. THE LEVINE ACT.

The Levine Act, California Government Code Section 84308, originally prohibited “pay-to-play” contributions to certain officials such as planning commissions and the California Coastal Commission. The Act was adopted in 1982, in response to reports that several members of the Coastal Commission solicited and received large campaign contributions from individuals with applications pending before the commission.

The Act originally required covered officials to recuse themselves from voting on a matter involving a license, a permit or other entitlement if the official received a campaign contribution of \$250 or more within the preceding 12 months. The Act also originally prohibited a party with a pending matter from contributing to a member while a proceeding is pending and for three months after, and it prohibited officials from soliciting contributions of \$250 or more during the same time period.

III. **SENATE BILL 1439.**

Senate Bill 1439 makes a number of changes to the Levine Act, which is a part of the Political Reform Act. SB 1439 extends the Act's coverage to locally elected or appointed governing boards, including water districts. Water district board members will now have to "conflict out" of certain proceedings involving persons that made contributions to their respective political campaigns.

SB 1439 imposes several new requirements on water district board members. First, the bill prohibits accepting, soliciting or directing a campaign contribution of \$250 or more if the donor is involved in a proceeding involving a license, permit or other entitlement for use, including a contract award, that is pending before the District. Under SB 1439, this prohibition continues for 12 months following the proceeding. (It was previously three months.)

Second, the Act will now require water district board members to recuse from any proceeding involving a license, permit or other entitlement for use, including a contract award, if the member has received a campaign contribution from a person involved in the proceeding within the previous 12 months.

The Act applies to both the parties directly involved in the proceeding, such as an applicant for an entitlement, as well as to other participants who actively support or oppose a particular decision in the proceeding. As with other provisions of the Political Reform Act, officials with a Levine Act conflict of interest cannot make, participate in making, or attempt to influence any such proceeding.

The rule does not apply to labor contracts, personal employment contracts or contracts that are competitively bid.

In light of SB 1439, both elected and appointed officials of a local government agency must now do all of the following:

- **Disclose.** Before participating in any decision in a proceeding involving a license, permit or other entitlement for use (including certain contracts), a director who received a contribution over \$250 in the preceding 12 months from a party or any participant in the proceeding must disclose that fact on the record.

- Recuse. If the director knows or has reason to know that the party or participant who made the contribution has a financial interest in the decision, the director must not make – or participate in making – the decision.
 - Or Return. If the director returns the contribution within 30 days from the time the director knows or should have known about the contribution and relevant proceeding, the director may participate in the decision.
- Refuse. While the proceeding is pending for 12 months after a final decision is rendered, a director must not accept, solicit or direct a contribution of more than \$250 from the party or participant if the director knows or has reason to know the party, participant or the party's or participant's agent has a financial interest in the decision.
 - Or Return. If a director accepts, solicits or directs a contribution of more than \$250 during the 12 months after the date a final decision is rendered in the proceeding, the director may cure the violation by returning the contribution, or the portion of the contribution that exceeds \$250, within 14 days of accepting, soliciting or directing the contribution, whichever comes latest. This opportunity to cure is only available if the director did not knowingly and willfully accept, solicit or direct the prohibited contribution, and the director keeps a record of curing the violation.

IV. CONCLUSION.

SB 1439 presents a significant change for water district board members because campaign donations previously did not give rise to the Levine Act's conflict of interest rules. Accordingly, directors are now required to disclose, recuse, refuse or return campaign contributions over \$250 from pending contractors within the preceding 12 months (or for 12 months following the final decision).

SB 1439 also imposes new requirements on potential contractors. Now parties seeking contracts, permits or licenses from the District will have to disclose if they made contributions over \$250 within the prior 12 months. This will require companies and individuals seeking contracts, permits or licenses from the District to (1) refrain from making any prohibited contributions; (2) be on the lookout for any prohibited contributions from principals or employees who might be unaware of the rule; (3) ask employees and agents about their campaign contribution history; and (4) put in place a compliance process to avoid inadvertent violations.

SB 1439 takes effect on January 1, 2023. Violation of the Act is punishable as a misdemeanor.

AES

BOARD OF DIRECTORS

December 6, 2022

SUBJECT

CONSIDER APPROVAL OF LETTER OF CONSENT FOR TRANSFER OF CELL SITE LEASE AT 3707 OLD HWY 395, FALLBROOK, CA 92028 FROM SPRINT PCS/T-MOBILE TO DISH NETWORK (DIVISION 1)

BACKGROUND

In November 2001, the District entered into an agreement with Sprint PCS to lease a 600 sq.ft area in the lower lot of 3707 Old Hwy 395, the District Headquarters. The lease authorized Sprint PCS to mount wireless telephone transmitting/receiving equipment and antennas to include poles and masts not to exceed 55 feet in height. This includes transmission and power cables from the wireless telephone equipment to the equipment base. The existing site consist of a faux windmill and fenced off area located in the lower lot near the western edge of the District property. The lease is current and Sprint PCS continues to make monthly payments of \$2,461.50 as noted in the lease agreement.

DESCRIPTION

As part of T-Mobile acquiring Sprint PCS the Securities and Exchange Commission required that T-Mobile assign approximately 40,000 Sprint PCS unmanned wireless facilities to other operators. Subsequently, T-Mobile has entered into an option agreement with Dish Network Corporation. Dish Network will be rolling out a nationwide wireless network over the next several years. The current tenant (Sprint PCS) is requesting the District to consent to the transfer and assignment of the above-referenced lease to Dish Network. Dish Network will take over the operation and maintenance of the existing equipment on site. By taking over this lease agreement from Sprint PCS for the Hutton Site, Dish Network will no longer need to erect its own additional stand-alone faux antenna and ancillary equipment, which prior to this transfer had been proposed to the District. The existing lease agreement will remain in place.

The existing lease agreement will remain in effect for a maximum of 24-months at which time Dish Wireless will be required to enter into a new agreement with the District. This new agreement and its terms will be brought forth to the Board for consideration at a later date. Conditions of approval will be established, and a new fee schedule will be considered. In the interim, the existing agreement will remain in effect, and Dish Wireless will continue to make monthly payments in accordance with the original agreement.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Two: Fiscal Responsibility- This lease generates additional revenue for the District while making good use of existing equipment without disturbing overall aesthetics of the site.

ENVIRONMENTAL

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

BOARD OPTIONS/FISCAL IMPACTS

This action will maintain the existing lease agreement in the monthly amount of \$2,46150.

Option 1.

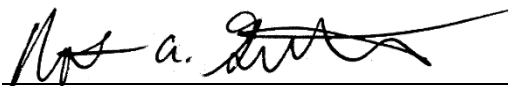
1. Authorize the General Manager to sign the letter of consent and release agreement.
2. Make a determination that the action defined herein does not constitute a “project” as defined by CEQA.

Option 2.

1. Provide further direction to staff

STAFF RECOMMENDATION

Staff recommends approving Option 1.



Robert Gutierrez
Operations Manager

December 6, 2022



SENT VIA UPS

September 2nd, 2022

Rainbow Municipal Water District
3707 Old Hwy 395
Fallbrook, CA 92028

Re: License Agreement between Rainbow Municipal Water District, a Public Agency (“Landlord”) and Cox PCS Assets, LLC, a Delaware limited liability company, predecessor in interest to Sprint PCS Assets, LLC, a Delaware limited liability company (“Tenant”), dated November 13th, 2001 (“Lease”)

Request for Consent to Assignment of Lease

Dear Landlord,

T-Mobile USA, Inc. has entered into an Option Agreement (“Option”) with Dish Network Corporation (“DISH”). DISH will be rolling out a nationwide wireless network over the course of the next several years. Please note that Dish will be building and operating their wireless network under Dish Wireless L.L.C., the assignee (“Assignee”). Under the Option, T-Mobile will be assigning site leases to DISH.

Tenant is requesting Landlord to consent the transfer and assignment of the above referenced Lease to Assignee. From and after the effective date of the assignment of the Lease, Assignee will assume all of the lease terms and obligations, including the rent.

The tentative date for the Assignment of the Lease is scheduled for 12/01/2022.

Enclosed please find Landlord’s Consent to Assignment for signature. If Landlord consents to the assignment of the Lease to DISH, we ask that landlord review and sign the Consent form within ten (10) days of receipt. Please return the executed Consent form to the address in the self-addressed stamped envelope:

T-Mobile
Attn: Courtney Brooks – SD54XC908
7668 Warren Pkwy, Frisco, TX 75034
Courtney.Brooks61@T-Mobile.com

The enclosed agreement can also be executed electronically in DocuSign; if this is your preference, or if you have any questions regarding the assignment of the Agreement, please contact Leaseassignment@T-Mobile.com. Thank you for your cooperation regarding this matter.

DISH is a Colorado based, leading technology company. Additional information on Dish can be found at www.dish.com.





Sincerely,

Courtney Brooks
T-Mobile

LANDLORD CONSENT AND RELEASE AGREEMENT

This **LANDLORD CONSENT AND RELEASE AGREEMENT** (this "Agreement") is entered into as of _____, 20__, by and between Rainbow Municipal Water District, a Public Agency ("Landlord") and Sprint PCS Assets, LLC, a Delaware limited liability company ("Tenant").

RECITALS

- A. Landlord is the owner of certain real estate situated at 4555 Pala Rd., Fallbrook, CA 92028, which is more particularly described in the Lease (as defined below).
- B. Tenant is the tenant under that License Agreement dated November 13th, 2001 (as the same may have been amended and assigned from time to time, the "**Agreement**") by and between Sprint PCS Assets, LLC, a Delaware limited liability company, as tenant, and Landlord for the location defined as the "Site" in the Lease (the "**Site**").
- C. Tenant desires to assign the Lease to Dish Wireless L.L.C. ("**Dish**"), and Landlord desires to consent to such assignment upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties agree as follows:

1. Landlord's Consent. Tenant has requested that the Landlord consent to the assignment of all of Tenant's rights and obligations under the Lease to Dish, effective as of the effective date of that certain Assignment and Assumption Agreement between Tenant and Assignee (such date, the "**Assignment Date**"). Subject to the terms of this Agreement, Landlord does hereby consent to such assignment and assumption of the Lease to Dish as of the Assignment Date.
2. Notification of Effective Date. Promptly following the Assignment Date Tenant shall notify, or shall cause Dish to notify, Landlord of the occurrence of the Assignment Date.
3. Release. Effective as of the Assignment Date, Landlord, for itself and its affiliates, successors and assigns, does hereby forever release and discharge Tenant and its affiliates, partners, employees, agents, successors and assigns of any and all liabilities and obligations arising from or relating to the Lease from and after the Assignment Date.
4. Modification. Except as specifically modified by this Agreement, the terms and conditions of the Lease shall maintain in full force and effect and nothing in this Agreement shall modify or alter the rights and obligations of the parties under the Lease.
5. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which constitute one and the same instrument.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK;
SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

LANDLORD:

Rainbow Municipal Water District,
a Public Agency

By: _____

Name: _____

Title: _____

TENANT:

Sprint PCS Assets, LLC,
a Delaware limited liability company

By: _____

Name: _____

Title: _____

Hello, your package has been delivered.

Delivery Date: Monday, 09/12/2022

Delivery Time: 8:50 AM

Signed by: DAUGHERTY

T-MOBILE USA FRISCO RBO II

Tracking Number:

[1Z76E9F4NT99483934](#)

Ship To:

RAINBOW MUNICIPAL WATER DISTRICT
3707 OLD HWY 395
FALLBROOK, CA 920289372
US

Number of Packages:

1

UPS Service:

UPS Next Day Air®

Package Weight:

0.3 LBS

Reference Number:

V040-1003333

Reference Number:

V040-100391



CONSENT CALENDAR

BOARD OF DIRECTORS

December 6, 2022

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE A CHANGE ORDER WITH HAZARD CONSTRUCTION FOR THE LIVE OAK PARK ROAD BRIDGE WATER MAIN IMPROVEMENT PROJECT (600037) IN THE AMOUNT OF \$36,653.55 (DIVISION 5)

BACKGROUND

The District has been working with the County of San Diego Department of Public Works on the Live Oak Park Road Bridge Water Main Improvement Project (Project), which includes the replacement of the old bridge culvert structure with a single span concrete slab bridge. The new bridge will meet current roadway and bridge standards and will also have the capacity to convey large storm events, therefore creating a safe and reliable roadway network for the Fallbrook community. The County's new bridge will raise the road elevation 3-4 feet and will remove the existing corrugated metal pipe culverts currently under the roadway. The County's improvements cause utility conflicts with SDG&E, AT&T, and the District's 8-inch and 16-inch water mains, resulting in the need to modify the two water main elevations and alignments.

In the early phases of design, the County agreed to include all work associated with the District's two (2) impacted waterlines in their design and specifications. This included constructing pipe supports along the sides of the new bridge to allow for the District to attach the existing 8-inch and 16-inch water mains to their facility. Typically, meetings between District and County staff were followed up by emails to ensure all parties were clear on scope of work and timing. In December of 2020, Lawrence Hirsh, Utilities Coordinator for the County of San Diego confirmed work regarding the District's waterlines would be included in the County's bid package. In March of 2021, Lawrence stated via email that District staff had "misinterpreted" his previous email and stated that the County had no intention to perform any work on the District's behalf.

After subsequent meetings, District staff confirmed that the County was no longer intending to include relocating the District's two (2) waterlines in their contract, plans and specifications, and instead requested the District provide its own set of plans, specifications and bid the project separately from the County's project. The brackets and pipe supports required to hang the two (2) waterlines were in the original County contract design and bid package. As such, the District did not include the brackets and pipe supports in its design and bid schedule. District staff did not learn until after its project was bid and awarded that the County had also removed these items from its design and bid schedule. The waterlines cannot be installed without these items and they must now be added as a change order to the District's portion of work. Had District staff been made aware that the brackets and pipe supports were also being removed from the County's contract, the District would have included these items to the plans and bid schedule prior to award.

The District awarded the construction of the Project to Hazard Construction Engineering in the amount of \$507,700 on May of 2022. Change Order 01 was executed on October 7, 2022 in the amount of \$32,331.25 to provide additional pipe fittings for the two water mains per the District’s response to the request for information (RFI) #2. A second change order is required to provide support brackets to install the 8-inch and 16-inch water mains (Attachment 1). Change Order #2 requires Board of Directors approval as it exceeds the General Manager’s authority to execute the change.

DESCRIPTION

As described in the background section, the District’s response to RFI #2 required additional modifications to the Project plans. Change Order #2 in the amount of \$36,653.55 provides the support brackets to install the 8-inch and 16-inch water mains as described in the table below:

Description	Quantity	Unit Cost	Total Cost	20% Markup	Total CO #02
Install Brackets	13 each	\$734.08	\$9,543		
Paint Brackets	13 each	\$403.75	\$5,248		
Purchase Brackets	13 each	\$838.30	\$10,898		
Welding QC	4 days	\$1,213.75	\$4,855		
			\$30,544	\$6,109	\$36,654

The contract summary for the Project is provided as follows:

Original Contract: \$507,700.00	CO #01: \$32,331.25	CO #02: \$36,653.55	Revised Contract \$576,684.80
------------------------------------	------------------------	------------------------	----------------------------------

This proposed contract change order was presented before the Engineering and Operations Committee on November 2, 2022. The Committee recommended Option 1.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area One: Water Resources. Modifications to the existing water mains are essential to ensuring safe and reliable conveyance of water to District ratepayers.

ENVIRONMENTAL

On February 10, 2021, the County Board of Supervisors found that the Mitigated Negative Declaration (MND) for the Live Oak Park Road Bridge Project 600037, dated December 22, 2017, State Clearinghouse # 2017121061, was adopted on April 4, 2018 in compliance with the California Environmental Quality Act (CEQA) and the State and County CEQA guidelines. The County’s CEQA document also included the District’s utility improvements associated with the bridge construction. The location of the documents and other materials constituting the record of the proceedings upon which the Board decision is based in this matter is the San Diego County Department of Public Works, 5500 Overland Avenue #310, San Diego, CA 92123 and available at this link:

<https://bosagenda.sandiegocounty.gov/cob/cosd/cob/doc?id=0901127e80c97f46>.

There are no substantial changes in the project or in the circumstances under which it is undertaken which involve significant new environmental impacts which were not considered in the previously adopted MND, dated April 4, 2018. There is no substantial increase in the severity of previously identified significant effects and no new information of substantial importance has become available since the MND was adopted, therefore, no additional environmental review of findings is necessary for the Live Oak Park Road Bridge Water Main Improvement Project.

On April 26, 2022, the Board of Directors acting as a responsible agency for the Project voted to authorize the filing of a Notice of Determination with the San Diego County Clerk in accordance with Section 21152 of the California Public Resources Code.

BOARD OPTIONS/FISCAL IMPACTS

Funds were budgeted in the Five-Year CIP Plan in the amount of \$600,000 for PN: 600037. Water Capital reserve funds are available at this time to cover this increase of \$36,653.55 to the existing construction contract with Hazard Construction Engineering. This will bring the total construction contract to \$576,684.80.

Option 1:

- Authorize the General Manager to execute Change Order #2 to the Construction Contract with Hazard Construction Engineering in the amount of \$36,653.55.
- Make a determination that on April 26, 2022, the Board of Directors authorized the filing of a Notice of Determination with the San Diego County Clerk in accordance with Section 21152 of the California Public Resources Code and does not require additional analysis.

Option 2:

- Provide other direction to staff.

STAFF RECOMMENDATION

Staff Recommends Option 1.



Chad Williams
Engineering and CIP Program Manager

12/6/2022



10529 Vine Street
Lakeside, CA 92040
Phone (858) 587-3600
Fax (858) 453-6034
License No. 1038899 A/C31
DIR No. 1000057559
hazardconstruction.com

October 12, 2022

Rainbow Municipal Water District

OC002R1

3707 Old Hwy 395,
Fallbrook, CA 92028

Attn: Ms. Amanda Parra, CIP Project Manager

RE: Contract Agreement No. 22-09
Live Oak Park Bridge Waterline Relocation
Hazard Job No. 22007-10

Subject: Change Order Request – Waterline Support Brackets

Dear Ms. Parra,

This change order request is written due to the Rainbow Municipal Water District's response to RFI 002 to provide support brackets to install the 8" and 16" waterlines on the Live Oak Park Road Bridge Deck.

Waterline Support Brackets 1 LS @ \$36,653.55 = \$36,653.55
(Please see attached breakdown of cost)

Please process a Contract Change Order in the amount of \$36,653.55 to compensate Hazard Construction for furnishing and installing the waterline support brackets on the Live Oak Park Road Bridge.

Hazard Construction reserves the right to additional contract time if approval of this change order request causes a delay in completing the waterline installation on the bridge deck.

Should you have any questions, please do not hesitate to contact me at (858)864-6760.

Sincerely,

HAZARD CONSTRUCTION

Kirk J. Kharas
Project Manager

**LIVE OAK PARK ROAD BRIDGE WATERLINE RELOCATION
CHANGE ORDER REQUEST**

CBS Position Code	Description	Quantity	Unit of Measure	Unit Cost	Total Cost	20% Markup	Total
15	Provide and install bridge brackets						
15.1.1	Install Brackets	13.00	Each	\$734.08	\$9,542.98		
15.1.2	Paint Brackets	13.00	Each	\$403.75	\$5,248.77		
15.1.3	Buy Brackets (See attached backup)	13.00	Each	\$838.30	\$10,897.88		
15.1.4	Welding QC (See attached backup)	4.00	DA	\$1,213.75	\$4,855.00		
					\$30,544.62	\$6,108.92	\$36,653.55

QUOTATION

PAGE 1 of 3

CONTRACTOR'S LICENSE NUMBERS
CALIFORNIA 194646
NEVADA 11472
ARIZONA 068033 & 07674

DATE: SEPT. 28, 2022

QUOTATION NO.: 79797ADD3-REV

15.1.3



CRANEVEYOR CORP.

BRIDGE RAIL • ALUMINUM HANDRAILS • MISCELLANEOUS METALS FOR HIGHWAYS, BRIDGES AND STORM DRAINS
1524 NORTH POTRERO AVENUE (MAILING: P.O. BOX 3727), SOUTH EL MONTE, CA. 91733-0727
(626) 442-1524 (800) 423-4180 FAX (626) 442-7308

**TO: HAZARD CONSTRUCTION
ATTN: KEN CORNELL / KIRK**

**PROJECT: LIVE OAK RD. BRIDGE
FALLBROOK**

The following quotation of construction materials is made subject to all terms and conditions on both sides hereof, and if accepted by the BUYER in writing within 10 days from the date hereof, shall constitute a binding Contract between the parties, including is said Contract all of said terms and conditions:

ITEM NO.	APPROX. UNITS	DESCRIPTION & SPECIFICATION	UNIT PRICE
----------	---------------	-----------------------------	------------

FURNISH METAL WORK ONLY PER CONT. DRAWINGS & SPECS.:

QTY. (1)

LOT (13) PIPE SUPPORT ASS'Y.S PER PARTIAL IMAGE
DWG. OF SHEET 32. CONSISTS OF THE FOLLOWING MATERIAL;

\$ 9,650.00 LOT + TAX

(6) 8-5/8" OD COOPER B-LINE B2400 STRAP (OR APPROVED EQUAL) ASS'Y W/
STRUT CHANNEL. CHANNEL WELDED TO 3 x 3 x 1/4" TUBE 'L' SHAPE FRAME.

Shipping
-\$500.00

(7) 17-5/8" OD COOPER B-LINE B2400 STRAP (OR APPROVED EQUAL) ASS'Y W/
STRUT CHANNEL. CHANNEL WELDED TO 3 x 3 x 1/4" TUBE 'L' SHAPE FRAME.

INCLUDES EXPANSION ANCHORS AND BOLTS AS REQ'D.
ALL MATERIAL DOMESTIC & PRIME PAINTED
INCLUDES SUBMITTAL DRAWINGS.

EXCLUDES FIELD MEASURING, FIELD WELDING, DELIVERY,
3RD PARTY INSPECTIONS IF REQUIRED AND W.Q.C.P (IF REQUIRED).

TERMS: NET

DELIVERY: WILL CALL, SO. EL MONTE

PRICES VALID FOR: 10 DAYS

ACCEPTED this ___ day of _____ 2022.

Respectfully submitted,

Subject to and including all terms and conditions shown on following page.

Both parties agree a fax signature shall be treated as a Genuine Original
(page 1 & 2 require a signature)

CRANEVEYOR  CORP.

FIRM: _____

BY: _____

PURCHASE ORDER NO.: _____

DATE: _____

BY: EDDY STUBBS

TITLE: MISC. IRON & STEEL SALES

TERMS AND CONDITIONS

This quotation is subject to approval of Buyer's credit.

- 1) Invoices are due and payable for all merchandise within 30 days following delivery. Cash discounts, if any, apply only to payments within this period. A charge of 1 ½% per month (18% per annum) will be added after 30 days from date of invoice. When Seller is strictly a material supplier, Seller is not subject to any retention clauses covered by any contract between buyer and other parties.
- 2) Unless otherwise indicated, prices quoted do not include any applicable sales, use, excise or other taxes.
- 3) Unless Buyer accepts delivery at Seller's plant or other agreed point, risk of loss or title to all merchandise ordered shall pass to Buyer upon delivery to the specified delivery point of said merchandise. If Buyer accepts delivery at Seller's plant or other agreed point, risk of loss or title passes when loaded on Buyer's vehicle. Buyer agrees to accept partial deliveries in installments or by lots and to make payment for each such delivery in accordance with Paragraph 1 hereof. Buyer's right of final inspection is limited to the place and time of delivery.
- 4) SELLER'S EXPRESS AND IMPLIED WARRANTIES WITH REGARD TO MERCHANTABILITY AND FITNESS FOR PURPOSE ARE THAT THE MERCHANDISE QUOTED FULLY MEETS THE SPECIFICATIONS CONTAINED ON THE REVERSE SIDE OR ATTACHED THERETO.
- 5) Damaged merchandise must be noted on the delivery ticket at the time of delivery to hold Seller liable for said damage. Back charges will not be recognized unless prior written authorization is obtained from Seller. Return merchandise shall be loaded and shipped at Buyer's risk and expense. Buyer must file any legal action for failure to meet specifications within one year from the date of delivery or whenever the cause of action accrues. Seller's liability for damaged or defective merchandise is limited to an obligation to repair or replace said merchandise or to refund Buyer's payment in cash or by credit. Seller shall not be liable for any incidental or consequential damages, and Buyer agrees to hold Seller harmless for any injury or damage to person or property occurring at or after delivery relative to the ordered merchandise. Seller shall not be liable for damages, delays or failures in performance caused by conditions beyond Seller's control including, but not limited to strikes, lockouts, inclement weather, government allocations, priorities, restrictions or regulations, acts of public enemies and natural disasters.
- 6) Special merchandise, not a part of Seller's standard inventory, when manufactured specifically for Buyer, is the sole property of Buyer and shall not be returned without Seller's prior written consent.
- 7) Without prior written consent of the Seller, Buyer shall not assign this contract in whole or in part.
- 8) No promises, agreements or understandings have been made or implied other than those contained herein. No agent or salesman has the authority to obligate the Seller to any terms, stipulations or conditions not expressed in this quotation. No modification to this agreement shall be binding upon the Seller unless approved in writing by an officer of the Seller.
- 9) Upon default by Buyer, in payment or otherwise, Seller has available all rights and remedies under federal, state or local law. Buyer agrees to pay Seller's costs, including reasonable attorney's fees, incurred in exercising Seller's rights and remedies herein.
- 10) Buyer's acceptance of this quotation indicates agreements to the above terms and conditions, which together with the reverse side hereof and any attached specifications constitute the entire agreement. These terms and conditions may be modified, but only if in writing on the reverse side or on a separate instrument executed by all parties.

CRANEVEYOR PRODUCTS

- Overhead Traveling Cranes -

Underhung

Top Riding

4036 Series

- Yale Hoists -

Hand Chain

Pul-lifts

Air

Electric

- Lug-All Winch Hoists
- Al-Torque ® Shaft Couplings
- TransLifter (Relocatable Crane System)

C-V Pipe Handrail -

Anodized Aluminum

Stainless Steel

- Ornamental Handrail Systems -

Anodized Aluminum

IsleCraft®

Railtec™

ClearVue

- Aluminum Manhole Steps
- Aluminum Vault Covers and Frames
- Steel Bridge Railing
- Storm Drain & Sewer Hardware
- Miscellaneous Iron & Steel

FIRM: _____

QUOTATION NO. _____

ACCEPTED BY: _____

DATE: _____

15.1.4

Cost Estimate
QC Services for Welding Quality Control

Contract No.: Live Oak Bridge
 Bid Date: 7/28/2022
 Bid Item Nos.:

Description	Unit	Rate
QC Plan and QCM Services		
Preparation of Welding Quality Control Plan (WQCP)	Each	\$ 950
Welding QC Manager	Hour	\$ 125
Welding QC Services		
QC Welding Inspection	Shift	\$ 4 @ 945

1015
 3780
 4855⁰²

Remarks:

- 1 Estimate is based on 8 hour Straight-Time shifts, Monday through Friday.
- 2 Overtime will be charged at \$163.50/hour and Double time at \$218/hour.
- 3 Union Tester rates quoted are valid through June 30, 2023, after which an annual escalation rate of \$40/shift for each Tester will be added onto the shift rate.

BOARD OF DIRECTORS

December 6, 2022

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO AWARD THREE PROFESSIONAL SERVICES AGREEMENTS TO PROVIDE ON-CALL GEOTECHNICAL SERVICES (DISTRICT WIDE)

BACKGROUND

The activities and operations of the Rainbow Municipal Water District (District) regularly require services that must be performed by a California State licensed Geotechnical Firms. Obtaining geotechnical services can be cumbersome for the District because proposals have to be requested and processed for each geotechnical task and the District has experienced a low level of response from geotechnical firms. Most firms are reluctant to expend the effort to prepare a proposal for a small project, and it is difficult to obtain responses. It is also an extremely slow process to solicit proposals and engage a contract. The "On-Call" process is simplified and has provided substantial benefits to the District.

District staff have been able to utilize these contracts effectively and efficiently to complete projects in a competitive and expeditious manner. The tasks assigned to each on-call contract are reported monthly in the As-Needed Contract Expenditures Report included in the Board Packet.

The proposal, to secure three (3) pre-qualified firms to provide on-call geotechnical services, will limit the overhead associated with each individual geotechnical task. For each task, staff will request a scope from all three (3) pre-qualified firms as well as issue a task order to the firm with capacity to complete the task in a timely manner and whose particular skill sets are best suited to the project.

The District will issue Assignment Letters, as required for specific services outlined in the proposed scope of services summarized below:

1. Perform geotechnical services for District Capital Improvement Projects, and other District projects. Examples include, but are not limited to projects such as:
 - a. Soil testing
 - b. Soil inspection
 - c. Soil borings
 - d. Subsurface exploration
 - e. Import inspection
2. Develop and manage schedules either under the direct supervision of the District Representative or independently.
3. Perform site review as necessary, including soil compaction, bottom of trench and footing inspection.
4. Review soil import locations and perform testing.

5. Revise base placement as required.
6. Review and test for any hazardous materials soil testing.
7. Attended project or special meetings as required.
8. Drive from site to site for supervision and inspections as required.
9. Provide daily and monthly update reports as required.
10. Provide geotechnical reports and recommendations based upon soil conditions.
11. Provide information in relation to project design drawings for construction as required.
12. Coordinate with Contractors, other District consultants, outside agencies and District personnel as required.
13. All services shall be performed in accordance with current applicable local, State, Federal, and District regulations and ordinances.
14. Furnish all equipment, labor, and materials necessary to provide these services.

DESCRIPTION

The District issued a Request for Proposals for On-Call Geotechnical Services on September 6, 2022. Nine (9) firms responded with a proposal by October 13, 2022. Staff reviewed the proposals and evaluated them based on the Approach to Work, Firm and Team Qualifications, and Project Experience. The staff evaluations found that three (3) firms, Atlas Technical Consultants, Leighton Consulting and Ninyo & Moore Consultants, were the most qualified to perform on-call geotechnical services for the District (Attachment 1). The proposed contract amount is \$100,000 per contract.

Once the \$100,000 contract amount is reached, staff would halt work with the consultant. Staff would then either bring an Action Item to the Board for additional funding, along with appropriate justification, or cease working with the consultant altogether.

These proposed on-call contracts were presented before the Engineering and Operations Committee on November 2, 2022. The Committee unanimously recommended Option 1.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Four: Fiscal Responsibility. By pre-qualifying three (3) geotechnical professionals and executing on-call services agreements, District staff will be able to save time and effort each time a geotechnical task is needed. In addition, the firms providing the on-call services will be able to provide those services with less cost due to the higher overhead involved in proposing on individual projects.

ENVIRONMENTAL

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

BOARD OPTIONS/FISCAL IMPACTS

The District staff has pre-qualified three (3) firms and recommends entering on-call services agreements in the amount of \$100,000 with each of the pre-qualified firms. The total cost to the District will be dependent on the geotechnical tasks needed during the life of the agreements. Funds for this contract have been budgeted in the Engineering department and will be allocated to respective capital projects as applicable.

Option 1:

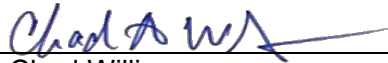
- Authorize the General Manager to execute three (3) Professional Services Agreements in the amount of \$100,000 each to Atlas Technical Consultants, Leighton Consulting and Ninyo & Moore Consultants.
- Make a determination that the action defined herein does not constitute a “project” as defined by CEQA.

Option 2:

- Provide other direction to staff.

STAFF RECOMMENDATION

Staff Recommends Option 1.



Chad Williams
Engineering and CIP Program Manager

12/6/2022

ATTACHMENT 1

ON-CALL GEOTECHNICAL SERVICES - EVALUATIONS										
CHAD WILLIAMS	Total Possible	Atlas	GEOCON	Leighton	MTGL	Ninyo & Moore	NOVA	PETRA	RMA	Twining
Approach to Work	30	28	25	25	20	24	28	22	26	25
Firm and Team Qualifications	35	32	25	31	22	28	25	25	25	25
Project Experience	35	28	28	35	22	32	28	25	20	25
SUM	100	88	78	91	64	84	81	72	71	75
MALIK TAMIMI	Total Possible	Atlas	GEOCON	Leighton	MTGL	Ninyo & Moore	NOVA	PETRA	RMA	Twining
Approach to Work	30	30	26	28	23	26	26	24	25	28
Firm and Team Qualifications	35	30	28	29	25	30	24	20	22	28
Project Experience	35	30	28	29	25	33	26	24	22	22
SUM	100	90	82	86	73	89	76	68	69	78
E&O	Total Possible	Atlas	GEOCON	Leighton	MTGL	Ninyo & Moore	NOVA	PETRA	RMA	Twining
Approach to Work	30									
Firm and Team Qualifications	35									
Project Experience	35									
SUM	100	0	0	0	0	0	0	0	0	0
Evaluator's Scores										
		Atlas	GEOCON	Leighton	MTGL	Ninyo & Moore	NOVA	PETRA	RMA	Twining
CHAD		88	78	91	64	84	81	72	71	75
MALIK		90	82	86	73	89	76	68	69	78
E&O		0	0	0	0	0	0	0	0	0
RESULTS / RANKING										
Total Evaluator's Scores		178	160	177	137	173	157	140	140	153
Average Total Scores		89	80	89	69	87	79	70	70	77
(Divide by # of Evaluators)										
		Atlas	GEOCON	Leighton	MTGL	Ninyo & Moore	NOVA	PETRA	RMA	Twining
Total Score		89	80	89	69	87	79	70	70	77

BOARD OF DIRECTORS

December 6, 2022

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO AWARD THREE PROFESSIONAL SERVICES AGREEMENTS TO PROVIDE ON-CALL LAND SURVEYING SERVICES (DISTRICT WIDE)

BACKGROUND

The activities and operations of the Rainbow Municipal Water District (District) regularly require services that must be performed by a California State licensed Land Surveyors. Obtaining land surveying services can be cumbersome for the District because proposals have to be requested and processed for each land surveying task and the District has experienced a low level of response from land surveying firms. Most firms are reluctant to expend the effort to prepare a proposal for a small project, and it is difficult to obtain responses. It is also an extremely slow process to solicit proposals and engage a contract. The "On-Call" process is simplified and has provided substantial benefits to the District.

District staff have been able to utilize these contracts effectively and efficiently to complete projects in a competitive and expeditious manner. The tasks assigned to each on-call contract are reported monthly in the As-Needed Contract Expenditures Report included in the Board Packet.

The proposal, to secure three (3) pre-qualified firms to provide on-call land surveying services, will limit the overhead associated with each individual land surveying task. For each task, staff will request a scope from all three (3) pre-qualified firms as well as issue a task order to the firm with capacity to complete the task in a timely manner and whose particular skill sets are best suited to the project.

The District will issue Assignment Letters, as required for specific services outlined in the proposed scope of services summarized below:

1. Perform land surveying services to determine value of District Capital Improvement Projects (CIP) and other District projects. Examples include, but are not limited to:
2. Perform all necessary construction staking on District CIP.
3. Perform design surveys, legal descriptions, and plat maps on District CIP.
4. Perform survey and staking of proposed easements including permanent and temporary easements.
5. Perform topographic and utility surveys as necessary on District CIP.
6. Perform computer mapping as directed by the District.
7. Prepare/revise/review legal descriptions and exhibits as directed by the District.
8. Perform research and document review and provide copies as directed by the District.

9. Prepare quitclaims describing the portion of land to be quitclaimed.
10. Research on existing easements and ordering title reports.
11. All service shall be performed in accordance with current applicable local, State, Federal, and District regulations and ordinances, including, but not limited to, the Subdivision Map Act and the Professional Land Surveyors Act.

DESCRIPTION

The District issued a Request for Proposals for On-Call Land Surveying Services on July 28, 2022. Six (6) firms responded with a proposal by September 6, 2022. Staff reviewed the proposals and evaluated them based on the Approach to Work, Firm and Team Qualifications, and Project Experience. The staff evaluation found that three (3) firms, GIS Surveyors, KDM Meridian and Right-of-Way Engineering, were the most qualified to perform on-call land surveying services for the District (Attachment 1). The proposed contract amount is \$100,000 per contract.

Once the \$100,000 contract amount is reached, staff would halt work with the consultant. Staff would then either bring an Action Item to the Board for additional funding, along with appropriate justification, or cease working with the consultant altogether.

These proposed on-call contracts were presented before the Engineering and Operations Committee on November 2, 2022. The Committee unanimously recommended Option 1.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Four: Fiscal Responsibility. By pre-qualifying three (3) land surveying professionals and executing on-call services agreements, District staff will be able to save time and effort each time a land surveying task is needed. In addition, the firms providing the on-call services will be able to provide those services with less cost due to the higher overhead involved in proposing on individual projects.

ENVIRONMENTAL

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

BOARD OPTIONS/FISCAL IMPACTS

The District staff has pre-qualified three (3) firms and recommends entering on-call services agreements in the amount of \$100,000 with each of the pre-qualified firms. The total cost to the District will be dependent on the land surveying tasks needed during the life of the agreements. Funds for this contract have been budgeted in the Engineering department and will be allocated to respective capital projects as applicable.

Option 1:


- Authorize the General Manager to execute three (3) Professional Services Agreements in the amount of \$100,000 each to GIS Surveyors, KDM Meridian and Right-of-Way Engineering.
- Make a determination that the action defined herein does not constitute a "project" as defined by CEQA.

Option 2:

- Provide other direction to staff.

STAFF RECOMMENDATION

Staff Recommends Option 1.



Chad Williams
Engineering and CIP Program Manager

12/6/2022

ATTACHMENT 1

ON-CALL LAND SURVEYING SERVICES - EVALUATIONS							
CHAD WILLIAMS	Total Possible	Dudek	GSI Surveyors	Johnson & Frank	KDM Meridian	ROW Engineering	UNICO
Approach to Work	30	28	30	18	30	26	28
Firm and Team Qualifications	35	25	28	22	32	31	25
Project Experience	35	25	28	30	32	34	30
SUM	100	78	86	70	94	91	83
MALIK TAMIMI	Total Possible	Dudek	GSI Surveyors	Johnson & Frank	KDM Meridian	ROW Engineering	UNICO
Approach to Work	30	24	28	15	26	25	27
Firm and Team Qualifications	35	20	32	20	33	31	28
Project Experience	35	25	29	25	33	34	30
SUM	100	69	89	60	92	90	85
AMANDA PARRA	Total Possible	Dudek	GSI Surveyors	Johnson & Frank	KDM Meridian	ROW Engineering	UNICO
Approach to Work	30	23	28	26	28	27	28
Firm and Team Qualifications	35	31	33	28	33	33	30
Project Experience	35	30	32	30	33	33	31
SUM	100	84	93	84	94	93	89
E&O	Total Possible	Dudek	GSI Surveyors	Johnson & Frank	KDM Meridian	ROW Engineering	UNICO
Approach to Work	30						
Firm and Team Qualifications	35						
Project Experience	35						
SUM	100	0	0	0	0	0	0
Evaluator's Scores							
CHAD		78	86	70	94	91	83
MALIK		69	89	60	92	90	85
AMANDA		84	93	84	94	93	89
E&O		0	0	0	0	0	0
RESULTS / RANKING							
Total Evaluator's Scores		231	268	214	280	274	257
Average Total Scores		77	89	71	93	91	86
		Dudek	GSI Surveyors	Johnson & Frank	KDM Meridian	ROW Engineering	UNICO
Total Score		77	89	71	93	91	86

BOARD OF DIRECTORS

December 6, 2022

SUBJECT

PRESENTATION AND ACCEPTANCE OF THE AUDIT REPORT AND FINANCIAL STATEMENTS FOR FISCAL YEAR ENDING JUNE 30, 2022

BACKGROUND

Annually, the District contracts for the preparation of an independent audit and compilation of the year-end financial statements with a Certified Public Accountant (CPA) firm. This year the District authorized for the first year a contract with Lance, Soll & Lunghard, LLP to conduct the fiscal year 21-22 annual audit.

The Government Finance Officers Association of the United States and Canada (GFOA) presented the award of Distinguished Comprehensive Annual Financial Report Presentation to Rainbow Municipal Water District for the annual finances for FY 2020 & 2021. In order to receive this award a governmental unit must publish an Annual Comprehensive Financial Report of the very highest quality that adheres to the program standards set by the GFOA. The award is valid for a period of one year only. We believe the FY 2022 Comprehensive Annual Financial Report continues to meet the program requirements and will be submitted to the GFOA to determine its eligibility for another award.

DESCRIPTION

The audited financial statements serve as a vital resource for financial information and fiscal transparency.

The annual financial report has been compiled into an Annual Comprehensive Financial Report (ACFR) for the second year. The ACFR includes three sections: 1.) Introductory Section, 2.) Financial Section, including the financial statements and notes; and 3.) Statistical Section.

The statements present a picture of the District's financial condition. The following are highlights of the District's financial condition that are depicted within the Fiscal Year 21-22 audit.

- The District had a loss from operations in the amount of \$562,639 in the current year compared to a gain from operations of \$1,157,891 in the previous year.
- Nonoperating income, net of expenses, for the current year was \$758,669 compared to \$1,945,256 for the prior year.
- Operating revenues **increased** by **\$538,563** to \$46,585,720.
- Operating expenses **increased** by **\$2,258,687** to \$47,148,359.
- The District's net position from the prior fiscal year **increased** by **\$5,434,380** or 5.7%.

- This year the District had \$17,148,578 worth of net additions to capital assets compared to \$10,092,792 last year. This increase is largely due to the meter replacement project and Rainbow Heights pump station, as well as pipeline replacement and pressure regulating stations.

There were no major audit findings for the FY 21-22. The audit received an unqualified opinion of the representation of the financial records. An unqualified opinion indicates that the financial records have been maintained in accordance with the standards known as Generally Accepted Accounting Principles (GAAP).

ATTACHMENTS

- Annual Comprehensive Financial Report FY 21-22
- Audit Communication Letter
- Audit Report on Internal Controls

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Four: Fiscal Responsibility

This audit was performed to document our practice of using Generally Accepted Accounting Principles (GAAP) that demonstrate prudent fiscal activities.

Copies of the audit are mailed to the State Controller's Office and the San Diego County Auditor & Controller. Upon request a copy of the audit will be mailed to the Special Districts Risk Management Authority.

ENVIRONMENTAL

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

BOARD OPTIONS/FISCAL IMPACTS

Board option of non-acceptance would result in no changes to the numbers presented within the audit itself.

STAFF RECOMMENDATION

Staff recommends the Board of Directors accept the June 30, 2022 audit of the District by the CPA firm of Lance, Soll & Lunghard, LLP.



Tracy Largent, CPA
Finance Manager

December 6, 2022



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Rainbow Municipal Water District
Fallbrook, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Rainbow Municipal Water District (The District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 4, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



To the Board of Directors
Rainbow Municipal Water District
Fallbrook, California

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lance, Soll & Lughard, LLP

Brea, California
November 4, 2022

DRAFT

RAINBOW

MUNICIPAL WATER DISTRICT
Committed to Excellence



Fallbrook, California
Annual Comprehensive Financial Report for the Fiscal Year Ending June 30, 2022



3707 Old Highway 395 • Fallbrook, CA 92028
(760) 728-1178 • Fax (760) 728-2575 • www.rainbowmwd.com



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year ending June 30, 2022

Current Board of Directors:

Division 1: Director Pam Moss

Division 2: Director Hayden Hamilton

Division 3: Director Miguel Gasca

Division 4: Director Bill Stewart

Division 5: Director Michael Mack

Prepared by District Finance and Administration Department:

General Manager – Tom Kennedy

Finance Manager – Tracy Largent, CPA

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RAINBOW MUNICIPAL WATER DISTRICT
 FALLBROOK, CALIFORNIA
 ANNUAL COMPREHENSIVE FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
TABLE OF CONTENTS

	<u>Page Number</u>
INTRODUCTORY SECTION	
Letter of Transmittal	i
Mission Statement & Core Values	viii
District Board of Directors and Principal Officials	x
Organizational Chart	xi
Government Finance Officers Association Certificate	xii
FINANCIAL SECTION	
INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	5
Basic Financial Statements:	
Statement of Net Position	12
Statement of Revenues, Expenses and Change in Net Position.....	15
Statement of Cash Flows	16
Notes to Basic Financial Statements	19
REQUIRED SUPPLEMENTARY INFORMATION	
Miscellaneous Risk Pool - Schedule of Proportionate Share of the Net Pension Liability	40
Miscellaneous Risk Pool - Schedule of Plan Contributions.....	42
Other Post-Employment Benefits - Schedule of Changes in the Total OPEB Liability and Related Ratios	44

RAINBOW MUNICIPAL WATER DISTRICT
 FALLBROOK, CALIFORNIA
 ANNUAL COMPREHENSIVE FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

TABLE OF CONTENTS

	<u>Page Number</u>
STATISTICAL SECTION	
Net Position by Component	48
Revenues, Expenses, and Changes in Net Position	49
Summary of Revenues, Expenses, and Changes in Net Position	50
Summary of Revenues and Expenses	51
Revenues by Source	52
Expenses by Function	53
Computation of Legal Debt Margin	54
Total Assessed Value	55
Consumption by Customer Class	56
Top Ten Water Consumers Fiscal Year 2022	57
Top Ten Water Consumers Fiscal Year 2013	59
Rate Summaries	60
Historical Water Demand and Recent Trends	62
Top 10 Employers	63
Full-Time Equivalent Employees by Department	64
Historical Turnover	65
San Diego Area Economic Summary	66
Climate and Topography	68
Map of District Service Area	69
Map of District Location	70
Map of District Commute Times	71
Sandag and Costar Submarkets	72
Sandag Projections – County Population	73
Sandag Projections – North County East/MSA5 Population	74

December 6, 2022

To our Ratepayers, the Board of Directors, and Members of the Budget & Finance Committee of Rainbow Municipal Water District:

We are pleased to present the Rainbow Municipal Water District's (RMWD, District), Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022. This document, which contains a complete set of basic financial statements, is presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. State law requires that all special-purpose local governments publish these basic financial statements within six months of the close of the agency's fiscal year. This report is published to fulfil that requirement and to provide the Board of Directors (Board), the public, and other interested parties these basic financial statements.

This report contains management's representations concerning the finances of the District. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that have been established for this purpose. These controls are designed to protect the District's assets from loss, theft, or misuse, and to ensure sufficiently reliable information for the preparation of the District's basic financial statements in conformity with GAAP. The District's internal controls have been designed to provide appropriate assurance that the basic financial statements will be free from material misstatements. There are inherent limitations in internal control; the costs associated with a control should not exceed the benefits to be derived. The objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements. As management, we assert that this financial report is complete and reliable in all material respects.

The districts basic financial statements have been audited by Lance, Soll & Lunghard, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements for fiscal year ended June 30, 2022 are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor rendered an unmodified opinion that the District's basic financial statements for the fiscal year ended June 30, 2022, are fairly presented, in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

A profile of the District is presented in the Introductory Section. In the Financial Section, Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides an overview and analysis of the basic financial statements. The letter of transmittal and introduction is designed to complement the MD&A and should be read in conjunction with it. This report includes all disclosures management believes necessary to enhance your understanding of the financial condition of the District.

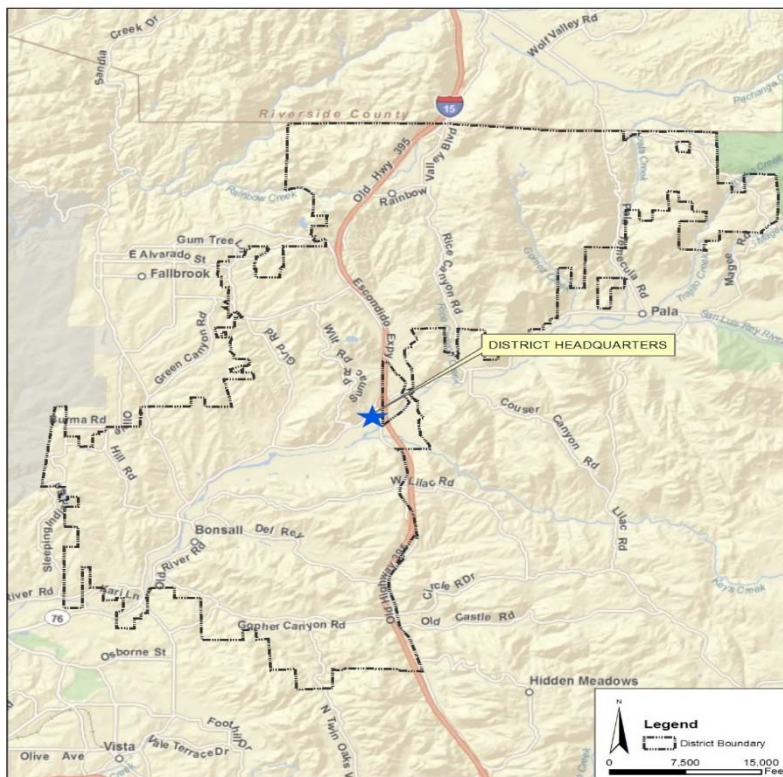


3707 Old Highway 395 • Fallbrook, CA 92028

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DISTRICT PROFILE

The Rainbow Municipal Water District was organized on December 20, 1953, under the Municipal Water District Act of 1911 (commencing with section 71000 of the California Water Code). The Board of Directors is composed of five members who are elected by divisions of the District for four-year alternating terms, with the president being elected by the Board from among its members. Advisory Committees composed of residents from all divisions of the District assist the Board in water issues and financial planning. Operation, maintenance, and administration of the system is carried out by a staff of 58.5 full time employees under the direction of the General Manager, Thomas Kennedy.



The Rainbow Municipal Water District, comprising a total area of 82 square miles, is located in northeast San Diego County, approximately two hours driving time from Los Angeles and one hour from San Diego. It is approximately 40 miles northeast of downtown San Diego, California and 90 miles southeast of the City of Los Angeles. The District shares common boundaries with Riverside County, Camp Pendleton Marine Corps Base, the unincorporated community of Fallbrook and the City of Oceanside. The District boundaries encompass the unincorporated communities of Rainbow and Bonsall, as well as portions of Pala, Fallbrook and Vista.

The principal activity of the District is the development and operation of a water transmission and distribution system capable of delivering potable water throughout the District. The District's area of service is predominantly agricultural and includes approximately 5,300 homes and a total metered service of 8,825. In addition to water service, the District provides sewerage collection and disposal service to approximately 3,237 accounts.

SERVICE AREA AND LOCAL ECONOMY

San Diego County is the second-most populous county in the state and the fifth-most populous in the United States. The District is located in the north-east region of the county and is rural in character with agriculture being the top industry within the district boundaries. The District borders the U.S. Marine Corps Base Camp Pendleton, making the District's service area a suburb for Camp Pendleton's active military and civilian-service workers as well as commuters that work to the south in San Diego and to the North in Riverside and Orange Counties. The service area's population is estimated to be 23,536 based on the 2020 census. The District's population has grown recently with the addition of housing developments. The median household income in Bonsall was \$92,774 for 2020, which is higher than the state median of \$78,672 and higher than the national average of \$64,994. Demographics for the District's service area are difficult to quantify due to the various towns and unincorporated areas covered by the District. The San Diego Association of Governments (SANDAG) projects that the County's population will approach 4.4 million residents in 2050, up from 3.3 million in 2016. The District's 2050 housing density is expected to increase slightly as housing demands increase.

DISTRICT POWERS

The District has broad general powers to perform all necessary or proper acts, including but limited to the authority to acquire, plan, construct, maintain, improve, operate and repair necessary works for the transmission and distribution of water for irrigation and other purposes and for reclamation of such water; the right of eminent domain; authority to levy taxes or, in lieu thereof, to fix and collect charges for water, including standby charges made to holders of title to land to which water may be made available, whether or not the water is actually used; authority to establish rules and regulations for the sale and distribution of water including rules for providing that water shall not be furnished to persons against whom there are delinquent water charges; authority to contract with the United States, the State and the agencies of either; and the power to join with one or more public agencies, private corporations or other persons for the purpose of carrying out any of the powers of the District.

FINANCIAL POLICIES

The District maintains certain policies that govern aspects of the District's financial management.

The District's maintains the following policies:

- Debt Management Policy – Defines the District's debt management.
- Investment Policy – Establishes permitted investments in compliance with State Code.
- Fund Balance/Reserve Policies – Set target balances for reserves and working capital.
- Capitalization Policy – Establishes the parameters for defining an operating or capital expenditure.
- Purchasing Policy – Establishes rules and limits for approval of purchases to ensure efficient buying and control of District assets.

These policies can be found on the District's website as part of the District's Administrative Code.

WATER SUPPLY OPERATIONS

Since Rainbow Municipal Water District began water service in 1954, the District's source of supply has been water purchased from the San Diego County Water Authority (SDCWA). About 66% of the water is used for agricultural purposes; all water is of domestic quality.

SDCWA is a County Authority organized on June 9, 1944 under the County Authority Act, California Statutes 1943, Chapter 545, as amended. SDCWA's primary purpose is to supply water to areas in the County for distribution to the SDCWA's member agencies in order to meet their respective needs. SDCWA's service area encompasses 1,418.2 square miles, which represents about one-half of the land acreage of the County. There are currently 24 member agencies served by the SDCWA consisting of 6 cities, 17 special districts and the US Marine Corps base at Camp Pendleton. The SDCWA receives its water from the Metropolitan Water District of Southern California, of which the Authority is a member agency. Delivery of this water is made by San Diego County Water Authority through aqueducts, all of which traverse the District.

Historically, SDCWA depended almost exclusively on water supplies imported from the Colorado River and Northern California by the Metropolitan Water District of Southern California. That changed in 2003 with the start of the largest farm-to-urban water conservation and transfer agreement in the nation with the Imperial Irrigation District, which now accounts for about one-third of San Diego County's water supply. In late 2015, the Water Authority added a new water source to its portfolio with the completion of the nation's largest seawater desalination plant in Carlsbad. Today, the Water Authority and its member agencies have identified potable reuse of recycled water as the next major source of local water supply, while continuing to aggressively promote water conservation as a civic responsibility.

The Water Authority is governed by a 36-member Board of Directors representing the 24-member agencies. A member of the San Diego County Board of Supervisors also serves as a non-voting member to the Water Authority Board.

The Metropolitan Water District is a regional wholesaler that delivers water to 26 member public agencies 14 cities, 11 municipal water districts, one county water authority which in turn provides water to more than 19 million people in Los Angeles, Orange, Riverside, San Bernardino, San Diego and Ventura counties. The Metropolitan Water District, to supplement its water supply from the Colorado River, has entered into a contract with the State of California for the delivery of water via the State Water Project. Metropolitan is governed by a 38-member board of directors who represent their respective member agencies ensuring each member agency is part of the governance of Metropolitan.

To supply the more than 300 cities and unincorporated areas in Southern California with reliable and safe water, Metropolitan owns and operates an extensive water system including: The Colorado River Aqueduct, 16 hydroelectric facilities, nine reservoirs, 819 miles of large-scale pipes and five water treatment plants. Four of these treatment plants are among the 10 largest plants in the world. In fact, Metropolitan is the largest distributor of treated drinking water in the United States. Metropolitan imports water from the Feather River in Northern California and the Colorado River to supplement local supplies. It also helps its member agencies develop water recycling, storage and other local resource programs to provide additional supplies and conservation programs to reduce regional demands.



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Metropolitan currently delivers an average of 1.7 billion gallons of water per day to a 5,200-square-mile service area.

WATER SYSTEM DESCRIPTION

RMWD's existing water distribution system is comprised of 12 major pressure zones with storage facilities. Four of the major zones are supplied directly from SDCWA aqueduct connections and the remaining major zones are supplied through pressure reducing stations or booster pump stations. In addition to the major zones, there are 30 reduced pressure areas that are supplied from the major zones through pressure reducing stations. The existing distribution system has over 320 miles of pipelines ranging in size from 4-inches to 42-inches in diameter.

WATER SYSTEM OPERATIONS

Operation of the RMWD water distribution system is very complex due to the large number of pressure zones, supply locations, and large capacity storage facilities which require frequent cycling or turnover to maintain water quality. Furthermore, the water distribution system is flexible in that supply from the eight aqueduct connections can be routed to different parts of the distribution system by making changes to several key valve settings. Reservoir water levels are connected to the RMWD Supervisory Control and Data Acquisition (SCADA) system, such that the water operators are able to monitor the system throughout the day at the water operations center.

Tank water levels in several pumped zones are operated in a fill/drain mode with water levels set low to improve the turnover rate. In addition to normal supply operations, system operators have several documented procedures for alternative supplies to zones. In the event that pump stations fail or when aqueducts are shut down for service, tanks need to be removed from service. During planned shutdowns of the SDCWA Second Aqueduct (Connections 3, 6, 7, 8, 9, and 11), water from the North and Northside Reservoirs is supplied down to the Canonita Zone through bypass valves and pressure reducing stations. The remaining zones normally supplied from the Second Aqueduct are supplied from excess storage capacity in the Morro Reservoir via temporary diesel-powered pumps.

Four portable pumps are utilized to pump water from the Morro Zone to the South Zone. Supply to the South Zone can also be supplemented from the City of Oceanside's Weese Water Filtration Plant from a portable pump. The Northside Zone, North Zone, and all zones that are pumped from the North Zone are normally supplied from Connections 1 and 10 on the First Aqueduct and Connection 9 on the Second Aqueduct. During a shutdown of both aqueducts, these zones rely on water from in-zone tank storage, the North and Northside Reservoirs, and additional supply from FPUD's Red Mountain Reservoir, which is pumped into the North Reservoir. An emergency pump station at the Beck Reservoir site can also be utilized during a shutdown of both aqueducts to supply the Canonita Zone from the Pala Mesa Zone.

WASTEWATER FACILITIES

The District provides sewerage collection and disposal service to approximately 3,059 accounts, maintains 6 lift stations and 60 miles of sewer main. On February 13, 2002, Rainbow Municipal Water District entered into a contract with the City of Oceanside, California to provide for the construction, operation,



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maintenance, and replacement of a wastewater system to service the needs of both The City and the District. The City owns the wastewater conveyance, treatment, and disposal facilities and the District has the contractual right to discharge wastewater into the City's system.

LONG RANGE PLANNING

At the April 26, 2016, Board Meeting the 2016 Water and Wastewater Master Plan Update was adopted by the Board of Directors. The purpose of the Master Plan Updates is to identify potential system deficiencies, confirm transmission main sizing and identify future capital improvement projects based on updated ultimate demand projections. The District's most recent water and wastewater master plans were prepared in 2006. There is the potential for a considerable amount of new development both within and outside the current District boundaries in the near future. The water and wastewater master plans serve as the basis for critical infrastructure decisions and capital fees. The master plans consider both existing, and ultimate, year 2030, conditions.

The District implemented a Strategic Plan in 2016 with specific Goals. It is a living document as the condition in the area of water supply and reclamation change over time. The Strategic Plan is reviewed by the Board annually along with various goals and objectives presented by staff. At intervals not to exceed five years, the Board will revisit the Mission Statement, Values, and Strategic Focus Areas to ensure that they remain aligned with the needs of the District at that time. A full update of the status of the goals and sub goals is published on the District website annually in the Budget document.

The district is in the process of implementing a strategic capital improvement plan to facilitate prioritization within the District's key focus areas: Water Pipeline Rehabilitation/Replacement, Wastewater System Upgrades/Expansion, Water System Storage, Water System Pump Stations, District Headquarter Facility, and Wholesale Water Efficiency Projects.

Wholesale Water Efficiency Projects are a major focus for the district as 100% of our water is imported through the SDCWA. Since the resolution of a lawsuit brought by North County member agencies against the San Diego County Water Authority, the two northernmost districts, Rainbow MWD and the Fallbrook Public Utilities District, have not had to pay the SDCWA transportation charge on water delivered through our direct connections to the MWD Aqueduct system. Currently, that fee is \$173 per acre foot, a substantial sum. Over the last few years, the Districts System Operators have been shifting as much of our demands to those connections as possible. Currently, about 75% of our water purchases come from these northerly MWD connections, with 100% expected by FY 2025. The transportation charge on the remaining 25% of the water amounts to about \$1 Million per year and that transportation cost is going up every year. It is in the best interest of the District's ratepayers to move as much demand as possible onto our northerly MWD connections in order to provide the same water at a lower cost. The challenge is moving water from these connections two on the east of I-15 and two on the west into the southerly service area. A key east/west connector from the Rice Canyon Tank down to the Citro development is currently in contract and will be constructed as part of that project. This pipeline will greatly increase the amount of water that can be delivered from our connection 10 east of Rice Canyon Road into the main service area in Bonsall.

The District is separately pursuing a full detachment from SDCWA and should it be successful we will rely solely on these northerly MWD connections. Savings from detachment are currently estimated at about \$7 Million per year.

AWARDS AND ACKNOWLEDGEMENTS


The District was awarded the District of Distinction Accreditation by the Special District Leadership Foundation (SDLF) for its sound governance and fiscal management practices and policies. To receive the award, a special district must undergo regular financial audits and have no major deficiencies. Board members and management staff must undergo extensive training in sound governance practices and management. Their operations must conform to all statutes and regulations under state law as reflected in a clear and robust set of policies and procedures. They must also have completed SDLF’s District Transparency Certificate of Excellence which is awarded every other year and was presented to Rainbow MWD in 2015, 2017, 2019 and 2021. To receive the Transparency Certificate of Excellence, a special district must demonstrate the completion of essential governance transparency requirements, including conducting ethics training for all board members, properly conducting open and public meetings, and filing financial transactions and compensation reports to the State Controller in a timely manner.

The Government Finance Officers Association of the United States and Canada (GFOA) presented the award of Distinguished Budget Presentation to Rainbow Municipal Water District for the annual budget for the fiscal year beginning July 1, 2021. In order to receive this award a governmental unit must publish a budget document of the very highest quality that adheres to the program standards set by the GFOA. The award is valid for a period of one year only. We believe the FY 2023 budget continues to meet the program requirements and will be submitted to the GFOA to determine its eligibility for another award.

The Government Finance Officers Association of the United States and Canada (GFOA) presented the award of Distinguished Annual Comprehensive Financial Report Presentation to Rainbow Municipal Water District for the annual finances for the fiscal years 2020 & 2021. In order to receive this award a governmental unit must publish an Annual Comprehensive Financial Report of the very highest quality that adheres to the program standards set by the GFOA. The award is valid for a period of one year only. We believe the FY 2022 Annual Comprehensive Financial Report continues to meet the program requirements and will be submitted to the GFOA to determine its eligibility for another award.

We would like to thank the Board of Directors for providing the direction and support necessary for the preservation of the District’s internal controls, financial sustainability, and high standard of financial management.


Tom Kennedy
General Manager


Tracy Largent, CPA
Finance Manager

RAINBOW MUNICIPAL WATER DISTRICT MISSION STATEMENT & CORE VALUES



“To provide our customers reliable, high quality water and water reclamation service in a fiscally sustainable manner.”

Background

RMWD’s adopted Strategic Plan’s strategic focus area of Workforce Development calls for the implementation of cost-effective employee recognition programs to acknowledge performance, encourage development and improve morale.

The Operations Manager, Human Resources Manager, and Administrative Analyst partnered to design a program that would not only increase pride in serving the District, but also use the design of the coins to reinforce the District’s newly articulated values and strategic focus areas. The program will give employees the ability to recognize one another for performance and behaviors in alignment with these goals.

Overview of the Excellence Coin Program

The program includes a series of six Excellence Coins, each designed to symbolize a particular District focus area. The first coin in the series “Commitment to Excellence” will be issued to all new employees, Board Members, and Citizen Committee members upon joining the District as a tangible welcome gift and reminder of our purpose. Each of the remaining coins will only be issued after nomination and selection by management or peer employee groups.



Innovation:

We realize that good ideas can come from many sources, and we continually encourage new and better ways of doing our work. Our goal is not innovation for innovation's sake, but for finding ways to improve service and lower costs.



Integrity:

We believe in openness, trust, ethics and transparency. We practice direct and honest communication in all of our day-to-day interactions.



Professionalism:

We have open and respectful communication and interactions, both internally and with our customers. Our employees will always exhibit professionalism in all of their day-to-day interactions.



Responsibility:

Individual and organizational responsibility and accountability for accomplishing the District's mission is a core value. We focus on doing our work in an efficient, reliable, and cost-



Teamwork:

Our focus is on supporting one another to collectively be our best. We encourage communication and collaboration. We focus on quality and have pride in the work we do in service to our customers.

RAINBOW MUNICIPAL WATER DISTRICT OFFICIALS



**Hayden Hamilton
President**



Miguel Gasca - Vice President



Pam Moss - Director



Michael Mack - Director



Bill Stewart - Director



**Tom Kennedy
General Manager**



**Tracy Largent
Finance Manager**



**Robert Gutierrez
Operations Manager**



**Ahmed Khattab
IT Manager**



**Karleen Harp
HR Manager**



**Chad Williams
Engineering & CIP Manager**

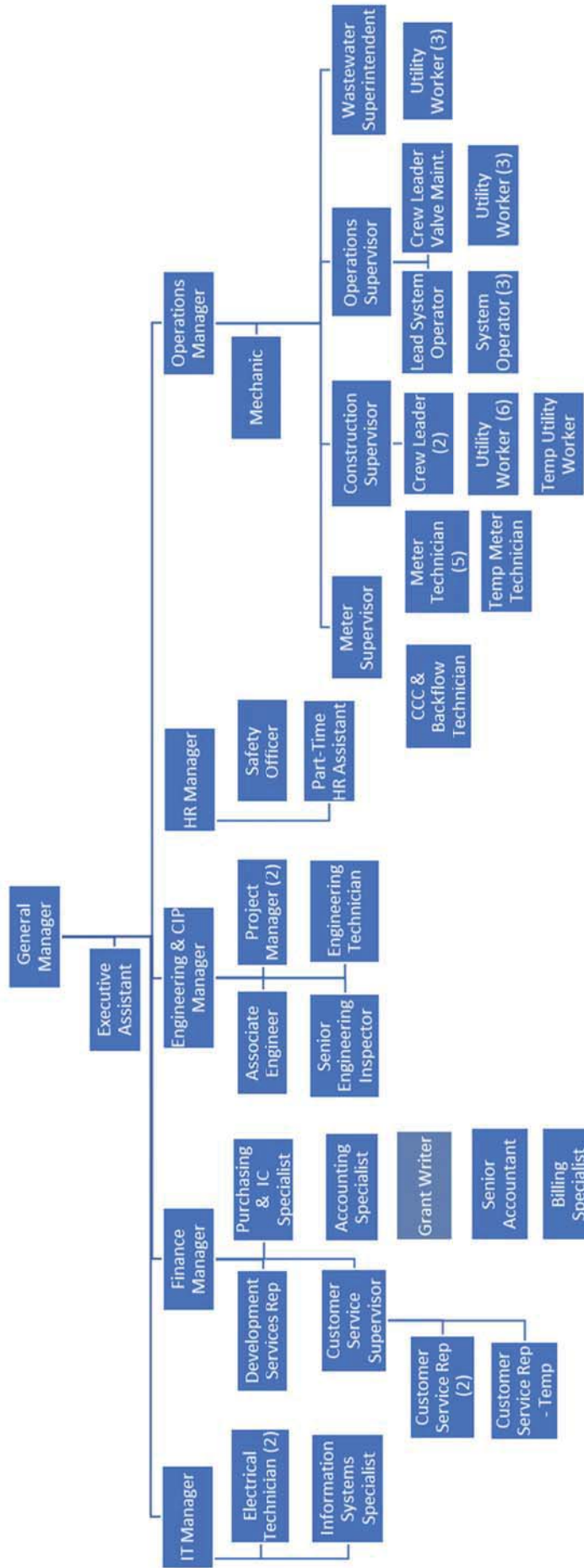


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RAINBOW MUNICIPAL WATER DISTRICT ORGANIZATIONAL CHART

58.5 FTE'S





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Rainbow Municipal Water District
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Rainbow Municipal Water District
Fallbrook, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of Rainbow Municipal Water District (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2022, and the changes in financial position and, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Standards for California Special Districts. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*,



To the Board of Directors
Rainbow Municipal Water District
Fallbrook, California

and the State Controller's Minimum Audit Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the State Controller's Minimum Audit Standards we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Responsibilities

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of proportionate share of the net pension liability, the schedule plan contributions, and the schedule of changes in the total other post-employment benefits (OPEB) liability as listed on the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



To the Board of Directors
Rainbow Municipal Water District
Fallbrook, California

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Lance, Soll & Lughard, LLP". The signature is written in a cursive, flowing style.

Brea, California
November 4, 2022

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**RAINBOW MUNICIPAL WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022**

As management of the Rainbow Municipal Water District (the District), we offer the readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with the District's basic financial statements, which begin immediately following this analysis. This annual financial report consists of three main parts (1) Management's Discussion and Analysis, (2) Basic Financial Statements, and (3) Required Supplemental Information.

The financial statements consist of a series of financial statements prepared in accordance with the Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - Management Discussion and Analysis for State and Local Governments*.

FINANCIAL HIGHLIGHTS

The District's ending net position was \$101,510,684.

The change in net position for the fiscal year was an increase of \$5,434,380.

The District had a **loss** from operations in the amount of \$562,639 in the current year compared to a **gain** from operations of \$1,157,891 in the previous year. Nonoperating income, net of expenses, for the current year was \$758,669 compared to \$1,945,256 for the prior year.

This year the District had \$16,172,496 worth of net additions to capital assets compared to \$10,092,792 last year. This increase is largely due to the meter replacement project and Rainbow Heights pump station, as well as pipeline replacement and pressure regulating stations.

The District secured financing \$9.75M at 4.02% in FY 2022. The financing will be used to upgrade pump stations in order to save on the Transportation costs charged by the San Diego County Water Authority (SDCWA). Over the past five years, the District has been assessing a group of projects, referred to by staff as the Wholesale Water Efficiency Projects. These projects will eliminate the \$173 per acre foot transportation cost charged for water from the SDCWA. They will also eliminate the need for temporary pump rental and setup during both planned and emergency SDCWA shutdowns, improve redundancy during shutdowns, increase efficiency in moving water from the District's northern to southern zones and from the Morro area and eliminate noisy pumps and fuel tanks sitting beside the road or near residential areas.

The current debt and capital asset balances can be found in the notes to these financial statement.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's financial statements.

**RAINBOW MUNICIPAL WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022**

OVERVIEW OF FINANCIAL STATEMENTS (continued)

Financial Statements. The financial statements of the District are reported using accounting methods similar to those used by companies in the private sector. These statements offer short-term and long-term financial information about its activities.

The *Statement of Net Position*, presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Revenues, Expenses and Changes in Net Position*, presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The *Statement of Cash Flows* provides information regarding the District's cash receipts and cash disbursements during the year. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities and provides answers to such questions as where cash came from, what was cash used for, and what was the change in cash balance during the reporting period.

The *Notes to the Basic Financial Statements* are included to provide more detailed data and explain some of the information in the statements.

DISTRICT'S FINANCIAL ANALYSIS

Our analysis of the District begins on page 7 of the financial statements. One of the most important questions to ask about the District's finances is "Whether the District, as a whole, is better off or worse off as a result of the year's activities?" The Statement of Net Position, and the Statement of Revenues, Expenses and Changes in Net Position report information about the District's activities in a way that will help answer this question. Measuring the change in the District's net position - the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources - is one way to measure financial health. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. However, one will need to consider other non- financial factors such as changes in economic conditions, population growth, zoning, and new or changed government legislation.

The District's net position from the prior fiscal year increased by \$5,434,380 or 5.7%. Operating revenue for this fiscal year increased \$538,157 or 1.2% compared to the prior year.

Operating expenses increased by \$2,258,687 or 5% from the prior year as a result of the increase

**RAINBOW MUNICIPAL WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022**

DISTRICT'S FINANCIAL ANALYSIS (continued)

in inflation and fuel costs. Non-operating revenue decreased by \$436,219 due mainly to Investment returns decreasing. Non-operating expenses increased by \$750,368 due to Interest and Investment expense.

Statement of Net Position

To begin our analysis, a summary of the District's Condensed Statement of Net Position is presented in Table 1 for the current year and the prior year.

Net Position is the difference between assets acquired, owned, and operated by the District and amounts owed (liabilities). In accordance with Generally Accepted Accounting Principles (GAAP), capital assets acquired through purchase or construction by the District are recorded at historical cost. Capital assets contributed by developers are recorded at developers' bonded cost. Net Position represents the District's net worth including, but not limited to, capital contributions received to date and all investments in capital assets since inception.

Net position may serve over time, as a useful indicator of a District's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$101,510,684 as of June 30, 2022.

The fiscal year 2022 Net Pension Liability had a decrease of \$3,733,259 compared to fiscal year 2021. Net Pension Liability is reported at \$4,425,021 for fiscal year 2022 and it is based on the District's proportionate share of the net pension liability for the Miscellaneous Classic and PEPRA plans under the CalPERS retirement program. The District's Net Pension Liability was \$8,158,280 and \$7,527,597 for fiscal years 2021 and 2020, respectively. Actuarial reporting for pension liabilities are always one year behind, so this significant decrease in liability is due to the favorable market conditions in FY21.

The District's financial position is the product of several financial transactions including the net results of revenue and expense, the acquisition and disposal of capital assets, and the depreciation of capital assets.

**RAINBOW MUNICIPAL WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022**

DISTRICT'S FINANCIAL ANALYSIS (continued)

**Table 1
Condensed Statement of Net Position**

Table 1 Condensed Statement of Net Position							
Assets	FY 2022		FY 2021		\$ Change	% Change	
Current Assets	\$	31,203,197	\$	36,522,450	(5,319,253)	-14.6%	
Capital Assets		117,137,221		99,988,644	17,148,577	17.2%	
Total Assets		148,340,418		136,511,094	11,829,324	8.7%	
Deferred Outflows of Resources		1,753,248		1,399,815	353,433	25.2%	
Liabilities							
Current Liabilities		10,326,885		9,817,228	509,657	5.2%	
Noncurrent Liabilities		33,543,896		31,447,152	2,096,744	6.7%	
Total Liabilities		43,870,781		41,264,380	2,606,401	6.3%	
Deferred Inflows of Resources		4,712,201		570,225	4,141,976	726.4%	
Net Position							
Net Investment in Capital Assets		87,086,283		78,817,091	8,269,192	10.5%	
Restricted for Capital Projects		629,599		7,312,691	(6,683,092)	-91.4%	
Restricted for Debt Service		850,130		822,428	27,702	3.4%	
Unrestricted		12,944,672		9,124,094	3,820,578	41.9%	
Total Net Position	\$	101,510,684	\$	96,076,304	\$	5,434,380	5.7%

Statement of Revenues, Expenses and Changes in Net Position

The District's total operating revenues for the fiscal year ended June 30, 2022, excluding inter-fund transfers, increased by \$538,563 to \$46,585,720. This was primarily due to increased demand during a drier than usual winter and spring.

The District's total operating expenses increased by \$2,258,687 to \$47,148,359 as a result of the increase in inflation and fuel costs.

The loss from operations was \$562,639 compared to a \$1,157,891 gain in the prior year. Nonoperating income for the current year was \$758,669 compared to \$1,945,256 for the prior year.

**RAINBOW MUNICIPAL WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022**

DISTRICT'S FINANCIAL ANALYSIS (continued)

The following table presents a summary of the Statement of Revenues, Expenses, and Changes in Net Position for the fiscal year ended June 30, 2022:

**Table 2
Condensed Statement of Revenues, Expenses & Changes in Net Position**

	FY 2022	FY 2021	\$ Change	% Change
Operating Revenues	\$ 46,585,720	\$ 46,047,563	\$ 538,157	1.2%
Operating Expenses	(47,148,359)	(44,889,672)	(2,258,687)	5.0%
Non-operating Revenues	2,080,876	2,517,095	(436,219)	-17.3%
Non-operating Expenses	(1,322,207)	(571,839)	(750,368)	131.2%
Loss Before Capital Cont	196,030	3,103,147	(2,907,117)	-93.7%
Capital Contributions	5,238,350	4,804,501	433,849	9.0%
Change in Net Position	5,434,380	7,907,648	(2,473,268)	-31.3%
Total Net Position (Beg)	96,076,304	88,168,656	7,907,648	9.0%
Net Position (Beg) Restated	96,076,304	88,168,656	7,907,648	9.0%
Total Net Position, End	\$ 101,510,684	\$ 96,076,304	\$ 5,434,380	5.7%

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

**Table 3
Changes in Capital Assets**

	FY 2022	FY 2021	\$ Change	% Change
Land	\$ 3,202,675	\$ 1,977,490	\$ 1,225,185	62.0%
Construction in Progress	16,265,605	16,319,412	(53,807)	-0.3%
Buildings & Improvements	7,224,994	1,083,174	6,141,820	567.0%
Reservoirs, Pipelines, & Tanks	155,424,608	154,424,398	1,000,210	0.6%
Meters	6,230,061	1,352,996	4,877,065	360.5%
Equipment	10,755,661	5,104,639	5,651,022	110.7%
Invest in Sewer Rights	9,775,522	9,396,317	379,205	4.0%
Less: Accumulated Depreciation	(91,741,905)	(89,669,782)	(2,072,123)	2.3%
Total Capital Assets	\$ 117,137,221	\$ 99,988,643	\$ 17,148,578	17.2%

**RAINBOW MUNICIPAL WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022**

DISTRICT'S FINANCIAL ANALYSIS (continued)

Debt

**Table 4
Changes in Debt**

		FY 2022		FY 2021		\$ Change	% Change
Loan Payable Morro	\$	7,134,610	\$	7,607,547	\$	(472,937)	-6.2%
Loan Payable Beck		5,383,621		5,740,488		(356,867)	-6.2%
Lease Purchase Agreement		3,494,833		4,017,747		(522,914)	-13.0%
Installment Purchase Contract		3,311,792		3,805,771		(493,979)	-13.0%
Western Alliance		9,750,000		-		9,750,000	100.0%
Total Debt	\$	29,074,856	\$	21,171,553	\$	7,903,303	37.3%

For more information, please refer to the detail information on long-term debt activity and capital asset activity in the notes to the financial statements.

FACTORS BEARING ON THE DISTRICT'S FUTURE

The District's Board of Directors and management considered many factors when setting the fiscal year 2022 budget, user fees, and charges. These indicators were taken into consideration when adopting the District's budget for year 2023.

CONTACTING THE DISTRICT

Questions regarding this report should be directed to Tom Kennedy, General Manager, or Tracy Largent, Finance Manager, at (760) 728-1178, or by mail at 3707 Old Highway 395, Fallbrook, California 92028.

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RAINBOW MUNICIPAL WATER DISTRICT

STATEMENT OF NET POSITION
JUNE 30, 2022

Assets:

Current Assets:

Cash and cash equivalents	\$ 9,250,854
Restricted cash and cash equivalents	1,529,729
Investments	10,108,985
Accounts receivable - water and sewer, net	7,435,709
Interest receivable	26,999
Taxes and assessments receivable	13,892
Other receivable	53,961
Inventories	2,565,463
Prepaid costs	217,605
Total Current Assets	<u>31,203,197</u>

Noncurrent Assets:

Capital assets:

Land	3,202,675
Construction in progress	16,265,605
Buildings and improvements	7,224,994
Reservoir, pipelines, and tanks	155,424,608
Meters	6,230,061
Equipment	10,755,661
Investment in sewer rights	9,775,522
Less: accumulated depreciation	<u>(91,741,905)</u>
Total Noncurrent Assets	<u>117,137,221</u>
Total Assets	<u>148,340,418</u>

Deferred Outflows of Resources:

Deferred amounts from pension	<u>1,753,248</u>
Total Deferred Outflows of Resources	<u>1,753,248</u>

The notes to financial statements are an integral part of this statement.

RAINBOW MUNICIPAL WATER DISTRICT

STATEMENT OF NET POSITION
JUNE 30, 2022

Liabilities:

Current Liabilities:

Accounts payable	7,052,500
Accrued expenses	156,117
Construction meter deposits	51,101
Developer deposits	496,256
Accrued interest	95,266
Unearned revenues	189,940
Compensated absences, current portion	57,880
Current portion of notes payable	2,227,825
Total Current Liabilities	10,326,885

Noncurrent Liabilities:

OPEB liability	606,811
Accrued compensated absences	520,923
Net pension liability	4,425,021
Prepaid capacity fees	1,144,110
Notes payable, net of current portion	26,847,031
Total Noncurrent Liabilities	33,543,896

Total Liabilities

43,870,781

Deferred Inflows of Resources:

Deferred amounts on pension	4,712,201
Total Deferred Inflows of Resources	4,712,201

Net Position:

Net investment in capital assets	87,086,283
Restricted for capital projects	629,599
Restricted for debt service	850,130
Unrestricted	12,944,672
Total Net Position	\$ 101,510,684

The notes to financial statements are an integral part of this statement.

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RAINBOW MUNICIPAL WATER DISTRICT

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022**

Operating Revenues:	
Water sales	\$ 42,755,152
Wastewater revenue	3,033,548
Other operating revenue	797,020
Total Operating Revenues	46,585,720
Operating Expenses:	
Cost of purchased water	26,032,842
Board of directors	39,167
Pumping	823,211
Operations	2,885,796
Valve maintenance	369,799
Distribution	2,712,092
Meters	1,407,560
Garage	597,385
Administration	1,926,423
Human Resources	302,789
Risk management	893,995
Information technology	1,267,456
Finance	926,496
Customer Service	624,732
Wastewater	2,653,350
Engineering	1,131,446
Depreciation	2,394,211
Other operating expense	159,609
Total Operating Expenses	47,148,359
Operating Income (Loss)	(562,639)
Nonoperating Revenues (Expenses):	
Property tax revenue	720,383
Investment income	(666,174)
Other nonoperating revenue	371,411
Interest expense	(656,033)
Grant revenue	989,082
Total Nonoperating Revenues (Expenses)	758,669
Income before Capital Contributions	196,030
Capital contributions	5,238,350
Change in Net Position	5,434,380
Net Position, Beginning of Year	96,076,304
Net Position, End of Year	\$ 101,510,684

The notes to financial statements are an integral part of this statement.

RAINBOW MUNICIPAL WATER DISTRICT

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022**

Cash Flows from Operating Activities:	
Cash received from customers	\$ 46,989,575
Cash paid to suppliers for goods and services	(37,242,983)
Cash paid to employees for services	(8,111,267)
Net Cash Provided by Operating Activities	<u>1,635,325</u>
Cash Flows from Non-Capital Financing Activities:	
Property taxes received	709,738
Grants received	989,082
Net Cash Provided by Non-Capital Financing Activities	<u>1,698,820</u>
Cash Flows from Capital and Related Financing Activities:	
Proceeds from debt issuance	9,750,000
Acquisition and construction of capital assets	(13,328,356)
Principal paid on capital debt	(1,846,697)
Interest paid on capital debt	(560,767)
Other nonoperating	(1,197,857)
Net Cash (Used for) Capital and Related Financing Activities	<u>(7,183,677)</u>
Cash Flows from Investing Activities:	
Sales of investments	2,573,978
Interest received on investments	(633,543)
Net Cash Provided by Investing Activities	<u>1,940,435</u>
Net (Decrease) in Cash and Cash Equivalents	(1,909,097)
Cash and Cash Equivalents at Beginning of Year	<u>12,689,680</u>
Cash and Cash Equivalents at End of Year	<u>\$ 10,780,583</u>
Reconciliation of Cash and Cash Equivalents to Amounts Reported on the Statement of Net Position:	
Cash and cash equivalents	\$ 9,250,854
Restricted cash and cash equivalents	<u>1,529,729</u>
Cash and Cash Equivalents, June 30	<u>\$ 10,780,583</u>

The notes to financial statements are an integral part of this statement.

RAINBOW MUNICIPAL WATER DISTRICT

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

**Reconciliation of Operating Income to Net Cash
Provided by Operating Activities:**

Operating income (loss)	\$ (562,639)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	2,394,211
(Increase)/Decrease in accounts receivable - water and sewer, net	602,746
(Increase)/Decrease in other receivable	(45,943)
(Increase)/Decrease in inventories	(162,724)
(Increase)/Decrease in prepaid costs	420,113
Increase/(Decrease) in accounts payable	(563,323)
Increase/(Decrease) in accrued expenses	(224,610)
Increase/(Decrease) in unearned revenue	(131,996)
Increase/(Decrease) in deposits	(20,952)
Increase/(Decrease) in compensated absences	(19,391)
Increase/(Decrease) in OPEB obligation	(105,451)
Increase/(Decrease) in pension obligation	55,284
Total Adjustments	<u>2,197,964</u>
Net Cash Provided by Operating Activities	<u>\$ 1,635,325</u>

Non-Cash Investing, Capital, and Financing Activities:

Capital contributions	\$ 5,238,350
Unrealized loss on investments	(811,949)

The notes to financial statements are an integral part of this statement.

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RAINBOW MUNICIPAL WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies

a. Organization

The Rainbow Municipal Water District (the "District") was established in 1953 and is a Special District, organized under Section 71000 of the California Water Code. The District provides water and sanitation services to the unincorporated communities of Rainbow, Bonsall, and portions of Vista, Oceanside, and Fallbrook.

The District services and maintains approximately 315 miles of water main, 7 pump stations, 4 reservoirs, and 13 storage tanks to deliver water to its customers. It also provides sewer services to parts of the District and maintains 6 lift stations and 60 miles of sewer main located in northern San Diego County.

The District is governed by a Board of Directors made up of five members elected by the voters within the District.

b. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied. The accompanying financial statements are reported using the economic resources measurement focus, and the accrual basis of accounting. Under the economic measurement focus all assets and liabilities (whether current or noncurrent) associated with these activities are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The District distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering water in connection with the District's principal ongoing operations. The principal operating revenues of the District are charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Capital contributions are reported as a separate line item in the Statement of Revenues, Expenses and Changes in Net Position.

When both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

RAINBOW MUNICIPAL WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED) FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

The basic financial statements of the Rainbow Municipal Water District have been prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for governmental accounting financial reporting purposes.

Net position of the District is classified into three components: (1) net investment in capital assets, (2) restricted net position, and (3) unrestricted net position. These classifications are defined as follows:

Net Investment in Capital Assets

This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of notes or borrowings that are attributable to the acquisition of the asset, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets.

Restricted Net Position

This component of net position consists of net position with constrained use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

This component of net position consists of net position that does not meet the definition of "net investment in capital assets," or "restricted net position".

c. Deferred Outflows/Inflows of Resources:

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until that time. The District has the following items that qualify for reporting in this category:

- Deferred outflow related to pensions for employer contributions made after the measurement date of the net pension liability.
- Deferred outflow related to pensions for changes in proportion. This amount is amortized over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions through the Plans determined as of June 30, 2022.

RAINBOW MUNICIPAL WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED) FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

- Deferred outflow related to pensions for differences between expected and actual experiences. This amount is amortized over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions through the Plans determined as of June 30, 2022.
- Deferred outflow related to pensions resulting from the difference in projected and actual earnings on investments of the pension plan fiduciary net position. This amount is amortized over five years.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The District has the following that will qualify for reporting in this category:

- Deferred inflow related to pensions changes in actuarial assumptions. This amount is amortized over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions through the Plans determined as of June 30, 2022.
- Deferred inflow from pensions resulting from the differences between employer contributions and proportionate share of contributions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plans.

d. Cash, Cash Equivalents, and Investments

Cash and cash equivalents

For purposes of the statement of cash flows, cash and cash equivalents include petty cash, demand deposits with financial institutions, deposits in money market mutual funds (SEC registered), and deposits in external investment pools, and marketable securities that mature within 90 days of purchase. Such marketable securities and deposits in money market funds are carried at fair value. Investment pool deposits are carried at the District's proportionate share of the fair value of each pool's underlying portfolio.

State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

RAINBOW MUNICIPAL WATER DISTRICT

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Note 1: Summary of Significant Accounting Policies (Continued)

Investment Valuation

Investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

e. Water Sales

Water sales revenue is recorded when water is delivered and service is rendered, including an estimated amount for unbilled service.

f. Allowance for Doubtful Accounts

The District recognizes bad debt expense relating to receivables when it is probable that the accounts will be uncollectible. Water and sewer accounts receivable at June 30, 2022, have been reduced by an allowance for doubtful accounts of \$275,646.

g. Inventories

Materials inventory is stated at the lower of current average cost or market. Water inventory is stated at its purchase cost using the first-in, first-out method.

h. Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses.

i. Restricted Assets

Amounts shown as restricted assets have been restricted by debt agreements, by law or regulations, or by contractual obligations to be used for specified purposes, such as service of debt and construction of capital assets.

j. Capital Assets and Depreciation

Capital assets are valued at cost when constructed or purchased. Donated assets, donated works of art and similar assets, and capital assets received in a service concession arrangement are valued at their acquisition value at the date of acquisition. The District capitalizes all assets with a historical cost of at least \$10,000 and a useful life of more than one year. The cost of normal maintenance and repairs that do not add to the value of assets or materially extend asset lives are not capitalized. Depreciation on capital assets in service, excluding land, is computed using the straight-line method over the estimated useful lives of such assets and is reported as an operating expense. Capital projects are subject to depreciation or amortization when completed and placed in service. The ranges of estimated useful lives of capital assets are as follows:

Buildings	10-50 years
Water Systems	10-50 years
Improvement of Sites	10-75 years
Equipment	5-15 years
Capacity Rights	17 years

RAINBOW MUNICIPAL WATER DISTRICT

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Note 1: Summary of Significant Accounting Policies (Continued)

k. Compensated Absences

Vested or accumulated vacation and sick leave is recorded as an expense and liability as benefits accrue to employees. Changes in compensated absences for the year ended June 30, 2022, were as follows:

<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2022</u>	<u>Due Within One Year</u>
\$ 598,194	\$ 699,108	\$ 718,499	\$ 578,803	\$ 57,880

l. Capital Contributions and Capacity Fee Liability

Capital contributions are recorded when the District receives cash contributions or accepts contributions of capital assets in kind or when governmental construction grants are earned. Capital contributions are reported as a separate line item on the Statement of Revenues, Expenses, and Changes in Net Position. Capacity fees are paid by new customers prior to connecting to the District’s system. Such charges are periodically adjusted based upon changes in construction costs and other factors and are intended to compensate the District for a new customer’s equitable share of current and future system capacity. Capacity fees are reflected as a liability and are recorded as Capital Contributions on the Statement of Revenues, Expenses, and Changes in Net Position when the customer connects to the District’s system.

m. Property Taxes

The County of San Diego (the “County”) bills and collects property taxes on behalf of the District. The County’s tax calendar year is July 1 to June 30. Property taxes attach as a lien on property on January 1. Taxes are levied on July 1 and are payable in two equal installments on November 1 and February 1, and become delinquent after December 10 and April 10, respectively.

n. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District’s California Public Employees’ Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB Statement No. 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. As of June 30, 2022, the following timeframes are used:

Valuation Date (VD): June 30, 2020

Measurement Date (MD): June 30, 2021

Measurement Period (MP): July 1, 2020 to June 30, 2021

RAINBOW MUNICIPAL WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED) FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

o. Other Post-Employment Benefits

For purposes of measuring the total other post-employment benefits (OPEB) liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's OPEB Plan and additions to/deductions from the OPEB Plans' fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the District's OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

p. Interest Expense

The District incurs interest charges on long-term debt. Interest expense for the year ended June 30, 2022, was \$656,033 and was reflected as nonoperating on the Statement of Revenues, Expenses and Changes in Net Position. The District did not capitalize any interest during the year ended June 30, 2022.

q. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

r. Implementation of New Accounting Pronouncement

The District adopted GASB Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The District did not have leases meeting the qualifying criteria and no restatement to implement GASB 87 was necessary.

RAINBOW MUNICIPAL WATER DISTRICT

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Note 2: Cash, Cash Equivalents, and Investments

Cash and investments at June 30, 2022, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Current Assets:

Cash and Cash Equivalents	\$ 9,250,854
Restricted Cash and Cash Equivalents	1,529,729
Investments	<u>10,108,985</u>
Total Cash and Investments	<u>\$ 20,889,568</u>

Cash and Investments Consist of the Following:

Cash on Hand	\$ 500
Deposits with Financial Institutions	9,102,378
Investments	<u>11,786,690</u>
Total Cash and Investments	<u>\$ 20,889,568</u>

Investments Authorized by the California Government Code and the District's Investment Policy:

The table below identifies the investment types that are authorized for the District by the California Government Code (or the District's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District's investment policy.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
U.S. Treasury Obligations	5 years	None	None
U.S. Government Sponsored Entities	5 years	None	None
U.S. Government Agency Callable	5 years	75%	None
Banker's Acceptances	180 days	40%	5%
Commercial Paper	270 days	15%	5%
Negotiable Certificates of Deposit	5 years	30%	5%
Time Certificates of Deposit	5 years	25%	5%
Repurchase Agreements	90 days	None	5%
Medium-Term Notes	5 years	30%	15%
Money Market Mutual Funds	N/A	20%	None
Local Agency Investment Funds	N/A	100%	\$30,000,000

RAINBOW MUNICIPAL WATER DISTRICT

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Note 2: Cash, Cash Equivalents, and Investments (Continued)

Investments Authorized by Debt Agreements:

Investment of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the District's investment policy. Investments authorized for funds held by bond trustees include US Treasury Bills, Notes and Bonds, US Treasury Obligations, Resolution Funding Corp (REFCORP), Prefunded Municipal Bonds, US Government-Sponsored Agency Securities, Commercial Paper, Money Market Mutual Funds, Certificates of Deposits, Guaranteed Investment Contracts, Banker's Acceptance, Repurchase Agreements, and Local Agency Investment Funds. There are no limitations on the maximum amount that can be invested in one issuer, maximum percentage allowed, or the maximum maturity of an investment, except for the maturity of Banker's Acceptances, which are limited to one year and Repurchase Agreements, which are limited to 30 days.

Disclosures Relating to Interest Rate Risk:

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter-term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity at June 30, 2022.

Investment	Type Total	Remaining Maturity (in Months)		
		12 Months or Less	13 to 24 Months	25 to 60 Months
Local Agency Investment Fund (LAIF)	\$ 147,975	\$ 147,975	\$ -	\$ -
Money Market Mutual Funds	1,617,651	1,617,651	-	-
Negotiable Certificates of Deposit	2,331,174	240,844	240,076	1,850,254
Medium Term Notes	2,656,760	-	-	2,656,760
U.S. Sponsored Entities	5,033,130	200,032	693,653	4,139,445
Total	<u>\$ 11,786,690</u>	<u>\$ 2,206,502</u>	<u>\$ 933,729</u>	<u>\$ 8,646,459</u>

Disclosures Relating to Credit Risk:

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the District's Investment Policy, or debt agreements, and the Moody's rating for each investment type at June 30, 2022.

RAINBOW MUNICIPAL WATER DISTRICT

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Note 2: Cash, Cash Equivalents, and Investments (Continued)

Investment Type	Total	Minimum Legal Rating	Moody's Ratings as of June 30				
			Exempt from Disclosure	Aaa	Aa1-Aa3	A1 - A3	Not Rated
Local Agency Investment Fund (LAIF)	\$ 147,975	N/A	\$ -	\$ -	-	\$ -	\$ 147,975
Money Market Mutual Funds	1,617,651	N/A	-	-	-	-	1,617,651
Negotiable Certificates of Deposit	2,331,174	N/A	-	-	-	-	2,331,174
Medium-Term Notes	2,656,760	A2	-	-	455,985	2,200,775	-
U.S. Sponsored Entities	5,033,130	N/A	5,033,130	-	-	-	-
Total	\$ 11,786,690		\$ 5,033,130	\$ -	\$ 455,985	\$ 2,200,775	\$ 4,096,800

Concentration of Credit Risk:

The investment policy of the District is in accordance with limitations on the amount that can be invested in any one issuer as stipulated by the California Government Code. There were no investments held on June 30, 2022 in any one issuer that represent 5% or more of total District investments, except for the Local Agency Investment Fund and mutual funds which are exempt from this stipulation.

Custodial Credit Risk:

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy

requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2022, \$8,852,378 of the District's deposits with financial institutions in excess of the Federal insurance limits were held in collateralized accounts.

Fair Value Measurements:

The District categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are quoted prices for similar assets in active markets, and Level 3 inputs are significant unobservable inputs. At June 30, 2022, all investments held by the District are valued using Level 2 inputs, with the exception of the Local Agency Investment Fund and money market mutual funds, which are measured at cost or net asset value and are considered uncategorized.

RAINBOW MUNICIPAL WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED) FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 3: Capital Assets

Changes in capital assets for the year ended June 30, 2022, were as follows:

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022
Capital Assets, Not Being Depreciated:				
Land	\$ 1,977,490	\$ 1,225,185	\$ -	\$ 3,202,675
Construction in Progress	16,319,412	16,451,171	16,504,978	16,265,605
Total Capital Assets Not Being Depreciated	<u>18,296,902</u>	<u>17,676,356</u>	<u>16,504,978</u>	<u>19,468,280</u>
Capital Assets, Being Depreciated:				
Buildings and Improvements	1,083,174	6,141,820	-	7,224,994
Reservoirs Pipelines, and Tanks	154,424,398	1,000,210	-	155,424,608
Meters	1,352,996	4,877,065	-	6,230,061
Equipment	5,104,639	5,973,110	322,088	10,755,661
Investment in Sewer Rights	9,396,317	379,205	-	9,775,522
Total Capital Assets, Being Depreciated	<u>171,361,524</u>	<u>18,371,410</u>	<u>322,088</u>	<u>189,410,846</u>
Accumulated Depreciation:				
Buildings and Improvements	(954,523)	(33,176)	-	(987,699)
Reservoirs Pipelines, and Tanks	(82,610,883)	(1,902,450)	-	(84,513,333)
Meters	(637,859)	(79,789)	-	(717,648)
Equipment	(3,745,946)	(220,906)	(322,088)	(3,644,764)
Investment in Sewer Rights	(1,720,571)	(157,890)	-	(1,878,461)
Total Accumulated Depreciation	<u>(89,669,782)</u>	<u>(2,394,211)</u>	<u>(322,088)</u>	<u>(91,741,905)</u>
Total Capital Assets, Being Depreciated, Net	<u>81,691,742</u>	<u>15,977,199</u>	<u>-</u>	<u>97,668,941</u>
Total Capital Assets, Net	<u>\$ 99,988,644</u>	<u>\$ 33,653,555</u>	<u>\$ 16,504,978</u>	<u>\$ 117,137,221</u>

Depreciation expense for depreciable capital assets was \$2,394,211 for the year ended June 30, 2022.

Note 4: Long Term Debt

Changes in long-term debt for the year ended June 30, 2022 were as follows:

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year
Direct Borrowings:					
Loan Payable SRF Morro	\$ 7,607,547	\$ -	\$ (472,937)	\$ 7,134,610	\$ 482,888
Loan Payable SRF Beck	5,740,488	-	(356,867)	5,383,621	364,377
Lease Purchase Agreement	4,017,747	-	(522,914)	3,494,833	539,073
Installment Purchase Contract	3,805,771	-	(493,979)	3,311,792	509,686
Installment Purchase Contract- Western Alliance Business	-	9,750,000	-	9,750,000	331,801
Total	<u>\$ 21,171,553</u>	<u>\$ 9,750,000</u>	<u>\$ (1,846,697)</u>	<u>\$ 29,074,856</u>	<u>\$ 2,227,825</u>

RAINBOW MUNICIPAL WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED) FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 4: Long Term Debt (Continued)

a. SRF Morro Loan Payable

On October 31, 2012, the District entered into an agreement with the State of California Department of Public Health for a loan in the amount of \$10,246,413 pursuant to the California Safe Drinking Water State Revolving Fund Law of 1997, Part 12, Chapter 4.5, of Division 104 of Health and Safety Code (commencing with Section 116270) to assist in financing construction of a project which will enable the District to meet safe drinking water standards. The rate of interest to be paid on the principal amount of the loan shall be 2.0933% annually. On June 30, 2022, the amount outstanding was \$7,134,610.

b. SRF Beck Loan Payable

On October 31, 2012, the District entered into an agreement with the State of California Department of Public Health for a loan in the amount of \$7,731,716 pursuant to the California Safe Drinking Water State Revolving Fund Law of 1997, Part 12, Chapter 4.5, of Division 104 of Health and Safety Code (commencing with Section 116270) to assist in financing construction of a project which will enable the District to meet safe drinking water standards. The rate of interest to be paid on the principal amount of the loan shall be 2.0933% annually. At June 30, 2022, the amount outstanding was \$5,383,621.

c. Lease Purchase Agreement

On September 21, 2018, the District entered into a lease/purchase agreement with Zion Bank as lessor in the amount of \$5,523,284 to finance water meters. Payments of principal and interest are due annually on July 1. The rate of interest to be paid on the principal amount of the lease is 3.090%. At June 30, 2022, the amount outstanding was \$3,494,833.

d. Installment Purchase Contract

On October 1, 2018, the District entered into an Installment Purchase Contract with ZMFU II, Inc. in the amount of \$5,249,905 to finance the construction, acquisition, and improvements associated with a District-wide water meter replacement program. Principal payments are due annually on July 1 and interest payments are due semi-annually on July 1 and January 1. The rate of interest to be paid on the principal amount of the lease is 3.180%. At June 30, 2022, the amount outstanding was \$3,311,792.

e. Installment Purchase Agreement

On March 1, 2022 the District entered into an Installment Purchase Agreement with Western Alliance Business Trust in the amount of \$9,750,000 to finance the construction, acquisition, and improvements associated with a District-wide water pipeline upgrades. Principal payments are due annually on April 1 and interest payments are due semi-annually on April 1 and October 1. The rate of interest to be paid on the principal amount of the lease is 4.02%. At June 30, 2022, the amount outstanding was \$9,750,000

RAINBOW MUNICIPAL WATER DISTRICT

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Note 4: Long Term Debt (Continued)

Future debt service requirements for the above notes payable based on the initial loan rates is as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 2,227,825	\$ 1,181,142	\$ 3,408,967
2024	2,286,413	1,130,191	3,416,604
2025	2,352,168	1,077,826	3,429,994
2026	2,419,918	1,024,007	3,443,925
2027	2,489,724	968,692	3,458,416
2028-2032	8,281,910	4,241,648	12,523,558
2033-2037	5,820,918	3,709,654	9,530,572
2038-2042	3,195,980	3,591,537	6,787,517
	\$ 29,074,856	\$ 16,924,697	\$ 45,999,553

Note 5: Inventories

Inventories at June 30, 2022, consisted of the following:

Water Inventory	\$ 153,107
Materials Inventory	<u>2,412,356</u>
Total	<u>\$2,565,463</u>

Note 6: Defined Benefit Pension Plans

a. General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (the Plan), administered by the California Public Employees' Retirement System (CalPERS). The Plan's benefit provisions are established by statute. The Plan is included as a pension trust fund in the CalPERS Annual Comprehensive Financial Report, which is available online at www.calpers.ca.gov.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 to 63 with statutorily reduced benefits. PEPRAs miscellaneous members become eligible for service retirement upon attainment of age 52 with at least 5 years of service. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: The Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. Safety members can receive a special death benefit if the member dies while actively employed and the death is job-related. Fire

RAINBOW MUNICIPAL WATER DISTRICT

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Note 6: Defined Benefit Pension Plans (Continued)

members may receive the alternate death benefit in lieu of the Basic Death Benefit or the 1957 Survivor Benefit if the member dies while actively employed and has at least 20 years of total CalPERS service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2022, are summarized as follows:

	Classic Miscellaneous Plan	PEPRA Miscellaneous Plan
Hire Date	Prior to January 1, 2013	On or After January 1, 2013
Benefit Formula	2.5% at 55	2% at 62
Benefit Vesting Schedule	5 years of service	5 years of service
Benefit Payments	monthly for life	monthly for life
Retirement Age	50 - 63	52 - 67
Monthly Benefits, as a % of Eligible Compensation	2.0% - 2.5%	1.0% - 2.5%
Required Employee Contribution Rates	7.960%	6.750%
Required Employer Contribution Rates:	12.200%	7.590%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. District contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements are identified by the pension plan terms.

b. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2022, Rainbow Municipal Water District reported a net pension liability for its proportionate share of the net pension liability of the risk pools in the amount of \$4,425,021.

The District's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2021, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021, using standard update procedures. The District's proportionate share of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

RAINBOW MUNICIPAL WATER DISTRICT

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Note 6: Defined Benefit Pension Plans (Continued)

The Rainbow Municipal Water District's proportionate share of the net pension liability as of the measurement date ended June 30, 2020 and 2021 was as follows:

	Classic & PEPRA Plans
Proportion - June 30, 2020	0.0750%
Proportion - June 30, 2021	0.0818%
Change - Increase (Decrease)	9.0943%

For the year ended June 30, 2022, the District recognized pension expense of \$617,590. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 562,304	\$ -
Differences Between Actual and Expected Experience	496,219	-
Change in Assumptions	-	-
Changes in Proportions	694,725	-
Difference between the Employer's Contributions and the Employer's Proportionate Share of Contributions	-	849,392
Net Differences Between Projected and Actual Earnings on Plan Investments	-	3,862,809
Total	<u>\$ 1,753,248</u>	<u>\$ 4,712,201</u>

The \$562,304 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30	Amount
2023	\$ (780,701)
2024	(825,795)
2025	(847,280)
2026	(1,067,481)
	<u>\$ (3,521,257)</u>

RAINBOW MUNICIPAL WATER DISTRICT

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Note 6: Defined Benefit Pension Plans (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2021 measurement period was determined by an actuarial valuation as of June 30, 2020, with update procedures used to roll forward the total pension liability to June 30, 2021. The total pension liability was based on the following assumptions:

	<u>Classic & PEPRA Plans</u>
Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method
 Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Projected Salary Increase	(1)
Mortality Rate Table	(2)
Post Retirement Benefit Increase	(3)

- (1) Varies by entry age and service.
- (2) The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.
- (3) The lesser of contract COLA or 2.50% until Purchasing Power Protection Allowance floor on purchasing power applies

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations, as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

RAINBOW MUNICIPAL WATER DISTRICT

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Note 6: Defined Benefit Pension Plans (Continued)

The expected real rates of return by asset class are as follows:

Asset Class (a)	New Strategic Allocation	Real Return Years - 10 (b)	Real Return Years 11+ (c)
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

(a) In the CalPERS financial report, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-Term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(b) An expected inflation of 2.00% used for this period.

(c) An expected inflation of 2.92% used for this period.

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability of the each Plan, calculated using the discount rate for each Plan, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

	Classic & PEPR PLANS
1% Decrease	6.15%
Net Pension Liability	\$ 9,118,318
Current Discount Rate	7.15%
Net Pension Liability	\$ 4,425,021
1% Increase	8.15%
Net Pension Liability	\$ 545,139

RAINBOW MUNICIPAL WATER DISTRICT

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Note 6: Defined Benefit Pension Plans (Continued)

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

Note 7: Other Post-Employment Benefits

Plan Description – Benefits

The District administers its Other Post-Employment Benefits (OPEB), a single employer defined benefit plan, to provide medical, prescription drugs, and dental benefits, in accordance with a resolution approved by the board of Directors. Medical insurance is provided through a choice of a Blue Cross HMO or Blue Cross Classic PPO, both offered through the Association of California Water Agencies Joint Powers Insurance Authority. Dental insurance is provided through Assurant Employee Benefits.

Employees of the District hired before July 1, 2012, retiring after the later of age 50 with 10 consecutive years of District service are eligible to receive a monthly District contribution towards the purchase of health insurance if they have not opted out. The District contribution ends after ten (10) years of benefit payments have been made, even if retiree or spouse are still under age 65 at the time. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Employees Covered

As of the June 30, 2021 actuarial valuation, the following current and former employees were covered by the benefit terms under the plan:

Measurement Date	<u>June 30, 2022</u>
Total Eligible Active Employees	18
Inactive Employees Currently Receiving Benefit	<u>7</u>
Total	<u><u>25</u></u>

Total OPEB Liability

The District's total OPEB liability of \$606,811 was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021. A summary of the principal assumptions and methods used to determine the total OPEB liability is shown below.

RAINBOW MUNICIPAL WATER DISTRICT

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Note 7: Other Post-Employment Benefits (Continued)

Actuarial Assumptions and Other Inputs

The total OPEB liability reported at June 30, 2022 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	July 1, 2021
Measurement Date	June 30, 2022
Actuarial Cost Methods	Entry Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	3.54%
Inflation	2.25%
Projected Salary Increase	3.50%
Expected Long Term Investment Rate of Return	N/A
Healthcare Cost Trend Rates	Varies
Pre-Retirement Turnover	Derived from the July 1, 2015 Rainbow Municipal Water District Actuarial Valuation Report
Morality	Derived from the RP-2014 Study, with Blue Collar Adjustment, improved generationally using MP-2016 Improvement Rules

The discount rate of 3.54 percent was based on The Bond Buyer 20-Bond GO Index and was updated to the current fiscal year end based on changes in market conditions as reflected in the Index.

Changes in the Total OPEB Liability

The changes in the total OPEB liability are as follows:

	<u>Total OPEB Liability</u>
Balance at July	\$ 712,262
Changes in the	
Service cost	3,701
Interest on the total OPEB liability	14,649
Changes in assumptions	(55,645)
Benefit Payments, including refunds of employee contributions	<u>(68,156)</u>
Net Changes	<u>(105,451)</u>
Balance at June 30, 2021	<u>\$ 606,811</u>

RAINBOW MUNICIPAL WATER DISTRICT

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Note 7: Other Post-Employment Benefits (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the District, calculated using the discount rate for the Plan, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.54 %) or 1-percentage point higher (4.54%) than the current rate:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	<u>\$ 646,967</u>	<u>\$ 606,811</u>	<u>\$ 571,102</u>

Sensitivity of the Total OPEB Liability to Changes in Healthcare Cost Trend Rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

	1 % Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	<u>\$ 606,811</u>	<u>\$ 606,811</u>	<u>\$ 606,811</u>

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

The District elected to use the Alternative Measurement Method for reporting GASB 74/75 for fiscal year 2022. According to the implementation guide for GASB 74/75, the changes in the total OPEB liability resulting from differences between expected and actual experience and changes in assumptions or other inputs should be recognized in OPEB expense in the periods in which the effects are first reported in the OPEB liability. Due to this, the District has recognized its deferrals arising from expected and actual experience, as well as changes of assumptions in OPEB expense. For the year ended June 30, 2022, the District recognized OPEB expense (income) of \$(37,295).

Note 8: Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; and natural disasters. The District purchases commercial insurance for its exposure to risk other than those under the workers' compensation laws. Commercial insurance expense amounted to \$487,586 for the years ended June 30, 2022.

The District's workers' compensation risk exposure is handled by the District's participation in the Special District Risk Management Authority (SDRMA) established by the California Special Districts Association. SDRMA is a risk pooling joint powers authority formed under the California Government Code to provide workers' compensation coverage for SDRMA's member districts. SDRMA purchases excess insurance from commercial carriers to reduce its exposure to large losses. Workers' compensation expense amounted to \$264,961 for the year ended June 30, 2022.

RAINBOW MUNICIPAL WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED) FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 8: Risk Management (Continued)

There were no instances in the past three years where a settlement exceeded the District's coverage provided through SDRMA or through the District's commercial carriers.

General and Auto Liability, Public Officials' and Employees' Errors and Omissions and Employment Practices Liability: Total risk financing limits of \$10 Million combined with single limit at \$10 Million per occurrence, subject to the following deductibles:

- \$100,000 per occurrence for third party general liability property damage.
- \$1,000 per occurrence for third party auto liability property damage.
- 50% co-insurance of cost expended by SDRMA, in excess of \$10,000 up to \$50,000, per occurrence.

Employee Dishonesty Coverage: \$1,000,000 million per loss includes Public Employee Dishonesty, Forgery or Alteration and Theft, Disappearance and Destruction coverage's effective July 1, 2021.

Property Loss: Replacement cost, for property on file, if replaced, and if not replaced within two years after the loss, paid on an actual cash value basis, to a combined total of \$1 Billion per occurrence, subject to a \$1,000 deductible per occurrence, effective July 1, 2021.

Public Officials Personal Liability: \$5,000,000 each occurrence, with an annual aggregate of \$500,000 per each elected/appointed official to which this coverage applies, deductible of \$1,000 per claim, effective July 1, 2021.

Comprehensive and Collision: Comprehensive and Collision limits are the actual cash value or cost of repair with deductibles of \$250/\$500 or \$500/\$1,000, as elected, for comprehensive and collision.

Workers' Compensation Coverage and Employer's Liability: Statutory limits per occurrence for Workers' Compensation and \$5 Million for Employer's Liability Coverage, subject to the terms, conditions and exclusions as provided in the Certificate of Coverage, effective July 1, 2021.

Note 9: Deferred Compensation Plan

The District offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plans, administered by Aspire and Lincoln Financial Group, are available to all regular employees, permits deferral of a portion of current salary to future years. Benefits from the plans are not available to employees until termination, retirement, disability, death, or unforeseeable emergencies.

All assets and income of the plans are held in trust for the exclusive benefit of the participants and their beneficiaries. The District does not meet the criteria for fiduciary fund reporting since it does not have either significant administrative involvement (e.g. custody) or perform the investment function. Therefore, the fair market value of the plan assets at June 30, 2022, in the amount of \$4,815,226, is not included in the District's financial statements.

RAINBOW MUNICIPAL WATER DISTRICT

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Note 10: Net Investment in Capital Assets

Total Capital assets net of depreciation	\$ 117,137,221
Less: Capital-related borrowings	<u>(29,074,856)</u>
Net Investment in Capital Assets	<u>\$ 88,062,365</u>

Note 11: Commitments and Contingencies

Tank Maintenance Commitments

On April 22, 2015, the District entered into a ten (10) year contract with Utility Service Co., Inc. to maintain twelve water tanks. The contract was updated on July 1, 2011 to maintain the tanks at an annual cost of \$615,585. The contract can be cancelled annually if intent to cancel is received with ninety (90) days prior to the anniversary date. Any outstanding balance for completed work would be due and payable within thirty (30) days of cancellation.

Capacity Rights for Sewage Treatment

On February 13, 2002, Rainbow Municipal Water District (the District) entered into a contract with the City of Oceanside, California (the City) to provide for the construction, operation, maintenance, and replacement of a wastewater system to service the needs of both the City and the District. The City owns the wastewater conveyance, treatment, and disposal facilities and the District has the contractual right to discharge wastewater into the City's System. The City and the District have previously entered into agreements on January 2, 1973, September 10, 1989, and February 16, 2019. This agreement reflects the planned expansion and rehabilitation of facilities built from those previous agreements. Under the agreement, the District's share of cost for planned expansion and rehabilitation of the facilities would be 10% of the total cost of expansion.

Construction Project Commitments

The following construction projects had remaining commitments outstanding at June 30, 2022:

Project Name/Description	PO Amount	Expenditures as of June 30, 2022	Remaining Commitments
Live Oak Park Bridge	\$ 507,000	\$ -	\$ 507,000
LS-1 Replacement Phase 1	15,181,157	5,556,340	9,624,817
Rice Canyon 18" WL	5,502,373	2,551,703	2,950,670
Rainbow Valley Blvd. CP Installation	524,703	498,468	26,235

RAINBOW MUNICIPAL WATER DISTRICT

**MISCELLANEOUS RISK POOL
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ¹**

	2022	2021	2020	2019
Measurement Date	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Proportion of the Net Pension Liability	0.0818%	0.0750%	0.0735%	0.0716%
Proportionate Share of the Net Pension Liability	\$ 4,425,021	\$ 8,158,280	\$ 7,527,597	\$ 6,899,648
Covered Payroll	\$ 5,036,802	\$ 4,935,944	\$ 5,212,648	\$ 3,887,469
Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	87.9%	165.3%	144.4%	177.5%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.3%	75.1%	75.3%	75.3%

Notes to Schedule of Proportionate Share of the Net Pension Liability:

Benefit Changes:

None

Changes of Assumptions:

2022: None

2021: None

2020: None

2019: Demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

2018: The accounting discount rate reduced from 7.65 percent to 7.15 percent.

2017: None

2016: The discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent to correct for an adjustment to exclude administrative expense.

2015: None

¹ Fiscal year 2015 was the first year of implementation; therefore, only eight years are shown.

2018	2017	2016	2015
<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>
0.0709%	0.0694%	0.0668%	0.0552%
\$ 7,031,525	\$ 6,009,026	\$ 4,584,303	\$ 3,435,302
\$ 4,118,123	\$ 3,679,407	\$ 3,829,237	\$ 3,873,095
170.7%	163.3%	119.7%	88.7%
73.3%	74.1%	78.4%	79.8%

RAINBOW MUNICIPAL WATER DISTRICT

MISCELLANEOUS RISK POOL
 SCHEDULE OF PLAN CONTRIBUTIONS
 AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ¹

	2022	2021	2020	2019
Actuarially Determined Contribution	\$ 562,304	\$ 479,387	\$ 512,037	\$ 865,241
Contribution in Relation to the Actuarially Determined Contribution	(562,304)	(479,387)	(512,037)	(865,241)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 5,407,749	\$ 5,036,802	\$ 4,935,944	\$ 5,212,648
Contributions as a Percentage of Covered Payroll	10.4%	9.5%	10.4%	16.6%

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2021-22 were derived from the June 30, 2018 funding valuation report.

Actuarial Cost Method: Entry Age Normal

Amortization Method/Period: For details, see June 30, 2018 Funding Valuation Report

Inflation: 2.5%

Salary Increases: Varies by Entry Age and Service

Payroll Growth: 2.75%

Investment Rate of Return: 7.15% compounded annually (net of investment and administrative expenses)

Retirement Age: The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period of 1997 to 2015.

Mortality: The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period of 1997 to 2015. Pre-retirement and post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.

¹ Fiscal year 2015 was the first year of implementation; therefore, only eight years are shown.

2018	2017	2016	2015
\$ 743,649 (743,649)	\$ 656,639 (656,639)	\$ 369,170 (369,170)	\$ 570,649 (570,649)
\$ -	\$ -	\$ -	\$ -
\$ 3,887,469	\$ 4,118,123	\$ 3,679,407	\$ 3,829,237
19.1%	15.9%	10.0%	14.9%

RAINBOW MUNICIPAL WATER DISTRICT

OTHER POST-EMPLOYMENT BENEFITS
 SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
 AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ¹

Measurement Date	2022	2021	2020	2019	2018
	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Total OPEB Liability:					
Service cost	\$ 3,701	\$ 6,294	\$ 5,388	\$ 5,027	\$ 7,607
Interest	14,649	15,040	22,545	24,801	26,991
Differences between expected and actual experience	-	36,255	-	(108,804)	-
Changes in assumptions	(55,645)	2,478	58,081	68,033	-
Benefit payments	(68,156)	(56,698)	(42,753)	(43,026)	(24,866)
Net Change in Total OPEB Liability	(105,451)	3,369	43,261	(53,969)	9,732
Total OPEB Liability - Beginning of Year	712,262	708,893	665,632	719,601	709,869
Total OPEB liability - End of Year	\$ 606,811	\$ 712,262	\$ 708,893	\$ 665,632	\$ 719,601
Plan fiduciary net position as a percentage of the total OPEB liability ²	0.0%	0.0%	0.0%	0.0%	0.0%
Covered-employee payroll	\$ 2,318,249	\$ 2,239,854	\$ 5,395,091	\$ 5,212,648	\$ 4,346,367
Net OPEB liability as a percentage of covered-employee payroll	26.2%	31.8%	13.1%	12.8%	16.6%

Notes to Schedule of Changes in the Total OPEB Liability and Related Ratios:

Changes in Assumptions:

2022: The discount rate was increased from 2.16% in fiscal year 2021 to 3.54% in fiscal year 2022 due to changes in market conditions.
 2021: The discount rate was decreased from 2.21% in fiscal year 2020 to 2.16% in fiscal year 2021 due to changes in market conditions.
 2020: The discount rate was decreased by 1.29% from 3.50% in fiscal year 2019 to 2.21% in fiscal year 2020 due to changes in market conditions.
 2019: The discount rate was decreased by 0.37% from 3.87% in fiscal year 2018 to 3.50% in fiscal year 2019 due to changes in market conditions.
 2018: None

¹ Fiscal year 2018 was the first year of implementation; therefore, only five years are shown.

² The Total OPEB Liability is an unfunded obligation. The District does not have a trust dedicated exclusively to the payment of OPEB benefits.

Statistical Section

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STATISTICAL SECTION

This section of the comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the government's overall financial health.

NET POSITION BY COMPONENT

Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net Investment in Capital Assets	\$ 87,646,849	\$ 85,350,581	\$ 84,652,584	\$ 84,881,107	\$ 65,217,530	\$ 65,399,076	\$ 63,739,648	\$ 72,364,014	\$ 78,817,091	\$ 87,086,283
Restricted for Capital Projects	-	-	-	6,827,952	894,491	894,491	3,321,531	11,057,533	7,312,691	629,599
Restricted for Debt Service	-	-	-	-	-	-	-	1,129,683	822,428	850,130
Unrestricted	5,446,280	6,697,491	2,119,562	1,544,992	17,174,049	16,586,411	16,510,984	3,530,574	9,124,094	12,944,672
Total Net Position	\$ 93,093,129	\$ 92,048,072	\$ 86,772,146	\$ 93,254,051	\$ 83,286,070	\$ 82,879,978	\$ 83,572,163	\$ 88,081,804	\$ 96,076,304	\$ 101,510,684
<i>Percent Change</i>	0.19%	-1.12%	-5.73%	7.47%	-10.69%	-0.49%	0.84%	5.40%	14.96%	15.25%

Source: Rainbow Municipal Water District Audited Financial Statements

REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Last Ten Fiscal Years

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Operating Revenues:										
Direct Operating Revenues:										
Water Sales	\$ 34,505,228	\$ 36,497,373	\$ 34,037,432	\$ 32,156,844	\$ 33,091,641	\$ 38,105,712	\$ 32,810,988	\$ 33,156,919	\$ 41,779,797	\$ 42,755,162
Wastewater Revenue	2,573,273	2,553,801	2,677,130	2,632,902	2,546,647	2,820,622	2,843,236	2,621,433	3,461,296	3,033,546
Other Operating Revenue	-	-	-	-	501,019	991,390	860,639	425,525	806,510	797,020
Total Direct Operating Revenues	37,078,501	39,051,174	36,714,562	34,789,746	36,141,307	41,617,724	36,515,083	36,203,877	46,047,563	46,585,720
Indirect Operating Revenues:										
Grant Revenue	64,447	34,158	-	-	-	-	-	-	-	989,082
Other	673,910	710,843	514,415	439,807	331,842	-	-	-	-	989,082
Total Indirect Operating Revenues	738,357	745,001	514,415	439,807	331,842	-	-	-	-	989,082
Total Operating Revenues	37,816,858	39,796,175	37,228,977	35,229,553	36,473,149	41,617,724	36,515,083	36,203,877	46,047,563	47,574,802
Operating Expenses:										
Water Purchases	24,346,557	26,649,303	24,532,468	22,381,393	23,282,393	27,040,873	22,449,449	21,917,914	25,916,888	26,032,842
Water Pumping	566,443	3,836,825	3,616,915	631,056	580,566	591,529	558,989	530,815	627,681	823,211
Transmission and Distribution Operations ¹	3,902,699	1,113,721	1,037,420	4,284,981	4,876,960	4,777,964	4,421,571	-	-	-
Valve Maintenance ¹	-	-	-	-	-	-	-	2,836,404	2,055,704	2,885,796
Distribution ¹	-	-	-	-	-	-	-	522,935	447,295	368,789
Meter Services	984,327	768,966	804,140	1,044,631	1,085,553	868,927	868,927	2,191,712	2,576,855	2,712,092
Sewer Services	1,613,567	1,763,824	1,708,779	1,566,845	1,735,473	1,646,593	1,738,948	1,190,746	1,407,560	1,407,560
Administrative and General Administration ²	2,062,840	3,987,687	3,924,311	2,683,658	2,855,623	4,272,246	4,467,521	2,688,304	766,637	2,653,350
Garage ²	-	-	-	-	-	-	-	3,277,178	2,048,907	1,926,423
Human Resources ²	-	-	-	-	-	-	-	544,451	500,127	597,385
Risk Management ²	-	-	-	-	-	-	-	298,776	344,374	302,789
Information Technology ³	-	-	-	-	-	-	-	455,288	960,809	893,995
Board of Directors ²	-	-	-	-	-	-	-	-	954,151	1,267,456
Engineering	906,026	-	24,364	989,844	1,279,194	1,254,293	1,551,506	1,005,437	1,624,801	1,131,446
Finance	580,941	-	87,876	612,800	545,976	601,322	568,091	632,456	807,352	926,496
Customer Service	448,088	148,438	816	339,948	430,850	549,822	1,519,984	718,066	701,148	624,732
Depreciation	3,062,584	3,295,219	3,318,247	3,110,968	3,445,476	3,648,435	3,656,649	2,189,068	2,327,663	2,394,211
Other Operating Expense	-	-	-	-	-	-	-	2,702,844	1,081,691	159,609
Total Operating Expenses	38,474,072	41,563,983	39,167,460	37,656,124	40,118,054	45,386,976	41,801,635	44,008,413	44,889,672	47,148,359
Gain (Loss) from Operations	(657,214)	(1,767,808)	(1,938,483)	(2,426,571)	(3,644,905)	(3,769,252)	(5,286,552)	(7,804,536)	1,157,891	426,443
Non-operating Revenues:										
Property Tax Revenue	858,884	831,294	850,802	870,642	595,250	616,027	638,539	653,320	685,562	720,383
Investment Income (Loss)	40,687	-	89,981	721,408	-	-	1,134,118	841,596	(35,395)	(666,174)
Other	-	-	-	-	-	368,026	506,015	282,991	1,866,928	371,411
Total Non-operating Revenues	899,571	831,294	940,783	1,592,050	595,250	974,053	2,278,672	1,777,907	2,517,095	425,620
Non-operating Expenses:										
Interest	67,774	108,543	403,969	667,939	361,037	370,175	570,855	616,775	571,839	656,033
Total Non-operating Expenses	67,774	108,543	403,969	667,939	361,037	370,175	570,855	616,775	571,839	656,033
Miscellaneous:										
Capital Contribution	-	-	294,192	1,091,515	156,302	2,972,963	2,941,091	11,239,897	4,804,501	5,238,350
Loss on Abandonment of Capital Assets	-	-	-	(1,933,240)	-	-	-	-	-	-
Total Miscellaneous	-	-	294,192	1,091,515	156,302	2,972,963	2,941,091	11,239,897	4,804,501	5,238,350
Change in Net Position	174,583	(1,045,057)	(1,107,477)	(410,945)	(5,187,630)	(192,411)	(637,644)	4,596,493	7,907,648	5,434,380
Net Position, Beginning	92,918,546	93,093,129	92,048,072	86,772,146	93,254,051	83,286,070	82,879,978	83,572,163	88,168,656	96,076,304
Prior Period Adjustment	-	-	(4,168,449)	6,892,850	(4,780,351)	(213,681)	1,329,629	-	-	-
Net Position, Beginning Restated	92,918,546	93,093,129	87,879,623	93,664,996	88,473,700	83,072,389	84,209,607	83,572,163	88,168,656	96,076,304
Net Position, Ending	95,093,129	92,048,072	86,772,146	93,254,051	83,286,070	82,879,978	83,572,163	88,168,656	96,076,304	101,510,684
<i>Percentage Change</i>	0.19%	-1.12%	-5.73%	7.47%	-10.69%	-0.46%	0.54%	5.50%	14.96%	15.13%

Source: Rainbow Municipal Water District Audited Financial Statements

Footnotes:

¹Prior to FY 2020 Departments were included in Transmission and Distribution.

²Prior to FY 2020 Departments were included in Administration and General.

³Prior to FY 2021 Departments were included in Administration and General.

SUMMARY OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Last Ten Fiscal Years

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Operating Revenues	\$ 37,816,858	\$ 39,796,175	\$ 37,228,977	\$ 35,229,553	\$ 36,473,149	\$ 41,617,724	\$ 36,515,083	\$ 36,201,243	\$ 46,047,563	\$ 46,585,720
Operating Expenses	38,474,072	41,563,983	39,167,460	37,656,124	40,118,054	45,386,976	41,801,635	44,008,413	44,889,672	47,148,359
Gain (Loss) from Operations	(657,214)	(1,767,808)	(1,938,483)	(2,426,571)	(3,644,905)	(3,769,252)	(5,286,552)	(7,807,170)	1,157,891	(562,639)
Non-operating Revenue Less Expenses	831,797	722,751	536,814	924,111	(1,699,027)	603,878	1,707,817	1,076,914	1,945,256	758,669
Income Before Capital Contributions	174,583	(1,045,057)	(1,401,669)	(1,502,460)	(5,343,932)	(3,165,374)	(3,578,735)	(6,730,256)	3,103,147	196,030
Capital Contributions	-	-	294,192	1,091,515	156,302	2,972,963	2,941,091	11,239,897	4,804,501	5,238,350
Prior Period Adjustment	-	-	(4,168,449)	6,892,850	(4,780,351)	(213,681)	1,329,829	-	-	-
Changes in Net Position	\$ 174,583	\$ (1,045,057)	\$ (5,275,926)	\$ 6,481,905	\$ (9,967,981)	\$ (406,092)	\$ 692,185	\$ 4,509,641	\$ 7,907,648	\$ 5,434,380

Source: Rainbow Municipal Water District Audited Financial Statements

SUMMARY OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Last Ten Fiscal Years

	Operating Revenues	Operating Expenses	Gain (Loss) from Operations	Non-operating Revenue Less Expenses	Income Before Capital Contributions		Capital Contributions	Prior Period Adjustment	Changes in Net Position
					Contributions	Contributions			
2013	\$ 37,816,858	\$ 38,474,072	\$ (657,214)	\$ 831,797	\$ 174,583	\$ -	\$ -	\$ -	\$ 174,583
2014	39,796,175	41,563,983	(1,767,808)	722,751	(1,045,057)	-	-	-	(1,045,057)
2015	37,228,977	39,167,460	(1,938,483)	536,814	(1,401,669)	294,192	(4,168,449)	6,892,850	(5,275,926)
2016	35,229,553	37,656,124	(2,426,571)	924,111	(1,502,460)	1,091,515	6,892,850	2,941,091	6,481,905
2017	36,473,149	40,118,054	(3,644,905)	(1,699,027)	(5,343,932)	156,302	(4,780,351)	1,329,829	(9,967,981)
2018	41,617,724	45,386,976	(3,769,252)	603,878	(3,165,374)	2,972,963	(213,681)	1,329,829	(406,092)
2019	36,515,083	41,801,635	(5,286,552)	1,707,817	(3,578,735)	2,941,091	-	-	692,185
2020	36,201,243	44,008,413	(7,807,170)	1,076,914	(6,730,256)	11,239,897	-	-	4,509,641
2021	46,047,563	44,889,672	1,157,891	1,945,256	3,103,147	4,804,501	-	-	7,907,648
2022	46,585,720	47,148,359	(562,639)	758,669	196,030	5,238,350	-	-	5,434,380

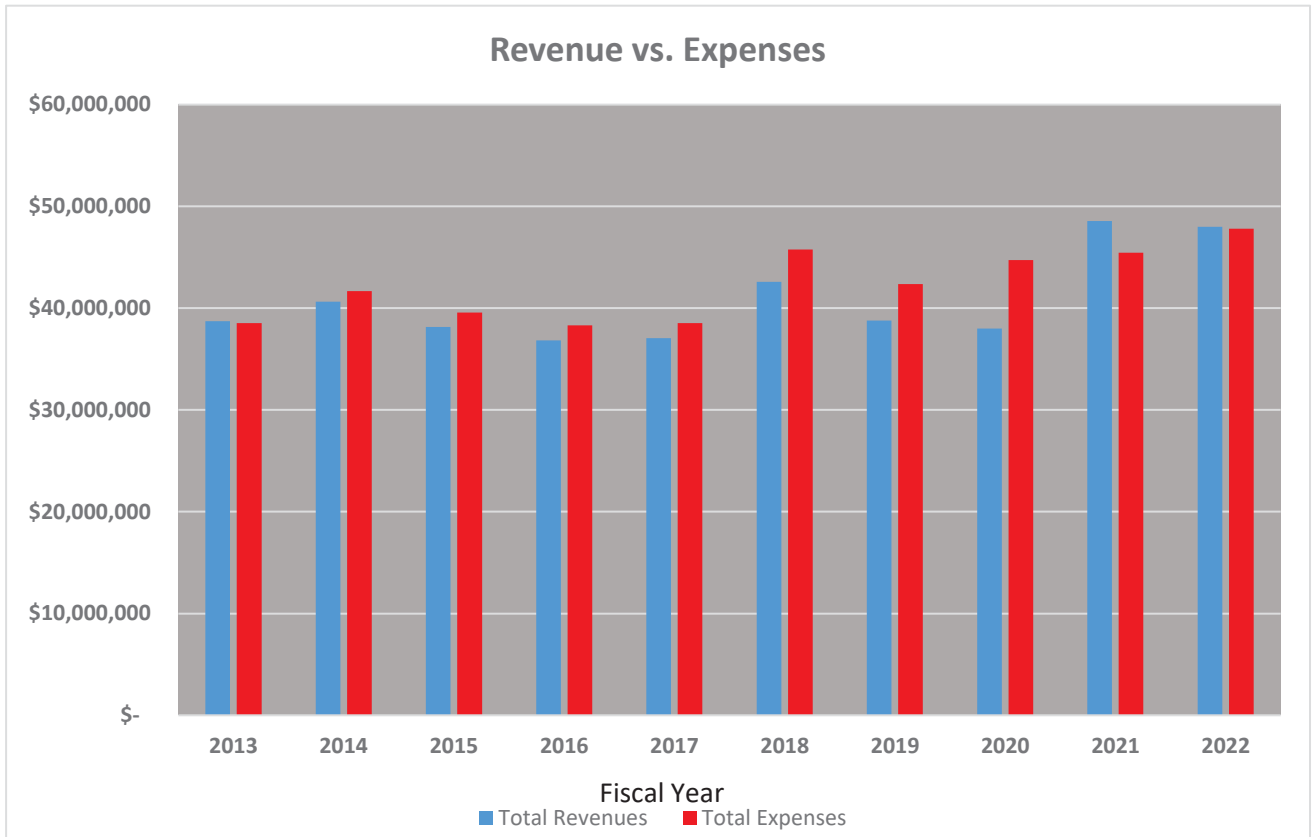
Source: Rainbow Municipal Water District Audited Financial Statements

SUMMARY OF REVENUES AND EXPENSES

Last Ten Fiscal Years

Fiscal Year	Total Revenues	Total Expenses	Gain (Loss)
2013	\$ 38,716,429	\$ 38,541,846	\$ 174,583
2014	40,627,469	41,672,526	(1,045,057)
2015	38,169,760	39,571,429	(1,401,669)
2016	36,821,603	38,324,063	(1,502,460)
2017	37,068,399	38,545,851	(1,477,452)
2018	42,591,777	45,757,151	(3,165,374)
2019	38,793,755	42,372,490	(3,578,735)
2020	37,981,791	44,712,047	(6,730,256)
2021	48,564,658	45,461,511	3,103,147
2022	48,000,422	47,804,392	196,030

Source: Rainbow Municipal Water District Audited Financial Statements



REVENUES BY SOURCE
Last Ten Fiscal Years

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Operating Revenues:										
Water Sales	\$ 34,505,228	\$ 36,497,373	\$ 34,037,432	\$ 32,156,844	\$ 33,091,641	\$ 38,105,712	\$ 32,810,988	\$ 33,156,919	\$ 41,779,797	\$ 42,755,152
Wastewater Revenue	2,573,273	2,553,801	2,677,130	2,632,902	2,548,647	2,520,622	2,843,256	2,621,433	3,461,256	3,033,548
Other Operating Revenue	-	-	-	-	501,019	991,390	860,839	422,891	806,510	797,020
Grant Revenue	64,447	34,158	-	-	-	-	-	-	-	989,082
Other	673,910	710,843	514,415	439,807	331,842	-	-	-	-	-
Total Operating Revenues	37,816,858	39,796,175	37,228,977	35,229,553	36,473,149	41,617,724	36,515,083	36,201,243	46,047,563	47,574,802
Non-operating Revenues:										
Property Tax Revenue	858,884	831,294	850,802	870,642	595,250	616,027	638,539	653,320	685,562	720,383
Investment Income	40,687	-	89,981	721,408	-	-	1,134,118	841,596	(35,395)	(666,174)
Other	-	-	-	-	-	358,026	506,015	285,632	1,866,928	371,411
Total Non-operating Revenues	899,571	831,294	940,783	1,592,050	595,250	974,053	2,278,672	1,780,548	2,517,095	425,620
Total Revenues	\$ 38,716,429	\$ 40,627,469	\$ 38,169,760	\$ 36,821,603	\$ 37,068,399	\$ 42,591,777	\$ 38,793,755	\$ 37,981,791	\$ 48,564,658	\$ 48,000,422

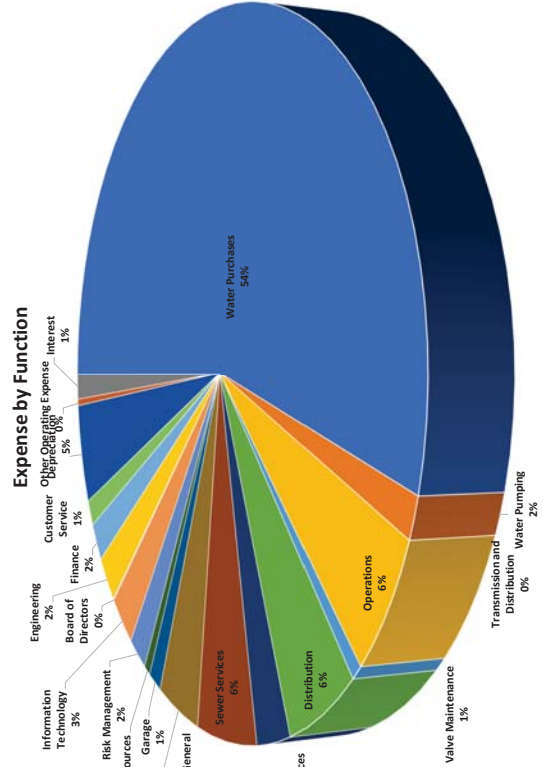
Source: Rainbow Municipal Water District Audited Financial Statements

EXPENSES BY FUNCTION
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Operating Expenses:										
Water Purchases	\$ 24,346,557	\$ 26,649,303	\$ 24,532,468	\$ 22,381,393	\$ 23,282,393	\$ 27,040,873	\$ 22,448,449	\$ 21,917,914	\$ 25,916,888	\$ 26,032,842
Water Pumping	586,443	3,836,825	3,816,915	631,056	580,556	591,529	558,989	530,815	627,681	823,211
Transmission and Distribution	3,902,699	1,113,721	1,037,420	4,284,981	4,876,960	4,777,964	4,421,571	2,836,404	2,065,704	2,885,796
Operations ¹	-	-	-	-	-	-	-	522,935	447,295	369,799
Valve Maintenance ¹	-	-	-	-	-	-	-	2,191,712	2,516,855	2,712,092
Distribution ¹	-	-	-	-	-	-	-	1,893,429	1,190,746	1,407,560
Meter Services	984,327	768,966	804,140	1,044,631	1,085,553	1,003,899	866,927	2,288,304	766,637	2,653,350
Sewer Services	1,613,567	1,763,824	1,708,779	1,566,845	1,735,473	1,646,893	1,739,948	2,048,907	1,926,423	1,926,423
Administrative and General	2,062,840	3,897,687	3,924,311	2,683,658	2,855,623	4,272,246	4,467,521	544,451	500,127	597,385
Administration ²	-	-	-	-	-	-	-	298,776	344,374	302,789
Garage ²	-	-	-	-	-	-	-	455,288	960,809	893,995
Human Resources ²	-	-	-	-	-	-	-	-	954,151	1,267,456
Risk Management ²	-	-	-	-	-	-	-	-	16,843	39,167
Risk Management ³	-	-	-	-	-	-	-	-	23,336	16,843
Information Technology ³	-	-	-	-	-	-	-	-	1,254,293	1,005,437
Board of Directors ³	-	-	-	-	-	-	-	-	601,322	1,624,801
Engineering	906,026	24,364	24,364	999,844	1,279,194	1,254,293	1,551,506	1,005,437	1,624,801	1,131,446
Finance	580,941	580,941	612,800	612,800	545,976	601,322	568,091	632,456	807,352	926,496
Customer Service	448,088	148,438	816	339,948	430,850	549,822	1,519,984	718,066	701,148	624,732
Depreciation	3,062,584	3,295,219	3,318,247	3,110,968	3,445,476	3,648,435	3,656,649	2,189,068	2,327,663	2,394,211
Other Operating Expenses	-	-	-	-	-	-	-	2,702,844	1,081,691	159,609
Total Operating Expenses	38,474,072	41,563,983	39,167,460	37,656,124	40,118,054	45,386,976	41,801,635	44,008,413	44,899,672	47,148,339
Non-operating Expenses:										
Interest	67,774	108,543	403,969	667,939	361,037	370,175	570,855	703,634	571,839	686,033
Loss on Abandonment of Capital Assets	-	-	-	-	(1,933,240)	-	-	-	-	-
Total Non-operating Expenses	67,774	108,543	403,969	667,939	(1,572,203)	370,175	570,855	703,634	571,839	686,033
Total Expenses	\$ 38,541,846	\$ 41,672,526	\$ 39,571,429	\$ 38,324,063	\$ 38,545,851	\$ 45,757,151	\$ 42,372,490	\$ 44,712,047	\$ 45,461,511	\$ 47,834,392

Sources: Rainbow Municipal Water District Audited Financial Statements

Footnotes:
¹Prior to FY 2020 Departments were included in Transmission and Distribution.
²Prior to FY 2020 Departments were included in Administration and General.
³Prior to FY 2021 Departments were included in Administration and General.



COMPUTATION OF LEGAL DEBT MARGIN

Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Assessed Value	3,614,670,550	3,817,371,326	4,003,578,488	4,185,857,090	4,387,417,362	4,660,295,704	4,994,381,001	5,283,549,089	5,575,351,912	6,112,121,641
Conversion Percentage	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Adjusted Assessed Valuation	903,667,638	954,342,832	1,000,894,622	1,046,464,273	1,096,854,341	1,165,073,926	1,248,595,250	1,320,887,272	1,393,837,978	1,528,030,410
Debt Limit Percentage	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Legal Debt Limit	135,550,146	143,151,425	150,134,193	156,969,641	164,528,151	174,761,089	187,289,288	198,133,091	209,075,697	229,204,562
Outstanding Debt	-	14,135,186	17,978,129	17,615,446	16,875,544	16,119,968	15,348,493	14,160,736	21,171,553	29,074,856
Less: Amount Reserved for Debt Service	-	-	-	-	-	-	-	1,129,683	822,428	850,130
Net Applicable to Limit	-	14,135,186	17,978,129	17,615,446	16,875,544	16,119,968	15,348,493	13,031,053	20,349,125	28,224,726
Legal Debt Margin	\$ 135,550,146	\$ 129,016,238	\$ 132,156,064	\$ 139,354,194	\$ 147,652,607	\$ 158,641,121	\$ 171,940,795	\$ 185,102,038	\$ 188,726,572	\$ 200,979,836

Total Debt applicable to the limit as a percentage of debt limit	0%	10%	12%	11%	10%	9%	8%	7%	10%	12%
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Note: The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above, reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective, to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

	5.523,284	4,524,987	4,284,523	8,070,737	6,089,999	14,160,736
	5,249,905	8,747,684	6,600,809	15,348,493	14,160,736	14,160,736

Total Assessed Value

Last Ten Fiscal Years

	Assessed Value	Percent Increase/ Decrease	Tax Collected
2013	3,614,670,550	1.62%	537,832
2014	3,817,371,326	5.61%	545,556
2015	4,003,578,488	4.88%	555,940
2016	4,185,857,090	4.55%	526,292
2017	4,387,417,362	4.82%	595,250
2018	4,660,295,704	6.22%	616,027
2019	4,994,381,001	7.17%	641,868
2020	5,283,549,089	5.79%	661,209
2021	5,575,351,912	5.52%	685,566
2022	6,112,121,641	9.63%	720,383

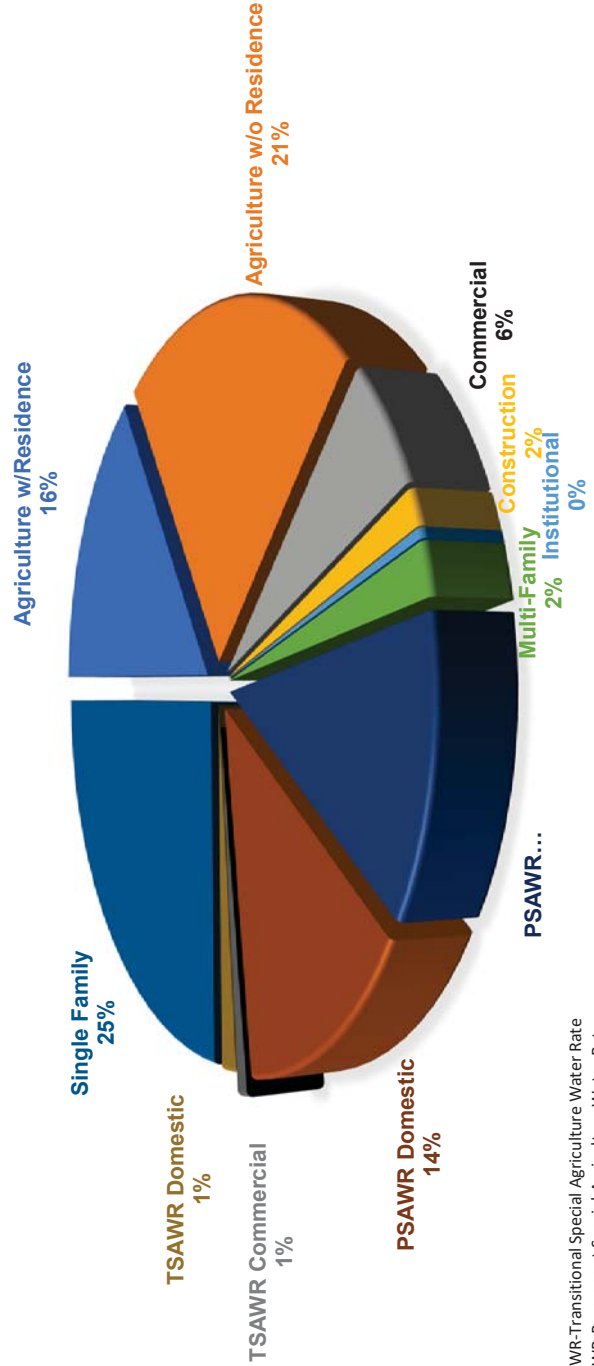
CONSUMPTION BY CUSTOMER CLASS

Last Ten Fiscal Years
Acre Feet

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Agriculture w/Residence	n/a	n/a	n/a	624	624	769	636	637	791	2,305
Agriculture w/o Residence	2,636	2,708	2,295	2,804	2,717	2,886	2,233	2,343	2,446	3,186
Commercial	1,879	1,970	2,003	571	629	845	791	745	867	889
Construction	12	45	64	104	94	158	118	37	249	230
Institutional	n/a	n/a	n/a	65	62	52	63	43	64	65
Multi-Family	320	367	332	254	267	284	288	280	333	321
PSAWR Commercial	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	359	1,795
PSAWR Domestic	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	457	2,006
TSAWR Commercial	4,642	4,784	4,189	3,239	3,268	3,731	2,726	2,486	2,736	125
TSAWR Domestic	6,335	6,508	5,823	4,743	4,530	5,292	3,681	3,410	3,704	198
Single Family	4,509	4,846	4,224	3,154	3,428	3,900	3,236	3,266	3,958	3,770
Total Consumption	20,333	21,227	18,929	15,558	15,620	17,917	13,771	13,247	15,964	14,890

TSAWR- Transitional Special Agriculture Water Rate

CONSUMPTION BY CUSTOMER CLASS



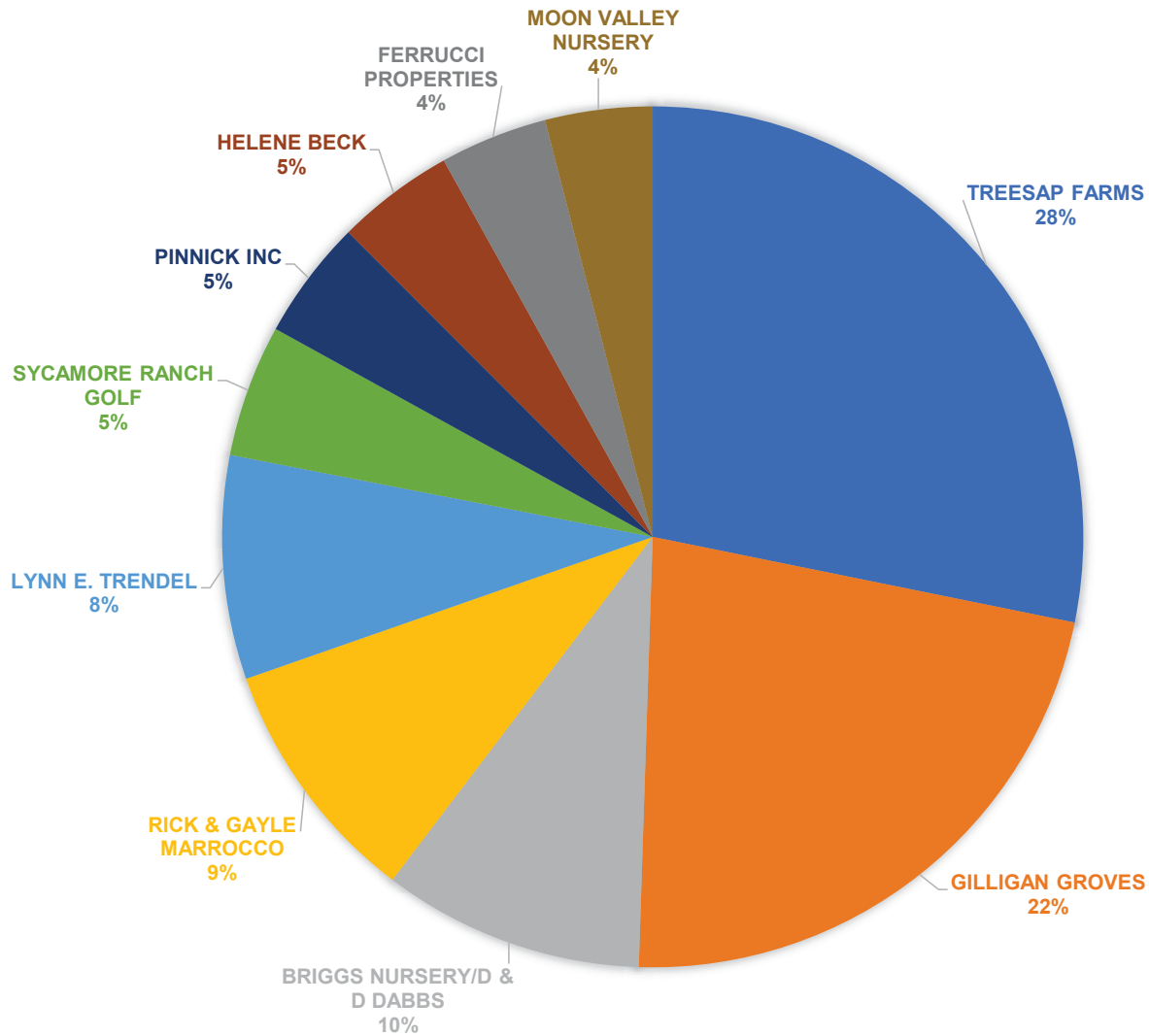
TSAWR-Transitional Special Agriculture Water Rate
PSAWR-Permanent Special Agriculture Water Rate

TOP TEN WATER CONSUMERS

Fiscal Year 2022

CUSTOMER	ANNUAL USAGE	PERCENTAGE
TREESAP FARMS	237,689	3.42%
GILLIGAN GROVES	188,230	2.71%
BRIGGS NURSERY/D & D DABBS	82,747	1.19%
RICK & GAYLE MARROCCO	78,613	1.13%
LYNN E. TRENDEL	70,826	1.02%
SYCAMORE RANCH GOLF	41,901	0.60%
PINNICK INC	37,840	0.54%
HELENE BECK	37,328	0.54%
FERRUCCI PROPERTIES	34,026	0.49%
MOON VALLEY NURSERY	33,951	0.49%
TOTAL COMBINED WATER CONSUMPTION	843,151	12.13%
ALL OTHER WATER CONSUMPTION	6,110,350	87.87%
TOTAL WATER CONSUMPTION	6,953,501	100.00%

TOP TEN WATER CUSTOMERS AND THEIR RELATIVE CONSUMPTION FISCAL YEAR 2022



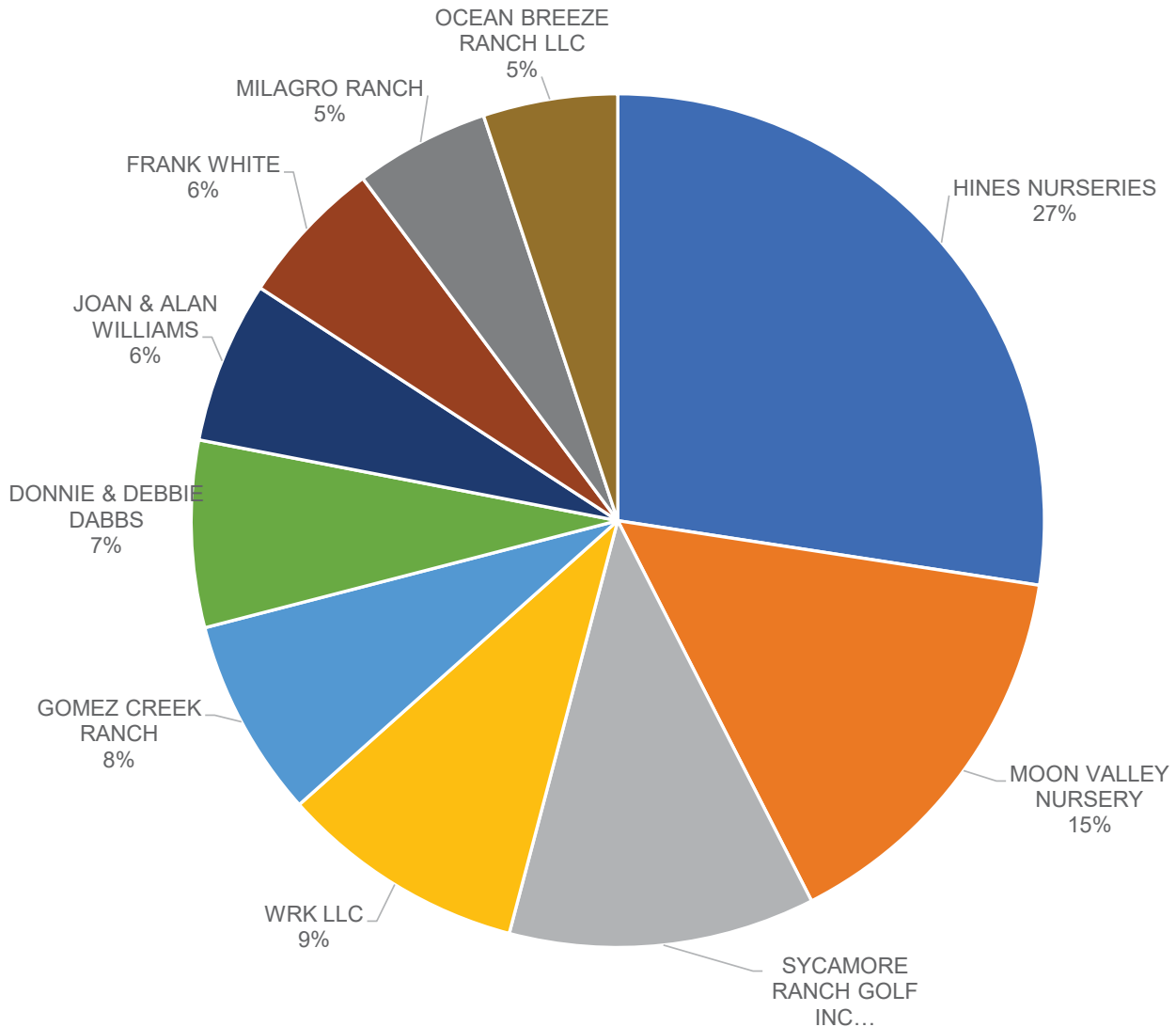
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TOP TEN WATER CONSUMERS

Fiscal Year 2013

CUSTOMER	ANNUAL USAGE	PERCENTAGE
HINES NURSERIES	137,930	2.18%
MOON VALLEY NURSERY	75,827	1.20%
SYCAMORE RANCH GOLF INC	58,351	0.92%
WRK LLC	46,887	0.74%
GOMEZ CREEK RANCH	37,962	0.60%
DONNIE & DEBBIE DABBS	35,563	0.56%
JOAN & ALAN WILLIAMS	30,921	0.49%
FRANK WHITE	28,297	0.45%
MILAGRO RANCH	25,644	0.41%
OCEAN BREEZE RANCH LLC	25,637	0.41%
TOTAL COMBINED WATER CONSUMPTION	503,019	7.96%
ALL OTHER WATER CONSUMPTION	5,813,109	92.04%
TOTAL WATER CONSUMPTION	6,316,128	100.00%

TOP TEN WATER CUSTOMERS AND THEIR RELATIVE CONSUMPTION FISCAL YEAR 2013



Rate Summaries

Water Variable Rates²

	Single Family Residential			Multi Family	Commercial	Institutional	Construction
	Tier 1	Tier 2	Tier 3				
2013	2.95	3.00	3.00	2.95/3.00	2.95	n/a	3.00
2014	3.00	3.15	3.15	3.00/3.15	3.00/3.15	n/a	3.15
2015	3.00	3.15	3.15	3.00/3.15	3.15	n/a	3.15
2016	3.31	3.48	3.81	3.40	3.51	3.58	3.51
2017	3.42	3.60	3.94	3.52	3.63	3.70	4.44
2018	3.64	3.86	4.27	3.76	3.89	3.98	4.87
2019	3.73	3.99	4.48	3.87	4.03	4.14	5.20
2020	3.73	3.99	4.48	3.87	4.03	4.14	5.20
2021	3.89	4.15	4.64	4.03	4.19	4.19	5.36
2022	5.00			5.00	5.00	5.00	5.00

	Agriculture w/Residence			Agriculture w/o Residence	SAWR ¹ Domestic			SAWR ¹ Commercial
	Tier 1	Tier 2	Tier 3		Tier 1	Tier 2	Tier 3	
2013	2.95	3.00	2.72	2.43	n/a	n/a	n/a	n/a
2014	3.00	3.15	2.83	n/a	n/a	n/a	n/a	n/a
2015	3.00	3.15	3.15	n/a	3.00	3.15	2.83	2.83
2016	3.31	3.48	3.24	3.24	3.31	3.48	2.77	2.77
2017	3.42	3.60	3.35	3.35	3.42	3.60	2.87	2.87
2018	3.64	3.86	3.56	3.56	3.7	3.92	3.04	3.04
2019	3.73	3.99	3.63	3.63	3.94	4.21	3.15	3.15
2020	3.73	3.99	3.63	3.63	3.94	4.21	3.15	3.15
2021	3.89	4.15	3.79	3.79	4.14	4.41	3.35	3.35
2022	4.13			4.13	3.65			3.65

¹SAWR-Special Agriculture Water Rate

²1 unit of water = 748 gallons

Rate Summaries

Water Fixed Rates

Single Family, Multi-Family, Commercial, & Institutional								
Capacity Class-Meter Size	A-5/8"	B-3/4"	C-1"	D-1 1/2"	E-2"	F-3"	G-4"	H-6"
2013	62.23	70.93	100.44	161.33	269.85	454.39	774.89	1,548.24
2014	58.83	65.93	94.87	162.34	282.54	487.01	842.16	1,699.84
2015	58.83	65.93	94.87	162.34	282.99	487.01	842.16	1,699.84
2016	58.84	58.84	95.57	187.39	297.57	646.47	1,160.65	2,391.02
2017	61.14	61.14	99.35	194.85	309.45	672.36	1,207.19	2,486.94
2018	61.46	61.46	99.37	194.12	307.82	667.85	1,198.46	2,468.09
2019	65.56	65.56	105.59	205.62	325.67	705.81	1,266.04	2,606.55
2020	65.56	65.56	105.59	205.62	325.67	705.81	1,266.04	2,606.55
2021	67.09	67.09	108.14	210.72	333.83	723.66	1,298.17	2,672.85
2022	68.61	68.61	114.35	228.70	365.92	800.45	1,440.81	2,973.10

Agriculture								
Capacity Class-Meter Size	A-5/8"	B-3/4"	C-1"	D-1 1/2"	E-2"	F-3"	G-4"	H-6"
2013	49.71	58.41	80.41	123.78	204.76	341.74	574.61	1,097.61
2014	44.52	51.62	71.97	119.40	208.12	358.20	613.16	1,184.59
2015	44.52	51.62	71.97	119.40	208.12	358.20	613.16	1,184.59
2016	78.28	78.28	127.96	252.19	401.24	873.25	1,568.86	3,233.34
2017	81.06	81.06	132.53	261.23	415.66	904.69	1,625.39	3,349.88
2018	85.37	85.37	139.18	273.77	435.27	946.65	1,700.30	3,503.62
2019	94.25	94.25	153.36	301.20	478.61	1,040.37	1,868.25	3,849.18
2020	94.25	94.25	153.36	301.20	478.61	1,040.37	1,868.25	3,849.18
2021	95.78	95.78	155.91	306.30	486.77	1,058.22	1,900.38	3,915.48
2022	115.96	115.96	193.27	386.53	618.45	1,352.87	2,435.16	5,024.93

SAWR ¹								
Capacity Class-Meter Size	A-5/8"	B-3/4"	C-1"	D-1 1/2"	E-2"	F-3"	G-4"	H-6"
2013	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2014	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2015	58.83	65.93	94.87	162.34	215.94	304.14	445.94	694.04
2016	60.31	60.31	98.01	192.28	305.39	663.57	1,191.44	2,454.53
2017	61.37	61.37	99.71	195.59	310.64	674.94	1,211.84	2,496.52
2018	68.01	68.01	110.25	215.89	342.67	744.10	1,335.70	2,751.27
2019	77.36	77.36	125.21	244.89	388.52	843.30	1,513.53	3,117.21
2020	77.36	77.36	125.21	244.89	388.52	843.30	1,513.53	3,117.21
2021	78.41	78.41	126.96	248.40	394.13	855.57	1,535.61	3,162.78
2022	98.96	98.96	164.93	329.87	527.79	1,154.53	2,078.16	4,288.27

¹SAWR-Special Agriculture Water Rate

Sewer Rates per Dwelling Unit

	Single Family	Multi Family	Sewer Only	Commercial
2013	25.76-68.54	25.76-68.54	25.76-68.54	68.54
2014	28.70-75.50	28.70-75.50	28.70-75.50	75.50
2015	28.7-75.50	28.7-75.50	28.7-75.50	75.50
2016	28.7-75.50	28.7-75.50	28.7-75.50	75.50
2017	28.7-75.50	28.7-75.50	28.7-75.50	75.50
2018	55.07	40.51	54.40	40.51
2019	55.07	40.51	54.40	40.51
2020	55.07	40.51	54.40	40.51
2021	55.07	40.51	54.40	40.51
2022	55.07	40.51	54.40	40.51

HISTORICAL WATER DEMAND AND RECENT TRENDS

Calendar Year	Deliveries (AF)
1985	28,886
1986	29,298
1987	27,382
1988	32,028
1989	34,828
1990	34,920
1991	24,567
1992	26,460
1993	22,997
1994	22,832
1995	20,872
1996	23,223
1997	24,906
1998	19,924
1999	28,721
2000	29,203
2001	26,803
2002	32,125
2003	30,472
2004	30,336
2005	28,911
2006	29,929
2007	31,865
2008	24,128
2009	26,894
2010	18,322
2011	19,276
2012	21,918
2013	21,526
2014	22,625
2015	17,868
2016	18,151
2017	18,123
2018	17,910
2019	13,720
2020	15,373
2021	15,838

For 25 years following its founding in 1954, total SDCWA water deliveries to the District service area steadily increased, as agricultural acreage and population increased. By 1984, demands had climbed to almost 34,000-acre feet per year (AFY). Demands then dropped sharply during the drought restrictions of 1991-93, as mandatory cutbacks led to the stumping of avocado groves and other water use reductions, but by 2002 had rebounded to almost pre- 1991 conditions.

Beginning in 2008, demands again declined sharply, this time in response to economic recession, water price increases, a new round of drought restrictions, and increased adoption of water conservation measures. These factors have combined to produce a fundamental downward shift in per capita water use, with per account use declining by **35 percent** from 2006 to 2013. Per capita use reached a minimum during the period from 2010 to 2012, but this was in response to economic recession, cooler than normal summer weather, and other impermanent conditions. The region has been experiencing a mega drought which has resulted in increased sales for 2020-2021, followed by implementation of voluntary water restrictions due to a level 1 water shortage.

Considering factors of economic equilibrium, average weather conditions, and normal water supply conditions (without water use restrictions in place), the Master Plan has judged calendar year 2018 to be representative of normal water use conditions in the current era and has defined calendar year 2018 water use as an appropriate baseline condition for use in demand forecasting.



Top 10 Employers

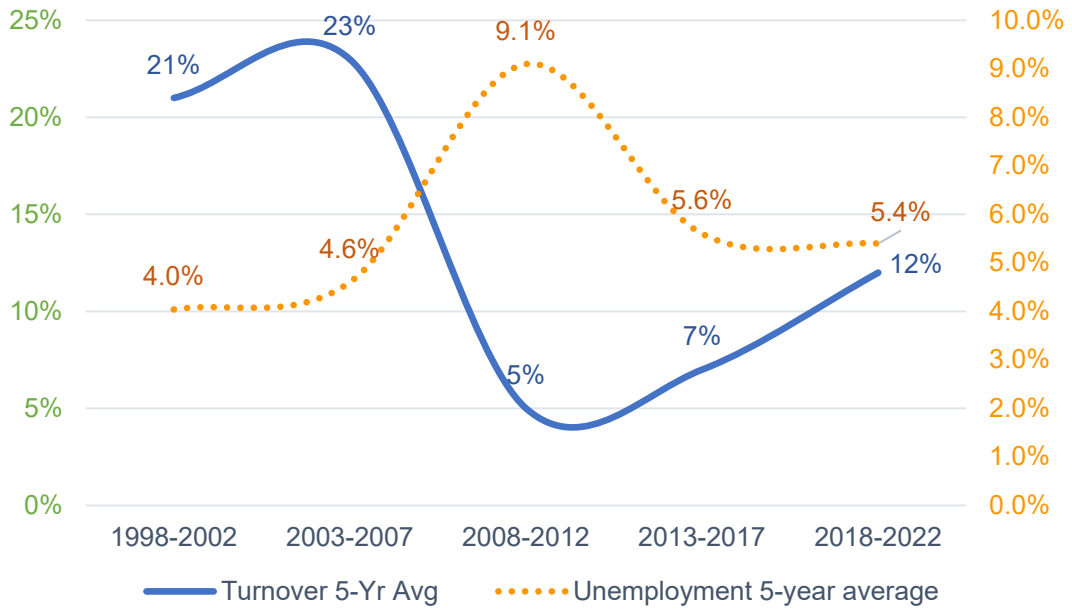
Employers	# of Employees
Bonsall Unified School District	123
Rainbow Municipal Water District	57
Vallecitor School District	30
Pala Mesa Resort	20
Z Café	15
Daniel's Market	10
Armstrong Growers	less than 10
West Coast Tomato Growers	less than 10
Rainbow Oaks Restaurant	less than 10
Pala Mesa Market	less than 10
Village Pizza	less than 10
Tekila Cocina	less than 10
Fresco Grill	less than 10
Jack in the Box	less than 10
Subway	less than 10
McDonalds	less than 10
Cortez Mexican	less than 10
Quality Inn	less than 10
Nessy Burget	less than 10
Fallbrook Rib Shack	less than 10
Randy Carlson DMD	less than 10
North County Fire	less than 10

FULL-TIME EQUIVALENT EMPLOYEES BY DEPARTMENT

Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Administration	3	3	3	3	3	4	3	2	2	2
Information Technology	-	-	-	-	-	-	2	4	4	4
Human Resources	3	3	2	3	2	2	2.5	2.5	2.5	2.5
Engineering	5.5	5.5	5.5	5.5	5.5	5.5	6.5	5	6	6
Finance	4	4	4	4	4	4	3	5	6	7
Customer Service	3	3	3	3	3	3	5	5	4	4
Valve Maintenance	5	5	3	5	5	5	5	3	2	2
Operations	10.5	10.5	9.5	10.5	10.5	10.5	9	9	9	7
Wastewater	4	4	4	4	4	4	4	4	4	4
Construction & Maintenance	9	9	8	9	9	9	9	10	10	14
Meters	4	4	4	4	4	4	9	8	8	5
Total	51	51	46	51	50	51	57.5	57.5	57.5	57.5
Less Temporary Employees	-	-	-	-	-	-	3	3	3	-
Total Permanent Employees	51	51	46	51	50	51	54.5	54.5	54.5	57.5

Historical Turnover (5-year rates, all reasons)

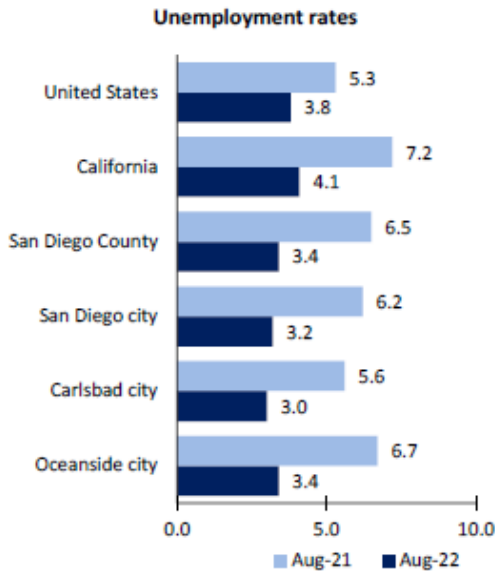


San Diego Area Economic Summary

Updated October 03, 2022

This summary presents a sampling of economic information for the area; supplemental data are provided for regions and the nation. Subjects include unemployment, employment, wages, prices, spending, and benefits. All data are not seasonally adjusted and some may be subject to revision. Area definitions may differ by subject. For more area summaries and geographic definitions, see www.bls.gov/regions/economic-summaries.htm.

Unemployment rates for the nation and selected areas



Source: U.S. BLS, Local Area Unemployment Statistics.

Average weekly wages for all industries by county

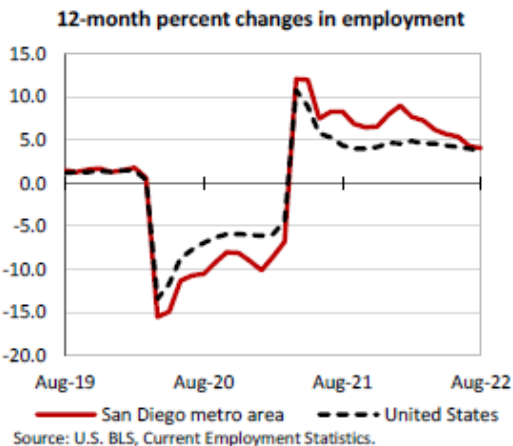
San Diego metro area, first quarter 2022

(U.S. = \$1,374; Area = \$1,484)



Source: U.S. BLS, Quarterly Census of Employment and Wages.

Over-the-year changes in employment on nonfarm payrolls and employment by major industry sector



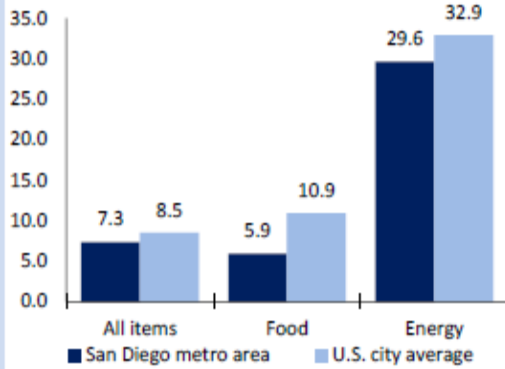
Source: U.S. BLS, Current Employment Statistics.

San Diego metro area employment (number in thousands)	Aug. 2022	Change from Aug. 2021 to Aug. 2022	
		Number	Percent
Total nonfarm	1,515.9	59.6	4.1
Mining and logging	0.3	0.0	0.0
Construction	88.7	4.1	4.8
Manufacturing	113.7	-1.3	-1.1
Trade, transportation, and utilities	220.6	4.4	2.0
Information	22.9	0.3	1.3
Financial activities	74.5	-2.2	-2.9
Professional and business services	279.8	14.3	5.4
Education and health services	218.5	3.1	1.4
Leisure and hospitality	205.1	25.3	14.1
Other services	54.8	5.3	10.7
Government	237.0	6.3	2.7

Source: U.S. BLS, Current Employment Statistics.

Over-the-year change in the prices paid by urban consumers for selected categories

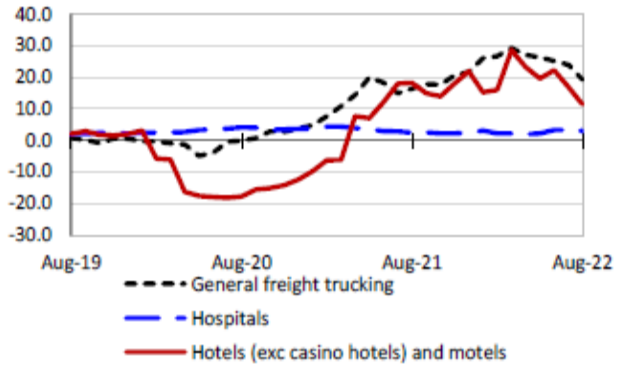
12-month percent change in CPI-U, July 2022



Source: U.S. BLS, Consumer Price Index.

Over-the-year changes in the selling prices received by producers for selected industries nationwide

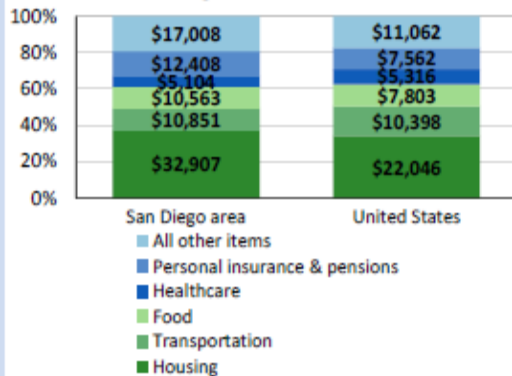
12-month percent changes in PPI



Source: U.S. BLS, Producer Price Index.

Average annual spending and percent distribution for selected categories

Average annual expenditures, United States and San Diego area, 2020-21



Source: U.S. BLS, Consumer Expenditure Survey.

Average hourly wages for selected occupations

Occupation	San Diego metro area	United States
All occupations	\$32.31	\$28.01
Human resources managers	69.20	65.67
Registered nurses	54.40	39.78
Accountants and auditors	42.08	40.37
Electricians	32.98	30.44
Construction laborers	24.77	21.22
Hotel, motel, and resort desk clerks	16.49	13.48

Source: U.S. BLS, Occupational Employment and Wage Statistics, May 2021.

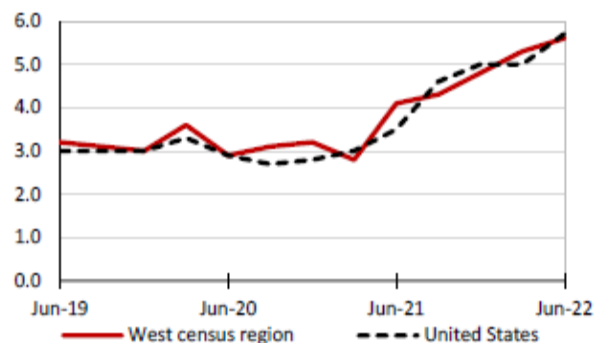
Employer costs per hour worked for wages and selected employee benefits by geographic division

Private industry, June 2022	West census region	United States
Total compensation	\$42.64	\$38.91
Wages and salaries	30.10	27.44
Total benefits	12.54	11.47
Paid leave	3.21	2.87
Vacation	1.63	1.47
Supplemental pay	1.35	1.37
Insurance	3.20	2.96
Retirement and savings	1.45	1.33
Legally required benefits	3.33	2.93

Source: U.S. BLS, Employer Costs for Employee Compensation.

Over-the-year changes in wages and salaries

12-month percent changes in ECI



Source: U.S. BLS, Employment Cost Index.

Western Information Office • BLSinfoSF@bls.gov • <https://www.bls.gov/regions/west> • 415-625-2270



CLIMATE AND TOPOGRAPHY

The Fallbrook, Bonsall and Rainbow region has an average year-round temperature of 61 degrees. Due to the prevailing ocean breezes, the humidity is relatively low and constant. The average daytime high in Fallbrook is 76 degrees, although in the summer, temperatures sometimes exceed 100 degrees. Most of the area is frost-free; during the coldest periods, the average nighttime temperature is about 42 degrees. Due to its proximity to the ocean, days often start with early morning fog; afternoons can be breezy.

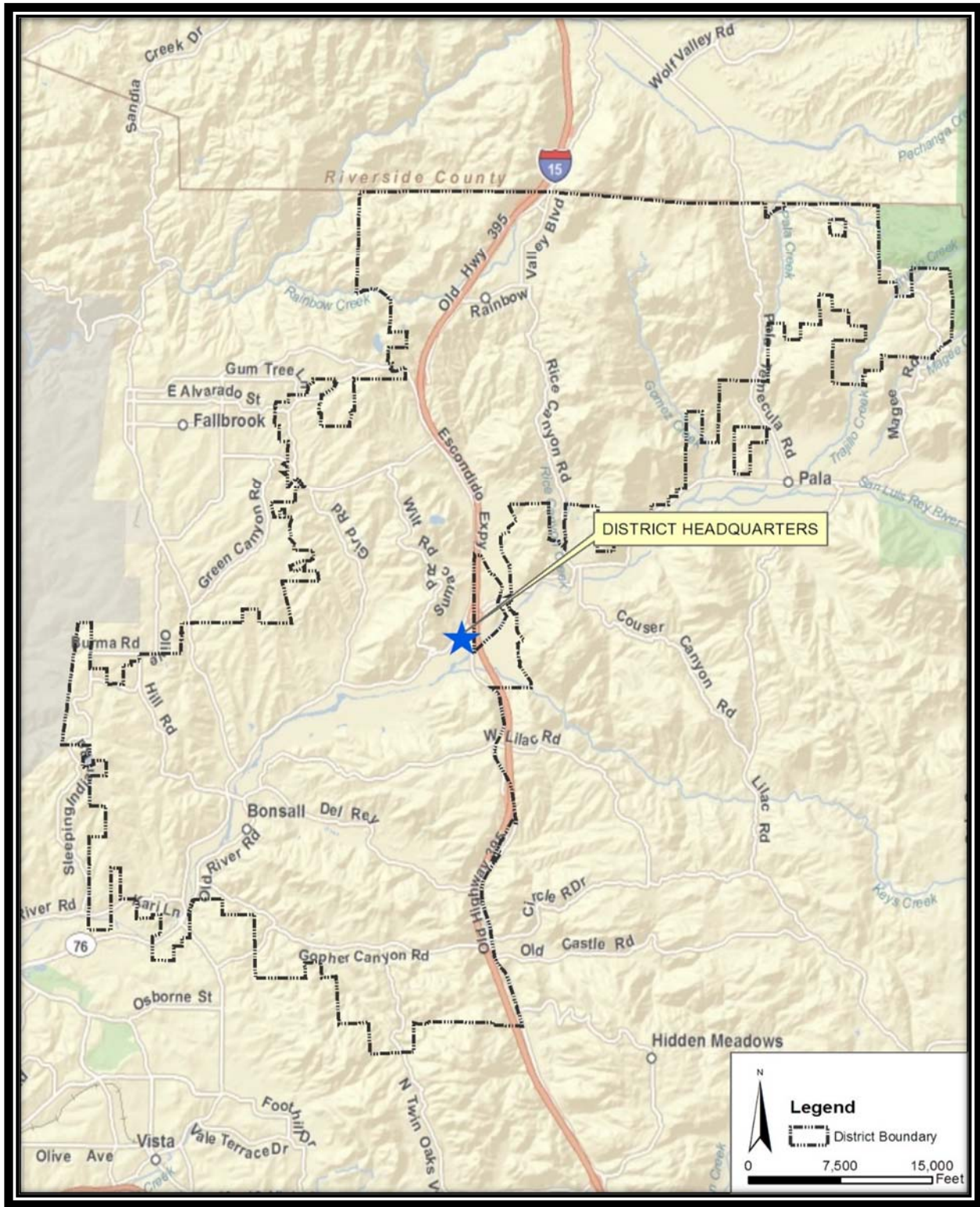
Annual rainfall is roughly 10 inches (25 cm) and comes mostly between November and April. Rainfall is higher in the surrounding hills, up to 20 inches (51 cm). The area is ideal for avocados, strawberries, tomatoes and many other sub-tropical fruits, vegetables, and flowers.

The topography of the District ranges from relatively level valley lands to steeply sloping ridges with long, narrow canyons. Elevations vary from 120 feet in the San Luis Rey River basin to mountains over 2,200 feet high. This configuration of land enables dense, cool air to slide off the valley sides, creating a continuous mild turbulence on the valley floor, which results in a low incidence of frost essential to the growth of avocados and citrus, the major crops grown in the District.

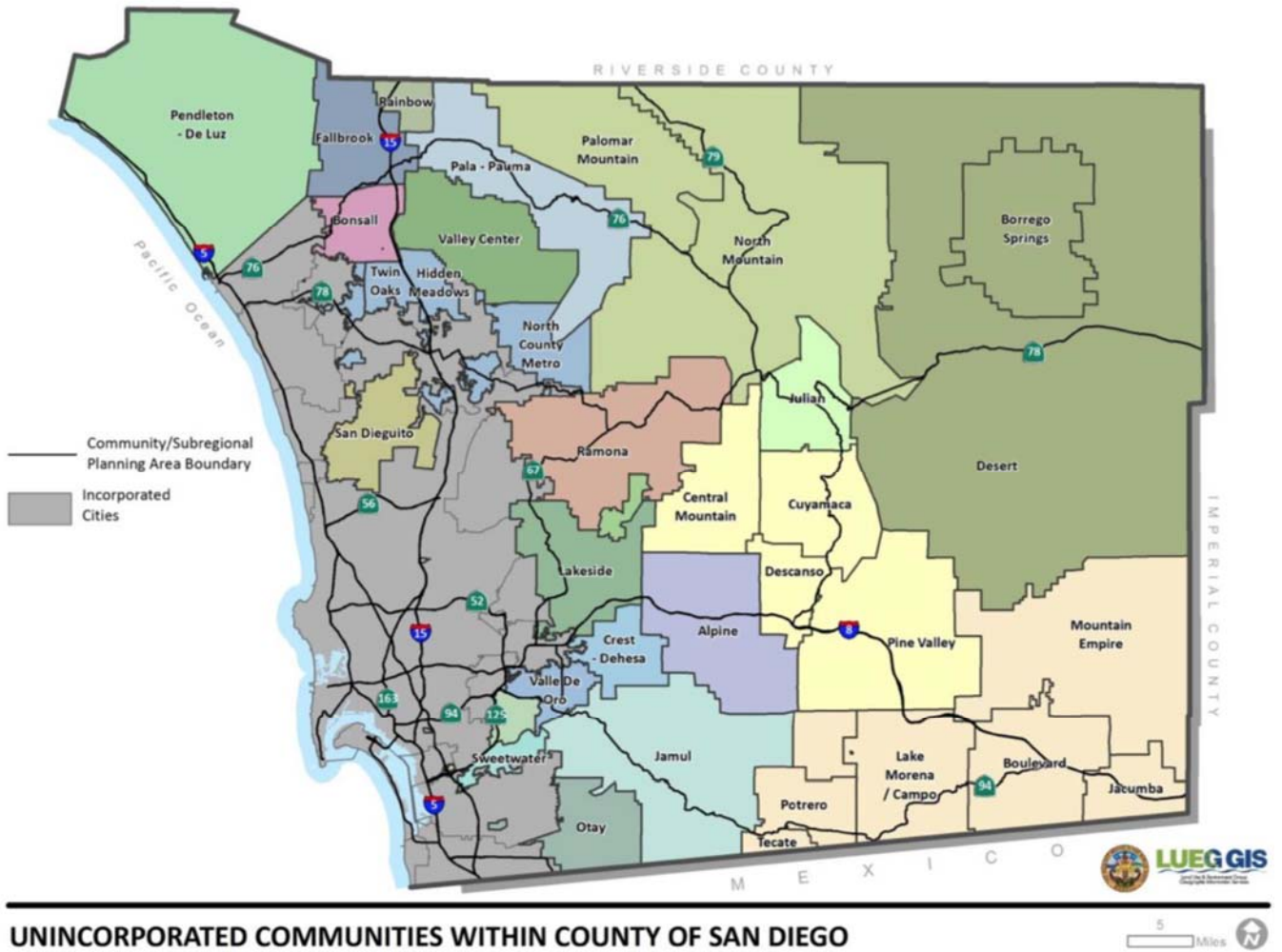
THE DISTRICT OFFICE



MAP OF DISTRICT SERVICE AREA

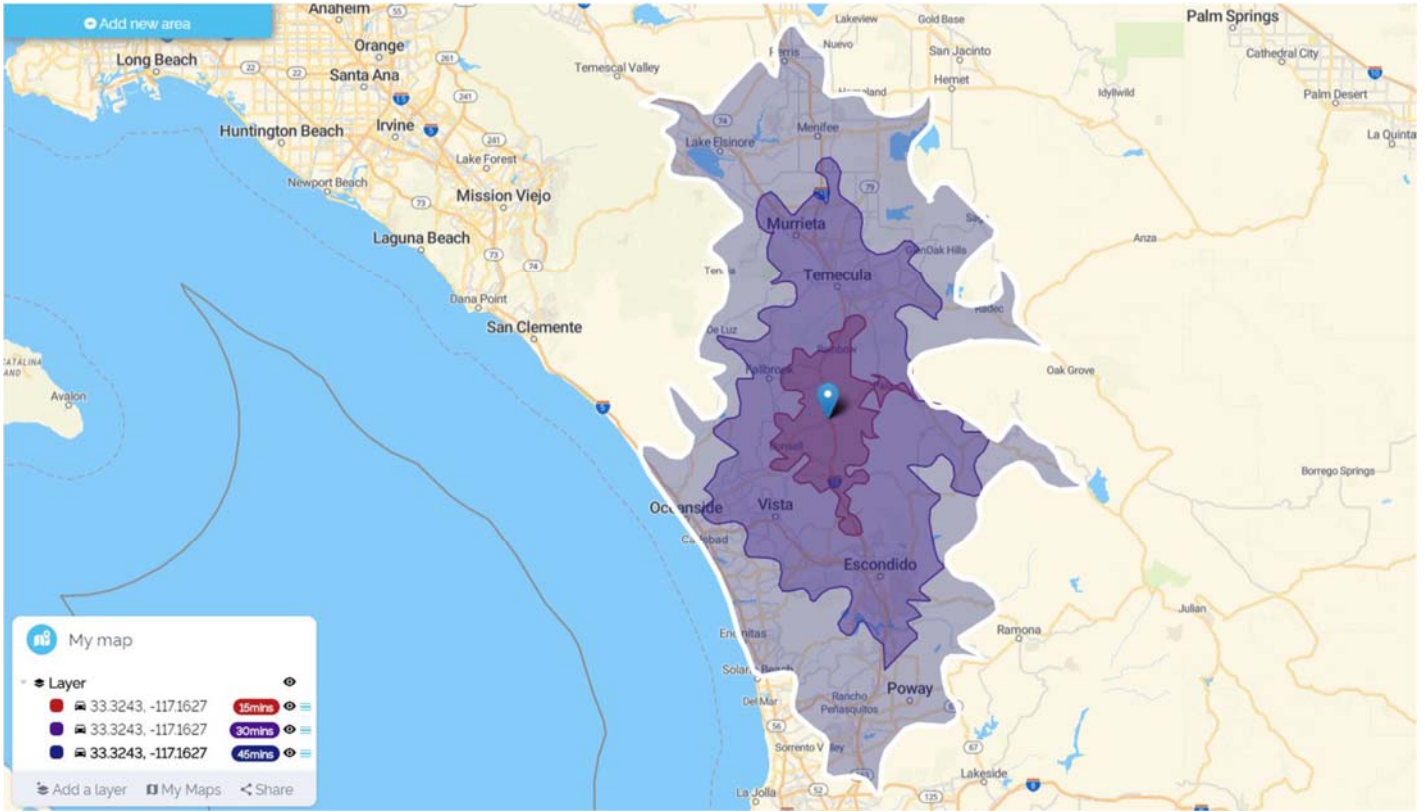


MAP OF DISTRICT LOCATION



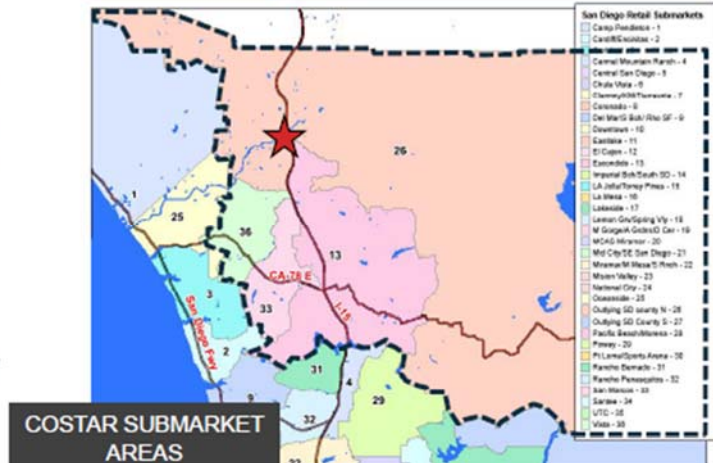
UNINCORPORATED COMMUNITIES WITHIN COUNTY OF SAN DIEGO

MAP OF DISTRICT COMMUTE TIMES



SANDAG AND COSTAR SUBMARKETS

- The Rainbow property is in the SANDAG North County East Major Statistical Area (MSA 5). To estimate future demand for the land uses being evaluated for the Rainbow property we are utilizing SANDAG's SR13 forecasts for population and housing unit growth and SANDAG's upcoming SR14 preliminary forecasts for job growth.
- For information on supply and demand trends for retail, office, industrial and multi-family uses, we are utilizing data from the commercial data provider CoStar. The CoStar submarkets that most closely match with the SANDAG North County East MSA include four areas (which we are collectively referring to as the "Inland North" market):
 - 26 – Outlying SD County North
 - 13 – Escondido
 - 33 – San Marcos
 - 36 – Vista
- The SANDAG and CoStar areas do not 100% align. The primary difference between the CoStar Inland North submarket and the SANDAG North County East MSA is that the CoStar area includes the community of Ramona, while SANDAG does not. The population of Ramona is only about 20K and represents only about 4% of the 460K population in the SANDAG North County East MSA (480K if Ramona is added). We have concluded that the aggregate CoStar Inland North and SANDAG North County East MSA areas are similar enough for our analytical purposes.
- CoStar submarket boundaries can vary for different land uses, particularly for Multi-Family. CoStar submarket maps are provided for each use at the beginning of each section of the report for that particular use.



SANDAG PROJECTIONS – COUNTY POPULATION

- Population growth from 2020 to 2035 in the county is projected at about 27.9K per year.
- Occupied housing unit growth from 2020 to 2035 is projected at about 9.9K per year (SF 1.8K per year, MF 8.1K per year).

POPULATION AND HOUSING

	2012	2020	2035	2050	2012 to 2050 Change*	
					Numeric	Percent
Total Population	3,143,429	3,435,713	3,853,698	4,068,759	925,330	29%
Household Population	3,039,937	3,325,715	3,738,048	3,949,115	909,178	30%
Group Quarters Population	103,492	109,998	115,650	119,644	16,152	16%
Civilian	61,597	68,103	73,755	77,749	16,152	26%
Military	41,895	41,895	41,895	41,895	0	0%
Total Housing Units	1,165,818	1,249,684	1,394,783	1,491,935	326,117	28%
Single Family	703,101	731,693	758,622	763,226	60,125	9%
Multiple Family	420,147	477,258	597,762	692,709	272,562	65%
Mobile Homes	42,570	40,733	38,399	36,000	-6,570	-15%
Occupied Housing Units	1,103,034	1,178,091	1,326,445	1,407,869	304,835	28%
Single Family	672,496	697,416	730,471	730,020	57,524	9%
Multiple Family	391,534	443,213	560,793	645,548	254,014	65%
Mobile Homes	39,004	37,462	35,181	32,301	-6,703	-17%
Vacancy Rate	5.4%	5.7%	4.9%	5.6%	0.2	4%
Single Family	4.4%	4.7%	3.7%	4.4%	0.0	0%
Multiple Family	6.8%	7.1%	6.2%	6.8%	0.0	0%
Mobile Homes	8.4%	8.0%	8.4%	10.3%	1.9	23%
Persons per Household	2.76	2.82	2.82	2.81	0.1	2%

Source: SANDAG SR13 Regional Growth Forecast, released in 2013. The forecast is in the process of being updated with new estimates to be available by the end of 2020 (SR14). According to SANDAG, the new forecast numbers for population and housing units are not expected to be substantially different than forecast in SR13.

SANDAG PROJECTIONS – NORTH COUNTY EAST/MSA5 POPULATION

- Population growth from 2020 to 2035 in MSA 5 is projected at about 4.0K per year.
- Occupied housing unit growth from 2020 to 2035 is projected at about 1.3K per year (SF 664 per year, MF 634 per year).
- MSA 5 currently represents 14% of the countywide population and 13% of the countywide supply of housing units.

POPULATION AND HOUSING

	2012	2020	2035	2050	2012 to 2050 Change*	
					Numeric	Percent
Total Population	438,503	487,700	547,881	573,295	134,792	31%
Household Population	432,566	482,109	541,229	565,889	133,323	31%
Group Quarters Population	5,937	5,591	6,652	7,406	1,469	25%
Civilian	5,937	5,591	6,652	7,406	1,469	25%
Military	0	0	0	0	0	0%
Total Housing Units	148,823	163,094	181,744	191,439	42,616	29%
Single Family	96,104	103,348	112,619	115,143	19,039	20%
Multiple Family	40,869	48,064	57,514	64,837	23,968	59%
Mobile Homes	11,850	11,682	11,611	11,459	-391	-3%
Occupied Housing Units	142,516	155,935	175,276	183,758	41,242	29%
Single Family	93,001	99,720	109,680	111,556	18,555	20%
Multiple Family	38,687	45,507	55,018	61,990	23,303	60%
Mobile Homes	10,828	10,708	10,578	10,212	-616	-6%
Vacancy Rate	4.2%	4.4%	3.6%	4.0%	-0.2	-5%
Single Family	3.2%	3.5%	2.6%	3.1%	-0.1	-3%
Multiple Family	5.3%	5.3%	4.3%	4.4%	-0.9	-17%
Mobile Homes	8.6%	8.3%	8.9%	10.9%	2.3	27%
Persons per Household	3.04	3.09	3.09	3.08	0.0	1%

Source: SANDAG SR13 Regional Growth Forecast, released in 2013. The forecast is in the process of being updated with new estimates to be available by the end of 2020 (SR14). According to SANDAG, the new forecast numbers for population and housing units are not expected to be substantially different than forecast in SR13.



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Rainbow Municipal Water District
Fallbrook, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Rainbow Municipal Water District (The District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 4, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



To the Board of Directors
Rainbow Municipal Water District
Fallbrook, California

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lance, Soll & Lughard, LLP

Brea, California
November 4, 2022



November 4, 2022

To the Board of Directors
Rainbow Municipal Water District
Fallbrook, California

We have audited the financial statements of Rainbow Municipal Water District (The District) for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 4, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Significant Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in notes to the financial statements. The District adopted GASB 87, *Leases*, GASB 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* and GASB 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's financial statements were:

Management's estimates of its net pension liability and total other post-employment benefits (OPEB) liability are based on actuarial valuation specialist assumptions. We evaluated the key factors and assumptions used to develop the net pension liability and total OPEB liability, in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Significant or Unusual Transactions

Management is responsible for the policies and practices used to account for significant or unusual transactions. No significant unusual transactions have occurred during fiscal year 2021-2022.



To the Board of Directors
Rainbow Municipal Water District
Fallbrook, California

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We are pleased to report that no such misstatements were identified during the course of our audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 4, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the significant events or transactions that occurred during the year, business conditions affecting the District's and business plans and strategies that may affect the risks of material misstatements, the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, and the required pension and other post-employment benefits schedules, as listed in the Annual Comprehensive Financial Report's table of contents, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.



To the Board of Directors
Rainbow Municipal Water District
Fallbrook, California

We were not engaged to report on introductory and statistical sections of the financial report, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

The following new Governmental Accounting Standards Board (GASB) pronouncements were effective for fiscal year 2021-2022 audit:

GASB Statement No. 87, *Leases*.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*.

The following GASB pronouncements are effective in the following fiscal years' audits and should be reviewed for proper implementation by management:

Fiscal year 2023

GASB Statement No. 91, *Conduit Debt Obligations*.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangement*.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

Fiscal year 2024

GASB Statement No. 99, *Omnibus 2022*.

GASB Statement No. 100, *Accounting Changes and Error Corrections*.

Fiscal year 2025

GASB Statement No. 101, *Compensated Absences*.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "Lance, Soll & Loughard, LLP". The signature is written in a cursive, flowing style.

Brea, California

BOARD OF DIRECTORS

December 6, 2022

SUBJECT

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

BACKGROUND

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

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

District staff has determined that a reasonable amount of time to assess usage is 12 months. For a parcel to move to a 3/4" rate class they should not exceed 50 units (one unit equals one hundred cubic feet ["CCF"]) of water use per month on average, for any 12- month period, based on the 12-month rolling average (month determined by scheduled meter reading cycle). This is a new service, so there is not a history of usage. Ordinance 21-03 specifically states that lot size less than 21,780 sqft (0.5 acres) may qualify for a 3/4 inch meter (Class B). This property is not under 0.5 acres.

Past precedence has not allowed the customer to choose to purchase a smaller meter size without usage history. This would be a departure from the recommendations of the capacity class study and adopted fees. This would also be in violation of Ordinance 21-03 Water and Sewer Rates and Charges adopted September 1, 2021. Staff does not recommend granting this variance. In April the Board ruled against a similar variance request by not allowing a meter smaller than 1" for a new meter install on a 2.17 acre parcel.

DESCRIPTION

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

ATTACHMENTS

Attachment A Variance Request

POLICY/STRATEGIC PLAN KEY FOCUS AREA

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

ENVIRONMENTAL

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

BOARD OPTIONS/FISCAL IMPACTS

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

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

STAFF RECOMMENDATION

Staff recommends Option 2.


Tracy Largent, CPA
Finance Manager

December 6, 2022



ADMINISTRATIVE CODE VARIANCE APPLICATION

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

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

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

Reason why the variance should be approved including how the intent of the Administrative Code will be met (attach additional pages if necessary):

We are requesting a 3/4" meter to be installed instead of a 1". Due to the fact we are building a small house of 2490 sq. ft. w/a garage. We do have 2 acres, but are not planting any grove or any landscaping. No live stock either. our household only will be using 30 units of water per month, only 3 bedrooms.

We are not building until next year but do need water for preping land, compacting. Our land is very moist currently has 10 oak trees that need watering.

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

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

Evette R. Ramirez

 Owner Signature

9-27-22

 Date

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



WATER SERVICE CONNECTION APPLICATION

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

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

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

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

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

The Owner/Agent agrees to assume full responsibility for all charges on this account from the effective date of service and to abide by the District's policies and regulations. The Owner/Agent further agrees to notify the District when responsibility for this account ceases and to provide a forwarding address for the closing bill. If the Owner/Agent's account becomes overdue, the District retains the right to discontinue service after sufficient notification and to charge of 324 any applicable penalties and late fees. Responsibility for delinquent water bills by a tenant rests with the Owner/Agent. (State Water Code 71618, 72100 & 82101)

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

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

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

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

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

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

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

Owner/Authorized Agent

Rainbow Municipal Water District

Date: 9-27-20

Date: _____

Name: Evette Rosas-Ramirez

Name: _____
District Representative

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

Signature: _____

DISTRICT USE ONLY

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

Cross Connection

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

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

CC Technician Signature _____	Position _____	Date _____
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Final Inspection

Longitude -117. Latitude 33. Alt. _____ Way Point _____

Inspector Signature _____	Position _____	Date _____
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RAINBOW MUNICIPAL WATER DISTRICT

Appendix A

Water and Sewer Rates and Charges

EFFECTIVE September 1, 2021
Adopted by Ordinance No. 21-03

WATER COMMODITY CHARGE

A. BASIC COMMODITY CHARGE

(Basic rate for all water delivered through the water meter)

1 Unit = 748 Gallons = 100 cubic feet (cf)

<u>Service Category</u>	<u>Water Rate</u>
Single Family Residential	\$4.77 / 100 cf
Multi-Family Residential	\$4.77 / 100 cf
Commercial	\$4.77 / 100 cf
Institutional	\$4.77 / 100 cf
Construction	\$4.77 / 100 cf
Agricultural w/ Residence	\$3.90 / 100 cf
Agricultural w/o Residence	\$3.90 / 100 cf
Permanent Special Agricultural Water Rates (PSAWR)	
PSAWR Domestic	\$3.53 / 100 cf
PSAWR Commercial	\$3.53 / 100 cf

Future year rate increase for RMWD effective July 1, 2022, 2023, 2024, & 2025 will be a maximum of 5%, 4.5%, 3%, & 3%.

B. PUMPING ZONE CHARGES

<u>Service Area</u>	<u>Amount</u>
Monthly fixed charge for all zones	\$6.80 per meter
1 - Rainbow Heights	\$0.97 / 100 cf
2 - Improvement District U-1	\$0.60 / 100 cf
3 - Vallecitos	\$0.34 / 100 cf
4 - Northside	\$0.13 / 100 cf
5 - Morro	\$0.18 / 100 cf
6 - Huntley	\$0.71 / 100 cf
7 - Magee	\$3.15 / 100 cf

C. WATER ALLOCATION PENALTY RATES

The Water Allocation Penalty charges shall apply only to PSAWR customers in the event that the San Diego County Water Authority (SDCWA) establishes mandatory PSAWR allocation cutbacks. During a PSAWR allocation, SDCWA will establish an allocation reduction percentage. Each PSAWR customer will be issued a baseline allocation that is calculated from a base year defined by SDCWA and this allocation will be reduced by the SDCWA defined reduction percentage.

WATER FIXED ACCOUNT CHARGES

A. METER SERVICES CHARGES

RMWD Monthly Fixed O&M Charges for Single Family Residential, Multi-Family Residential, Commercial, and Institutional

<u>Meter Size</u>	<u>Monthly Charge</u>
5/8 "	\$ 37.59
3/4 "	\$ 37.59
1"	\$ 62.65
1 1/2"	\$ 125.30
2"	\$ 200.48
3"	\$ 438.55
4"	\$ 789.39
6"	\$1,628.90

Future year rate increase for RMWD effective July 1, 2022, 2023, 2024, & 2025 will be a maximum of 5%, 4.5%, 3%, & 3%.

RMWD Monthly Fixed O&M Charges for Agricultural w/Residence, Agricultural w/o residence, PSAWR Domestic, and PSAWR Commercial

<u>Meter Size</u>	<u>Monthly Charge</u>
5/8 "	\$ 84.94
3/4 "	\$ 84.94
1"	\$ 141.57
1 1/2"	\$ 283.13
2"	\$ 453.01
3"	\$ 990.97
4"	\$1,783.74
6"	\$3,680.73

Future year rate increase for RMWD effective July 1, 2022, 2023, 2024, & 2025 will be a maximum of 5%, 4.5%, 3%, & 3%.

SDCWA Fixed Pass Through Charges

Charge is assessed by the San Diego County Water Authority and passed through directly by RMWD to all meter customers. These charges are in addition to RMWD Monthly Fixed O&M Charges

Monthly SDCWA Fixed Pass Through Charge for Single Family Residential, Multi-Family Residential, Agricultural w/ residence, Agricultural w/o Residence, Commercial, and Institutional

<u>Meter Size</u>	<u>Monthly Charge</u>
5/8 "	\$ 30.70
3/4 "	\$ 30.70
1"	\$ 51.17
1 1/2"	\$ 102.33
2"	\$ 163.73
3"	\$ 358.17
4"	\$ 644.70
6"	\$1,330.33

Monthly SDCWA Fixed Pass Through Charge for PSAWR Domestic, and PSAWR Commercial

<u>Meter Size</u>	<u>Monthly Charge</u>
5/8 "	\$ 14.15
3/4 "	\$ 14.15
1"	\$ 23.58
1 1/2"	\$ 47.17
2"	\$ 75.47
3"	\$ 165.08
4"	\$ 297.15
6"	\$ 613.17

NOTE: Locked or sealed meters are assessed a charge equal to the above monthly fixed charge for the appropriate sized meter for all categories.

B. OTHER FIXED ACCOUNT CHARGES

(Additional charges added to the basic meter service charge to reflect other special service conditions.)

Backflow Test Fee

Backflow preventers are required by State Law for properties that meet certain criteria, such as having agricultural uses, onsite wells, or other water supplies, or pumping systems downstream of the meter. Its sole job is to prevent drinking water from being contaminated due to backflow.

State Law requires all backflow devices must be tested annually to ensure they are functioning properly. The district provides this service to our customers in a cost-effective manner.

Backflow device annual testing is charged as a monthly fee:

<u>Meter Size</u>	<u>Monthly Charge</u>
5/8 "	\$ 4.81
3/4 "	\$ 4.81
1"	\$ 4.81
1 1/2"	\$ 4.81
2"	\$ 4.81
3"	\$ 8.14
4"	\$ 8.14
6"	\$ 8.14

<u>Service Conditions</u>	<u>Monthly Charge</u>
Bypass Meter (for detector check systems) or Fire Service Only Meters	\$10.00
Fire Standby Charge (Vista Valley Area) (Applicable to properties under the jurisdiction of the Vista Fire Department. See Resolution No. 85-24)	\$ 5.00
Fire Standby Charge (All Other Areas)	\$ 5.00

MISCELLANEOUS CHARGES

A. CONSTRUCTION METERS

Deposit	\$1,825.00
Installation Fee	\$ 115.00
Relocation Fee	\$ 50.00
Meter Service Fee (3" O & M)	\$ 438.55
Water Commodity Charge	\$4.77/100 cf

B. OTHER CHARGES

Unpaid Bills (delinquency)	5% of unpaid balance-1st month 1.5% of unpaid balance per month thereafter.
Returned Check Charge	\$30.00
Tax Roll Fee (Accounts collected through SD County Assessor's Office)	\$45.00
48-hour Lock Off Notice	\$40.00
Service Turn-on Fee	\$50.00
After hours Turn-on-Fee	\$75.00
Cut Padlock Fee	\$22.00
Meter Testing Charge	\$ 50.00 (1" or smaller)
(testing for 3" and greater is outsourced)	\$ 71.00 (1 1/2" or 2") \$225.00 (3" or 4") \$225.00 (6")

WATER CAPACITY CHARGES

The SDCWA charge is collected by RMWD forwarded quarterly to the SDCWA. Capacity fees list are for **residential only**, all other land use types will be calculated case by case based on the number of EDUs (equivalent dwelling unit).

Class	Meter Size	Max CF/month	Material	RMWD Capacity	SDCWA Capacity	SDCWA Treatment	Inspection Deposit	Total
A	5/8"	30	\$ 225	\$ 6,241	\$ 5,312	\$ 148	\$ 1,100	\$ 13,026
B	3/4"	50	\$ 225	\$ 10,401	\$ 5,312	\$ 148	\$ 1,100	\$ 17,186
C	1"	80	\$ 225	\$ 16,642	\$ 8,499	\$ 237	\$ 1,100	\$ 26,703
D	1 1/2"	130	\$ 510	\$ 27,043	\$ 15,936	\$ 444	\$ 1,100	\$ 45,033
E	2"	300	\$ 585	\$ 62,406	\$ 27,622	\$ 770	\$ 1,100	\$ 92,483
F	3"	600	\$ 825	\$ 124,812	\$ 50,995	\$ 1,421	\$ 1,100	\$ 179,153
G	4"	1,000	\$ 1,375	\$ 208,020	\$ 87,117	\$ 2,427	\$ 1,100	\$ 300,039

- For capacity class A, lot sizes must be less than 5,000 sqft. (0.11 acres) with irrigation area less than 1,000 sqft.
- Lot size less than 21,780 sqft (0.5 acres) may qualify for a 3/4 inch meter.
- To qualify for a downsize, usage must be within the Max CF/month for the desired meter size for the most current 12 month average.
- For cases where demand qualifies for a smaller capacity meter but requires a larger meter to meet fire flow requirements only, a meter one size larger may be installed, and a monthly fire standby charge will be assessed. Written confirmation from the fire department is required.
- Downsizing from a 1 inch to a 3/4 inch requires written approval by the fire department if the structure is required to have fire sprinklers.

WASTEWATER CHARGES

A. MONTHLY SERVICE CHARGE PER EQUIVALENT DWELLING UNIT (EDU)

Single Family	\$55.07/month
Multi-Family	\$40.51/month
Sewer Only	\$54.40/month
Commercial (minimum)	\$40.51/month

B. VARIABLE CHARGE PER HCF OF WATER

Commercial	\$6.67/HCF
Commercial w/Irrigation	\$2.99/HCF

C. EDU description and basis for Wastewater Capacity Charges

Single Family Residential, Apartment, Condominium, Duplex or Mobile home, Each Unit

Square Footage

≤1,250	0.8 EDU
1,251 to 2,000	1.0 EDU
2,001 to 3,000	1.2 EDU
3,001 to 4,500	1.5 EDU
4,501 to 6,000	2.0 EDU
>6,000	Case by Case

Motel or Hotel

Each Living Unit with Kitchen	0.8 EDU
Each Living Unit without Kitchen	0.4 EDU
Commercial Business - Retail shop or Offices	
• Equipped with Restroom, Up to 1,000 sf.	1.2 EDU
Commercial Business – Each additional 1,000 sf.	
• of gross floor space or part thereof.	0.8 EDU
Automobile Service Stations	
• Providing RV holding tank disposal station	2.0 EDU
• Four (4) or under Gas Pumps	0.8 EDU
• Over four (4) Gas Pumps	1.0 EDU

Church, Fraternal Lodge or similar Auditorium 1.0 EDU
Each unit of seating capacity for 200 persons

Bakery	1.0 EDU
Theater - 200 seating capacity	1.4 EDU
Hospital - per bed	0.4 EDU
Convalescent Hospital - Boarding Home - per bed	0.4 EDU
Labor Camp, Per Bed	0.1 EDU
Mortuary	1.2 EDU
Car Wash	1.2 EDU
Grocery Store	1.2 EDU
Self Service Laundry - each washing machine	0.4 EDU
Swimming Pool - with restrooms	1.2 EDU
Spas - with restrooms	1.2 EDU
Country Clubs with common restroom facilities	1.2 EDU
<i>Each additional shower unit, wash closet and/or fixture</i>	

Restaurant – Base (Using non-disposable tableware) 2.7 EDU
 Per each seven (7) seats or part thereof 1.2 EDU

Restaurants—Base (Using disposable tableware) 1.2 EDU
 Per each twenty-one (21) seats or part thereof 1.2 EDU

Schools (Public or Private)

- Elementary Per each 60 students 1.2 EDU
- Junior High School Per each 40 students 1.2 EDU
- High School Per each 30 students 1.2 EDU

D. WASTEWATER CAPACITY CHARGES

EDU	Land Use Factor	Living Area (SqFt)	Expansion	Upgrade	Treatment	Total
0.8 House	≤1,250		\$ 8,912	\$ 1,677	\$ 712	\$ 11,301
1 House	1,251 to 2,000		\$ 11,140	\$ 2,096	\$ 890	\$ 14,126
1.2 House	2,001 to 3,000		\$ 13,368	\$ 2,515	\$ 1,068	\$ 16,951
1.5 House	3,001 to 4,500		\$ 16,710	\$ 3,144	\$ 1,335	\$ 21,189
2 House	4,501 to 6,000		\$ 22,280	\$ 4,192	\$ 1,780	\$ 28,252
House	≥6,001		Case by Case			

PROSPECTIVE ANNUAL RATE INCREASES VIA PASS THROUGH CHARGES FOR WATER

To avoid operational deficits, depletion of reserves, an inability to address infrastructure and water quality improvements, and to continue to provide a safe, reliable water supply, the District will pass through to its customers: (1) any increases in the rates of the SDCWA Fixed Charges imposed on the District by SDCWA (an “SDCWA Fixed Pass Through”); (2) any future charges and any rate increases to any other existing charges, including imported water charges, that are imposed on the District by SDCWA (a “SDCWA Pass Through”); The foregoing are collectively referred to in this ordinance as “Pass Through Increases.”

Any SDCWA Fixed Pass Through will only impact the rates of the SDCWA Fixed Charges. The District may annually implement the Pass Through Increases commencing September 1, 2021 and July 1, 2022, 2023, 2024, & 2025.

BOARD OF DIRECTORS

December 6, 2022

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO ADOPT RESOLUTION NO. 22-30 AUTHORIZING SUBMITTAL OF APPLICATION(S) FOR BEVERAGE CONTAINER RECYCLING GRANT FOR WHICH RAINBOW MUNICIPAL WATER DISTRICT IS ELIGIBLE

BACKGROUND

The adoption of a board ordinance is required by the Department of Resources Recycling and Recovery (CalRecycle) prior to submitting a grant application.

The board previously adopted resolution 22-25 on September 6, 2022. CalRecycle requested revisions to the adopted resolution and provided Rainbow Municipal Water District an extension on the due date to adopt the revised resolution.

Grant funds would be put toward the purchase of water refill stations for local schools, including the installation, education and outreach, or replacement of infrastructure, plumbing, maintenance, additional attachments, or modifications.

DESCRIPTION

The proposed resolution authorizes Rainbow Municipal Water District to execute the submittal of a cooperative grant application with Bonsall Unified School District and required documents to CalRecycle and rescinds Resolution 22-25. For Fiscal Year 2022-23 and 2023-24 there is \$1,500,000 in grant funds available from CalRecycle for the Beverage Container Recycling Grant Program, with up to \$275,000 per qualifying public entity.

The availability of grant funding for communities provides opportunities to address recycling challenges, aid in increasing beverage container collection, and reduce beverage container litter in the waste stream.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Four: Fiscal Responsibility

ENVIRONMENTAL

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

BOARD OPTIONS/FISCAL IMPACTS

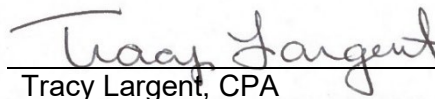
Fiscal Impact: Award of a grant from CalRecycle could provide up to \$275,000 in grant funds.

Board options include:

- Option 1: Adopt the attached Resolution No. 22-30 authorizing submittal of applications for Beverage Container Recycling grants for which Rainbow Municipal Water District is eligible.
- Option 2: Do not adopt Resolution No. 22-30.
- Option 3: Provide staff with direction.

STAFF RECOMMENDATION

Staff recommends Option 1.



Tracy Largent, CPA
Finance Manager

December 6, 2022

RESOLUTION NO. 22-30

**RESOLUTION OF THE BOARD OF DIRECTORS
AUTHORIZING SUBMITTAL OF APPLICATION(S) FOR BEVERAGE CONTAINER
RECYCLING GRANT FOR WHICH RAINBOW MUNICIPAL WATER DISTRICT IS ELIGIBLE**

WHEREAS, Public Resources Code sections 48000 et seq. authorize the Department of Resources Recycling and Recovery (CalRecycle) to administer various grant programs (grants) in furtherance of the State of California's (state) efforts to reduce, recycle and reuse solid waste generated in the state thereby preserving landfill capacity and protecting public health and safety and the environment; and

WHEREAS, in furtherance of this authority CalRecycle is required to establish procedures governing the application, awarding, and management of the grants; and

WHEREAS, CalRecycle grant application procedures require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of CalRecycle grants.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors authorizes the submittal of a cooperative application with Rainbow Municipal Water District as Lead Participant, and Bonsall Unified School District as a Non-lead Participant for the Beverage Container Recycling Grant to CalRecycle for which Rainbow Municipal Water District and all other participating entities are eligible; and

BE IT FURTHER RESOLVED that the General Manager, or their designee, is hereby authorized and empowered to execute in the name of the Rainbow Municipal Water District all grant documents, including but not limited to, applications, agreements, amendments and requests for payment, necessary to secure grant funds and implement the approved grant project; and

BE IT FURTHER RESOLVED that these authorizations are effective for five (5) years from the date of adoption of this resolution; and

BE IT FURTHER RESOLVED that Resolution 22-30 rescinds Resolution 22-25.

PASSED AND ADOPTED at a meeting of the Board of Directors of the Rainbow Municipal Water District held on the 6th day of December 2022, by the following vote:

**AYES:
NOES:
ABSENT:
ABSTAIN:**

Hayden Hamilton, Board President

ATTEST:

Dawn M. Washburn, Board Secretary



BOARD ACTION

BOARD OF DIRECTORS

December 6, 2022

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE A GROUND LEASE AND WATER SALES AGREEMENT WITH THE CITY OF OCEANSIDE FOR THE ROBERT A. WEESE FILTRATION PLANT INTERCONNECT PROJECT (DIVISION 1)

BACKGROUND

The Weese Filtration Plant is owned and operated by the City of Oceanside and is located in the southern portion of the District on Silverleaf Lane. The City of Oceanside purchases imported raw water from the San Diego County Water Authority (SDCWA) and treats it at the Weese Filtration Plant. Every year during SDCWA treated water shutdowns, Rainbow Municipal Water District (District) rents and sets up a temporary pump near the District’s Gopher Canyon Tank and works with the City of Oceanside to change operation valves to boost pressure so the District can pump water from the Weese Treatment Plant into our Gopher Canyon Tank. This serves as sole source of water for the zone during SDCWA shutdowns.

In addition, since constructing its own potable water reuse facility at the San Luis Rey Water Reclamation Plant, the City has excess treatment capacity at the Weese Filtration Plant that is available to other agencies.

The District would like to construct permanent facilities that will tie into the Weese Filtration Plant and provide the District water during shutdowns. The permanent facilities would eliminate the labor and costs required to set up a temporary pump every year and streamline the water exchange process with the City of Oceanside. This will also allow the District to purchase excess treatment capacity from the City when available.

The District had entered into a professional services agreement with Ardurra in May of 2022 to provide engineering services to prepare performance specifications, drawings, prepurchase pump skid and pump station bid packages, engineer’s estimate of probable construction cost. This effort is well underway and near completion.

This project, a wholesale water efficiency project, has been approved by the Board and funded in this fiscal year. Furthermore, in conjunction with the Hutton, Turner, and Dentro pump stations, this project will improve managing and increasing water reliability during SDCWA shutdowns while also increasing water supply diversification.

DESCRIPTION

The District has been working closely coordinating with the City of Oceanside the completion of the pump station design. In addition to completing the design, District staff has been working together with City of Oceanside staff in the preparation of the Ground Lease Agreement which includes a Water Sales

Agreement as an exhibit (Attachment 1). Approval of both agreements will enable the District to move forward with the future construction of the project.

The Ground Lease Agreement specifies the area that the pump station will be located. It allows for access and installation connections from the Weese Filtration Plant to the District's proposed pump station. It further prescribes where the District can access the site from Twin Oaks Valley Road or Silverleaf Lane from Gopher Canyon Road. The pump station design plans will need to be submitted to the City of Oceanside for approval. The lease will be an initial five (5) year lease and will renew automatically on an annual basis. The City of Oceanside reserves the right for early termination of the agreement with a 180-day notice. No rent will be charged by the City of Oceanside so long as the District continues to purchase treated water as agreed upon in the Water Sales Agreement. The Ground Lease Agreement requires that the District indemnify the City of Oceanside and hold them and their officers harmless. The City of Oceanside will require that a Memorandum of Lease be executed and recorded.

The Water Sales Agreement describes the provision of water treatment services between the City and the District. It is an attachment to the Ground Lease Agreement. It also describes a second exchange location in the Morro Hills area that the District will be solely responsible for the interconnect. The Water Sales Agreement breaks out the purchase requirements into a Winter Period (November 1 through April 30) and Summer Period (May 1 through October 31). The Winter Period purchase is 4.0 Million Gallons Per Day (MGD), or 6.9 Cubic Foot per Second (CFS) and the Summer 1.9 to 4.5 MGD, or 3.0 to 6.9 CFS.

The pricing structure per the Water Sales Agreement states that the cost of water is based on SDCWA's per Acre-Foot (AF) treatment cost, less the City's per AF cost, with the City and the District splitting the difference. Depending on the exact amount of water purchased through this interconnect will determine future annual savings. The billing will be completed every August, calculated based on this formula presented in the Water Sales Agreement. Additionally, the City may accommodate additional purchases based on excess capacity after meeting City demands, which will be communicated to the District via email or telephone on an as needed basis.

The Ground Lease Agreement that includes the Water Sales Agreement is on track for a concurrent approval with the City of Oceanside's City Council. This item goes before the City of Oceanside's City Council for approval on December 21, 2022. It is worth noting that there maybe changes to the agreement that if Option 1, as recommended by staff, is approved that the General Manager would be able to approve and execute the agreements with changes. The current attached Ground Lease and Water Sales Agreements are the latest iteration in Draft form.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area One: Water Resources. The connection to the Weese Filtration Plant will give the District a permanent solution to water supply issues during the SDCWA treated water shutdowns. Also, it could diversify the District's water source mix by adding access to water treatment services from the City of Oceanside.

ENVIRONMENTAL

In accordance with CEQA guidelines Section 15378, the action before the Board does not constitute a "project" as defined by CEQA.

BOARD OPTIONS/FISCAL IMPACTS

There are two primary long term fiscal benefits of this project. First and foremost, the District will no longer have to rent, install, and operate temporary pump stations each year during aqueduct shutdowns. Second, the District will have access to locally treated water with the treatment cost estimated to be \$1,166 per AF less than SDCWA's treatment cost \$1,435 per AF.

The cost formula for the purchase of treated water is: District cost per AF = Prior Year Oceanside Actual Treatment Cost per AF + (SDCWA Melded Treated Rate per AF - the Prior Year Oceanside Actual Treatment Cost per AF)/2.

In this agreement and in a spirit of cooperation, the District and the City agree to share in the benefits of the arrangement. Additional flows from the Weese Filtration Plant will help drive down the per AF cost of treatment for the City due to certain economies of scale. In any given year, we will calculate the per AF cost of treatment at the plant, determine how much lower than SDCWA's treatment cost it is (current estimate is about \$156/AF). The District and the City will split this difference with half of the benefit going to each party. The exact numbers will vary from year to year as cost structures and purchase quantities change, but as of now the current annual benefit to the District is expected to be in the \$130,000 range.

Funds were budgeted under the Wholesale Water Efficiency category of the Five-Year CIP Plan for Project Number: 600008. Sufficient funds are available to have covered staff's time as well as District's consultants efforts in the development of the Water Sales Agreement and Ground Lease Agreement.

Option 1:

- Authorize the General Manager and District's Legal Counsel to continue negotiating with the City of Oceanside and make revisions as necessary to both agreements.
- Authorize the General Manager to execute the final Ground Lease Agreement and Water Sales Agreement with the City of Oceanside.
- Make a determination that the action identified herein does not constitute a "project" as defined by CEQA.

Option 2:

- Provide other direction to staff.

STAFF RECOMMENDATION

Staff recommends Option 1.



Chad Williams
Engineering and CIP Program
Manager

12/06/2022

PROPERTY GROUND LEASE AGREEMENT .

BY AND BETWEEN

THE CITY OF OCEANSIDE

AND

RAINBOW MUNICIPAL WATER DISTRICT

FOR THE LEASE OF A PORTION OF REAL PROPERTY

AT THE ROBERT A. WEESE WATER FILTRATION PLANT

LOCATED AT

3885 SILVERLEAF LANE

COMMUNITY OF VISTA, UNINCORPORATED COUNTY OF SAN DIEGO, CA 92084

DATED DECEMBER ___, 2022

PROPERTY GROUND LEASE AGREEMENT

SAN DIEGO COUNTY, CA

THIS PROPERTY GROUND LEASE AGREEMENT, herein after called "Lease", dated as of _____, 2022 is executed between the CITY OF OCEANSIDE, a municipal corporation, hereinafter called "City" or "Lessor", and RAINBOW MUNICIPAL WATER DISTRICT, a California special governmental district organized and operating under the Irrigation District Law, Water Code Section 20500, et seq. hereinafter called "Lessee". Notwithstanding the date set forth above, the effective date of this Lease shall be the date the Oceanside City Council approves the Lease ("Effective Date").

RECITALS

WHEREAS, City is the owner of that certain real property commonly known as the Robert A. Weese Water Filtration Plant ("Weese Plant") located at 3885 Silverleaf Lane in the unincorporated portion of the County of San Diego, in the community of Vista, State of California, 92084 consisting of a portion of Assessor Parcel Numbers 172-210-08-00, 172-210-09-00, 172-210-10-00, and 172-210-65-00, as more particularly legally described and approximately depicted on attached and incorporated **Exhibit "A"** (the "Property").

WHEREAS, Lessee desires to lease from City, the tear-shaped portion of the Property containing approximately 5,446 square feet located within Assessor Parcel Number 172-210-10-00 of the Property (the "Premises"), as approximately legally described, plotted and depicted on the attached and incorporated **Exhibit "B"** (the "Legal Description, Depiction and Site Plan of the Premises") on the terms and conditions set forth herein, and Lessor desires to lease the same to Lessee under the terms and conditions set forth herein.

WHEREAS, concurrently herewith, City and Lessee have entered into that certain Water Sales Agreement (a copy of which is attached hereto and incorporated herein as **Exhibit "C"**) (the "WSA"), wherein Lessee has agreed to design, develop, construct, operate, maintain and repair during the term of this Lease at its sole cost and expense, a water pump station facility on the Premises ("Pump Station") to convey certain treated water from the Weese Plant to Lessee's distribution system for purchase by Lessee, in accordance with the terms of the WSA.

WHEREAS, City agrees to lease the Premises to Lessee on the terms and conditions set forth below, to carry out the terms of the WSA, and enable City to benefit from its rights and perform its obligations under the WSA.

NOW THEREFORE, the parties in consideration of the terms, conditions, covenants and provisions contained herein do mutually agree as follows: .

AGREEMENT

SECTION 1: USES

1.01 Premises. City hereby leases to Lessee and Lessee hereby leases from City, in accordance with the terms, conditions, covenants, and provisions of this Lease, the Premises. City hereby also grants to Lessee, as needed, during the term of this Lease, such non-exclusive, non-permanent rights of access across, under and/or through the Property as may be reasonably required for (i) the delivery, installation, operation, maintenance and repair of the Pump Station; and (ii) utility lines, pipes and conduit for the transmission of water from the Pump Station to Lessee's facilities; all as may be reasonably required by Lessee in connection with this Lease and the Pump Station, in locations and capacities as City shall pre-approve in writing, in its sole discretion.

1.02 Uses. It is expressly agreed that the Premises are leased to Lessee solely and exclusively for the purpose of Lessee's constructing, installing, operating, maintaining, repairing and replacing as needed, and as and when applicable, removing, the Pump Station and all its appurtenances, in compliance and in accordance with all laws and regulations, and in accordance with the WSA, for the sole purpose of receiving water from the Weese Plant and conveying such water from the Pump Station to Lessee's facilities for Lessee's purchase of such water from Lessor.

1.03 Covenant to Continuously Operate. Lessee covenants and agrees to actively and continuously use and operate the Pump Station with its appurtenances within the Premises for the above specified, limited and particular exclusive use, and to diligently pursue said purposes throughout the term of this Lease, except for failure to so use caused by reasons or events beyond the reasonable control of Lessee and acts of God. Said active and continuous use and operation enhances the value of the public's asset, provides needed public services, additional employment, taxes and other benefits to the general economy of the area. In the event that Lessee fails to continuously use the Premises for said purposes, or uses the Premises for purposes not expressly authorized herein, Lessee shall be deemed in default under this Lease and under the WSA. Except as set forth above, Lessee shall not use the Premises in any manner which disrupts the quiet enjoyment of surrounding property owners' use of their property, which shall include honoring at all times, the prohibited access to and from the Premises and to and from the Weese Plant, using El Paseo, a private road, as provided in Section 5.09 below. All access to the Premises and the Weese Plant, by Lessee, Lessee's staff, contractors, vendors, agents and visitors shall be made via Twin Oaks Valley Road or Silverleaf Lane from Gopher Canyon Road. Lessee covenants and agrees to use the Premises for the above specified, limited and particular exclusive use.

1.04 Agreement Use. It is expressly agreed that the Premises are leased to Lessee for the purpose of fulfillment of the WSA between City and Lessee in accordance with the WSA. As additional consideration for the use of the Premises, Lessee agrees to timely satisfy the terms and conditions of

the WSA. Failure by Lessee to perform pursuant to the terms and conditions of the WSA shall be deemed a default under this Lease.

1.05 Premises and Lessee Improvements.

a. City Improvement Obligations. City shall deliver the Premises to Lessee in an "as is, where is" condition without any representation or warranties as to the suitability of the Premises for Lessee's intended use. Lessee hereby accepts the Premises in said "as is, where is" condition and shall construct improvements thereon which are necessary for Lessee to occupy the Premises for its intended use at Lessee's sole cost and expense.

b. Lessee Improvement Obligations. Lessee shall design and construct the Pump Station in strict accordance with the plans and specifications approved by the City identified as "Plans for the Construction of R.A. Weese Filtration Plant Interconnect, Project No. 600-600008, February 2021, as may be changed as necessary, before construction is completed (the "Plans"). Lessee shall comply with all timeframes and/or schedules for inspections and submittals identified in the Plans and in this Lease.. Failure by Lessee to perform the work as required by the Plans shall be deemed a default under both the WSA and, pursuant to Section 1.03, this Lease. It shall be Lessee's sole and exclusive obligation, before the Pump Station ever becomes operational, to have obtained any and all permits required by law, and specifically required by the County of San Diego, and any other applicable jurisdictions, including but not limited to any and all permits that may be required for housing generators on site, and/or any required permits for regulated chemicals to be stored on site. Additionally, before the Pump Station becomes operational, Lessee shall provide the City with a full set of as-built plans for the constructed Pump Station and all appurtenances (the "As-Built Plans") and copies of all applicable permits that were required to be obtained for construction and operation.

c. Changes to Lessee Improvements. After the Effective Date, in the event new and/or additional equipment or a change of Lessee's improvements to the Pump Station and appurtenances from what is designated in the original As-Built Plans and/or permits is needed, or needs correction, Lessee shall notify City in writing of its desire to amend the approved improvements. Said notice shall include a description of the equipment and/or improvements proposed to be changed, an explanation as to the need to add and/or replace said equipment, and the value (including the useful life) of said equipment. City shall review Lessee's request to amend the As-Built Plans and, should the City accept Lessee's proposed changes, City shall inform Lessee in writing, and the parties shall replace the approved plans and specifications, and after construction has been completed, Lessee shall provide City with an updated set of As-Built Plans in accordance with the improvements as constructed, and so forth, without the need to formally amend the Lease. In the event the City does not agree to accept Lessee's changes to the Pump Station, the parties agree to hire an impartial third party familiar with the practices in the industry to determine the need for said changes to the Pump Station, together with value associated therewith. The determination of said third party shall be binding, with the costs of said third party to be borne by the parties equally. Thereafter, the As-Built Plans and any updated or revised permits will be changed accordingly as described above.

1.06 Related Discretionary Actions. It is understood that Lessee shall bear all costs and responsibilities for acquisition of any and all discretionary permits that may be required for the

construction, operation and continuing repair and maintenance of the Pump Station. Neither the City nor the City Council shall have any obligation to any other governmental agent, board, commission, or agency with regard to any other discretionary action relating to development or operation of the Pump Station on the Premises. Discretionary action includes, but is not limited to rezoning, variances, conditional use permits, environmental clearances or any other governmental agency approvals which may be required for the development and operation of the Pump Station on the Premises.

1.07 Quiet Possession. Lessee, while complying with the covenants and agreements herein, shall at all times during the term hereof peaceably and quietly have, hold and enjoy the Premises.

1.08 Reservation of Rights. City shall not unreasonably or substantially interfere with Lessee's use of the Premises while Lessee is in possession of the Premises; however, the City specifically retains the following rights provided that they do not interfere with Lessee's right to operate and maintain the Pump Station in accordance with this Lease and the WSA.

a. Subsurface Rights. City hereby reserves all rights, title and interest in any and all subsurface natural gas, oil, minerals and water on or within the Premises.

b. Easements. City reserves the right to grant and use easements or to establish and use rights-of-way over, under, along and across the Premises for utilities, utility connections, thoroughfares, or access as it deems advisable for the public good.

c. Right to Enter. City has the right to enter the Premises for the purpose of performing maintenance, inspections, repairs or improvements, for emergency purposes, and for developing municipal resources and services. City will pay the costs of the maintenance and repair of all City installations made pursuant to these reserved rights.

SECTION 2: TERM

2.01 Commencement and Options to Extend Term. The Term of this Lease shall be for a period of five (5) years (the "Initial Term"), commencing on the date that Lessee records its notice of completion for the construction of the Pump Station (the "Construction Completion Notice") with the San Diego County Recorder's Office (the "Commencement Date") which shall be the same date of commencement of the WSA. The intention of the parties is that the WSA and this Lease shall run concurrently. Within thirty (30) days of Lessee's recording of its Construction Completion Notice, Lessee shall execute a Commencement Date Memorandum and provide same to City, confirming the actual date the Lease commences and the date the Lease terminates after the Initial Term. A copy of the form of the Commencement Date Memorandum is shown in **Exhibit "D"** attached hereto and by this reference made a part of this Lease.

Should Lessee fail to record its Construction Completion Notice within eighteen (18) months of the Effective Date, the City reserves the right to withdraw its approval of this Lease and the WSA and, in the event of withdrawal, both this Lease and the WSA shall terminate.

Like the WSA, the Term of this Lease shall automatically renew on an annual basis, and shall continue in full force and effect unless and until terminated by either party by giving six months advance written notice to the other party.

2.02 Feasibility Period. Beginning the Effective Date, Lessee shall conduct its feasibility analysis of the Premises and use thereof as follows:

a. Due Diligence. Lessee shall have ninety (90) days after the Effective Date to conduct its due diligence of the Premises to determine the condition of the Premises for Lessee's intended use. Due diligence shall include, but not be limited to, geotechnical analysis, availability of utilities and ingress and egress to the Premises.

2.03 Installation Period. Prior to the actual Commencement Date of the Lease, Lessee shall be given the right to enter upon the Premises in order to complete the Pump Station, provided such right of entry is subject to and in compliance with the terms, conditions, covenants and provision of this Lease, including, but not limited to Section 4 herein.

2.04 Early Termination. In addition to the termination rights of the parties in Section 2.01 above, City shall have the right to terminate this Lease with no less than 180 days prior written notice under the following conditions:

- (i) If the WSA has been terminated by City as a result of an event of default by Lessee thereunder;
- (ii) If Lessee stops purchasing water from Lessor;
- (iii) If Lessee has abandoned the Premises for 30 days;
- (iv) If the WSA has been terminated pursuant to the terms of the WSA; or
- (iv) As provided in Section 6.11 hereof.

2.05 Holdover. Any holding over by Lessee after expiration or termination of the Term shall not be considered as a renewal or extension of this Lease. The occupancy of the Premises by Lessee or by Lessee's property after the expiration or termination of this Lease constitutes a month-to-month tenancy, and all other terms and conditions of this Lease, shall continue in full force and effect.

2.06 Abandonment by Lessee. Even if Lessee breaches the Lease and abandons the Premises, this Lease shall continue in effect for so long as City does not terminate this Lease, and City may enforce all its rights and remedies hereunder, including but not limited to the right to recover any amounts owing under the Lease as said amount becomes due, plus damages.

2.07 Quitclaim of Lessee's Interest. On termination of this Lease for any reason, at City's sole discretion, City shall provide Lessee with and Lessee shall deliver to City a quitclaim deed in recordable form quitclaiming all its rights in and to the Premises under the Lease. This quitclaim deed however, shall expressly exclude any quitclaim of the easement of record granted to Lessee set forth in that certain document recorded January 27, 1956 in Book 5956, Page 384 which shall remain in effect. Lessee or its successor in interest shall deliver the quitclaim deed to City within five (5) days

after receiving written demand thereof. City may record such deed only on the expiration or earlier termination of this Lease. If Lessee fails or refuses to deliver the required deed, the City may prepare and record a notice reciting Lessee's failure to execute this lease provision and the notice will be conclusive evidence of the termination of this Lease and all Lessee's rights to the Premises.

2.08 Surrender of Premises. At the expiration or earlier termination of this Lease, Lessee shall surrender the Premises to City, free and clear of all liens and encumbrances created by Lessee, except those liens and encumbrances which existed on the date of mutual execution of this Lease, as identified in the title report attached hereto and incorporated herein as **Exhibit "E"** (Title Report"). The Premises, when surrendered by Lessee, shall be in a clean, safe, sanitary and good condition and repair, free of any and all hazardous materials, and restored to a condition acceptable to the Water Utilities Director of the City or its designee. At the expiration or earlier termination of this Lease, Lessee shall remove all its improvements, structures, equipment, materials and installations as directed by City, at Lessee's sole cost and expense, on or before Lease expiration or termination. If Lessee fails to remove any improvements, structures, equipment, materials and installations as directed, Lessee agrees to pay City the full cost of any removal. If any removal of Lessee's trade fixtures results in damage to the remaining improvements on the Premises, Lessee shall repair all such damage at Lessee's sole cost and expense.

2.09 Time is of Essence. Time is of the essence of all of the terms, covenants, conditions and provisions of this Lease.

SECTION 3: CONSIDERATION

3.01 Rent.

(a). Rent. During the Term, no rent or use fee for the Premises shall be charged Lessee, so long as Lessee continues to purchase treated water from Lessor in accordance with the terms of the WSA.

(b) Time and Place of Payment. In the event payment of rent becomes obligatory, and/or, in the event Lessee is obligated to reimburse Lessor for any costs or expenses, rent shall be due on the first of the month, payment (unless otherwise expressly provided for herein) shall be due within thirty (30) days of invoice receipt, and checks for any rent or other expenses should be made payable to the "City of Oceanside" and delivered to: City of Oceanside, Central Cashiering, 300 N. Coast Highway, Oceanside, CA 92054. The place and time of payment may be changed at any time by City upon thirty (30) days written notice to Lessee. Lessee assumes all risk of loss and responsibility for late payment charges. Lessee agrees to pay City an additional Thirty and No/ 100 Dollars (\$30.00) for any returned check which is not honored by the financial institution from which the check is drawn.

3.02 Other Consideration. The consideration for this Lease shall be the proceeds of the sale of the water to RMWD as provided for in the WSA, in addition to the consideration provided in Section 5.03 herein.

3.03 Utilities. Lessee agrees to order, obtain and pay for all utilities (e.g. electricity, water and sewer services), telephone and refuse collection to and for the Premises that may be used by Lessee in connection with the development, occupation, operation, management and maintenance of the Premises.

3.04 Inspection of Records. Lessee shall maintain accurate financial books and records for the operation of its business. Said books and records shall be maintained in accordance with normal business standards and good accounting practice. Lessee agrees to make any and all records and accounts available to City for inspection at all reasonable times, so that City can determine Lessee's compliance with this Lease. These records and accounts will be made available by Lessee to Lessor at the City's offices and will be complete and accurate showing all income and receipts from Lessee's use of the Premises. Lessee's failure to keep and maintain such records and make them available for inspection by City is a default of this Lease. These records include but are not limited to the following: generally accepted business books, records of meter readings and flow readings from any connection points with the City water system, any and all permits issued by San Diego Air Pollution Compliance District ("APCD"), or other regulatory agencies, inspection records from all agencies who perform inspections on the Premises from time to time during the term of the Lease, and other pertinent documents and records. Lessee shall maintain all such books, records and accounts for the term of this Lease. This provision shall survive the expiration or sooner termination of this Lease.

3.05 Delinquent Payments. In the event payment of rent or other costs by Lessee becomes obligatory, and/or, in the event Lessee is obligated to reimburse Lessor for any costs or expenses, and if Lessee fails to pay any such amount when due under this Lease, Lessee will pay in addition to the unpaid amount, five percent (5%) of the amount due. If said amount is still unpaid at the end of fifteen (15) days, Lessee shall pay an additional five percent (5%) being a total of ten percent (10%) which is hereby mutually agreed by the parties to be appropriate to compensate City for loss resulting from delinquency, including lost interest, opportunities, legal costs, and the cost of servicing the delinquent account. Acceptance of late charges and any portion of the late payment by City shall in no event constitute a waiver by City of Lessee default with respect to late payment, nor prevent City from exercising any of the other rights and remedies granted in this Lease.

SECTION 4: INSURANCE RISKS/SECURITY

4.01 Indemnity. Lessee shall indemnify and hold harmless the City and its officers, agents and employees against all claims for damages to persons or property arising out of the conduct of the Lessee or its employees, agents, or others in connection with its use and occupation of the Premises under this Lease, except only for those claims arising from the sole negligence or sole willful misconduct of the City, its officers, agents, or employees. Lessee's indemnification shall include any and all costs, expenses, attorneys' fees and liability incurred by the City, its officers, agents, or employees in defending against such claims, whether the same proceed to judgment or not. Further, Lessee at its own expense shall, upon written request by the City, defend any such suit or action brought against the City, its officers, agents, or employees.

4.02 Insurance. Lessee shall obtain and maintain at all times during the term of this Lease, commencing on the Effective Date of the Lease, the following insurance at its sole expense:

- a. Lessee shall maintain the following minimum limits:

General Liability

Combined Single Limit Per Occurrence	\$2,000,000
General Aggregate	\$4,000,000

All Risk

Insurance covering the Pump Station and all trade fixtures, appurtenances and personal property in or on the Premises, all alterations and additions made by Lessee, in an amount not less than 100% of their full replacement cost, providing protection against perils included in the standard state form of all-risk insurance policy, plus insurance against vandalism and malicious mischief.

Automobile Liability Insurance \$2,000,000

- b. All insurance companies affording the coverage to Lessee shall be required to add by endorsement, the City of Oceanside, its officers, directors, employees, and agents as "additional insured" under the insurance policy(s) required in accordance with this Lease. Insurance coverage provided to the CITY as additional insured shall be primary insurance to the City, its officers, directors, employees, and agents. Any insurance, self-insurance or other coverage maintained by the CITY, shall be excess and non-contributing with the insurance coverage maintained by Lessee pursuant to this section.
- c. All insurance companies affording coverage to the Lessee shall be insurance organizations acceptable to the CITY, and authorized by the Insurance Commissioner of the State Department of Insurance to transact business of insurance in the State of California with a current A.M. Best rating of no less than A-X.
- d. Lessee shall use commercially reasonable efforts to require insurance companies affording coverage under this section to provide at least **thirty (30) days** prior written notice to the City of Oceanside should the policy be cancelled before the expiration date. For the purposes of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.
- e. Lessee shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance, together with the appropriate endorsements, including that naming the City of Oceanside, its officers, directors, agents, and employees as additional insured, all in a form satisfactory to the City Attorney, concurrently with the submittal of this Lease.

- f. Lessee shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date. Failure by Lessee to provide such a substitution and extend the policy expiration date shall be considered a default by Lessee and may subject Lessee to a termination of this Lease and the WSA.
- g. Lessee shall promptly (and in any event not more than ten (10) business days following receipt of City's written request) provide a certificate of renewal or a substitute certificate of insurance as such certificates may be requested by City in writing from time to time during the term of this Lease. Failure by the Lessee to extend the policy expiration date or to place replacement insurance coverage prior to the policy expiration date, or to provide such certificate if requested by the City shall be considered a default by Lessee.
- h. Maintenance of insurance by the Lessee as specified in this Lease shall in no way be interpreted as relieving the Lessee of any responsibility whatsoever and the Lessee may carry, at its own expense, such additional insurance as it deems necessary.
- i. If Lessee fails or refuses to take out and maintain the required insurance, or fails to provide the proof of coverage, City has the right to obtain the insurance. Lessee shall reimburse City for the premiums paid with interest at the maximum allowable legal rate then in effect in California. City shall give notice of the payment of premiums within **thirty (30) days** of payment stating the amount paid, names of the insurer(s), and rate of interest. Said reimbursement and interest shall be paid by Lessee on the **first (1st) day** of the month following the notice of payment by City.

Notwithstanding the preceding provisions of this subsection, any failure or refusal by Lessee to take out or maintain insurance as required in this Lease, or failure to provide the proof of insurance, shall be deemed a default under this Lease and the WSA.

- j. **Modification.** City, at its discretion, may require the revision of amounts and coverage at any time during the term of this Lease by giving Lessee **sixty (60) days** prior written notice. City's requirements shall be designed to assure protection from and against the kind and extent of risk existing on the Premises. Lessee also agrees to obtain any additional insurance required by City for new improvements, in order to meet the requirements of this Lease.

4.03 Accident Reports. Lessee shall, within seventy-two (72) hours after occurrence, report to City any accident causing property damage or any serious injury to persons on the Premises. This report shall contain the names and addresses of the parties involved; a statement of the circumstances; the date and hour; the names and addresses of any witnesses; and other pertinent information.

SECTION 5: IMPROVEMENTS/ALTERATIONS/REPAIRS

5.01 Acceptance of Premises. Lessee represents and warrants that it has independently inspected the Premises and made all tests, investigations, and observations necessary to satisfy itself of the condition of the Premises, including but not limited to an environmental assessment and/or geotechnical analysis of the Premises. Lessee acknowledges it is relying solely on such independent inspection, tests, investigations, and observations in making this Lease. Lessee further acknowledges that Premises are in the condition called for by this Lease and that Lessee does not hold City responsible for any defects in the Premises which were not directly caused by City.

5.02 Waste, Damage, or Destruction. Lessee shall give written notice to City of any fire or other damage that occurs on the Premises within seventy-two (72) hours of such fire or damage. Lessee shall not commit or suffer to be committed any waste or injury or any public or private nuisance, and Lessee agrees to keep the Premises clean and clear of refuse and obstructions, and to dispose of all garbage, trash, and rubbish in a manner satisfactory to City. If the Premises shall be damaged by any cause which puts the Premises into a condition which is not decent, safe, healthy and sanitary, Lessee agrees to make or cause to be made a full repair of said damage and to restore the Premises to the condition which existed prior to said damage; or, at City's option, and upon receipt of written demand thereof, Lessee agrees to clear and remove from the Premises all debris resulting from said damage and to rebuild the Premises in accordance with plans and specifications previously submitted to City and approved in in order to replace in kind and scope the operation which existed prior to such damage. Lessee shall be responsible for all costs incurred in the repair and restoration, or rebuilding of the Premises.

5.03 Maintenance. As part of the consideration for the Lease, Lessee agrees to assume full responsibility and cost for the operation, maintenance and repair of the Premises, including without limitation, the Pump Station, its facilities and appurtenances located within the Premises and the Property, and within any rights of access provided under the terms of this Lease.

Lessee will perform all maintenance, repairs and replacements necessary to maintain and preserve the Premises, the Pump Station, and all facilities, conduit, connections and appurtenances in a decent, safe, healthy, and sanitary condition, satisfactory to City and in compliance with all applicable laws, including maintaining logs of all chemical deliveries, usage and generator run times, as applicable. Lessee further agrees to provide approved containers for trash and garbage, and to keep the Premises free and clear of rubbish and litter, or any other fire hazards. Lessee waives all rights to make repairs at the expense of City as provided in Section 1942 of the California Civil Code and all rights provided by Section 1941 of said code.

For the purpose of keeping the Premises in a good, safe, healthy and sanitary condition, City shall always have the right, but not the duty, to enter, view, inspect, determine the condition of, and protect its interests in, the Premises. In the event that City finds that the Premises are not in a decent, safe, healthy, and sanitary condition, Lessee must perform the necessary maintenance, repair or replacement work within ten (10) days after written notice from City. In the event Lessee fails to perform such work, City shall have the right, upon written notice to Lessee, to have any necessary maintenance work done at the expense of Lessee, and Lessee shall promptly pay any and all costs

incurred by City in having such necessary maintenance work done, in order to keep said Premises in a decent, safe, healthy, and sanitary condition. Lessee shall make payment no later than ten (10) days after City's written demand therefor. City shall not be required at any time to perform maintenance or to make any improvements or repairs or clean-up of trash or debris whatsoever, on or for the benefit of the Premises. The rights reserved in this section shall not create any obligations or increase obligations for City elsewhere in this Lease.

5.04 Improvements/Alterations. Except as pre-approved in writing by the City no improvements, structures, or installations shall be constructed by Lessee on the Premises or the Property, and the Premises may not be altered by Lessee without prior written approval by the City Manager. Further, Lessee agrees that major structural or architectural design alterations to approved improvements, structures, or installations may not be made on the Premises without prior written approval by the City Manager and that such approval shall not be unreasonably withheld. This provision shall not relieve Lessee of any obligation under this Lease to maintain the Premises and the Pump Station in a decent, safe, healthy, and sanitary condition, including structural repair and restoration of damaged or worn improvements. City shall not be obligated by this Lease to make or assume any expense for any improvements or alterations or any fines for failing to comply with state or local regulations, including, but not limited to Air Quality and Hazardous Material Storage regulations.

5.05 Liens. Lessee shall not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, and encumbrance or claim on or with respect to all or any portion of the Premises. Lessee shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, and encumbrance or claim on or with respect to all or any portion of the Premises, and if not fully discharged and removed promptly by Lessee, City shall have the option of removing any such mortgage, pledge, lien, charge, encumbrance, or claim at a cost to be reimbursed City promptly by Lessee, to include any and all costs of attorneys' fees, bond costs and payments made to discharge such items..

5.06 Encumbrance. Under no circumstances may Lessee encumber the Property, the Premises, the leasehold estate, or its improvements.

5.07 Taxes. Lessee shall pay, before delinquency, all taxes, assessments, and fees assessed or levied upon Lessee or the Premises, including the land, any buildings, structures, machines, equipment, appliances, or other improvements or property of any nature whatsoever erected, installed, or maintained by Lessee or levied by reason of the business or other Lessee activities related to the Premises, including any licenses or permits.

Lessee recognizes and agrees that this Lease may create a possessory interest subject to property taxation, and that Lessee may be subject to the payment of taxes levied on such interest, and that Lessee shall pay all such possessory interest taxes.

5.08 Signs. Except as may be provided for in the WSA, Lessee shall not erect or display any banners, pennants, flags, posters, signs, decorations, marquees, awnings, or similar devices or advertising on the Premises without the prior written consent of the City Manager and any such

device(s) shall conform to all City of Oceanside ordinances and regulations. If any such unauthorized item is found on the Premises, Lessee shall remove the item at its expense within twenty-four (24) hours of written notice thereof by City, or City may thereupon remove the item at Lessee's cost.

5.09 Prohibited Use of El Paseo for Access. Lessee acknowledges that El Paseo is a private road, and that Lessee shall have no right to access or depart from the Weese Plant or the Pump Station using El Paseo. All access to the Premises and the Pump Station, connections and appurtenances, by Lessee and Lessee staff, contractors, agents, vendors and visitors, shall be made using Twin Oaks Valley Road or Silverleaf Lane from Gopher Canyon Road. Use of El Paseo for access by Lessee, its staff, contractors, agents, vendors and visitors shall be expressly prohibited.

5.10 Eminent Domain. If all or part of the Premises is taken through condemnation proceedings or under threat of condemnation by any public authority with the power of eminent domain, the interests of City (in its capacity as lessor of this Lease) and Lessee (or beneficiary or mortgagee) will be as follows:

a. Total Taking. In the event the entire Premises are taken, this Lease shall terminate on the date of the transfer of title or possession to the condemning authority, whichever first occurs.

b. Partial Taking. In the event of a partial taking, if, in the opinion of Lessee, the remaining part of the Premises is unsuitable for the Lease operation, this Lease shall terminate on the date of the transfer of title or possession to the condemning authority, whichever first occurs.

In the event of a partial taking, if, in the opinion of Lessee, the remainder of the Premises is suitable for continued lease operation, this Lease shall terminate in regard to the portion taken on the date of the transfer of title or possession to the condemning authority, whichever first occurs, but shall continue for the portion not taken. In the event of a partial taking, if, in the opinion of Lessee, the remainder of the Premises is unsuitable for continued lease operation, Lessee may request that City provide Lessee with a substitute premises pursuant to Section 5.10(e) below.

c. Transfer. City has the right to transfer City's interests in the Premises in lieu of condemnation to any authority entitled to exercise the power of eminent domain.

d. Award. In the event that the Lease is terminated as a consequence of events described in clauses (a), (b) or (c) above, then all monies awarded to City in any such taking of the Premises or paid to the City upon the transfer of the City's interest in the Premises pursuant to clause (c) above, shall belong to the City. City shall have no liability to Lessee for any condemnation award or payments made to the City pursuant to Section 5.10(c) except as specified in Section 5.10(e) below.

e. Substitute Premises. In the event of a partial or total taking (by an authority other than the City) or a transfer of the City's interest in the Premises pursuant to Section 5.10(c) above, prior to the expiration date of this Lease, if Lessee requests, then City shall provide Lessee with a mutually agreeable Substitute Premises. In connection with such substitution, City and Lessee shall amend the Lease to specify the Substitute Premises, on condition that all relocation costs shall be paid by Lessee.

f. No Inverse Condemnation. The exercise of any City right under this Lease shall not be interpreted as an exercise of the power of eminent domain and shall not impose any liability upon City for inverse condemnation so long as such rights do not unreasonably or substantially interfere with Lessee's operations.

5.11 Damage or Destruction to Improvements. If any item which Lessee is required to insure pursuant to the terms of this Lease is damaged or destroyed by fire or other risks so insured, Lessee (subject to being able to obtain all necessary permits and approvals) shall, within thirty (30) days, commence to repair or reconstruct such items to substantially the same condition in which they were prior to such damage or destruction and prosecute the same diligently to completion.

SECTION 6: GENERAL PROVISIONS

6.01 Notices. All notices, demands, requests, consents or other communications which this Lease contemplates or authorizes, or requires or permits either party to give to the other, shall be in writing and shall be personally delivered or mailed to the respective party as follows:

To City:

CITY OF OCEANSIDE
Property Management Division
300 North Coast Highway
Oceanside, CA 92054
Attention: Real Estate Manager

Copy to:

CITY OF OCEANSIDE
300 North Coast Highway
Oceanside, CA 92054
Attention: Water Utilities Director

To Lessee:

RAINBOW MUNICIPAL WATER DISTRICT
3707 Old Highway 395
Fallbrook, CA 92021
Attention: General Manager

Either party may change its address by notice to the other party as provided herein.

Communications shall be deemed to have been given and received on the first to occur of: i) actual receipt at the offices of the party to whom the communication is to be sent, as designated above; or (ii) three (3) working days following the deposit in the United States Mail of registered or certified

mail, postage prepaid, return receipt requested, addressed to the offices of the party to whom the communication is to be sent, as designated above.

6.02 City Approval. The City Manager shall be the City's authorized representative in the interpretation and enforcement of all work performed in connection with this Lease. The City Manager may delegate authority in connection with this Lease to the City Manager's designee(s).

6.03 Nondiscrimination. Lessee agrees not to discriminate in any manner against any person or persons on account of race, marital status, familial status, sex, religious creed, color, ancestry, national origin, age, disability, medical condition or sexual orientation in Lessee's use of the Premises.

6.04 Equal Opportunity. Lessee shall take affirmative action to assure applicants are employed and that employees are treated during employment without regard to race, religious creed, color, religion, sex or national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age or sexual orientation. Lessee shall certify in writing to City that Lessee is in compliance, and throughout the term of this Lease will comply with Title VII of the Civil Rights Act of 1964, as amended, the California Fair Employment Practices Act, and any other applicable Federal, State and Local law, regulation and policy (including without limitation those adopted by City) related to equal employment opportunity and affirmative action programs, including any such law, regulation, and policy hereinafter enacted.

Compliance and performance by Lessee of the equal employment opportunity and affirmative action program provision of this Lease is an express condition hereof and any failure by Lessee to so comply and perform shall be a default of this Lease and City may exercise any right as provided herein and as otherwise provided by law.

6.05 Entire Agreement. This Lease together with the WSA contains the entire understanding between the City and Lessee concerning the use and occupation of the Premises and supersedes all prior negotiations, representations, or agreements. Each party has relied on its own examination of the Premises, advice from its own attorneys, and the warranties, representations, and covenants of the Lease itself.

6.06 Interpretation. The interpretation, validity and enforcement of the Lease shall be governed by and construed under the laws of the State of California. The venue of any judicial action brought to enforce any condition, covenant or provision of this Lease shall be in San Diego County, California. The Lease does not limit any other rights or remedies available to City.

The Lessee shall be responsible for complying with all Local, State, and Federal laws whether or not said laws are expressly stated or referred to herein.

Should any provision herein be found or deemed to be invalid, the Lease 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 Lease are severable.

This Lease shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors, and assigns.

6.07 Agreement Modification. This Lease may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto.

6.08 Waiver. Any City waiver of a default is not a waiver of any other default. Any waiver of a default must be in writing and be executed by the City Manager in order to constitute a valid and binding waiver. City delay or failure to exercise a remedy or right is not a waiver of that or any other remedy or right under this Lease. The use of one remedy or right for any default does not waive the use of another remedy or right for the same default or for another or later default. City's acceptance of any amounts associated with this Lease is not a waiver of any default preceding the amount payment. City and Lessee specifically agree that the property constituting the Premises is City owned and held in trust for the benefit of the citizens of the City of Oceanside and that the failure of the City Manager or City staff to discover a default or take prompt action to require the cure of any default shall not result in an equitable estoppel, but City shall at all times, subject to applicable statute of limitations, have the legal right to require the cure of any default when and as such defaults are discovered or when and as the City Council directs the City Manager to take action or require the cure of any default after such default is brought to the attention of the City Council by the City Manager or by any concerned citizen.

6.09 Attorney's Fees. In the event a suit is commenced by City against Lessee to enforce payment of amounts due, or to enforce any of the terms and conditions hereof, or in case City shall commence summary action under the laws of the State of California relating to the unlawful detention of property, for forfeit of this Lease, and the possession of the Premises, provided City effects a recovery, Lessee shall pay City all costs expended in any action, together with a reasonable attorneys fee to be fixed by the Court.

6.10 Assignment and Subletting. Notwithstanding anything to the contrary in this Lease, Lessee may not directly assign or collaterally assign this Lease.

6.11 Defaults and Termination. It is mutually understood and agreed that if any default be made in the performance of the covenants, conditions, or agreements of this Lease or of the WSA, or should Lessee fail to fulfill in any manner the uses and purposes for which the Premises are leased as stated in this Lease, and such default is not cured within five (5) days after written notice thereof if default is in the submittal of amounts due as required in this Lease; or ten (10) days after written notice thereof if default is in the performance of the failure to use provisions pursuant to Section 1.02 of this Lease; or thirty (30) days after written notice thereof if default is in the performance of any other covenant, condition or agreement (any covenant or agreement shall be construed and considered as a condition), City shall have the right to immediately terminate this Lease; and that, in the event of such termination, Lessee shall have no further rights hereunder and Lessee shall thereupon forthwith remove from the Premises and from all rights of access, all of Lessee's improvements, structures and facilities without damaging the remaining property, and Lessee shall restore the property to a condition acceptable to the Water Utilities Director of the City of Oceanside or its designee. Thereafter, Lessee shall have no further right or claim thereto, and City shall immediately thereupon, without recourse to the courts,

have the right to reenter and take possession of the Premises. City shall further have all other rights and remedies as provided by law, including without limitation the right to recover damages from Lessee in the amount necessary to compensate City for all the detriment proximately caused by the Lessee's failure to perform its obligations under the Lease or which in the ordinary course of things would be likely to result therefrom.

City shall furnish copies of all notices of defaults under this Lease to the beneficiary or mortgagee under any encumbrance by certified mail contemporaneously with the furnishing of such notices to Lessee, and in the event Lessee shall fail to cure such default or defaults within the time allowed above, said beneficiary or mortgagee shall be afforded the right to cure such default at any time within five (5) days, if the default is for the failure to submit rent as required, or within fifteen (15) days following the expiration of the period within which Lessee may cure such default, provided, however, City shall not be required to furnish any further notice of default to said beneficiary or mortgagee.

In the event of the termination of this Lease pursuant to the provisions of this section, City shall have any rights to which it would be entitled in the event of the expiration or earlier termination of this Lease.

6.12 Bankruptcy. In the event Lessee becomes insolvent, makes an assignment for the benefit of creditors, becomes the subject of a bankruptcy proceeding, reorganization, arrangement, insolvency, receivership, liquidation, or dissolution proceedings, or in the event of any judicial sale of Lessee's interest under this Lease, City shall have the right to declare this Lease in default.

The conditions of this section shall not be applicable or binding on Lessee or the beneficiary in any deed of trust, mortgage, or other security instrument on the demised Premises which is of record with City and has been consented to by resolution of the City Council, or to said beneficiary's successors in interest consented to by resolution of the City Council, as long as there remains monies to be paid by Lessee to such beneficiary under the terms of such deed of trust; provided that such beneficiary or its successors in interest, continuously pay to City all rent due or coming due under the provisions of this Lease and the Premises are continuously and actively used in accordance with Section 1.02 of this Lease.

6.13 Section Headings. The Table of Contents and the section headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provision thereof.

6.14 Gender/Singular/Plural. The neuter gender includes the feminine and masculine, the masculine includes the feminine and neuter, and the feminine includes the masculine and neuter, and each includes corporation, partnership, or other legal entity when the context so requires. The singular number includes the plural whenever the context so requires.

SECTION 7: SPECIAL PROVISIONS

7.01 Standards of Operation. Lessee agrees that it shall operate and manage the services and facilities offered from the Premises in a workmanlike manner.

7.02 Hours of Operation. Lessee agrees that the Pump Station shall be operational, 24/7.

7.03 Manner of Providing Service. During the Lease Term, once the Pump Station is operational, Lessee shall provide an experienced and well qualified supervisor, capable of being “on-site” at all times, 24/7, to oversee all operations conducted by Lessee on the Premises. Said supervisor shall be empowered with authority to act on behalf of Lessee in response to reasonable requests from City to perform maintenance, repairs, replacements, and to promptly address emergencies on the Premises to insure the public's health, safety, and welfare. Lessee shall ensure that all its employees shall, at all times, conduct themselves in a creditable and dignified manner, and they shall conform to all laws, rules, regulations and requirements, as well as all rules and regulations as hereafter may be promulgated, or put into operation by the City. Lessee shall maintain at all times, a staff in adequate size and number, to City's satisfaction, to effectively operate and maintain the Pump Station and all appurtenances, and to effectively administer all services offered and facilities located within the Premises and any related rights of access.

7.04 Intentionally Deleted.

7.05 Intentionally Deleted.

7.06 Continued Occupancy. Lessee covenants and agrees, and it is the intent of this Lease, that the Lessee shall, continuously and uninterrupted during the term of the Lease, use the Premises for the purposes hereinabove specified, except while Premises are untenable by reason of fire, flood, or other unavoidable casualty, and, in that event, City shall be promptly notified by Lessee.

7.07 Hazardous Substances. No goods, merchandise or material shall be kept, stored or sold in or on the Premises which are in any way explosive or hazardous; and no offensive or dangerous trade, business or occupation shall be carried on therein or thereon, and nothing shall be done on said Premises, which will cause an increase in the rate of or cause a suspension or cancellation of the insurance upon said or other premises and the improvements thereon.

No machinery or apparatus shall be used or operated on or about the Premises which will in any way injure the Premises or improvements thereon, or adjacent or other premises, or improvements thereon, or to persons; provided, however, that nothing contained in this section shall preclude Lessee from bringing, keeping or using on or about the Premises such materials, supplies, equipment and machinery as are appropriate or customary in carrying on its said business, or from carrying on its business in all usual respects.

Open flame burning, gasoline, or other fuel storage is expressly prohibited without prior written consent of the City.

7.08 Memorandum of Lease. City and Lessee agree the Lease shall not be recorded and that the parties shall execute a Memorandum of Lease to be recorded. The form of this Memorandum of Lease is as shown on **Exhibit "F"** attached hereto and incorporated herein by this reference, and shall be recorded in the Official Records of the County of San Diego.

SECTION 8: SIGNATURES

8.01 Signature Page. The individuals executing this Lease represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Lease on behalf of the respective legal entities of the Lessee and the City.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF the parties hereto 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 Lease to be executed by setting hereunto their signatures on the day and year respectively written herein below.

CITY:

THE CITY OF OCEANSIDE
a municipal corporation

By: _____
City Manager

APPROVED AS TO FORM:

By: _____
City Attorney

Date: _____

LESSEE:

RAINBOW MUNICIPAL WATER DISTRICT,
California special governmental district

a

By: _____
Tom Kennedy
Its: General Manager

APPROVED AS TO FORM:

By: _____
RMWD Legal Counsel

[NOTARY ACKNOWLEDGMENT OF LESSEE'S SIGNATURE & DESIGNATION OF SIGNING AUTHORITY
TO BE ATTACHED]

EXHIBIT "A"

THE PROPERTY

LEGAL DESCRIPTION OF THE PROPERTY
& PLAT OF LEGAL DESCRIPTION OF THE PROPERTY
(THE WEESE PLANT")

EXHIBIT "B"

THE PREMISES

LEGAL DESCRIPTION, DEPICTION AND SITE PLAN OF THE PREMISES

EXHIBIT “C”

THE WATER SALES AGREEMENT (“WSA”)

EXHIBIT "D"

COMMENCEMENT DATE MEMORANDUM

This Commencement Date Memorandum, dated as of _____ is executed between the City of Oceanside, a municipal corporation ("CITY") and Rainbow Metropolitan Water District, a California _____ ("LESSEE").

RECITALS

WHEREAS, CITY and LESSEE have entered into that certain Property Ground Lease Agreement("Lease") dated _____, 2022 for Lessee’s lease of a portion of the City’s real property located at the Robert A. Weese Filtration Plant located at 3885 Silverleaf Lane in the unincorporated portion of the County of San Diego, California (“Lease”);

WHEREAS, pursuant to the terms of the Lease the parties are to execute a memorandum to confirm the commencement date of the Lease.

NOW, THEREFORE, in consideration of the conditions and covenants contained herein, the parties hereto mutually agree as follows:

- 1. The CITY and LESSEE agree that the commencement date of the Lease is _____ and the termination date is _____.

IN WITNESS WHEREOF, the parties hereto for themselves, their heirs, executors, administrators, successors and assigns do hereby agree to the above, as of the day and year first written above.

"CITY"
City of Oceanside,
a municipal corporation

By:

City Manager

Date: _____

"LESSEE"
Rainbow Metropolitan Water
District

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT "E"

TITLE REPORT

EXHIBIT "F"

MEMORANDUM OF LEASE

Recording Requested by:

When Recorded Return to:
CITY CLERK, CITY OF OCEANSIDE
300 North Coast Highway
Oceanside, CA 92054

Ptn. of APN 172-210-10-00

Space Above for Recorder's Use Only

CITY CLERK DOCUMENT NO. _____

THE UNDERSIGNED DECLARES THAT: NO DOCUMENTARY TRANSFER TAX DUE- R&T CODE §11922
FOR BENEFIT OF PUBLIC AGENCY – NO FEES DUE GOV'T CODE §27383

DOCUMENT TRANSFER TAX \$ NONE

-City of Oceanside

Signature of declarant or agent determining tax- Firm Name

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE ("Memorandum") is made as of _____, by and between THE CITY OF OCEANSIDE, a municipal corporation ("Lessor" or "City") and Rainbow Municipal Water District, a _____ ("Lessee").

Lessor and Lessee have entered into that certain Property Ground Lease Agreement dated _____ ("Lease"), pursuant to which Lessor has leased to Lessee, and Lessee has leased from Lessor, that certain property located in the unincorporated portion of the County of San Diego, State of California, more particularly described in Exhibit "A", which is attached and incorporated by this reference, all subject to the terms and covenants set forth in the Lease. The purpose of this Memorandum is to give notice of the existence of the Lease and the provisions thereof, including without limitation provisions providing for the expiration of the Lease term on or about _____. To the extent that any provision of this Memorandum conflicts with any provision of the Lease, the Lease shall control.

This Memorandum may be executed in counterparts, each of which shall be an original, but all of which, together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Memorandum as of the date first written above.

"LESSOR":

THE CITY OF OCEANSIDE, a
municipal corporation

By:

City Manager

Date: _____

"LESSEE":

Rainbow Metropolitan Water District

By: _____

Name: _____

Title: _____

Date: _____

Exhibit "A" to Memorandum of Lease

Legal Description of the Premises & Plat of Legal Description of the Premises

AGREEMENT BETWEEN CITY OF OCEANSIDE AND RAINBOW MUNICIPAL
WATER DISTRICT FOR SALE OF TREATED WATER FROM WEESE FILTRATION PLANT

THIS AGREEMENT (“agreement”), dated _____ for identification purposes, is entered into by and between the City of Oceanside, a municipal corporation (“City”) and Rainbow Municipal Water District, a special governmental district organized and operating under the irrigation District Law, Water Code Section 20500, et seq. (“Rainbow”). The City and RAINBOW may hereinafter be referred to individually as a “Party” and collectively as the “Parties”.

RECITALS

- A. The City owns the Robert A. Weese Filtration Plant (“WFP”) at 3995 Silverleaf Drive Vista, Ca. 92084, which has a nominal capacity of 25 million gallons per day (“MGD”). The facility also includes a Chlorine Contact Basin (“CCB”) and the portion of the pipeline and tunnel between the Regulatory Structure (“RS”) and the CCB, which is located within the WFP property boundary. The WFP was put into service in 1983 and utilizes direct filtration to treat imported water from the San Diego County Water Authority (“Authority”). At various times of the year, the City has excess capacity and desires to maximize the efficiency of the WFP by maximizing its treatment output year-round.
- B. The Authority owns the North County Distribution Pipeline (“NCDP”), a Regulatory Structure (“RS”), and a portion of the pipeline and tunnel between the RS and CCB, located outside the WFP property boundary. The RS receives treated water from the NCDP #1 via SDCWA Pipeline 4 and treated water from the WFP through the CCB for delivery via the NCDP. The Authority owns, operates and maintains the NCDP including the Oceanside 6 Flow Control Facility (“OC6-FCF”). These facilities are shown on Exhibit A.
- C. Rainbow proposes to design and construct the Rainbow Pump Station on City owned property to convey treated water from the WFP to Rainbow’s distribution system. The capacity of the pump station is currently estimated to be 4.5 million gallons per day but that is subject to change as the design progresses. The City and Rainbow will enter into a separate agreement for lease of the land and for non-exclusive, non-permanent, rights of access to accommodate the pump station infrastructure. The cost of the design and construction of infrastructure to provide treated water to

Rainbow is solely the responsibility of Rainbow. Additionally, a second exchange location will be located in the Morro Hills area. Rainbow shall be responsible for all capital and operation costs associated with the design, construction and ongoing maintenance of such interconnections and pump station(s).

- D. Rainbow has the authority to enter into this agreement by virtue of, inter alia, Water Code Section 22228, 22230, 22075 and 22225, which empowers Rainbow to enter into and perform contract for the exchange, transfer or delivery of water; to make contracts to carry out its purposes; and perform all acts necessary to carry out fully the provisions of the Irrigation District Law. The City has authority to enter into this Agreement pursuant to Water Code Section 380 et seq.
- E. The City and Rainbow recognize the importance of optimizing local treatment sources, developing partnerships with member agencies and operating facilities in a cost-effective manner and mutually desire to enter into this Agreement to accomplish this goal.

Executory Agreements

NOW THEREFORE, in consideration of the facts set forth above, and the covenants, terms and conditions herein, the City and Rainbow do hereby agree as follows:

- 1. Sale of Weese Water.
 - a. Minimum Delivery /Sale Requirements:
 - i. Winter Period: During the period from November 1 through April 30 of each year during the term of this agreement, the City shall deliver and sell to Rainbow, and Rainbow shall purchase from the City, 4.0 MGD (6.9 CFS), as needed and available, of treatment capacity from the WFP. Water delivered for sale to Rainbow during this time period is subject to an Authority Treated Water Shortage Condition Described below. Should Rainbow develop the ability to purchase additional treatment capacity from the City above and beyond 4.5 MGD, the City may accommodate such purchases based on excess capacity after City demands have been satisfied.
 - ii. Summer Period: During the initial 5-years of the agreement and during the period from May 1 through October 31 of each year during the term of this agreement, the City may deliver and sell to Rainbow

and Rainbow may purchase from the City an estimated 100-300 Acre-Feet of treatment capacity from the WFP. Quantities of treatment capacity on a daily and a monthly basis are not guaranteed, and are based upon excess capacity after City demands have been satisfied. However, the City will make all efforts to maximize the treatment capacity at the WFP in order to deliver and sell to Rainbow during this period. Water delivered for sale to Rainbow during this time period is subject to an Authority Treated Water Shortage Condition Described below. The City anticipates delivering and selling to Rainbow, and Rainbow purchasing from the City, 1.9 - 4.5 MGD (3.0 - 6.9 CFS), as needed in the Summer Period, from the WFP once the City's local water supply projects such as Pure Water Oceanside and the Lower and Upper Recycled Water Packages have been implemented, in 2023 or earlier. Should Rainbow develop the ability to purchase additional treatment capacity from the City above and beyond 4.5 MGD, the City may accommodate such purchases based on excess capacity after City demands have been satisfied.

- iii. Additional Treatment Capacity – Should Rainbow desire to procure treatment capacity beyond the surplus capacity identified by the City on any given day, the City may choose to allow Rainbow to access that capacity and meet its demands through the City's existing Authority treated water connections. Should this occur, Rainbow will pay the City all extra costs incurred by the City for the delivery of treated water through its Authority treated water connections. These costs will include all Authority fixed and variable rates, including any costs associated with changes in the City's fixed charges from the Authority that are charged based on multi-year rolling averages. For example, if Rainbow were to use non-surplus capacity from the WFP in one calendar year and that use caused an increase in the City's fixed charges that are based on rolling averages, Rainbow would be responsible for any increase on the fixed charges in the three and five year periods in the current Authority and MWD rate structures. Currently, those charges are the Customer Service Charge, Storage Charge, Supply Reliability Charge, MWD Capacity Charge and Readiness-to-Serve Charge. Rainbow would also be responsible for any charge intended to recover costs on a per meter equivalent basis or a per parcel or acre basis (Standby Availability Charge).

iv. Should the Authority change their rate structure at any point during the term of this agreement, Rainbow and the City shall make modifications to this agreement as needed to meet the intent of the agreement.

b. Right of First Refusal to Surplus Weese Water:

Rainbow has the right to purchase treatment capacity that the City determines at its sole discretion is available as surplus. The City shall provide a courtesy call or email to Rainbow of a known surplus condition as soon as practicable.

i. Rainbow shall provide telephonic and email notice to City one hour before the 08:00, 14:00, and 20:00 flow changes respectively, for a flow request. The City will notify Rainbow if the request can be fulfilled based on Plant capacity and capability (as well as Oceanside's demands). The City will then notify SDCWA to fulfill the flow request.

ii. The City shall deliver and sell, and Rainbow shall purchase, the requested surplus WFP treatment capacity to which Rainbow has exercised its right of first refusal.

c. Authority Treated Water Shortage Condition:

i. An "Authority Treated Water Shortage Condition" is defined as a condition in which Authority has declared that it cannot provide treated water supplies for a period of 7 days or more in sufficient quantities to meet the average daily potable water demands of the City or Rainbow.

ii. In the event of an Authority Treated Water Shortage Condition:

1. The City shall deliver and sell to Rainbow, and Rainbow shall purchase from the City, an equivalent of 2 MGD (3.1 CFS) flow from the WFP, each day of the Authority shortage condition.

iii. Rainbow has the right of first refusal to purchase from the City any WFP treatment capacity that is surplus to the needs of the City during the Authority Treated Water Shortage Condition.

1. Rainbow shall provide telephonic and email notice to City one hour before the 08:00, 14:00, and 20:00 flow changes respectively, for a flow request. The City will notify Rainbow if the request can be fulfilled based on Plant capacity and capability (as well as Oceanside's demands). The city will then notify SDCWA to fulfill the flow request.
2. The City shall deliver and sell, and Rainbow shall purchase, such surplus WFP treatment capacity to which Rainbow has exercised its right of first refusal during the Authority Treated Water Shortage Condition.

2. Delivery of Weese Water to Rainbow.

- a. The City and Rainbow shall coordinate reporting and billing arrangements with the Authority, such that the Authority raw water treated at the WFP and delivered to Rainbow under this agreement shall be considered raw water delivered to Rainbow for the purpose of determining any authority rates or charges that are calculated based on total water deliveries to Authority's member public agencies using authority facilities, to the same extent that such rates and charges are posed on Authority members' public agencies.
- b. The City shall deliver WFP water to Rainbow via the Rainbow pump station located at the WFP. Deliveries via the Rainbow pump station shall be coordinated with the City's current and or future water order times.
 - i. Emergency shutdown procedures: Rainbow shall notify the City via phone call and email either for an emergency shutdown request or if Rainbow shuts down pump station manually or via SCADA for an emergency. The City will notify Rainbow via phone call and email for any emergency shutdown of pump station initiated by the City.
- c. The WFP water delivered by the City to Rainbow shall meet or exceed all federal and state water quality requirements for drinking water.

3. Invoicing and Payment for Weese Water.

- a. The treatment cost to be paid by Rainbow to the City for treatment of raw water at the WFP in the transmission of treated WFP through City

facilities to the point of interconnection with Rainbow's facility shall be determined by using the formula, definitions and methodology outlined in Attachment B.

- b. Effective each August 1, an accounting of the actual treatment costs per acre-foot shall be reconciled and trued-up against the billed cost per acre-foot during the preceding fiscal year. Any amounts owed to/from either agency shall be billed by the end of August of each year. The actual treatment costs per acre-foot shall be calculated using the formula in Attachment B.
- c. The City shall read the interconnection meter measuring WFP water delivered to Rainbow on a monthly basis.
- d. The City shall transmit an invoice to Rainbow within 30 days of the receipt of the monthly Authority invoice, for WFP water delivered to Rainbow during the preceding month.
- e. Rainbow shall pay each City invoice for WFP water within 30 days of receipt, unless Rainbow disputes the invoice.

4. Legal Relations and Requirements.

- a. No Acquisition of WFP Capacity: The parties do not intend and nothing in this agreement shall be construed to affect a conveyance of WFP capacity by the City to Rainbow.
- b. Limitation on Assignment: This Agreement shall not be assigned or transferred, nor shall any of the duties hereunder be delegated, without the express written consent of both Parties. Any attempt to assign or delegate this Agreement without the express written consent of the other Party shall be void and of no force or effect. Consent by a Party to one assignment shall not be deemed to be a consent to any subsequent assignment. Subject to the foregoing, this Agreement shall incur to the benefit of and be binding upon the Parties here and two and their respective successors and assigns.

- c. Compliance with Law: Each Party, shall be responsible for complying with all local, state and federal laws relating to its performance under this Agreement, whether or not said laws are expressly stated or referred to herein.
- d. Indemnity: To the greatest extent allowed by law, each Party shall indemnify and hold harmless the other Party and its officers, and employees (the indemnified Party) against all claims for damages to persons or property arising out of the negligent acts, errors or omissions or wrongful acts or conduct of the indemnifying Party, or its employees, agents, subcontractors, or others in connection with the performance of the obligations under this Agreement, except for those claims arising from the willful misconduct, sole negligence or active negligence of an indemnified Party. The indemnification hereunder shall include any and all costs, expenses, attorneys fees, expert fees and liabilities assessed against or incurred by an indemnified Party in defending against such claims or lawsuits, whether the same proceed to judgment are not. Further, upon written request by an indemnified Party the other Party shall, at its own expense, defend any such suit, action or proceeding brought against the indemnified Party.
- e. Disputes:
 - i. Any controversy or claim arising out of or relating to this agreement, or concerning the breach or interpretation thereof, shall be first submitted to mediation, the cost of which shall be borne equally by the Parties.
 - ii. No suit shall be brought on this Agreement unless all statutory claims filing requirements have been met.
- f. No Waiver: The failure by either Party to demand performance of this Agreement by the other Party does not constitute a waiver of the defending Party's rights or remedies with respect to past, present or future breaches or defaults by the other Party

5. Term and Termination.

- a. Term: the term of this agreement shall be for five years (the initial term"), commencing upon completion of construction of the pump

station by Rainbow MWD and expiring 5 years thereafter. Upon expiration of the Initial Term, this Agreement shall be automatically renewed on an annual basis and shall continue in full force and effect unless and until terminated by either Party by giving six months advance written notice to the other Party.

- b. Termination for Cause: Notwithstanding subsection 5.a, above, if either Party (“Demanding Party”) is in good faith belief that the other Party is not complying with the terms of this Agreement, the Demanding Party shall give written notice of the default (with reasonable specificity) to the Defaulting Party and demand the default to be cured within thirty (30) days of the notice. If the Defaulting Party is actually in default of this agreement and fails to cure the default within thirty (30) days of notice, or if more than thirty (30) days are reasonably required to cure the default, or Demanding Party fails to give adequate assurance of due performance within ten (10) days of notice, the Demanding Party may terminate this Agreement upon written notice to the Defaulting Party.
- c. Removal of Structures upon Termination: Upon termination of this Agreement, or upon termination of the Ground Lease associated with this Agreement, Rainbow MWD shall remove all appurtenances and facilities constructed under these agreements and the subject property shall be restored to a condition acceptable to the Water Utilities Director of the City of Oceanside or their designee.
- d. Termination for failure to Construct: Should Rainbow MWD fail to file a Notice of Completion for the Construction of the Pump Station within 18 months of the commencement of this Water Sales Agreement; City reserves the right to withdraw its approval of this Agreement and associated Ground Lease. In such case of withdrawal, then both agreements shall terminate with no cost to the City.

- c. Miscellaneous: Notices. Except as set forth in section 1.b and section 1.c.iii above, all notices, demands, requests, consent or other communications which this Agreement contemplates or authorizes, or requires or permits either Party to give to the other Party, shall be in writing and shall be personally delivered or mailed to the respective Party as follows:

TO CITY:

City of Oceanside
300 North Coast Highway
Oceanside, Ca. 92054
ATTN: Water Utilities Director

Telephone: (760)435-5913
Email: lleahy@oceansideca.org

TO Rainbow Municipal District:

Rainbow Municipal District
3707 Old Highway 395
Fallbrook, Ca. 92028
ATTN: General Manager

Telephone: (760)728-1178
Email: Tkennedy@rainbowmwd.com

Either Party may change its address by notice to the other party as provided herein. Communication shall be deemed to have been given and received on the first to occur of:

- i. Actual receipt at the offices of the Party to whom the communication is to be sent, as designated above, or
- ii. Three (3) working days following the deposit in the United States mail of registered or certified mail, postage prepaid, return receipt requested, addressed to the offices of the Party to whom the communication is to be sent, as designated above
 - a. Warranty of authority of signers. The individuals executing this agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this agreement on behalf of the respective legal entities of the City and Rainbow.
 - b. Force majeure. Any delay in performance under this agreement by either party shall be excused if such delay is caused by unforeseen events beyond the Parties control. Such unforeseen events include but are not limited to war, government regulations, labor disputes, strikes, fires, earthquakes, floods,

adverse weather, other similar action of the elements, and other causes substantially equal in gravity.

- c. Severability. Should any provision here be found or deemed to be invalid, the agreement shall be construed as not containing such provisions 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.
- d. Integration, construction and amendment.
 - i. This agreement comprises the entire integrated understanding between the City and Rainbow concerning the City sale to Rainbow of treatment capacity from the WFP, and this Agreement supersedes all prior negotiations, representations or agreements.
 - ii. The interpretation, validity and enforcement of this Agreement shall be governed by and construed under the laws of the State of California. This Agreement does not limit any other rights or remedies available to the Parties.
 - iii. This agreement may not be modified orally or in any other manner other than by writing signed by the Parties hereto.

IN WITNESS WHEREOF, the Parties hereto 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 by City and Rainbow here and to their signatures on the date indicated below:

RAINBOW MUNICIPAL WATER
DISTRICT

CITY OF OCEANSIDE

By: _____
Name/Title

By: _____
Jonathan Borrego, City Manager

Date: _____

Date: _____

By: _____
Name/Title

APPROVED AS TO FORM:

Date: _____

Employer ID No.

City Attorney

RMWD Legal Counsel

NOTARY ACKNOWLEDGMENTS OF CONSULTANT MUST BE ATTACHED.

Attachment B

City of Oceanside/Rainbow Municipal Water District Treatment Cost Formula

1. Rainbow Municipal Water District (Rainbow) will pay the City of Oceanside (Oceanside) monthly per Acre Foot (AF) based on the Prior Year Oceanside Actual Treatment Cost per AF.
2. Annually, the actual costs will be reconciled and Rainbow will pay an additional amount equal to half the difference between the current San Diego County Water Authority (SDCWA) Melded Treated Rate per AF and the Prior Year Oceanside Actual Treatment Cost per AF. For this calculation, Rainbow's costs will adjust whenever SDCWA's rate changes, with the understanding that SDCWA operates on a calendar year and Oceanside operates on a fiscal year that starts July 1st.
3. The cost of Oceanside's Depreciation for the Robert A. Weese Water Filtration Plant will be factored into the Prior Year Actual Treatment Cost per AF.

In summary:

Rainbow cost per AF = Prior Year Oceanside Actual Treatment Cost per AF + (SDCWA Melded Treated Rate per AF - the Prior Year Oceanside Actual Treatment Cost per AF)/2

Definitions:

"Oceanside Actual Treatment Costs" are defined as annual actual Operations and Maintenance Costs for the "Water Filtration Plant" as found in the City of Oceanside budget document. These costs include personnel, IT cost allocation, fleet, electricity, minor repair and maintenance, materials, chemicals, sludge hauling, permits, and taxes.

"Weese Annual Depreciation Costs" are defined as typical and customary depreciation values for equipment life. For a Water Treatment Plant, the annual service life is anticipated to be 30 years and the annual accrual rate is therefore 3.33% of the overall plant value. If requested, Oceanside and Rainbow agree to a third-party appraisal and depreciation estimate of the Weese plant every seven years, starting in calendar year 2023. Oceanside and Rainbow will jointly select the appraisal firm.



BOARD ACTION

BOARD OF DIRECTORS

December 6, 2022

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO AWARD A PROFESSIONAL SERVICES AGREEMENT FOR JANITORIAL SERVICES AT THE DISTRICT HEADQUARTERS (DIVISION 1)

BACKGROUND

The District utilizes a third party to perform janitorial services for routine cleaning at Headquarters. On May 2, 2019 the District executed a Professional Services Agreement with Cracks and Corners Cleaning Service (a Coverall System Independent California Franchise Owner). On October 18, 2021, the Cracks and Corners Cleaning Service was issued a Notice of Termination for breach of contract as it had hired a sub-contractor to perform the routine cleaning duties, gave unauthorized personnel access to District facilities, changed the days/times when cleaning services were to occur all without the District's consent. The Contract was terminated effective immediately.

District Staff contacted United Building Maintenance Center to start janitorial services. A purchase order (PO) in the amount of \$48,000 was issued so that cleaning services could begin as soon as possible. The PO had enough funds to cover cleaning services through the end of the 2022 calendar year while District Staff issued a new RFP.

The new RFP was issued on July 25, 2022, and the District received two (2) proposals from Eurosource Janitorial Company and MEK Enterprises. The proposals were evaluated, and references were checked. Shortly after the proposals were received, United Building Maintenance Center, the District's current cleaning service, informed the District that they could not provide the necessary staffing to continue performing daily routine cleaning services, as they were having difficulty with employee retention. On September 26, 2022, District Staff issued a new PO to Eurosource Janitorial Company for \$14,660 to take over the janitorial services through the end of the 2022 calendar year.

Staff is conducting an analysis to determine if janitorial services should be brought in-house by creating a new position. A staffing analysis is required, and the findings are scheduled to be brought back before the Board in mid-2023. In the interim, Staff is recommending entering into a three-year agreement with Eurosource. If during this contractual period it is determined that janitorial services should be performed by a District employee, the agreement with Eurosource would be terminated using the "termination for convenience" clause.

DESCRIPTION

As described in the background section, District Staff determined that based on the review of the proposals and references checked that Eurosource Janitorial Company is the most qualified. This is a three (3) year Agreement with two (2) one-year options, which if executed will make up to a five (5) year Agreement. The

Contract amount is \$47,220 for the first year. The Eurosource Janitorial Company's proposal is provided as Attachment 1.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Five: Customer Service. Janitorial services are important in keeping the working areas for employees and the public clean and disinfected.

ENVIRONMENTAL

In accordance with CEQA guidelines Section 15378, the action before the Board does not constitute a "project" as defined by CEQA for entering into a Professional Services Agreement for janitorial services.

BOARD OPTIONS/FISCAL IMPACTS

Funds were budgeted in the FY 22-23 Operating-General Fund-Administration, GL Account 03-41-63401 for \$30,000.

Option 1:

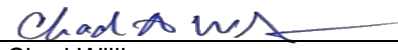
- Authorize the General Manager to execute a Professional Services Agreement with Eurosource Janitorial Company for a three (3) year agreement plus two one-year options.
- Determine that the action defined herein does not constitute a "project" as specified by CEQA

Option 2:

- Provide other direction to staff.

STAFF RECOMMENDATION

Staff Recommends Option 1.


Chad Williams
Engineering and CIP Program Manager

12/6/2022



RFP Response

Janitorial Services

Rainbow Municipal Water District

3707 Old Highway 395

Fallbrook CA 92028

Eurosource Janitorial Service Inc.

August 17, 2022

Attn: Amanda Parra

Re: Janitorial Service

Dear Amanda,

We would like to express our appreciation for the opportunity to present this proposal to the **Rainbow Municipal Water District**. Our primary focus is to provide the highest level of service to all those who are impacted by our work.

Our success comes from the respect we have for our clients and our cleaning technicians. The majority of janitorial services rely heavily on the supervision of cleaning technicians who are paid minimum wage. We do not believe in compensating our cleaning technicians at that level of pay. Rather, we give our janitors a high percentage of the bidding contract. We believe that a maximum effort will only be given in return for maximum reward. This concept combined with a thorough training program and proper cleaning equipment and sanitization products ensures our janitorial crew provide you with an excellent service. All of our crews are bonded and insured. We have over 30 years of experience.

If you have any questions, please feel free to contact us at the phone number or email provided.

Thank you for your consideration,

William George
760 208 8266 or 310 500 5512

eurosource@yahoo.com

Eurosource Janitorial Service Inc.

Facility: Rainbow Municipal Water District

3707 Old Highway 395 Fallbrook, CA 92028

BUILDING NAME	SQUARE FOOTAGE	DESCRIPTION
Building 1 – Administration	4,323	Front Lobby, (2) Restrooms, (1) Kitchen, (8) Offices, (3) Work Spaces w/8 desks, Board Room, Several Service Rooms, Closets and Halls, (18) Windows, (17) Blinds
Operations Modular Building	2,200	(2) Restrooms, (1) Kitchen, (6) Enclosed Offices, (1) Large Open Concept Work Space
Operations Locker Room Modular Building	400	(1) Restroom and Shower, Uniform Closet, Hall, Locker Room (15+ People), Storage Room
Operations: Mechanic Office	100	(1) Office
Building 2A – Technical Services Modular	270	(1) Office, (1) Work Space w/4 desks, (6) Windows, (6) Blinds
Building 2B – Engineering Modular	655	(4) Offices, (1) Work Space w/conference table, and desk
Building 2C – Engineering Modular	269	(1) Office, (1) Work Space w/2 desks, (4) Windows, (4) Blinds
Building 3 – IT and Warehouse	695	(2) Offices, Hall, (3) Windows, (3) Blinds
Building 1A – Women’s Restroom & Two Rooms Modular	348	(1) Conference Room, (1) Restroom and Shower, (1) Breakroom w/sink, (2) Windows, (1) Blind
TOTAL	9,260	

SCOPE OF SERVICES

I. ADMINISTRATION BUILDING 1

Description:	4,323 Square Feet, 21 Rooms and Work Spaces
Includes:	Front Lobby, (2) Restrooms, (1) Kitchen, (8) Offices, (3) Work Spaces w/8 desks, Board Room, Several Service Rooms, Closets and Halls, (18) Windows, (17) Blinds
Excludes:	Vault and Server Room

Daily Activities

- Empty wastebaskets and carry trash to pick up area, replace liners if torn or soiled, cleanup soiled areas resulting from leaking liners.
- Spot clean interior and exterior entranceway door glass, plus handles.
- Clean both sides of partition glasses using an approved window cleaner.
- Vacuum carpeted floor traffic lanes, workspaces and all accessible offices, spot and edge as needed.
- Completely clean and disinfect restrooms, fixtures and bright work, restock dispensers, refill soap as needed.
- Dust mop hard floors with a chemically (District approved) treated dust mop.
- Spot mop stains and spills/clean all mop splatter from all vertical surfaces.
- Dust all horizontal top surfaces using a synthetic duster or a treated dusting towel.
- Spot clean soiled walls and fixtures.
- Clean Board Room and conference room tables and wipe down chairs. Place chairs neatly around table and room perimeter.
- Clean dry erase boards.
- Clean exterior and interior of microwave and disinfect counters, table and sinks in kitchen.

Weekly Activities

- Dust low areas up to six (6) feet in height.
- Damp mop all hard surface floors/clean mop splatter on walls.
- Use shampoo system to remove large soil spots and dry.
- Disinfect all door handles.
- Spot clean around wall switch plates, doors, doorframes and counters.
- Wipe down vinyl and leather furniture.
- Spot clean carpets as needed.
- Clean and dust Board Room, vertical wood surfaces, podium and staff desk on Mondays.
- Sweep entry/exterior doorways.
- Monthly Activities
- Vacuum upholstered seating.
- Dust all horizontal blinds.
- Dust ledges and window sills

- Vacuum ceiling vents and air deflectors.
- Dust, mop and spot clean railings and ledges.
- Clean accessible baseboards.
-

Quarterly Activities

- Empty

y outdoor

ashtray Semi-

Annual

Activities

- Machine strip hard surface floors/clean grout in floor tile and reapply approved floor finish.
- Clean fabric wall partitions full height with hot water extract, using a high-pressure extraction system, insuring no streaks are visible, clean and polish wood paneling.
- Clean all accessible carpet using hot water, high-pressure

extraction system. Annual Activities

June-Clean all exterior windows and power wash exterior screens and sides of building (to be performed on a weekend only)

II. OPERATIONS MODULAR BUILDING

Description:	2,200 Square Feet, 6 Rooms and Work Spaces
Includes:	(2) Restrooms, (1) Kitchen, (6) Enclosed Offices, (1) Large Open Concept Work Space
Excludes:	SCADA Room

Daily Activities

- Empty wastebaskets and carry trash to pick up area, replace liners if torn or soiled, cleanup soiled areas resulting from leaking liners.
- Spot clean interior and exterior entranceway door glass, plus handles.
- Clean both sides of partition glasses using an approved window cleaner.
- Vacuum carpeted floor traffic lanes, workspaces and all accessible offices, spot and edge as needed.
- Completely clean and disinfect restrooms, fixtures and bright work, restock dispensers, refill soap as needed.
- Dust mop hard floors with a chemically (District approved) treated dust mop.
- Spot mop stains and spills/clean all mop splatter from all vertical surfaces.
- Dust all horizontal top surfaces using a synthetic duster or a treated dusting towel.
- Spot clean soiled walls and fixtures.
- Clean conference table and place chairs neatly around table.

- Clean dry erase boards.
- Clean exterior and interior of microwave and disinfect counters, table and

sinks in kitchen. Weekly Activities

- Dust low areas up to six feet in height.
- Damp mop all hard surface floors/clean mop splatter on walls.
- Use shampoo system to remove large soil spots and dry.
- Disinfect all door handles.
- Spot clean around wall switch plates, doors, doorframes and counters.
- Wipe down vinyl and leather furniture.
- Spot clean carpets as needed.
- Clean vertical wood surfaces.
- Sweep entry/exterior doorways.
- Clean and dust all hanging artwork and framed pictures.

Monthly Activities

- Vacuum upholstered seating.
- Dust all horizontal blinds.
- Dust ledges and window sills.
- Vacuum ceiling vents and air deflectors.
- Dust, mop and spot clean railings and ledges.
- Clean

accessible

baseboards. Semi-

Annual Activities

- Machine strip hard surface floors/clean grout in floor tile and reapply approved floor finish.
- Clean fabric wall partitions full height with hot water extract, using a high-pressure extraction system, insuring no streaks are visible, clean and polish wood paneling.
- Clean all accessible carpet using hot water, high-pressure

extraction system. Annual Activities

- June- Clean all exterior windows and power wash exterior screens and sides of building (to be performed on weekend only).

III. OPERATIONS LOCKER ROOM MODULAR BUILDING

Description:	400 Square Feet, Locker Room
Includes:	(1) Restroom and Shower, Uniform Closet, Hall, Locker Room (15+ People), Storage Room
Excludes:	N/A

Daily Activities

- Empty wastebaskets and carry trash to pick up area, replace liners if torn or soiled, cleanup soiled

- areas resulting from leaking liners.
 - Spot clean interior and exterior entranceway door glass, plus handles.
 - Completely clean and disinfect restrooms, shower, fixtures and bright work, restock dispensers, refill soap as needed.
 - Dust mop hard floors with a chemically (District approved) treated dust mop.
 - Spot mop stains and spills/clean all mop splatter from all vertical surfaces.
 - Dust all horizontal top surfaces using a synthetic duster or a treated dusting towel.
 - Spot clean soiled walls and fixtures.
- Weekly Activities
 - Dust low areas up to six feet in height.
 - Damp mop all hard surface floors/clean mop splatter on walls.
 - Use shampoo system to remove large soil spots and dry.
 - Disinfect all door handles.
 - Spot clean around wall switch plates, doors, doorframes and counters.
 - Wipe down vinyl and leather furniture.
 - Spot clean carpets as needed.
 - Clean vertical wood surfaces.

Monthly Activities

- Vacuum upholstered seating.
- Dust all horizontal blinds.
- Dust ledges and window sills.
- Vacuum ceiling vents and air deflectors.
- Dust, mop and spot clean railings and ledges.
- Clean

accessible

baseboards. Semi-

Annual Activities

- Machine strip hard surface floors/clean grout in floor tile and reapply approved floor finish.
- Clean all accessible carpet using hot water, high-pressure

extraction system. Annual Activities

- June- Clean all exterior windows and power wash exterior screens and sides of building (to be performed on weekend only).

IV. OPERATIONS: MECHANIC OFFICE

Description:	100 Square Feet, 1 Room
Includes:	(1) Office
Excludes:	Mechanic Garage

Daily Activities

- Empty wastebaskets and carry trash to pick up area, replace liners if torn or soiled, cleanup soiled areas resulting from leaking liners.
- Spot clean interior and exterior entranceway door glass, plus handles.
- Clean both sides of partition glasses using an approved window cleaner.
- Vacuum carpeted floor traffic lanes, workspaces and all accessible offices, spot and edge as needed.
- Completely clean and disinfect fixtures and bright work.
- Dust mop hard floors with a chemically (District approved) treated dust mop.
- Spot mop stains and spills/clean all mop splatter from all vertical surfaces.
- Dust all horizontal top surfaces using a synthetic duster or a treated dusting towel.
- Spot clean soiled walls and fixtures.
- Clean

dry erase

boards. Weekly

Activities

- Dust low areas up to six feet in height.
- Damp mop all hard surface floors/clean mop splatter on walls.
- Use shampoo system to remove large soil spots and dry.
- Disinfect all door handles.
- Spot clean around wall switch plates, doors, doorframes and counters.
- Wipe down vinyl and leather furniture.
- Spot clean carpets as needed.
- Clean vertical wood surfaces.

Monthly Activities

- Vacuum upholstered seating.
- Dust all horizontal blinds.
- Dust ledges and window sills.
- Vacuum ceiling vents and air deflectors.
- Dust, mop and spot clean railings and ledges.
- Clean

accessible

baseboards

Semi-Annual Activities

- Machine strip hard surface floors/clean grout in floor tile and reapply approved floor finish.
- Clean all accessible carpet using hot water, high-pressure extraction system..

Annual Activities

- June- Clean all exterior windows and power wash exterior screens and sides of building (to be performed on weekend only).

V. TECHNICAL SERVICES MODULAR BUILDING 2A

Description:	270 Square Feet, 1 Room and Work Space
Includes:	(1) Office, (1) Work Space w/4 desks, (6) Windows, (6) Blinds
Excludes:	N/A

Daily Activities

- Empty wastebaskets and carry trash to pick up area, replace liners if torn or soiled, cleanup soiled areas resulting from leaking liners.
- Spot clean interior and exterior entranceway door glass, plus handles.
- Clean both sides of partition glasses using an approved window cleaner.
- Vacuum carpeted floor traffic lanes, workspaces and all accessible offices, spot and edge as needed.
- Dust mop hard floors with a chemically (District approved) treated dust mop.
- Spot mop stains and spills/clean all mop splatter from all vertical surfaces.
- Dust all horizontal top surfaces using a synthetic duster or a treated dusting towel.
- Spot clean soiled walls and fixtures.
- Clean

dry erase

boards. Weekly

Activities

- Dust low areas up to six feet in height.
- Damp mop all hard surface floors/clean mop splatter on walls.
- Use shampoo system to remove large soil spots and dry.
- Disinfect all door handles.
- Spot clean round wall switch plates, doors, doorframes and counters.
- Wipe down vinyl and leather furniture.
- Spot clean carpets as needed.
- Clean vertical wood surfaces.
- Sweep entry/exterior doorways.
- Clean and dust all hanging artwork and

framed pictures. Monthly Activities

- Vacuum upholstered seating.
- Dust all horizontal blinds.
- Dust ledges and window sills.
- Vacuum ceiling vents and air deflectors.
- Dust, mop and spot clean railings and ledges.
- Clean

accessible

baseboards.

Semi-Annual Activities

- Machine strip hard surface floors/clean grout in floor tile and reapply approved floor finish.
- Clean fabric wall partitions full height with hot water extract, using a high-pressure extraction system, insuring no streaks are visible, clean and polish wood paneling.
- Clean all accessible carpet using hot water, high-pressure extraction system.

Annual Activities

- June- Clean all exterior windows and power wash exterior screens and sides of building (to be performed on weekend only).

VI. ENGINEERING MODULAR BUILDING 2B

Description:	655 Square Feet, 4 Rooms and Work Space
Includes:	(4) Offices, (1) Work Space w/conference table, and desk
Excludes:	N/A

Daily Activities

- Empty wastebaskets and carry trash to pick up area, replace liners if torn or soiled, cleanup soiled areas resulting from leaking liners.
- Spot clean interior and exterior entranceway door glass, plus handles.
- Clean both sides of partition glasses using an approved window cleaner.
- Vacuum carpeted floor traffic lanes, workspaces and all accessible offices, spot and edge as needed.
- Dust mop hard floors with a chemically (District approved) treated dust mop.
- Spot mop stains and spills/clean all mop splatter from all vertical surfaces.
- Dust all horizontal top surfaces using a synthetic duster or a treated dusting towel.
- Spot clean soiled walls and fixtures.
- Clean conference room table and place chairs neatly around table and room perimeter.
- Clean dry erase boards.

Weekly Activities

- Dust low areas up to six feet in height.
- Damp mop all hard surface floors/clean mop splatter on walls.
- Use shampoo system to remove large soil spots and dry.
- Disinfect all door handles.
- Spot clean around wall switch plates, doors, doorframes and counters.
- Wipe down vinyl and leather furniture.
- Spot clean carpets as needed.
- Clean vertical wood surfaces.
- Sweep entry doorway.
- Clean and dust all hanging artwork and framed pictures.

Monthly Activities

- Vacuum upholstered seating.
- Dust all horizontal blinds.
- Dust ledges and window sills
- Vacuum ceiling vents and air deflectors.
- Dust, mop and spot clean railings and ledges.
- Clean accessible baseboards.
-

Semi-Annual Activities

- Machine strip hard surface floors/clean grout in floor tile and reapply approved floor finish.
- Clean fabric wall partitions full height with hot water extract, using a high-pressure extraction system, insuring no streaks are visible, clean and polish wood paneling.
- Clean all accessible carpet using hot water, high-pressure extraction system.

Annual Activities

June- Clean all exterior windows and power wash exterior screens and sides of building (to be performed on weekend only).

VII. ENGINEERING MODULAR BUILDING 2C

Description:	269 Square Feet, 1 Room and Work Space
Includes:	(1) Office, (1) Work Space w/2 desks, (4) Windows, (4) Blinds
Excludes:	N/A

Daily Activities

- Empty wastebaskets and carry trash to pick up area, replace liners if torn or soiled, cleanup soiled areas resulting from leaking liners.
- Spot clean interior and exterior entranceway door glass, plus handles.
- Clean both sides of partition glasses using an approved window cleaner.
- Vacuum carpeted floor traffic lanes, workspaces and all accessible offices, spot and edge as needed.
- Dust mop hard floors with a chemically (District approved) treated dust mop.
- Spot mop stains and spills/clean all mop splatter from all vertical surfaces.
- Dust all horizontal top surfaces using a synthetic duster or a treated dusting towel.
- Spot clean soiled walls and fixtures.
- Clean

dry erase

boards. Weekly

Activities

- Dust low areas up to six feet in height.
- Damp mop all hard surface floors/clean mop splatter on walls.
- Use shampoo system to remove large soil spots and dry.
- Disinfect all door handles.
- Spot clean around wall switch plates, doors, doorframes and counters.

- Wipe down vinyl and leather furniture.
- Spot clean carpets as needed.
- Clean vertical wood surfaces.
- Sweep entry doorway.
- Clean and dust all hanging artwork and framed pictures.

Monthly Activities

- Vacuum upholstered seating.
- Dust all horizontal blinds.
- Dust ledges and window sills.
- Vacuum ceiling vents and air deflectors.
- Dust, mop and spot clean railings and ledges.
- Clean accessible baseboards.

Semi-Annual Activities

- Machine strip hard surface floors/clean grout in floor tile and reapply approved floor finish.
- Clean fabric wall partitions full height with hot water extract, using a high-pressure extraction system, insuring no streaks are visible, clean and polish wood paneling.
- Clean all accessible carpet using hot water, high-pressure extraction system.

Annual Activities

- June- Clean all exterior windows and power wash exterior screens and sides of building (to be performed on weekend only).

VIII. IT AND WAREHOUSE BUILDING 3

Description:	695 Square Feet, 2 Rooms
Includes:	(2) Offices, Hall, (3) Windows, (3) Blinds
Excludes:	Server Room, Warehouse

Daily Activities

- Empty wastebaskets and carry trash to pick up area, replace liners if torn or soiled, cleanup soiled areas resulting from leaking liners.
- Spot clean interior and exterior entranceway door glass, plus handles.
- Clean both sides of partition glasses using an approved window cleaner.
- Vacuum carpeted floor traffic lanes, workspaces and all accessible offices, spot and edge as needed.
- Dust mop hard floors with a chemically (District approved) treated dust mop.
- Spot mop stains and spills/clean all mop splatter from all vertical surfaces.
- Dust all horizontal top surfaces using a synthetic duster or a treated dusting towel.
- Spot clean soiled walls and fixtures.
- Clean dry erase boards.
- Weekly

Activities

- Dust low areas up to six feet in height.
- Damp mop all hard surface floors/clean mop splatter on walls.
- Use shampoo system to remove large soil spots and dry.
- Disinfect all door handles.
- Spot clean around wall switch plates, doors, doorframes and counters.
- Wipe down vinyl and leather furniture.
- Spot clean carpets as needed.
- Clean vertical wood surfaces.
- Sweep entry/exterior doorways.
- Clean and dust all hanging artwork and framed pictures.

Monthly Activities

- Vacuum upholstered seating.
- Dust all horizontal blinds
- Dust ledges and window sills
- Vacuum ceiling vents and air deflectors.
- Dust, mop and spot clean railings and ledges.
- Clean

accessible

baseboards. Semi-

Annual Activities

- Machine strip hard surface floors/clean grout in floor tile and reapply approved floor finish.
- Clean fabric wall partitions full height with hot water extract, using a high-pressure extraction system, insuring no streaks are visible, clean and polish wood paneling.
- Clean all accessible carpet using hot water, high-pressure

extraction system. Annual Activities

- June- Clean all exterior windows and power wash exterior screens and sides of building (to be performed on weekend only).

IX. WOMEN’S RESTROOM & TWO ROOMS MODULAR BUILDING 1A

Description:	348 Square Feet, 3 Rooms
Includes:	(1) Conference Room, (1) Restroom and Shower, (1) Breakroom w/sink, (2) Windows, (1) Blind
Excludes:	N/A

Daily Activities

- Empty wastebaskets (including feminine product waste bins) and carry trash to pick up area, replace liners if torn or soiled, cleanup soiled areas resulting from leaking liners.

- Spot clean interior and exterior entranceway door glass, plus handles.
- Clean both sides of partition glasses using an approved window cleaner.
- Vacuum carpeted floor traffic lanes, workspaces and all accessible offices, spot and edge as needed.
- Completely clean and disinfect restrooms, shower, fixtures and bright work, restock dispensers, refill soap as needed.
- Dust mop hard floors with a chemically (District approved) treated dust mop.
- Spot mop stains and spills/clean all mop splatter from all vertical surfaces.
- Dust all horizontal top surfaces using a synthetic duster or a treated dusting towel.
- Spot clean soiled walls and fixtures.
- Clean conference room table and place chairs neatly around table and room perimeter.
- Clean dry erase boards.

Weekly Activities

- Dust low areas up to six feet in height.
- Damp mop all hard surface floors/clean mop splatter on walls.
- Use shampoo system to remove large soil spots and dry.
- Disinfect all door handles.
- Spot clean around wall switch plates, doors, doorframes and counters.
- Wipe down vinyl and leather furniture.
- Spot clean carpets as needed.
- Clean vertical wood surfaces.
- Sweep entry doorways.
- Clean and dust all hanging artwork and framed pictures.

Monthly Activities

- Vacuum upholstered seating.
- Dust all horizontal blinds.
- Dust ledges and window sills
- Vacuum ceiling vents and air deflectors.
- Dust, mop and spot clean railings and ledges.
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accessible

baseboards. Semi-

Annual Activities

- Machine strip hard surface floors/clean grout in floor tile and reapply approved floor finish.
- Clean fabric wall partitions full height with hot water extract, using a high-pressure extraction system, insuring no streaks are visible, clean and polish wood paneling.
- Clean all accessible carpet using hot water, high-pressure

extraction system. Annual Activities

- June- Clean all exterior windows and power wash exterior screens and sides of building (to be performed on weekend only).

Pricing:

Description	Monthly Cost	Annual Cost
Janitorial Service – 5 Nights per Week	\$3,935	\$47,220

Rainbow Municipal Water District will provide:

- a. Paper supplies: Paper towels, toilet paper, seat covers
- b. Women’s supplies: Tampons and sanitary napkin liners
- c. Hand soap
- d. Hand sanitizer

Eurosource will supply:

- e. Small and large trash can liners for all trash receptacles
- f. Chemicals: glass cleaner, floor stripper, furniture polish, disinfectant, bleach, etc.
- g. Cleaning supplies: microfiber rags, and other items as needed, etc.
- h. Equipment: vacuum, dusters, wet mop, etc

Description	
Janitors	2
Monthly Man Hours	130

Description	Cost
Daily Janitorial Service	\$173
Weekly Janitorial Service – 5 Nights per Week	\$866
Monthly Janitorial Service – 5 Nights per Week	\$3,935

Eurosource Janitorial Service Inc.

California Corporation
20573 West Pico Boulevard #249
Los Angeles, CA 90064

EIN 83-0668458

2 Operations Managers
33 Cleaners

William George
President
20573 West Pico Boulevard #249
Los Angeles, CA 90064
310 500-5512
eurosourceops@gmail.com

No Sub Contractors

Equipment List

- HEPA backpack vacuum
- Upright vacuum
- Wet/dry vacuum
- Slow speed floor scrubber
- Carpet extractor
- Pressure washer
- Trash cans with caddy
- Hand caddy
- Squeegees
- Scrub brushes
- Broom
- Dust Pan
- Mop bucket
- Mop handles
- Dusters
- Microfiber cloths

Resumes

William George

- 22 years as owner of Eurosource Janitorial Service
- Owner Operations manager – Office, Retail, Restaurant, Hospitality Services
- Floor specialist

Ron Papai

- 13 years servicing offices, manufacturing, life sciences
- Operations manager
- Contamination control specialist

Javier Padilla

- Janitor – 15 years cleaning commercial sites
- Floor specialist
- Contamination control specialist

Abel Romo

- Janitor – 13 years cleaning commercial sites
- Floor specialist
- Contamination control specialist

References

Crinetics Pharmaceuticals

Mark Narcy
10222 Barnes Canyon Rd Building 2
San Diego, CA 92121
(858) 450-6464
mnarcy@crinetics.com

University of St Katherine

Marina Trigonis
277 Rancheros Dr
San Marcos, CA 92069
(760) 471-1316
mtrigonis@usk.edu

Alp n Rock

Julie Schwaben
220 Bingham Dr Suite 102
San Marcos, CA 92069
(760) 752-1507
julie@alpnrock.com

Hexagon Metrology

Esther Campbel
3536 Seagate Way #100
Oceanside, CA 92056
(760) 994-1401
Esther.campbel@hexagonmetrology.com

Eurosource Janitorial Service Inc.

Agreement

This Service Agreement is entered into as of between EuroSource Janitorial Service Inc. and Rainbow Municipal Water District with respect to those services to be performed by EuroSource Janitorial Service Inc.as outlined in the Proposal for Services.

This agreement covers all the above-described services accepted by Rainbow Municipal Water District, and all expenses in regard to said services.. Any additional services will be separate from this agreement.

This Service Agreement shall commence on the Effective Date and continue for a period of three (3) years (the "Initial Term").

The price for the services provided by Eurosource as set forth in this Service Agreement and/or any Proposals is based on present costs. Notwithstanding anything to the contrary, if wages or associated payroll costs, payroll taxes, business insurance rates, health/welfare benefit payments, material costs or other costs increase above those in effect on the Effective Date, Eurosource may notify Customer of an increase in the price for the services upon 60 days prior notice, after which time such increase shall become the new price for the services without need of any further amendment or agreement.

Invoices will be submitted monthly for services performed during that month. Invoices will be sent out at the beginning of each month prior to service and deemed late if payment not received within 5 days of following month.

Prepared By: _____ Eurosource Janitorial Service Inc

Date: _____

Accepted By: _____ Rainbow Municipal Water District

Date: _____ (the "Effective Date")

BOARD OF DIRECTORS

December 6, 2022

SUBJECT

CONSIDER ESTABLISHING THE 2023 REGULAR BOARD MEETING SCHEDULE

BACKGROUND

Per Administrative Code Section 3.01.010.01, regular meetings are to be held on the fourth (4th) Tuesday of each calendar month with the November and December meetings combined and held on the first available Tuesday in the month of December of each calendar year. The starting time for the regular meeting Open Session is 1:00 p.m.

DESCRIPTION

The Board will consider establishing the 2023 Regular Board Meeting schedule.

In accordance with Administrative Code Section 3.01.010.01, a tentative meeting schedule has been drafted and attached for Board reference.

In the event the Board prefers setting a different meeting schedule than that presented in accordance with the current policy, the Board will need to consider amending and updating Administrative Code Section 3.01.010.01 accordingly at their first Regular Board meeting scheduled for January 24, 2023.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Six: Communication

Administrative Code Section 3.01.010 – Regular Meetings

ENVIRONMENTAL


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

BOARD OPTIONS/FISCAL IMPACTS

Establish the 2023 Regular Board Meeting schedule.

STAFF RECOMMENDATION

The Board establish the 2023 Regular Board Meeting schedule.


Tom Kennedy, General Manager December 6, 2022

RAINBOW MUNICIPAL WATER DISTRICT

2023

REGULAR BOARD MEETING SCHEDULE

4th Tuesday of the Month

~~ Meetings will begin at a time announced on each month's respective agenda for Closed Session items. Open Session items will start time certain at 1:00 p.m. ~~

January 24

February 28

March 28

April 25

May 23

June 27

July 25

August 22

September 26

October 24

*December 5

*The November and December Board meetings will be combined into one meeting to be held on the first available Tuesday of the month (December 5, 2023).

Special Meetings may be scheduled as needed.

BOARD OF DIRECTORS

December 6, 2022

SUBJECT

DISCUSSION AND POSSIBLE APPOINTMENT OF MEMBER OR MEMBERS OF THE COMMUNICATIONS AND CUSTOMER SERVICE COMMITTEE

BACKGROUND

On November 1, 2022, two members of the public participated in the facilities tour coordinated by staff. Both participants also attended the November 3, 2022 Communications and Customer Service Committee meeting to introduce themselves to those present as well as observe how the committee operates.

DESCRIPTION

During discussions related to committee member recruitment at the November 3, 2022 Communications and Committee meeting, it was determined an item should be placed on the December 6, 2022 Board meeting agenda in the event one or both of the public members notifies the committee Chairperson of their desire to be officially appointed to serve on the Communications and Customer Service Committee at their December 1, 2022 meeting.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Four: Fiscal Responsibility
Strategic Focus Area Five: Customer Service
Strategic Focus Area Six: Communication

Administrative Code – Chapter 2.09 – Committees

ENVIRONMENTAL

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

BOARD OPTIONS/FISCAL IMPACTS

- 1) Appoint interested public members to serve as a member or members on the Communications and Customer Service Committee.
- 2) Deny appointments and provide staff with direction.

There are no known fiscal impacts associated with this matter.

STAFF RECOMMENDATION

Staff supports direction.



Tom Kennedy, General Manager December 6, 2022

BOARD OF DIRECTORS

December 6, 2022

SUBJECT

DISCUSSION AND POSSIBLE ACTION SUPPORTING A NOMINATION TO ACWA BOARD OF DIRECTORS REGION 10

BACKGROUND

The leadership of ACWA's ten geographical regions is integral to the leadership of the Association as a whole. The Chair and Vice Chair of Region 10 serve on ACWA's Statewide Board of Directors and recommend all committee appointments for Region 10. The members of the Region 10 Board determine the direction and focus of region issues and activities. Additionally, they support the fulfillment of ACWA's goals on behalf of members and serve as a key role in ACWA's grassroots outreach efforts.

DESCRIPTION

The Region 10 Board is looking for ACWA members who are interested in leading the direction of ACWA Region 10 for the remainder of the 2022-2023 term. The Board is seeking candidates from Region 10 to fill **one board vacancy**. Per Region 10 Rules and Regulations, the current vacancy must be filled by an ACWA member agency from San Diego County.

Anyone interested is encouraged to familiarize themselves with the Role of the Regions and Responsibilities and the Region 10 Rules and Regulations (see attached) as well as complete a Region Board Candidate Nomination Form, obtain a Resolution in Support from the RMWD Board of Directors, and submit a completed Nomination Form to Sarah Hodge at sarahh@acwa.com by 5:00 p.m. on December 16, 2022.

Candidates will be invited to a Region 10 special board meeting to offer brief remarks and will be notified of the results shortly thereafter.

Resolution No. 22-31 has been prepared in the event the Board decides to support a nomination.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Three: Workforce Development
Strategic Focus Area Six: Communication

ENVIRONMENTAL

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

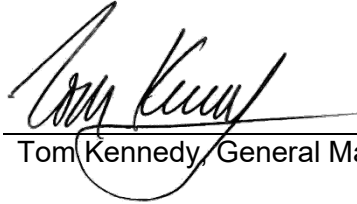
BOARD OPTIONS/FISCAL IMPACTS

Any expenses for attendant will be borne by the District upon adoption of Resolution No. 22-31.

- 1) Approve Resolution No. 22-31 supporting a nomination to the ACWA Board of Directors Region 10.
- 2) Approve Resolution No. 22-31 supporting a nomination to the ACWA Board of Directors Region 10 with revisions.
- 3) Take no action.

STAFF RECOMMENDATION

Staff supports Board decision.



Tom Kennedy, General Manager

December 6, 2022

RESOLUTION NO. 22-31

A RESOLUTION OF THE BOARD OF DIRECTORS OF
RAINBOW MUNICIPAL WATER DISTRICT
PLACING IN NOMINATION _____ AS A MEMBER OF THE
ASSOCIATION OF CALIFORNIA WATER AGENCIES REGION 10 BOARD

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF RAINBOW MUNICIPAL WATER DISTRICT AS FOLLOWS:

A. Recitals

- (i) The Board of Directors of the Rainbow Municipal Water District does encourage and support the participation of its members in the affairs of the Association of California Water Agencies (ACWA).
- (ii) _____ is currently serving as (Position) for ACWA Region _____ and/or
- (iii) _____ has indicated a desire to serve as a Board Member of ACWA Region 10.

B. Resolves

NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE RAINBOW MUNICIPAL WATER DISTRICT,

- (i) Does place its full and unreserved support in the nomination of _____ for the Board Member position of ACWA Region 10.
- (ii) Does hereby determine that the expenses attendant with the service of _____ in ACWA Region 10 shall be borne by the Rainbow Municipal Water District.

ADOPTED AND APPROVED at a regular meeting of the Board of Directors held on the 6th of December 2022 by the following vote, to wit:

**AYES:
NOES:
ABSENT:
ABSTAIN:**

Hayden Hamilton, Board President

ATTEST:

Dawn Washburn, Board Secretary

MEMORANDUM

Date: November 16, 2022

To: Region 10 San Diego County Member Agency Presidents and General Managers
(sent via e-mail)

From: ACWA Region 10 Board

The Region 10 Board is looking for ACWA members who are interested in leading the direction of ACWA Region 10 for the remainder of the 2022-2023 term. The Board is seeking candidates from Region 10 to fill one board vacancy. Per Region 10 Rules and Regulations, the current vacancy must be filled by an ACWA member agency from San Diego County.

The leadership of ACWA's ten geographical regions is integral to the leadership of the Association as a whole. The Chair and Vice Chair of Region 10 serve on ACWA's Statewide Board of Directors and recommend all committee appointments for Region 10. The members of the Region 10 Board determine the direction and focus of region issues and activities. Additionally, they support the fulfillment of ACWA's goals on behalf of members.

If you, or someone within your agency, are interested in serving in a leadership role within ACWA by becoming a Region 10 Board Member, please familiarize yourself with the [role of the Regions](#) and the [Region 10 Rules and Regulations](#).

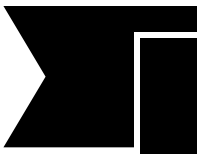
Submit your nomination by completing the following steps:

- **Complete the Nomination Form ([here](#))**
- **Obtain a Resolution of support from your agency's Board of Directors (sample resolution [here](#))**

Submissions must be sent to Sarah Hodge at sarahh@acwa.com by 5:00 p.m. on December 16, 2022

Candidates will be invited to a Region 10 special board meeting to offer brief remarks and will be notified of the results shortly thereafter.

If you have any questions, please contact ACWA Regional Affairs Representative Sarah Hodge at sarahh@acwa.com, or call (916) 669-2384.



REGION BOARD CANDIDATE NOMINATION FORM

Name of Candidate: _____

Agency: _____ Title: _____

Agency Phone: _____ Direct Phone: _____

E-mail: _____ ACWA Region: _____ County: _____

Address: _____

Agency Function(s): (check all that apply)

- | | | |
|--------------------|------------------------|--|
| Wholesale | Sewage Treatment | Flood Control |
| Urban Water Supply | Retailer | Groundwater Management / Replenishment |
| Ag Water Supply | Wastewater Reclamation | Other: _____ |

Describe your ACWA-related activities that help qualify you for this office:

In the space provided, please write or attach a brief, half-page bio summarizing the experience and qualifications that make you a viable candidate for ACWA Region leadership. Please include the number of years you have served in your current agency position, the number of years you have been involved in water issues and in what capacity you have been involved in the water community.

I acknowledge that the role of a region board member is to actively participate on the Region Board during my term, including attending region board and membership meetings, participating on region conference calls, participating in ACWA's Outreach Program, as well as other ACWA functions to set an example of commitment to the region and the association.

*I hereby submit my name for consideration by the Nominating Committee.
(Please attach a copy of your agency's resolution of support/sponsorship for your candidacy.)*

Signature Title Date

Submit completed form to Sarah Hodge at sarahh@acwa.com.

RESOLUTION NO. _____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
(DISTRICT NAME)
PLACING IN NOMINATION (NOMINEE NAME)
AS A MEMBER OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES
REGION ____ (POSITION)**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF (DISTRICT NAME) AS FOLLOWS:

A. Recitals

(i) The Board of Directors (Board) of the (District Name) does encourage and support the participation of its members in the affairs of the Association of California Water Agencies (ACWA).

(ii) (Nominee Title), (Nominee Name) is currently serving as (Position) for ACWA Region ____

and/or

(iii) (Nominee Name) has indicated a desire to serve as a (Position) of ACWA Region ____.

B. Resolves

NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF (DISTRICT NAME),

(i) Does place its full and unreserved support in the nomination of (Nominee Name) for the (Position) of ACWA Region ____.

(ii) Does hereby determine that the expenses attendant with the service of (Nominee Name) in ACWA Region ____ shall be borne by the (District Name).

Adopted and approved this ____ day of ____ (month) 2022.

(SEAL)

(Nominee Name), (Title)
(District Name)

January 6, 2022

ATTEST:

(Secretary Name), Secretary

I, (SECRETARY NAME), Secretary to the Board of Directors of (District Name), hereby certify that the foregoing Resolution was introduced at a regular meeting of the Board of Directors of said District, held on the ____ day of ____ (month) 2022, and was adopted at that meeting by the following roll call vote:

AYES:

NOES:

ABSENT:

ATTEST:

(Secretary Name), Secretary to the
Board of Directors of
(District Name)

January 6, 2022

ACWA Region 10 Board 2022-2023 Term

Chair:

**Charles T. Gibson, Santa Margarita Water District
(Orange County)**

26111 Antonio Parkway
Rancho Santa Margarita, CA 92688
Phone: (949) 459-6642
Cell: (949) 485-0658
Email: charlesg@smwd.com
CC Email: kellyr@smwd.com
CC Email : jiml@smwd.com
Position: Board Member

Vice Chair:

**Dana Frieauf, Santa Fe Irrigation District
(San Diego County)**

PO Box 409
Rancho Santa Fe, CA 92067
Phone: (858) 756-2424
Cell: (858) 967-2820
Email: dfrieauf@sfidwater.org
Position: Board Member

Board Members:

**Marice H. DePasquale, Mesa Water District
(Orange County)**

1965 Placentia Avenue
Costa Mesa, CA 92627
Phone: (949) 631-1205
Cell: (949) 433*4261
Email: mariced@mesawater.org
Position: President of Board of Directors

**Jose Martinez, Otay Water District
(San Diego County)**

2554 Sweetwater Springs Blvd
Spring Valley, CA 91978
Phone: (619) 670-2222
Email: jose.martinez@otaywater.gov
Position : General Manager

**George Murdoch, East Orange County Water
District (Orange County)**

1751 Rainbow Drive
Santa Ana, CA 92706
Phone: (714) 538-5815
Cell: (714) 292-1570
Email: gmurdoch@eocwd.com
Position: Board Member

**Richard L. Vasquez, Vista Irrigation District
(San Diego County)**

1391 Engineer Street
Vista, CA 92081
Phone: (760) 597-3128
Cell: (760) 822-3829
Email: richard.vasquez@vidwater.org
Position: Board Vice President

Vacant (San Diego County)

ACWA Region 10 Rules & Regulations

Each region shall organize and adopt rules and regulations for the conduct of its meetings and affairs not inconsistent with the Articles of Incorporation or bylaws of the Association (ACWA Bylaw V, 6.).

Officers

The chair and vice chair shall be from different counties.

At least one of the chair or vice chair positions must be an elected/appointed director from a member agency.

The region board members shall alternate every two years with three from one county and two from the other. The county from which the chair comes from shall have two region board members and the county from which the vice chair comes from shall have three region board members.

The chair will provide the region secretary.

Meetings

The region will hold at least quarterly meetings, including the ACWA spring and fall conferences.

The region chair will determine when and if nonmembers are invited to regional activities or events.

Attendance

If a region chair or vice chair is no longer allowed to serve on the Board of Directors due to his / her attendance, the region board shall appoint from the existing region board a new region officer. (ACWA Policy & Guideline Q, 1.)

If a region chair or vice chair misses three consecutive region board / membership meetings, the same process shall be used to backfill the region officer position. (ACWA Policy & Guideline Q, 1.)

If a region board member has three consecutive unexcused absences from a region board meeting or general membership business meeting, the region board will convene to discuss options for removal of the inactive board member. If the vacancy causes the board to fail to meet the minimum requirement of five board members, the region must fill the vacancy according to its rules and regulations. (ACWA Policy & Guideline Q, 3.)

Elections

All nominations received for the region chair, vice chair and board positions must be accompanied by a resolution of support from each sponsoring member agency, signed by an authorized representative of the Board of Directors. Only one individual may be nominated from a given agency to run for election to

a region board. Agencies with representatives serving on the nominating committees should strive not to submit nominations for the region board from their agency. (ACWA Policy & Guideline P, 2.)

Election ballots will be e-mailed to ACWA member agency general managers and presidents.

The nominating committee shall consist of four persons, two from each county.

The nominating committee shall pursue qualified members within the region to run for the region board and consider geographic diversity, agency size and focus in selecting a slate.

A member of the nominating committee cannot be nominated by the committee for an elected position.

See current region election timeline for specific dates.

Endorsements

ACWA, as a statewide organization, may endorse potential nominees and nominees for appointment to local, regional, and statewide commissions and boards. ACWA's regions may submit a recommendation for consideration and action to the ACWA Board of Directors to endorse a potential nominee or nominee for appointment to a local, regional or statewide commission or board. (ACWA Policy & Guideline P, 3.)

Committee Recommendations & Representation

All regions are given equal opportunity to recommend representatives of the region for appointment to a standing or regular committee of the Association. If a region fails to provide full representation on all ACWA committees, those committee slots will be left open for the remainder of the term or until such time as the region designates a representative to complete the remainder of the term. (ACWA Policy & Guideline P, 4. A.)

At the first region board / membership meeting of the term, regions shall designate a representative serving on each of the standing and regular committees to serve as the official reporter to and from the committee on behalf of the region to facilitate input and communication. (ACWA Policy & Guideline P, 4. B.)

The chair and vice chair will recommend an official alternate for excused committee members.

Tours

ACWA may develop and conduct various tours for the regions. All tour attendees must sign a "release and waiver" to attend any and all region tours. Attendees agree to follow environmental guidelines and regulations in accordance with direction from ACWA staff; and will respect the rights and privacy of other attendees. (ACWA Policy & Guideline P, 6.)

Finances

See "Financial Guidelines for ACWA Region Events" document.

Amending the Region Rules & Regulations

ACWA policies and guidelines can be amended by approval of the ACWA Board of Directors.

The region 10 rules and regulations can be changed at any time with advanced written notice to member agencies.

ACWA Regions provide the grassroots support to advance ACWA's legislative and regulatory agenda.

Background

As a result of ACWA's 1993 strategic planning process, known as Vision 2000, ACWA modified its governance structure from one that was based on sections to a regional-based configuration. Ten regions were established to provide geographic balance and to group agencies with similar interests.

Primary Charge of Regions

- To provide a structure where agencies can come together and discuss / resolve issues of mutual concern and interest and based on that interaction, provide representative input to the ACWA board.
- To assist the Outreach Task Force in building local grassroots support for the ACWA Outreach Program in order to advance ACWA's legislative and regulatory priorities as determined by the ACWA Board and the State Legislative, Federal Affairs or other policy committees.
- To provide a forum to educate region members on ACWA's priorities and issues of local and statewide concern.
- To assist staff with association membership recruitment at the regional level.
- To recommend specific actions to the ACWA Board on local, regional, state and federal issues as well as to recommend endorsement for various government offices and positions.

Region chairs and vice chairs, with support from their region boards, provide the regional leadership to fulfill this charge.

Note: Individual region boards CANNOT take positions, action or disseminate communication on issues and endorsements without going through the ACWA Board structure.

GENERAL DUTIES / RESPONSIBILITIES FOR REGION OFFICERS

Region Chair

- Serves as a member of the ACWA Board of Directors at bimonthly meetings at such times and places as the Board may determine. The Chair will also call at least two Region membership meetings to be held at each of the ACWA Conferences and periodic Region Board meetings.
- Serves as a member of ACWA's Outreach Program, and encourages region involvement. Appoints Outreach Captain to help lead outreach effort within the region.
- Presides over all region activities and ensures that such activities promote and support accomplishment of ACWA's Goals.
- Makes joint recommendations to the ACWA President regarding regional appointments to all ACWA committees.
- Appoints representatives in concurrence of the region board, to serve on the region's nominating committee with the approval of the region board.
- Facilitates communication from the region board and the region membership to the ACWA board and staff.

Region Vice Chair

- Serves as a member of the ACWA Board of Directors at bimonthly meetings at such times and places as the Board may determine. The Vice Chair will also participate in at least two Region membership meetings to be held at each of the ACWA Conferences and periodic Region Board meetings.
- Performs duties of the Region Chair in the absence of the chair.
- Serves as a member of ACWA's Outreach Program, and encourages region involvement.
- Makes joint recommendations to the ACWA president regarding regional appointments to all ACWA committees.

Region Board Member

- Participate in at least two Region membership meetings to be held at each of the ACWA Conferences and periodic Region Board meetings.
- Supports program planning and activities for the region.
- Actively participates and encourages region involvement in ACWA's Outreach Program.
- May serve as alternate for the chair and/or vice chair in their absence (if appointed) to represent the region to the ACWA Board.

REGION MAP



REGIONS
1, 3, 5

Jennifer Rotz
Regional Affairs Representative II
jenniferr@acwa.com

REGIONS
2, 6, 7

Michael Cervantes
Senior Regional Affairs Representative
michaelc@acwa.com

REGION
4

Ana Javaid
Region & Member Engagement
Specialist II
anaj@acwa.com

REGIONS
8, 9, 10

Sarah Hodge
Regional Affairs Representative I
sarahh@acwa.com



ACWA Public Water Agency Members by County

<p>Alameda Alameda County Water District City of Pleasanton Dublin San Ramon Services District East Bay Municipal Utility District Zone 7 Water Agency</p> <p>Alpine Kirkwood Meadows PUD</p> <p>Amador Amador Water Agency</p> <p>Butte Butte Water District Ducor Community Services District Paradise Irrigation District Reclamation District #2047 Richvale Irrigation District South Feather Water and Power Agency Thermalito Water & Sewer District Western Canal Water District</p> <p>Calaveras Calaveras County Water District Calaveras Public Utility District San Andreas Sanitary District Utica Water Power Authority</p> <p>Colusa Colusa County Water District Knights Landing Ridge Drainage District Princeton-Codora-Glenn Irrigation District Reclamation District #1004 Reclamation District #108 Sacramento River West Side Levee District Sites Project Joint Powers Authority</p> <p>Contra Costa Byron Bethany Irrigation District Contra Costa Water District Diablo Water District East Contra Costa Irrigation District</p> <p>El Dorado El Dorado County Water Agency El Dorado Irrigation District Georgetown Divide PUD South Tahoe Public Utilities District</p> <p>Fresno City of Fresno Consolidated Irrigation District Dudley Ridge Water District Firebaugh Canal Water District Free Water County Water District Fresno Irrigation District Fresno Metropolitan Flood Control District Fresno Slough Water District Friant North Authority James Irrigation District Kings River Water District Laguna Irrigation District Laton Community Service District Malaga County Water District McMullin Area Groundwater Sustainability Agency Mid-Valley Water District Orange Cove Irrigation District Pacheco Water District Panoche Drainage District Panoche Water District Pinedale County Water District Raisin City Water District Reclamation District #1606 Riverdale Irrigation District Root Creek Water District Sierra Cedars Community Services District Tranquillity Irrigation District Westlands Water District</p> <p>Glenn Glenn-Colusa Irrigation District Glide Water District Kanawha Water District Orland-Artois Water District Provident Irrigation District Reclamation District #2047 Tehama Colusa Canal Authority</p> <p>Humboldt Humboldt Bay Harbor Rec. & CD Humboldt Bay Municipal WD Humboldt CSD McKinleyville CSD</p> <p>Imperial Bard Water District Imperial Irrigation District</p> <p>Inyo Wheeler Crest CSD Sierra Highlands CSD</p> <p>Kern Arvin-Edison Water Storage District Belridge Water Storage District Berrenda Mesa Water District</p>	<p>Boron Community Services District Buena Vista Water Storage District Cawelo Water District City of Tehachapi Delano-Earlmarl ID Groundwater Sustainability Delano-Earlmarl Irrigation District Frazier Park Public Utilities District Golden Hills CSD Greenfield County Water District Groundwater Banking JPA Indian Wells Valley Water District Kern County Water Agency Kern Delta Water District Kern Tulare Water District Lost Hills Water District Mojava PUD North Kern WSD Rand Communities WD Rosamond CSD Rosedale-Rio Bravo WSD Semitropic WSD Shafter-Wasco ID Southern San Joaquin MUD South Valley Water Resources Authority Tehachapi-Cummings County WD West Kern WD Westside Water Authority Wheeler Ridge-Maricopa WSD</p> <p>Kings Angiola Water District Atwell Island Water District Corcoran Irrigation District Deer Creek Storm Water District El Rico GSA Empire West Side Irrigation District Green Valley Water District Kings County Water District Lakeside Irrigation Water District Tri-County Water Authority Tulare Lake Basin WSD W.H. Wilbur Rec. District #825</p> <p>Lake Clearlake Oaks County Water District Hidden Valley Lake Community Services District</p> <p>Los Angeles Antelope Valley State Water Contractors Antelope Valley-East Kern WA Azusa Light & Water Burbank Water & Power Central Basin MWD Crescent Valley Water District City of Glendora-Water Division City of La Verne City of Long Beach Water Dept. Devils Den Water District Foothill Municipal Water District Glendale Water & Power Kinneloa Irrigation District La Canada Irrigation District La Puente Valley County WD Las Virgenes Municipal WD Littlerock Creek Irrigation District Los Angeles County Waterworks Districts Los Angeles Dept. of Water Power Main San Gabriel Basin Watermaster Metropolitan Water District of Southern California Orchard Dale Water District Palm Ranch Irrigation District Palmdale Water District Pasadena Water & Power Pico Water District Pomona-Walnut-Rowland JWLC Puente Basin Water Agency Quartz Hill Water Districts Rowland Water District San Gabriel Basin Water Quality Authority San Gabriel County Water District San Gabriel Valley Municipal Water District Santa Clarita Valley Water Agency Spadra Basin Groundwater Sustainability Agency SCV Groundwater Sustainability Agency South Montebello Irrigation District Three Valleys Municipal WD Upper San Gabriel Valley MWD Upper Santa Clara Valley Joint Power Authority Valley County Water District Walnut Valley Water District Water Replenishment District of Southern California West Basin Municipal Water District</p>	<p>Madera Chowchilla Water District Gravelly Ford Water District Le Grand-Athlone Water District Madera County Water and Natural Resources Madera Irrigation District Madera Water District Madera-Chowchilla Water and PA</p> <p>Marin Bolinas Community PUD Marin Municipal Water District North Marin Water District Stinson Beach County Water District</p> <p>Mariposa Mariposa Public Utilities District</p> <p>Mendocino Brooktrails Township Community Services District Calpella County Water District Laytonville County Water District Mendocino County Russian River Flood Control & Water Millview County Water District Redwood Valley County WD Upper Russian River Water Agency Willow County Water District</p> <p>Merced Central California Irrigation District Delhi County Water District Eastside Water District East Turlock Subbasin Groundwater Sustainability Agency Grassland Water District Henry Miller Rec. District #2131 Le Grand CSD Merced Integrated Regional Water Management Authority Merced Irrigation District Merced Irrigation-Urban GSA Planada Community Services District San Luis & Delta-Mendota Water Authority San Luis Water District</p> <p>Mono Mammoth Community WD</p> <p>Monterey Aromas Water District Castroville Community Services District Marina Coast Water District Monterey One Water Monterey Peninsula Water Management District Pebble Beach Community Services District</p> <p>Napa Circle Oaks County Water District</p> <p>Nevada Nevada Irrigation District San Juan Ridge County WD Sierra Lakes County Water District Truckee Donner PUD</p> <p>Orange City of Newport Beach City of Santa Ana City of Seal Beach East Orange County Water District El Toro Water District Irvine Ranch Water District La Habra Heights County Water District Laguna Beach County Water District Mesa Water District Moulton Niguel Water District MWD of Orange County Orange County Water District Santa Margarita Water District Santiago Aqueduct Commission Serrano Water District South Coast Water District Trabuco Canyon Water District West Orange County Water Board Yorba Linda Water District</p> <p>Placer City of Roseville Midway Heights County WD Placer County Water Agency San Juan Water District Tahoe City Public Utilities District</p> <p>Riverside Beaumont-Cherry Valley WD Benford-Coldwater Groundwater Sustainability Agency City of Corona Dept. of Water & Power Coachella Valley Water District Coachella Water Authority Desert Water Agency</p>	<p>Eastern Municipal Water District Elsinore Valley MWD Idyllwild Water District Indio Water Authority Jurupa Community Services District Lake Hemet Municipal WD Mission Springs Water District Palo Verde Irrigation District Pinyon Pines County Water District Rancho California Water District Riverside County Flood Control & Water Conservation District Riverside Public Utilities Salton Sea Authority San Geronimo Pass Water Agency Santa Ana Watershed Project Authority Santa Rosa Regional Resources Authority Western Municipal Water District</p> <p>Sacramento American River Flood Control District Carmichael Water District Citrus Heights Water District City of Folsom City of Sacramento - Dept. of Utilities Del Paso Manor Water District Delta Conveyance Design and Construction Authority Elk Grove Water District, Dept. of FRCD Fair Oaks Water District North Delta Water Agency Omochumne-Hartnell WD Reclamation District #1000 Rio Linda/Elverta Community WD Sacramento County Water Agency Sacramento Suburban WD South Yuba Water District</p> <p>San Benito City of San Juan Bautista San Benito County Water District Sunnyslope County Water District</p> <p>San Bernardino Apple Valley Foothill County WD Apple Valley Heights County WD Bear Valley Basin Groundwater Sustainability Agency Big Bear City Community Services District Big Bear Municipal Water District Chino Basin Water Conservation District Chino Basin Watermaster City of Rialto/Rialto Utility Authority Crestline Village Water District Crestline-Lake Arrowhead WA Cucamonga Valley Water District East Valley Water District Hi-Desert Water District Inland Empire Utilities Agency Joshua Basin Water District Lake Arrowhead CSD Mariana Ranchos County WD Mojava Water Agency Monte Vista Water District San Bernardino Valley Municipal Water District San Bernardino Valley Water Conservation District Twentynine Palms Water District West Valley Water District</p> <p>San Diego Borrego Water District Carlsbad Municipal Water District City of Escondido City of Oceanside-Water Utilities Dept. City of San Diego Public Utilities Fallbrook Public Utility District Helix Water District Lakeside Water District Majestic Pines Community Services District Olivenhain Municipal Water District Otay Water District Padre Dam Municipal Water District Rainbow Municipal Water District Ramona Municipal Water District Rincon del Diablo Municipal Water District San Diego County Water Authority San Dieguito Water District Santa Fe Irrigation District South Bay Irrigation District Sweetwater Authority Upper San Luis Rey RCD Vallecitos Water District Valley Center Municipal Water District</p>	<p>Vista Irrigation District Wynola Water District Yuima Municipal Water District</p> <p>San Francisco San Francisco Public Utility Commission</p> <p>San Joaquin Banta-Carbona Irrigation District Central San Joaquin Water Conservation District Mountain House Community Services District North San Joaquin Water Conservation District Pescadero Reclamation District #2058 Reclamation District #2026 South San Joaquin Irrigation District Stockton East Water District The West Side Irrigation District Woodbridge Irrigation District</p> <p>San Mateo Bay Area Water Supply & Conservation Agency Coastside County Water District Mid-Peninsula Water District Montara Water & Sanitary District North Coast County Water District San Francisco Creek Joint Powers Authority San Mateo Flood and Sea Level Rise Resiliency District Westborough Water District</p> <p>Santa Barbara Cachuma Operation and Maintenance Board Carpinteria Valley Water District Central Coast Water Authority City of Buellton City of Santa Barbara Goleta Water District Los Alamos Community Services District Mission Hills Community Services District Montecito Sanitation District Montecito Water District Santa Ynez River Water Conservation District Improvement District No. 1 Vandenberg Village Community Services District</p> <p>Santa Clara Purissima Hills Water District Valley Water</p> <p>Santa Cruz Central Water District City of Santa Cruz Water Dept. City of Watsonville Water Department Pajaro Valley Water Management Agency Pajaro/Sunny Mesa Community Services District Scotts Valley Water District Soquel Creek Water District</p> <p>Shasta Anderson-Cottonwood ID Bella Vista Water District Centerville Community Services District City of Redding Water Utility City of Shasta Lake Clear Creek Community Services District Cottonwood Water District Fall River Valley Community Services District Mountain Gate Community Services District Rio Alto Water District Shasta County Water Agency</p> <p>Sierra Sierra County WWD #1</p> <p>Siskiyou Montague Water Conservation District Scott Valley Irrigation District Tulelake Irrigation District</p> <p>Solano City of Fairfield City of Vacaville, Utilities Department City of Vallejo Maine Prairie Water District Reclamation District #2068 Rural North Vacaville Water District Solano County Water Agency Solano Irrigation District Suisun-Solano Water Authority</p>	<p>Sonoma Bodega Bay PUD City of Santa Rosa - Water Dept. Forestville Water District Sonoma Mountain County WD Sonoma Water Valley of the Moon Water District</p> <p>Stanislaus City of Modesto, Utilities Department Del Puerto Water District Lake Don Pedro Community Services District Modesto Irrigation District Oakdale Irrigation District Patterson Irrigation District Stanislaus Regional Water Authority Turlock Irrigation District West Stanislaus Irrigation District</p> <p>Sutter Brophy Water District Feather Water District Reclamation District #1500 South Sutter Water District Sutter Extension Water District</p> <p>Tehama Corning Water District</p> <p>Trinity Weaverville Community Services District</p> <p>Tulare Alpaugh Community Services District Alpaugh Irrigation District Alta Irrigation District County of Tulare, County Administration Office Deer Creek & Tule River Authority Exeter Irrigation District Friant Power Authority Friant Water Authority Ivanhoe Irrigation District Ivanhoe Public Utilities District Kaweah Delta Water Conservation District Kaweah River Power Authority Kings River East Groundwater Sustainability Agency Kings River Water District Lindsay-Strathmore Irrigation District Lower Tule River Irrigation District Lower Tule River Irrigation District GSA Mid-Kaweah Groundwater Sustainability Agency Orosi Public Utilities District Pixley Irrigation District Pixley Irrigation District GSA Porterville Irrigation District Saucelito Irrigation District South Valley Water Association South Valley Water Banking Authority St. Johns Water District Stone Corral Irrigation District Terra Bella Irrigation District Tri-Districts Water Authority Tri-Valley Water District Tulare Irrigation District</p> <p>Tuolumne Tri-Dam Project Tuolumne County Water Agency Tuolumne Utilities District</p> <p>Ventura Arroyo Santa Rosa GSA Calleguas Municipal Water District Camrosa Water District Casitas Municipal Water District Channel Islands Beach Community Services District County of Ventura Public Works Pleasant Valley County Water District Triunfo Water & Sanitation District United Water Conservation District Ventura County, Public Works Ventura River Water District Ventura Water, City of Ventura</p> <p>Yolo Dunnigan Water District Reclamation District #2035 Reclamation District #307 Reclamation District #744 Reclamation District #999 Woodland Davis Clean Water Agency Yolo County Flood Control and Water Conservation District</p> <p>Yuba Browns Valley Irrigation District Camp Far West Irrigation District City of Yuba City North Yuba Water District Ramirez Water District Reclamation District 784 Yuba County Water Agency</p>
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MEETINGS/SEMINARS/CONFERENCES/WORKSHOPS

VARIABLE					
DATE	2023	MEETING	LOCATION	ATTENDEES	POST
January	12	SDCWA Special Board Meeting	SDCWA	GM	N/A
January	*	CSDA – San Diego Chapter	The Butcher Shop – 6:00 p.m. 5255 Kearny Villa Road San Diego, CA 92123	Mack	N/A
January	*	LAFCO Special Meeting	County Admin Center, Room 302 – 9:30am	(As Advised by GM)	N/A
January	*	Santa Margarita River Watershed Watermaster Steering Committee	Rancho California Water District	Hamilton	N/A

* To Be Announced

MEETINGS/SEMINARS/CONFERENCES/WORKSHOPS

RECURRING					
DATE	2023	MEETING	LOCATION	ATTENDEES	POST
January	*	Council of Water Utilities	Courtyard by Marriott Central San Diego 8651 Spectrum Center Blvd San Diego, CA 92123 (** 3rd Tuesday in April, June, Aug, Oct)	All Directors, General Manager	N/A
January	4	Engineering & Operations Committee Meeting	RMWD Board Room 3:00 p.m.	Appointed Director, General Manager	12/29
January	5	Communications & Customer Service Committee Mtg.	RMWD Board Room 3:30 p.m.	Appointed Director, General Manager	12/29
January	9	LAFCO	County Admin. Center Room 302 9:00 am	As Advised by GM	N/A
January	10	Budget & Finance Committee Mtg.	RMWD Board Room 1:00 p.m.	Appointed Director, General Manager	12/29
January	17	SDCWA GM's Meeting	SDCWA, San Diego 9:30 a.m.	General Manager	N/A
January	20	NC Managers	Golden Egg 7:45 a.m.	General Manager	N/A
January	24	RMWD General Board	RMWD Board Room (Start Time to Be Determined)	All Directors	1/10
January	25	North County Work Group (NCWG)	Rincon Del Diablo, Escondido 7:30 a.m.	General Manager	N/A
January	26	SDCWA Full Board Meeting	SDCWA Board Room, 3-5 p.m.	General Manager	N/A



STAFF TRAINING REPORT

ATTENDEES NAME(S):	Ed Bradley, Ahmed Khattab
TITLE OF TRAINING/CONFERENCE/WORKSHOP/CLASS:	Electrical Safety
DATE(S) ATTENDED:	September 13-14, 2022
AGENCY HOSTING TRAINING/CONFERENCE/WORKSHOP/CLASS:	Vista Irrigation District
LOCATION:	Vista Irrigation District
BRIEF DESCRIPTION:	
<p>This was a 2 day class and was taught by John Kolac, who is the president of the Praxis Corporation. The Praxis Corporation is a company that specializes in Power Systems Engineering and Electrical Safety training. John has an extensive background and over 40 years of experience in various aspects of the electrical industry. This class covered multiple topics of electrical safety. Arc flash, Lock Out Tag Out, personal protective equipment and safety protocols to name a few. All were covered in great detail, referring to the current regulations and illustrated with Johns vast experience.</p>	



STAFF TRAINING REPORT

ATTENDEES NAME(S):	Kenny Diaz
TITLE OF TRAINING/CONFERENCE/WORKSHOP/CLASS:	Smart Utility Congress
DATE(S) ATTENDED:	11/8/22 - 11/9/22
AGENCY HOSTING TRAINING/CONFERENCE/WORKSHOP/CLASS:	CORE & MAIN
LOCATION:	2000 2nd Street, Coronado, CA 92118
BRIEF DESCRIPTION:	
<p>1. Water Audit - how it works : Water Supplied - Authorized Consumption = Water Loss a. New Regulations approved October 19, 2022 - "Water Loss Performance Standards for Urban Retail Water Suppliers" - Agencies need to submit data until July 1, 2023: For agencies that can demonstrate very high efficiency (very low real water loss), the regulation will provide an "off-ramp" averting further steps to reduce water loss beyond what is economically reasonable.</p> <p>2. Apparent Losses & Real Losses need to be addressed with the most accurate data available.</p> <p>3. Kamstrup Smart Meters have integrated Acoustic Leak Detection. This helps in lowering Real Losses (leaks). The meter is equipped with a new sensor that allows for measurement of acoustic noises on the service side. Leaks generate noise. When the read is picked up, the noise monitoring data is sent with the read. Analytics can be performed and areas with high noise can be prioritized for further investigation by the Leak Detection Personnel.</p> <p>4. Meter Testing Program helps lower Apparent Losses (metering inaccuracies) - a small percentage of inaccuracy can equal large revenue declines - Meters are the CASH REGISTER! 5% of annual revenue should be earmarked for meter testing. Should be performed as on-going maintenance program. Test meters within 6 months of installation.</p> <p>Use revenue as basis for testing frequency:</p> <p>\$10,000 or greater = annual testing \$7,000 to \$10,000= every 2 years \$4,000 to \$7,000 = every 3 years Less than \$4,000= every 4 years</p>	



STAFF TRAINING REPORT

ATTENDEES NAME(S):	Ahmed Khattab
TITLE OF TRAINING/CONFERENCE/WORKSHOP/CLASS:	7th Annual CA Water Data Summit
DATE(S) ATTENDED:	August 17-18, 2022
AGENCY HOSTING TRAINING/CONFERENCE/WORKSHOP/CLASS:	
LOCATION:	
BRIEF DESCRIPTION:	
<p>The summit had multiple sessions that were very informative, like data analysis, cybersecurity and the growing threats to the water industry. There were two sessions on data science and analytics that I attended, in which they showed how to use a language called “R” with “R studio” I had heard of this before but never used it until today. One of the two data sessions discussed finding signals in data that indicate how data changed. These might be useful when we’re working on complex data analysis.</p> <p>One session was about how water managers use data, and one of the panelists was Kelley Gage from the San Diego County Water Authority. They discussed SB 1157 and how the state would require water districts to find and limit indoor water use to 42 gallons per customer. One of the other topics that were brought up was how indoor water use could be calculated. The solutions were based on AMI or GIS to calculate the outdoor water use and then consider everything else indoor water use. There was also a discussion on utilizing universities for data analysis, one panelist, Tim Barr (deputy general manager of Western Municipal Water District), said that UCR’s School of Engineering saved WMWD \$25,000 per month just by changing the pattern of the pump operations.</p> <p>Data collaboration was a big part of the conference. Their primary focus is to get the water district to provide data. Representative Stansbury of New Mexico is working on a Water Data Act bill. I read up on the Act, and from what I understood, representative Stansbury is trying to fund and build a framework that will allow data sharing with state, local, and other organizations. At this time, no language states that data sharing will be mandatory. Another point brought up regarding data was that the federal smart water grant could be used to develop better water data and collaboration.</p>	



STAFF TRAINING REPORT

ATTENDEES NAME(S):	Ahmed Khattab
TITLE OF TRAINING/CONFERENCE/WORKSHOP/CLASS:	2022 Digital + Cloud Summit
DATE(S) ATTENDED:	August 29 - 31, 2022
AGENCY HOSTING TRAINING/CONFERENCE/WORKSHOP/CLASS:	Cloud for Utilities
LOCATION:	Los Angeles, CA
BRIEF DESCRIPTION:	
<p>There were multiple sessions that were very useful on building a modern Cloud CIS, Leveraging the Cloud to Build a Smart Utility, Harnessing the Cloud for Customer Self-Service portals. Although most of the session were focused on electric and gas utilities, the knowledge was transferrable to water utilities. My favorite session by far was the explanation of the cybersecurity events that occurred at Sony Pictures, it was given my the FBI special agent that was in charge of the incident and the then CISO of Sony Pictures. The explained how it occurred, how they reacted, and how the FBI was involved and how they helped Sony Pictures.</p> <p>There was a lot of ideas to take back from the summit, like potentially creating an AI chat bot, that could help customers with simple questions that they might need answers to. There was alot of discussion on the electrical grid and electrical vehicles and making sure that they had the capacity to support this. Although this doesn't affect the District directly, it could help us rethink how we implement our electrical fleet deployment.</p>	



STAFF TRAINING REPORT

ATTENDEES NAME(S):	Tracy Largent
TITLE OF TRAINING/CONFERENCE/WORKSHOP/CLASS:	Special District Leadership Academy
DATE(S) ATTENDED:	9/18/2022-9/21/2022
AGENCY HOSTING TRAINING/CONFERENCE/WORKSHOP/CLASS:	CSDA
LOCATION:	Napa CA
BRIEF DESCRIPTION:	
<p>The CSDA Special District Leadership Academy was an excellent opportunity to learn about the role of the board and district management. The class sessions gave useful information on how to help build relationships with board members and defined the roles of board members. There were also classes that addressed communication and outreach, identifying audiences, responding to public input, media relations, and legislative outreach and advocacy.</p>	



STAFF TRAINING REPORT

ATTENDEES NAME(S):	Laura Martinez
TITLE OF TRAINING/CONFERENCE/WORKSHOP/CLASS:	CalPERS Education Forum 2022
DATE(S) ATTENDED:	10/31/22 - 11/3/22
AGENCY HOSTING TRAINING/CONFERENCE/WORKSHOP/CLASS:	CalPERS
LOCATION:	Anaheim, CA
BRIEF DESCRIPTION: <p>Learned actuarial basics, understanding CalPERS retirement benefits, survivor benefits, employer's role in the disability retirement process, common audit issues for public agencies, and taking the complexity out of working after retirement.</p>	



STAFF TRAINING REPORT

ATTENDEES NAME(S):	Bryan Ortiz, Dennis Mendez, Kenny Diaz, Bernardo Nunez
TITLE OF TRAINING/CONFERENCE/WORKSHOP/CLASS:	ACWA JPIA Training Conference
DATE(S) ATTENDED:	10/18/2022-10/19/2022
AGENCY HOSTING TRAINING/CONFERENCE/WORKSHOP/CLASS:	ACWA JPIA
LOCATION:	4875 N. Harbor Dr. San Diego, CA 92106
BRIEF DESCRIPTION:	
<p>Drug and Alcohol Reasonable Suspicion-This course assists identifying the signs of alcohol misuse and drug use in the workplace. The course highlights methods of recognizing signs and symptoms of potential alcohol misuse and drug use; interpreting testing programs; and summarizing the FMCSA Clearinghouse programs</p> <p>Peer to Boss-This course assists in the transition from peer to boss by focusing on methods of ensuring that the staff gets its work done as well as yourself.</p> <p>Discrimination & Harassment-A course designed to illustrate the types of behaviors and actions that can lead to claims of harassment and discrimination.</p> <p>Hazard ID-This course focuses on the importance of workplace inspections for purposes of identifying and correcting hazards. How to develop and use workplace inspection checklists and how to develop a process for tracking corrective action. Hazard mitigation, as an interim step to hazard elimination.</p> <p>Accident Investigation-This course teaches how to conduct the investigative process, from securing the site, gathering evidence, interviewing witnesses, to identifying the root causes of an accident/incident.</p> <p>Trenching and Excavation-This course is designed to introduce both employers and employees with the Cal OSHA standards (CCR1541) regarding trenching and excavation safety. The course identifies common hazards encountered when working in or near trenching and excavations, best practice methods to correct these hazards, soil testing methods, trench protection systems, and general safety requirements.</p> <p>Fall Protection-This helps understand the methods of providing and employing fall protection. Including a review of Cal/OSHA requirements, fall hazards, fall prevention and protective systems</p> <p>Electrical Safety-The course helps identify and control electrical hazards; Safe working clearance distances of equipment and unqualified and qualified employees</p>	



STAFF TRAINING REPORT

ATTENDEES NAME(S):	Alex G, Scott S, Bryan O, Bryan R, Justin D, Bernie N, Chris D, Thomas S, Robert G
TITLE OF TRAINING/CONFERENCE/WORKSHOP/CLASS:	Water Wise Pro Construction & Maintenance Expo
DATE(S) ATTENDED:	11/8/22-11/9/22
AGENCY HOSTING TRAINING/CONFERENCE/WORKSHOP/CLASS:	Water Wise Pro LLC.
LOCATION:	Silver Lakes Equestrian/Sports Park, Norco CA
BRIEF DESCRIPTION:	
<p>Water Wise Pro Construction & Maintenance Expo was a 2-day conference where Rainbow MWD staff were able to obtain up to 12 contact hours via classes and workshops, network with other water industry professionals, and learn about the latest tools/technology in water and waste-water.</p> <p>Classes and Workshops included, but were not limited to:</p> <ul style="list-style-type: none"> -Water Distribution Review - Collections Systems & Maintenance Review -Leak Detection -Corrosion Control -Water Mathematics -Trenching/Shoring -Tabulated Data Entry -Backflow prevention/detector-check assemblies 	



BOARD INFORMATION

BOARD OF DIRECTORS

December 6, 2022

SUBJECT

Operations Report for October 2022

DESCRIPTION

Activities for Operations & Maintenance Division

CONSTRUCTION & MAINTENANCE DEPARTMENT:

October	Repairs	Installations	Leaks
Mainline	2		2
Service	3		3
Hydrants	2		
Valves		5	
Meters			
Blow-Offs	1		1
Air Vacs	1		
Annual Totals	105	200-feet of new line & 49 appurtenances	76

- **335** utility locates were completed this month - **Annual Total 2879**
- Repaired mainline leaks at 1713 Tecolote Dr, and the intersection of Gird & Mary Lewis.
- Repaired service leaks at 6180 Villa Flora, 30416 Calle Loma and Via Del Cielo APN 107162090.
- Removed 3 plug valves and nozzles with high potential for leaks from Gird Rd.
- Successfully completed Gird Rd. interconnect pressure zones Knottwood and Sarah Anne 95% complete, pending asphalt restoration.
- Replaced 1 fire hydrant at Ascot Park Estates and 1 at Rice Canyon Rd.
- Provided trench shoring training to North County Fire Protection District (NCFPD).
- N. River Road Pressure reducing station is 80% complete, pending connection to mainline, asphalt repair, and straight piping pressure stations at Holly Ln and Kari Ln.
- Installed one new high pressure gate valve at Via Margarita and a new fire hydrant.

WATER OPERATIONS AND VALVE MAINTENANCE DEPARTMENT:

Water Operations:

- Assessed 2 Water Quality Complaint. **Annual total 15.**
- Performed 1 fire flow tests. **Annual total 3.**
- Performed routine maintenance/rebuilding of 4 pressure stations (CLA VALs). **Annual total 67.**
- Collected all tank/reservoirs nitrification samples.
- Completed Quarterly Tank Inspections

Valve Maintenance:

Monthly Totals	Valves (Distribution)	Appurtenance Valves	Annual Totals
Exercised	54	77	1,221
Inoperable	3	6	77
Repaired			
Replaced	0	6	37
Installed	0		0

Valve Maintenance completed and/or oversaw the following:

- Assisted with 5 shutdowns- **Annual Total 107.**
- Raised 0 fire hydrants (installed breakaway spools).
- Replaced 4 air/vacs, 0 wharf heads, 2 Fire hydrants, and 0 gate valve.
- Painted 87 appurtenances- **Annual Total (896).**

METERS DEPARTMENT:

Customer Service Requests:

- 172 Service Request were resolved in October. **YTD total 2,035.** (Previous Year Month Comparison: October 2021: 190 Service Requests: Down 10%)
- 227 Check Bills were completed in the month of October 2022. **YTD total 2,667.** (Previous Year Month Comparison: October 2022: 608 Check Bills: Down 63%)
- **YTD Service Requests and Check Bills combined: 4702.** (Previous YTD January 2021- October 2021 Comparison: 8621 Combined Service Requests & Check Bills: Down 45%)

Backflows:

- **407** backflows were tested in the month of October.
- **4,833** backflows were tested out of 4933 so far this year (2022).

WASTEWATER:

Monthly, Semi-Annual, and Annual Reports: California Integrated Water Quality System (CIWQS): Confirmation # 2635355 Reported: "No-Spill Report" for the Month of October 2022.

Lift Stations:

Performed monthly preventative maintenance on all sewer lift stations including filter changes and cleaning Generator prepping before Holidays.

Collection System: Houston & Harris

October 26,2022 – Houston & Harris vactor services at Old River Road wet wells vactoring floating debris causing operational alarms. Flushed out sewer siphon line 1,410-feet.

Manhole Rehabilitation

- River Village Shopping Center - October 18,2022 M3# 48 Confined space and psi wash manhole barrels and re mud interior.
- River Village Shopping Center - October 18,2022 M3# 47 Confined space and psi wash manhole barrels and re mud interior.
- River Village Shopping Center - October 18,2022 I4 # 83 Confined space and psi wash manhole barrels and re mud interior.

Customer Service:

N/A

Projects:

CIP - Thoroughbred sewer lift station.

Mutual Aid: Month of October 2022

- Suez meeting review services provided
- Braxx tech services
- Houston & Harris Vactor truck
- Coast Equipment Rentals



Robert Gutierrez
Operations Manager

12/6/2022

BOARD OF DIRECTORS

December 6, 2022

SUBJECT

Engineering Report for October and November 2022

DESCRIPTION

CAPITAL PROJECTS:

Emergency Generators at Huntley-Gomez & Magee Pump Stations (Syska Hennessy Group): The Huntley-Gomez generator was delivered to the District in March 2022 and the Magee generator was delivered on August 9, 2022. The plans and specifications are complete, and a change order was issued to JW Fowler, Co. through the LS1 Phase 1 Project to install the new generators. Construction started on September 27, 2022 and is expected to take approximately 3-4 months to complete due to long lead times on some of the electrical equipment. A temporary back-up power solution will be installed while the permanent improvements are being constructed. Air Pollution Control Board permit applications were successfully submitted to the County in October 2022. The permits are needed to transport the generators from the District to the pump station sites.

Gird Road Upsize (Omnis): This project is for the installation of an 18-inch pipeline along Gird Road. This project will be constructed inhouse. District staff conducted potholing and made a determination that an existing 12-inch pipeline along Gird Road was an 18-inch pipeline. After making this discovery, the project has been modified to focus on adding 200 linear feet of 8-inch pipeline between Knottwood Way and Mary Lewis Drive. Construction was completed in September 2022 as well as pressure, chlorination, bac-T tests. The next step is to coordinate paving and compaction testing and cleanup of the Bonsall Unified School District staging area. Compaction testing is scheduled for early November 2022. Also the District's lease for its staging area off Gird Road with Bonsall Unified District expires on November 15, 2022.

Hutton and Turner Pump Stations (Hoch Consulting): District staff continues to work with Hoch Consulting to complete the 60% design for Hutton and Turner Pump Station. Change Order No. 2 was approved by the Board in August 2022. The change order includes the addition of a third pump station, Dentre De Lomas. The third pump station is needed based on Hoch Consulting calibrating the hydraulic model and how the Operations Team has been operating the system. District staff reviewed the 60% design plans for Turner Pump Station and 30% design plans for Hutton and Dentre De Lomas Pump Stations in early September 2022. District staff received and reviewed the EFI pump station designs in late October, early November 2022.

Live Oak Park Road Bridge Replacement – Water Improvements (Hazard Construction): District staff continue to coordinate with the County of San Diego (County) and Hazard Construction on the Live Oak Park Road Bridge Replacement Project and Water Main Relocation Project. To date, four (4) monthly progress meetings have been held to discuss the construction status, submittals, inspection requirements, progress payments and environmental requirements. Hazard Construction is currently still constructing the County's bridge on the east side of Live Oak Park Road and has demolished a segment of the District's 16-inch main within the proposed bridge footing limits.

LS-1 Replacement Project -Thoroughbred and Schoolhouse Lift Stations (JW Fowler Co.): The project started construction in mid-January 2022 with the Lift Station site off Thoroughbred Lane. The contractor has completed all the concrete placement for the emergency storage facility and has passed the leak detection testing and will begin backfilling around the structure. . Pipeline installation began in late July 2022 with the 18-inch pipeline across Mission Avenue and into the River Village Shopping Center easement and continued through the month of December 2022, as progress has slowed down significantly due to rock. Excavation for the tunnel launch pit at Ostrich Creek continues along with potholing for the force main on Camino Del Rey and installation of MH #1 just outside the LS1 site. All easements have been acquired and recorded for the project. District staff executed Change Order #1 Value Engineering proposal 50/50 split with the contractor to utilize Jack and Bore in lieu of micro-tunneling. District will save a total of \$260,945 credit (\$89,142 near Arco and \$171,803 at Ostrich Farm Creek). Change Order #2 was executed and included a valued engineering proposal 50/50 split with the contractor to modify the Primus liner material sourcing, saving the District \$44,154. Change Order #3 was executed for change conditions and a credit for the deletion of the odor control equipment. The cost of Change Order #3 was \$766,573.86. Change Order #4 was executed for the installation of the emergency generators at the Magee and Huntley pump station sites. The cost of this change order is \$183,642,47 and will be paid from a separate GL account than the LS1 project.

Manual Transfer Switches (Harris & Associates): Project plans and specifications are being finalized and the project will be advertised in early 2023.

Programmatic Environmental Impact Report (Helix Env.): The Board certified the final PEIR on August 30, 2022. The 30-day waiting period to challenge the PEIR has been completed. Training on the PEIR for District staff will be conducted in December 2022, based on staff schedules.

Rainbow Valley Blvd. Cathodic Protection (Farwest CCC): The project proposes to install cathodic protection on a water main starting at Rainbow Heights Pump Station to Rainbow Hills Pump Station along 8th Street, Rainbow Valley Road, and Frontage Road. The transformer in the rectifier at Rainbow Heights Pump Station was observed to not be working. Corpro, supplier of the rectifier is working to order a replacement. After the rectifier is replaced, the commissioning can be completed and the project closed out. The rectifier is scheduled to arrive in mid to early November 2022.

Rainbow Water Quality Improvement Project – Water Main & Service Laterals (Ortiz Construction): The County of San Diego is proposing a water quality improvement project in the community of Rainbow, which impacts approximately 21 service laterals, 350-feet of 8-inch water main, 650-feet of 12-inch main and three (3) sections of 8-inch water main. The District's Rainbow Water Quality Improvement Project – Water Main & Service Laterals Project was advertised for construction in June 2022 and a construction contract with Ortiz Corporation was executed in August 2022. A virtual pre-construction meeting was held on August 9, 2022. The contractor submitted an Excavation, Encroachment and Traffic Control permit application package to the County of San Diego on August 11, 2022. County permits were issued in October 2022 and an on-site preconstruction meeting was held between Ortiz Construction, the County of San Diego and the District.

Rice Canyon Tank 18-Inch Transmission Line (Dexter Wilson Eng.): Cass Arrieta Construction has installed all new sections of pipe, including the tank outlet piping and PRS influent and effluent piping. Cass Arrieta and their subcontractor, Haxton Masonry are currently constructing the new building for the solar system controls, SCADA controls and chlorine analyzer. Once the building is constructed, new solar panels will be installed on the tank, the access road paved and the new water main chlorinated and bacteriologically tested from the tank to the PRS system. No cultural resources, biological resources or stormwater compliance concerns have been documented or reported for the month of September 2022. Twenty (20) progress meetings have been held with District staff, Tri-Pointe Homes, Cass Arrieta, and the project's environmental team to discuss construction updates, construction administration, potential constraints, and sensitive resources. Construction is still expected to be completed by the end of October 2022.

San Luis Rey Return Flow Recovery Project (DLM Engineering & Hoch Consulting): District executed a PSA with Hoch Consulting and a kick-off meeting was held on September 14, 2022. Hoch has submitted their first data request to the District to begin working on Phase I of the project.

Sumac Communications Tower PV & Back-Up Battery System (Hoch Consulting): District staff advertised a Request for Statement of Qualifications (RFSQ) solicitation in Spring 2022 and did not receive any Qualification packages. The District re-advertised the project in July 2022 through a Request for Proposal (RFP) solicitation. District staff contacted twenty-five (25) different solar companies to create more interest in the project. Only one (1) company attended the optional pre-proposal site visit and the same company was the only firm to submit a proposal for the job. District staff will be requesting Board authorization to award a construction contract to the only proposer in October 2022.

Wilt Road Pipeline Project (Omnis): This project proposes installation of a new 18-inch pipeline from Canonita down Wilt Road, Peony and Citrus. The project is about 5,153 linear feet. This will be an inhouse construction project. The final project design was received by the District in late August 2022. District staff is re-evaluating the project and schedule.

MAJOR DEVELOPER PROJECTS:

Bonsall Oaks (formally Polo Club): 164 SFR / 205.8 EDUs – A fourth amendment to the unrecorded joint agreement to improve major subdivision Tract No. 4736-1 was made and entered on May 24, 2022, between the Developer, County of San Diego, and the District. District staff has completed plan reviews for Phase 1A and Phase 1A-1 of the construction. The Developer paid 50% of the sewer connection fees as required per the executed Sewer Agreement, which is effective for five years from the date of execution (9/16/26). The contractor pulled off-site and is waiting for materials. District staff continues to coordinate with the Developer on plan reviews for future phases of the project and the establishment of easements corresponding to the proposed improvements. A quitclaim related to the Development is expected to be brought to the Board in September. The District issued a claim for damages to the developer regarding three main breaks that caused significant damage to the District's infrastructure. The construction activities at the project site caused pressure surges, which resulted in the main breaks. The total claim amount was for \$156,588.26 and was paid on August 30, 2022.

Campus Park West (JPSD, LLC): Residential and Commercial development. District staff received pre-plan information and first plan check submittal on September 8, 2021. Staff has completed two rounds of plan checks and has coordinated with the Developer on the location and design of a new pressure reducing station to serve the development. District staff received a third plan review submittal in August 2022. District staff received legal description and plat maps for two new easements to be acquired by the District. A quit claim is also being worked on for a District easement. Staff is also working on a Sewer Service Agreement for the project.

Citro (Tri Pointe) (formally Meadowood by Pardee Homes): Approximately 844 Units, 926.6 Sewer EDUs - On Pala Road/Horse Ranch Creek Road. The Board has entered into an Out of Agency Service Agreement and an Annexation Agreement with the Developer. The annexation of the development was recorded in July 2021. District staff has completed plan reviews for all proposed improvements. The District has entered Joint Agreements with the Developer and the County for a portion of the Development. The contractor has constructed several of the improvements and is on site excavating and installing both water and sewer main. A second crew is on site testing the water and sewer. The Developer has purchased 137 meters to date.

Fairview-Lilac Del Cielo (Bonsall LLC): 73 Units / 77.8 Sewer EDUs – The Developer paid 50% of the sewer connection fees and the agreement is effective for five (5) years from the date of execution (12/31/24). The SCIP was executed on May 12, 2021, which allows the Developer to be reimbursed from bond proceeds for water and sewer capacity fees. All water meters have been purchased for this Developer, a total of 75. The water main has been tested and accepted. The Developer is working on meter installs and sewer connections. A final tie-in at the project's entrance continues to be delayed because of the necessary valve's delivery date

being delayed. Once the valves arrive and are inspected, a shutdown will be scheduled to complete this final tie-in. Once this remaining work is completed, District staff will work with the Developer to produce the project close out documentation.

Horse Creek Ridge (D.R. Horton): 627 SFR/MF, 430 Water Meters / 723.9 Sewer EDUs – On Highway 76 and Horse Ranch Creek Road. Currently inspecting meter installs, meter releases and sewer connections. All the water meters have been purchased – 430. Staff is working with the Developer on final inspections and project closeout. Staff continues to review various CFD reimbursement packages submitted by the Developer.

Horse Creek Ridge Unit 6R5 Promontory (Richmond American Homes): 116 Units, 113 Water Meters (plus irrigation meters and 3 SF meters previously purchased by DRH) / 169.5 Sewer EDUs – On Highway 76 and Horse Ranch Creek Road. D.R. Horton, master Developer of HCR sold Unit 6-R5, 124 lots, Promontory Subdivision to Richmond American Homes. Currently the sewer EDUs are covered under an agreement with D.R. Horton. All water meters have been purchased for this Development, a total of 116. The District's Senior Inspector is inspecting meter installs, meter releases and sewer connections.

Malabar Ranch (Davidson Communities): 31 SFR / 29 EDUs – On Via Monserate / La Canada. There are 17 out of 31 homes built. The Developer completed the punch list items and because this development has been delayed for many years and transferred to various owners the final as-builts could not be provided. Staff is working on closing out this project.

Ocean Breeze Ranch: The District completed review #5 of the revised water and sewer system analysis reports, conditions of approval, and improvement plans in December 2020. District staff also reviewed an exhibit showing a Utility Conflict and provided comments in January 2021. Staff responded to requests regarding expected costs for the Developer to move forward.

Pala Mesa Highlands (Beazer Homes): 124 SFR / 160.2 Sewer EDUs – On Old Highway 395. One of the required Pressure Reducing Stations has not yet been installed. Currently inspecting meter installs, meter releases and sewer connections. All water meters have been purchased for this Development, a total of 129. The contractor is waiting on the delivery of plug valves to complete construction of the Pressure Reducing Station.

Rancho Alegre (Garrett Grp/Redhawk Communities): Developer paid deposit for Sewer Analysis. District staff continues to work with Dexter Wilson Engineering, Inc. to produce a comprehensive analysis of the District's sewer infrastructure which is expected to be completed by the end of September 2022. Preliminary findings concerning the impact of the Rancho Alegre development on District sewer infrastructure are expected to be available by the beginning of September 2022.

San Luis Rey Racetrack Improvement Plan: Developer paid deposit for Sewer and Water Analysis. Dexter Wilson Engineering, Inc. produced a memorandum discussing the expected impacts to sewer infrastructure related to one of two expansion scenarios proposed by the developer. District staff is expecting data from the Developer related to the second expansion scenario to complete a second memorandum. District staff continues to work with Dexter Wilson Engineering, Inc. to produce a comprehensive analysis of the District's sewer infrastructure which is expected to be completed by the end of September 2022.

The Preserve at Riverbend (Cameron Development Grp.): The proposed development plan includes 1,309 mixed density residential units, mixed use commercial, a fire station, parks, agricultural spaces, and open space, development is going through preliminary planning with the District, County, LAFCO and the Pala Tribe. District staff continues to work with Dexter Wilson Engineering, Inc. to produce a comprehensive analysis of the District's sewer infrastructure which is expected to be completed by the end of September 2022. Preliminary findings concerning the impact of The Preserve at Riverbend development on District sewer infrastructure are expected to be available by beginning of September 2022.

West Lilac Farms: 28 Lots – Via Ararat/Aqueduct Road. District staff are working with the developer regarding preliminary planning efforts.

MINOR DEVELOPER PROJECTS:

Cal-A-Vie (Spa Havens) Water Main Extension on Spa Havens Way: Plans have received final approval and the Grant of Easement for the waterline improvements has been recorded.

Carefield Senior Living: District staff have completed one plan check.

Doud Waterline Extension: District staff has approved construction plans and required easements have been recorded. District staff is working with developer on completing pre-construction requirements.

Melanie Lane Waterline Extension (Monserate Place, LLC): District staff have completed two plan checks.

Monserate Winery: The District is verifying the completion of construction and coordinating the project closeout.

Pala Mesa Market Development Plan: District staff have completed one plan check.


View Point Road Waterline Extension: Developer paid deposit for plan check on June 23, 2022. The District has completed on plan check.

Walker Farm Road Waterline Extension: District staff have completed two plan checks.

Whitman Waterline Extension: District staff are waiting on plan submittal.

OTHER:

ITEMS	NO#	ITEMS	NO#
Water Availability Letters	1	Water Meters Purchased	1
Sewer Availability Letters	0	Sewer EDUs Purchased	0
Water Commitment Letters	0	Jobs Closed:	
Sewer Commitment Letters	0		


Chad Williams 12/6/22
Engineering & CIP Program Manager

**AS-NEEDED CONTRACT EXPENDITURES REPORT
OCTOBER 2022**

CONTRACT INFO	FUND SOURCE	ASSIGN. NO.	STATUS	DATED	DESCRIPTION	CONTRACT AMOUNT	AUTHORIZED ASSIGNMENT	INVOICED TO DATE	
Title: As-Needed Land Surveying Services, PSA 18-16 Firm: Johnson-Frank & Assoc. Expires: 8/29/22 CO-01 \$0 NCE BoD 6/22/21.									
CONTRACT AMOUNT:						\$ 50,000			
	CIP	2021-04	Closed	5/3/2021	Prepare Plat Map - Thoroughbred Lift Station		\$ 22,403.50	\$ 23,143.50	
	CIP	2022-05	Open	5/10/2022	Legal Descriptions/Plat Maps/Easements - Thoroughbred Lift Station		\$ 6,600.00	\$ 7,030.00	
					Unspecified		\$ 5,702.10	\$ -	
						TOTALS:	\$ 50,000	\$ 50,000.00	\$ 40,990.91
Title: As-Needed Land Surveying Services, PSA 18-14 Firm: KDM Meridian, Inc. Expires: 8/29/22 CO-01 \$50K BoD 5/26/20, CO-02 \$50K BoD 6/22/21.									
CONTRACT AMOUNT:						\$ 150,000.00			
	CIP	2021-14	Closed	1/29/2021	Survey & staking of easements - Rancho Amigos. (Additional \$815 was approved by staff.)		\$ 7,530.00	\$ 8,345.00	
	CIP	2021-15	Closed	5/27/2021	Survey & staking of easement - Turner Pump Station. (Staff evaluating if more work may be needed.)		\$ 5,665.00	\$ 5,665.00	
	NON-CIP	2021-16	Closed	7/22/2021	Prepare documentation to file a quit claim for Rainbow easement at Fire Station 4.		\$ 1,500.00	\$ 1,500.00	
	NON-CIP	2021-17	Closed	7/29/2021	Bonsall Park prepare documentation for new easement and quit claim documentation for existing easement.		\$ 7,240.00	\$ 7,210.00	
	CIP	2022-18	Open	7/14/2022	Live Oak Park Bridge - Survey & Staking		\$ 7,500.00	\$ 2,587.50	
					Unspecified		\$ 53,387.00		
						TOTALS:	\$ 150,000	\$ 150,000.00	\$ 83,121.25
Title: As-Needed Land Surveying Services, PSA #18-15 Firm: Right-of-Way Eng. Expires: 8/29/22 CO-01 \$50K BoD 5/26/20, CO-02 \$50K BoD 6/22/21.									
CONTRACT AMOUNT:						\$ 150,000			
	CIP	2021-10	Closed	1/11/2021	Topographic Survey - Rainbow Heights Road		\$ 8,820.00	\$ 8,525.00	
	CIP	2021-11	Closed	1/19/2021	Easement Survey - Skycrest Drive.		\$ 7,710.00	\$ 4,162.60	
	CIP	2021-12	Closed	2/4/2021	Easement Survey, Legal Desc./Plat Map - Camino Del Cielo. (Additional \$518 was approved by staff.)		\$ 5,490.00	\$ 6,007.50	
	CIP	2021-13	Closed	2/23/2021	Easement Survey/County ROW Marking, Topo Map - Camino Del Cielo.		\$ 2,320.00	\$ 2,320.00	
	CIP	2021-14	Closed	2/23/2021	Easement Survey - Skycrest Drive.		\$ 4,720.00	\$ 795.00	
	CIP	2022-15	Closed	1/25/2022	Old Mission Road (LS-1) - Legal Description & Plat Map		\$ 2,940.00	\$ 2,940.00	
	CIP	2022-16	Closed	2/1/2022	River Village-Daniels Market (LS-1) - Staking Easements Centerlines/Limits (Additional \$840 was approved by staff.)		\$ 1,470.00	\$ 2,490.00	
	CIP	2022-17	Open	4/5/2022	Hutton/Turner - Locate Existing Easements & Stake Limits.		\$ 6,940.00	\$ 6,005.20	
	CIP	2022-18	Open	4/28/2022	Hutton Site - Legal Description, Easements, Plats.		\$ 6,780.00	\$ 5,730.00	
	CIP	2022-19	Open	7/29/2022	Weese Treatment Plant - Locate Existing Easements & Stake Limits.		\$ 5,760.00	\$ 4,389.30	
					Unspecified		\$ 27,609.50		
						TOTALS:	\$ 150,000	\$ 150,000.00	\$ 103,280.40
Title: As-Needed Civil Engineering Services, PSA #19-16 Firm: Dudek Expires: 6/25/22 CO-01 (\$100K) BoD 6/22/21.									
CONTRACT AMOUNT:						\$ 50,000			
					Unspecified		\$ 38,212.50	\$ -	
						TOTALS:	\$ 50,000	\$ 50,000.00	\$ 9,315.00
Title: As-Needed Civil Engineering Services, PSA #19-17 Firm: Omnisc Consulting, Inc. Expires: 7/1/22 CO-01 \$150K BoD 6/23/20.									
CONTRACT AMOUNT:						\$ 300,000			
	CIP	2021-09	Closed	4/19/2021	Sarah Ann Waterline Replacement.		\$ 6,800.00	\$ 5,265.00	
	CIP	2021-10	Closed	4/19/2021	Rainbow Water Quality Improvement Relocation Design. Amended for additional design services.		\$ 13,900.00	\$ 13,900.00	
	CIP	2021-11	Closed	6/9/2021	Wilt Road Water Pipeline Design.		\$ 45,905.00	\$ 43,565.00	
	CIP	2021-10A	Closed	10/26/2021	Rainbow Water Quality Improvement Relocation Design. Amended for additional design services.		\$ 6,290.00	\$ 6,290.00	
	CIP	2021-12	Closed	12/15/2021	Additional Services for Wilt Road Water Pipeline Design.		\$ 23,090.00	\$ 22,360.00	
	NON-CIP	2021-13	Closed	2/3/2022	Rice Canyon Road - Prepare Street Improvement Plans		\$ 8,630.00	\$ 8,630.00	
	CIP	2022-14	Closed	6/21/2022	Gird Road Water Main Upsize. Amended for additional design services.		\$ 5,865.00	\$ 5,865.00	
					Unspecified		\$ 8,795.00	\$ -	
						TOTALS:	\$ 300,000	\$ 300,000.00	\$ 281,205.67
Title: As-Needed Civil Engineering Services, PSA #19-18 Firm: HydroScience Eng., Inc. Expires: 6/25/22 CO-01 \$40K BoD 6/22/21.									
CONTRACT AMOUNT:						\$ 110,000			
	CIP	2022-02	Open	2/2/2022	Additional Services for Live Oak Park Road Bridge Crossing. Bid Support/Engineering Services during Construction.		\$ 24,290.00	\$ 23,538.55	
					Unspecified		\$ 43,690.00	\$ -	
						TOTALS:	\$ 110,000	\$ 110,000.00	\$ 65,558.55

**AS-NEEDED CONTRACT EXPENDITURES REPORT
OCTOBER 2022**

CONTRACT INFO	FUND SOURCE	ASSIGN. NO.	STATUS	DATED	DESCRIPTION	CONTRACT AMOUNT	AUTHORIZED ASSIGNMENT	INVOICED TO DATE	
Title: As-Needed Real Estate Appraisal Services, PSA #19-19 Firm: Anderson & Brabant, Inc. Expires: 6/25/22 CO-01 \$20K BoD 6/22/21.									
CONTRACT AMOUNT:						\$ 40,000			
	CIP	2021-03	Closed	4/28/2021	Hutton Pump Station Site Appraisal. (Staff authorized additional work.)		\$ 7,500.00	\$ 7,500.00	
	CIP	2021-04	Closed	8/11/2021	Thoroughbred Lift Station Appraisal. (Four Reports)		\$ 17,500.00	\$ 17,500.00	
	CIP	2022-05	Closed	2/1/2022	S. Mission Road (LS-1) - Fair Market Appraisal		\$ 3,500.00	\$ 3,500.00	
					Unspecified		\$ 500.00	\$ -	
						TOTALS:	\$ 40,000	\$ 40,000.00	\$ 39,500.00
Title: As-Needed Real Estate Appraisal Services, PSA #19-20 Firm: ARENS Group, Inc. Expires: 6/11/22 CO-01 \$20 BoD 6/22/21.									
CONTRACT AMOUNT:						\$ 40,000			
					Unspecified		\$ 28,200.00	\$ -	
						TOTALS:	\$ 40,000	\$ 12,992.50	
Title: As-Needed Geotechnical Services, PSA #19-39 Firm: Leighton Consulting, Inc. Expires: 11/13/22.									
CONTRACT AMOUNT:						\$ 100,000			
	CIP	2021-02	Closed	4/15/2021	Turner Pump Station geotechnical exploration.		\$ 14,300.00	\$ 14,286.63	
	CIP	2021-03	Closed	5/15/2021	Hutton Pump Station geotechnical exploration.		\$ 8,450.00	\$ 8,449.10	
	CIP	2022-04	Open	7/28/2022	Dentro De Lomas geotechnical exploration.		\$ 8,646.00	\$ 2,485.70	
					Unspecified		\$ 59,974.00	\$ -	
						TOTALS:	\$ 100,000	\$ 100,000.00	\$ 31,219.93
Title: As-Needed Geotechnical Services, PSA #19-40 Firm Ninyo & Moore G.E.S Expires: 11/1/22.									
CONTRACT AMOUNT:						\$ 100,000			
	NON-CIP	2021-03	Closed	5/6/2021	Dentro De Lomas - Geotech observation & material testing. Proj. #1		\$ 6,097.00	\$ 4,104.00	
	CIP	2022-04	Open	2/9/2022	Rice Canyon Road Improvements geotech observation & material testing.		\$ 3,422.00	\$ 2,395.00	
	CIP	2022-05	Open	7/5/2022	Live Oak Park Road Bridge Waterline Relocation geotech observation & material testing.		\$ 17,284.00		
	CIP	2022-06	Open	9/9/2022	Gird Road 8-inch Pipeline - Geotech observation and material testing.		\$ 4,520.00		
					Unspecified		\$ 51,924.00	\$ -	
						TOTALS:	\$ 100,000	\$ 100,000.00	\$ 15,004.00
Title: As-Needed Geotechnical Services, PSA #19-41 Firm: ATLAS (SCST, LLC) Expires 11/20/22.									
CONTRACT AMOUNT:						\$ 100,000			
					Unspecified		\$ 63,381.00	\$ -	
						TOTALS:	\$ 100,000	\$ 100,000.00	\$ 17,563.00
Title: As-Needed Construction Management & Insp. Services, PSA #20-01 Firm: Harris & Associates Expires: 1/28/23 CO-01 \$20K BoD 6/22/21.									
CONTRACT AMOUNT:						\$ 170,000			
	CIP	2022-05	Open	1/6/2022	Continued District Wide Inspection Services.		\$ 20,000.00	\$ -	
					Unspecified		\$ 12,730.00	\$ -	
						TOTALS:	\$ 170,000	\$ 170,000.00	\$ 133,782.84
Title: As-Needed Construction Management & Insp. Services, PSA #20-02 Firm: Reilly Construction Mnmt. Expires: 1/28/23 CO-01 (\$100K) BoD 6/22/21.									
CONTRACT AMOUNT:						\$ 50,000			
					Unspecified		\$ 50,000.00		
						TOTALS:	\$ 50,000	\$ 50,000.00	\$ -

**AS-NEEDED CONTRACT EXPENDITURES REPORT
OCTOBER 2022**

CONTRACT INFO	FUND SOURCE	ASSIGN. NO.	STATUS	DATED	DESCRIPTION	CONTRACT AMOUNT	AUTHORIZED ASSIGNMENT	INVOICED TO DATE
Title: As-Needed Environmental Services, PSA #20-03 Firm: Helix Environmental Expires: 2/25/23 CO-01 \$110 BoD 6/22/21, CO-02 \$115K BoD 12/7/21.								
CONTRACT AMOUNT:						\$ 325,000		
	CIP	2020-01	Closed	5/13/2020	Pipeline Upgrade Project - Disney Lane - Cultural/ Biological Evals.		\$ 9,148.00	\$ 5,804.56
	CIP	2020-02	Closed	5/13/2020	Pipeline Upgrade Project - Via Vera - Cultural/Biological Evals.		\$ 9,155.00	\$ 4,446.37
	CIP	2020-03	Closed	5/14/2020	Pipeline Upgrade Project - Hutton Pump Station - Cultural/Biological Evals.		\$ 13,209.00	\$ 6,793.54
	CIP	2020-04	Closed	5/14/2020	Pipeline Upgrade Project - Turner Pump Station - Cultural/Biological Evals.		\$ 13,209.00	\$ 7,683.26
	CIP	2020-05	Closed	7/16/2020	North River Road Sewer Points Repair - Biological Survey.		\$ 3,900.00	\$ 3,136.05
	CIP	2020-06	Closed	9/10/2020	Gopher Canyon Water Pipeline Impv. Project - CEQA IS/MND.		\$ 34,695.00	\$ 31,363.46
	CIP	2021-07	Closed	3/25/2021	Rainbow Heights Pipe Installation - Bird Survey.		\$ 5,000.00	\$ 808.80
	CIP	2021-08	Open	5/21/2021	RMWD HQ - Biological Survey & Buffer Mapping.		\$ 11,684.00	\$ 7,771.25
	CIP	2021-09	Open	11/16/2021	CIP General Environmental Support Services		\$ 25,000.00	\$ 4,487.50
	CIP	2021-10	Open	11/30/2021	Hutton & Turner Pump Stations - Cultural, Biological, Noise Reports. CEQA - IS/MND.		\$ 46,603.00	\$ 28,504.82
	CIP	2021-11	Open	12/8/2021	Rice Canyon Pipeline - Cultural & Tribe Monitoring		\$ 111,400.00	\$ 47,866.84
	CIP	2022-12	Open	1/10/2022	LS-1 Environmental Compliance		\$ 48,798.00	\$ 19,895.35
					Unspecified		\$ (6,801.00)	\$ -
TOTALS:						\$ 325,000	\$ 325,000.00	\$ 168,561.80
Title: As-Needed Environmental Services, PSA #20-04 Firm: Rincon Consultants Expires: 2/25/23 CO-01 \$(15K) BoD 6/22/21.								
CONTRACT AMOUNT:						\$ 85,000		
	NON-CIP	2022-02	Open	3/3/2022	Nesting Bird Survey at Gopher, Morro and Canonta tanks, prior to tree/vegetation clearing.		\$ 4,185.25	\$ 3,394.85
	NON-CIP	2022-03	Open	8/16/2022	Morro Pump Station Tree Clearing - Nesting Bird Survey		\$ 2,785.50	\$ 1,013.63
					Unspecified		\$ 74,789.25	\$ -
TOTALS:						\$ 85,000	\$ 85,000.00	\$ 7,643.23
Title: As-Needed Environmental Services, PSA #20-05 Firm: Michael Baker International Expires: 3/24/23 CO-01 (15K) BoD 6/22/21.								
CONTRACT AMOUNT:						\$ 85,000		
					Unspecified		\$ 85,000.00	\$ -
TOTALS:						\$ 85,000	\$ 85,000.00	\$ -



**SEWER EQUIVALENT DWELLING UNITS (EDUs) STATUS REPORT
OCTOBER 2022**

STATUS SUMMARY	EDUs
Total Treatment Capacity Purchased from Oceanside	8,333
Less 5% Contractual Allowance	417
EDUs Set Aside by Board for Emergencies	60
EDUs Connected	5,670 *
EDUs Unconnected/Committed	878
Total EDUs Available for Purchase:	1,308

DEVELOPMENTS WITH UNCONNECTED/COMMITTED EDUs	EDUs	CAPACITY FEES PAID/CREDIT
Bonsall Oaks (Polo Club) - 164 (SF/Other)	206	\$ 2,907,119
Citro (fka Meadowood) - 947 (SF/MF/Other)	563	\$ 10,500,000
Passarelle (HRC Commercial)	97	\$ -
Other Development w/5 or less EDUs - (SF & Other)	13	\$ 164,833
TOTAL UNCONNECTED:	878	\$ 13,571,952

Notes:

*There is a delay between connections and new account activations.

1. Bonsall Oaks paid initial 50% of Sewer Capacity Fees. Remaining 50% due prior to issuance of building permits.

2. CITRO Annexation Agreement 4/30/20 - Sewer Capacity \$10.5M to be paid by the CFD in mid-2022. Received \$8M payment from CFD on 8/18/22. Total EDUs committed 947. Total EDUs processed to date 637.8 and 384 connected.

3. Passarelle last remaining EDUs.

BOARD OF DIRECTORS

December 6, 2022

SUBJECT

HUMAN RESOURCES REPORT FOR NOVEMBER & DECEMBER 2022

DESCRIPTION

Personnel changes, human resources activities, and safety report for November & December 2022

STAFF UPDATES & RECRUITMENT:

- We received one resignation in our Billing department. The employee's last day was November 9, 2022. To backfill this position, we posted the position internally, and this position was filled Katherine Kilmer from Customer Service.
- Interviews for a Customer Service Representatives took place on November 17, 2022. A temporary Customer Service position is also opened to prepare for an anticipated leave of absence between February and April.

OPEN ENROLLMENT 2022-2023:

Our Open Enrollment period has officially closed.

- We had a total of 53 Medical Enrollments and 2 employees waive coverage for the Exempt employees' Cash-in-lieu option.
- Voluntary enrollment changes during open enrollment resulted in estimated projected savings in the 2023 enrollment plan year of \$32,482 compared to 2022 costs.

EMPLOYEE EVENTS:

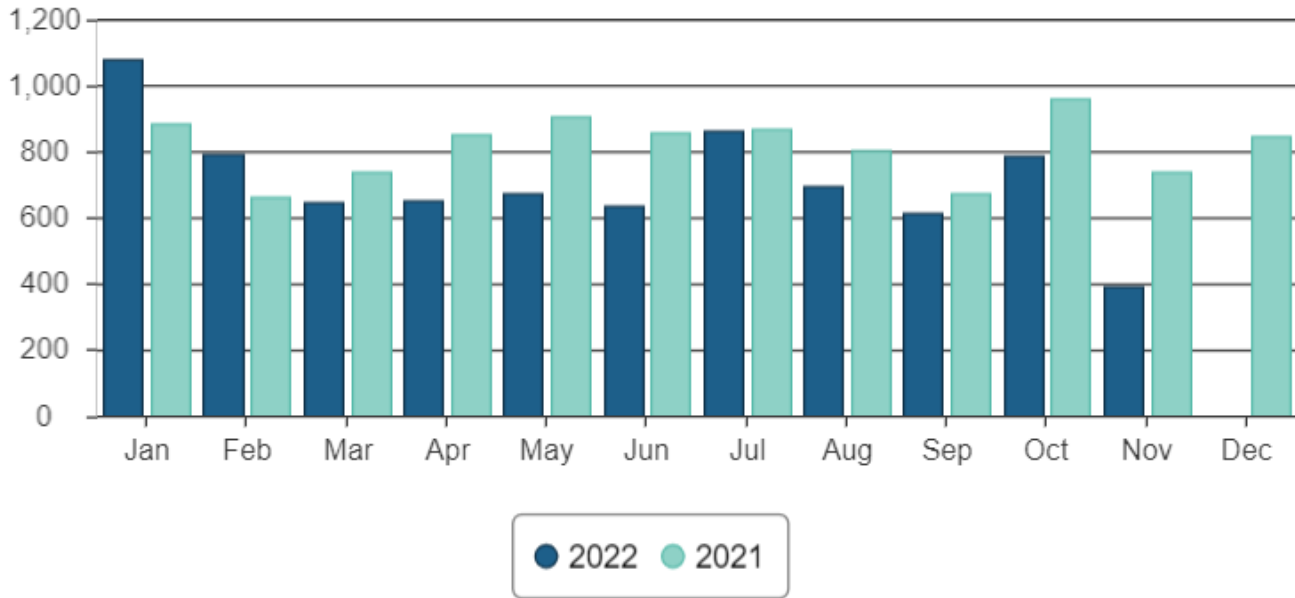
- The annual Employee Breakfast appreciation day is scheduled to take place on December 14th.
- The annual Employee Awards Banquet is tentatively scheduled for January 25th.

OCTOBER COIN AWARDS:

Coin Recognition	Employee	Department	Coin Nomination
Responsibility	Claudia Ramirez	HR	This year, Claudia volunteered to plan and organize the Health Fair herself, rather than pay an outside company to do it for us. She solicited and booked all the vendors, coordinated the lunch orders, created the "Catch the Wellness Wave" theme and logo, booked the table rentals, and even provided the shade umbrellas herself. By doing it in-house, we not only saved the \$1,000 fee, but it gave us greater flexibility to invite local vendors who may be a better for our workforce. It was a great success thanks to her hard work!

OVERTIME:

Overtime continues to trend lower than 2021:



RISK MANAGEMENT:

Safety Program Management

Annual review and update of Safety policies and procedures.

Incidents

There was one lost time or modified duty due to a work-related incident on October 10, 2022.

Safety Training

Future planning to increase safety awareness throughout the district to include:

- Hearing Test- scheduled December
- Ergonomics Certification for Risk Management Officer and IT Manager
- Confined Space Training
- Physical and Cybersecurity Training and Emergency Response sponsored by WATERISAC
- Fire Safety- Field Staff

Claims in Progress/Completed

Harvey Claim- Processed for settlement

Claims arising from trenching/ Blackout incident- Completed

Tailgate/ Office Safety Trainings

Defensive Driver Training for all employees on November 15th, which was presented by Peter Kuchinsky, Risk Advisor from ACWA-JPIA.

Karleen Harp
Human Resources Manager

12/06/2022



RESIDENTS AND CUSTOMERS
OF RAINBOW MUNICIPAL WATER DISTRICT

ELECTED BOARD OF DIRECTORS



GENERAL MANAGER
TOM KENNEDY



EXECUTIVE ASSISTANT
DAWN WASHBURN

DEPARTMENT MANAGERS



HUMAN RESOURCES
MANAGER
KARLEEN HARP



INFORMATION
TECHNOLOGY MANAGER
AHMED KHATTAB



OPERATIONS MANAGER
ROBERT GUTIERREZ



FINANCE MANAGER
TRACY LARGENT, CPA



ENGINEERING & CIP
MANAGER
CHAD WILLIAMS

RISK MANAGEMENT
OFFICER

HUMAN RESOURCES
SPECIALIST

INFORMATION SYSTEMS
SPECIALIST

TECHNICAL SERVICES
TEAM LEAD

ELECTRONIC /
ELECTRICAL TECHNICIAN

WASTER OPERATIONS
DIVISION

CONSTRUCTION &
MAINTENANCE DIVISION

METER SERVICES
DIVISION

WASTEWATER DIVISION

FLEET SERVICES

GRANT SPECIALIST

PURCHASING & INVENTORY
CONTROL SPECIALIST

ACCOUNTING SUPERVISOR
BILLING SPECIALIST
ACCOUNTING SPECIALIST
DISTRICT SERVICES
REPRESENTATIVE

CUSTOMER SERVICE &
COMMUNICATIONS
SUPERVISOR

CUSTOMER SERVICE
REPRESENTATIVES (3)

ASSOCIATE ENGINEER

PROJECT MANAGERS (2)

SENIOR ENGINEERING
INSPECTOR

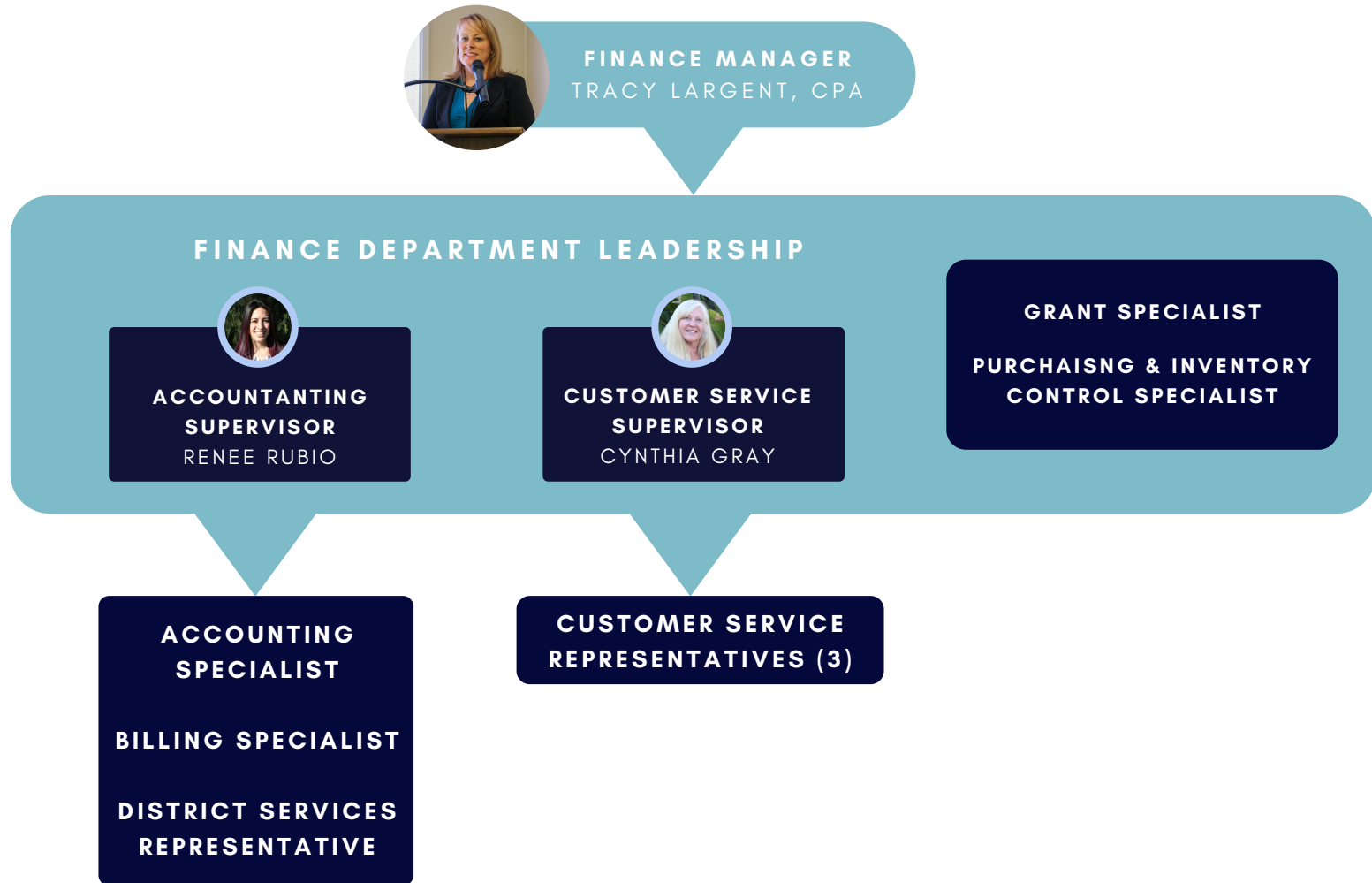
ADMINISTRATIVE
ANALYSTS (2)

Mission

To provide our customers with reliable, high-quality water and water reclamation service in a fiscally sustainable manner.

Core Values

Responsibility | Teamwork | Innovation | Integrity | Professionalism

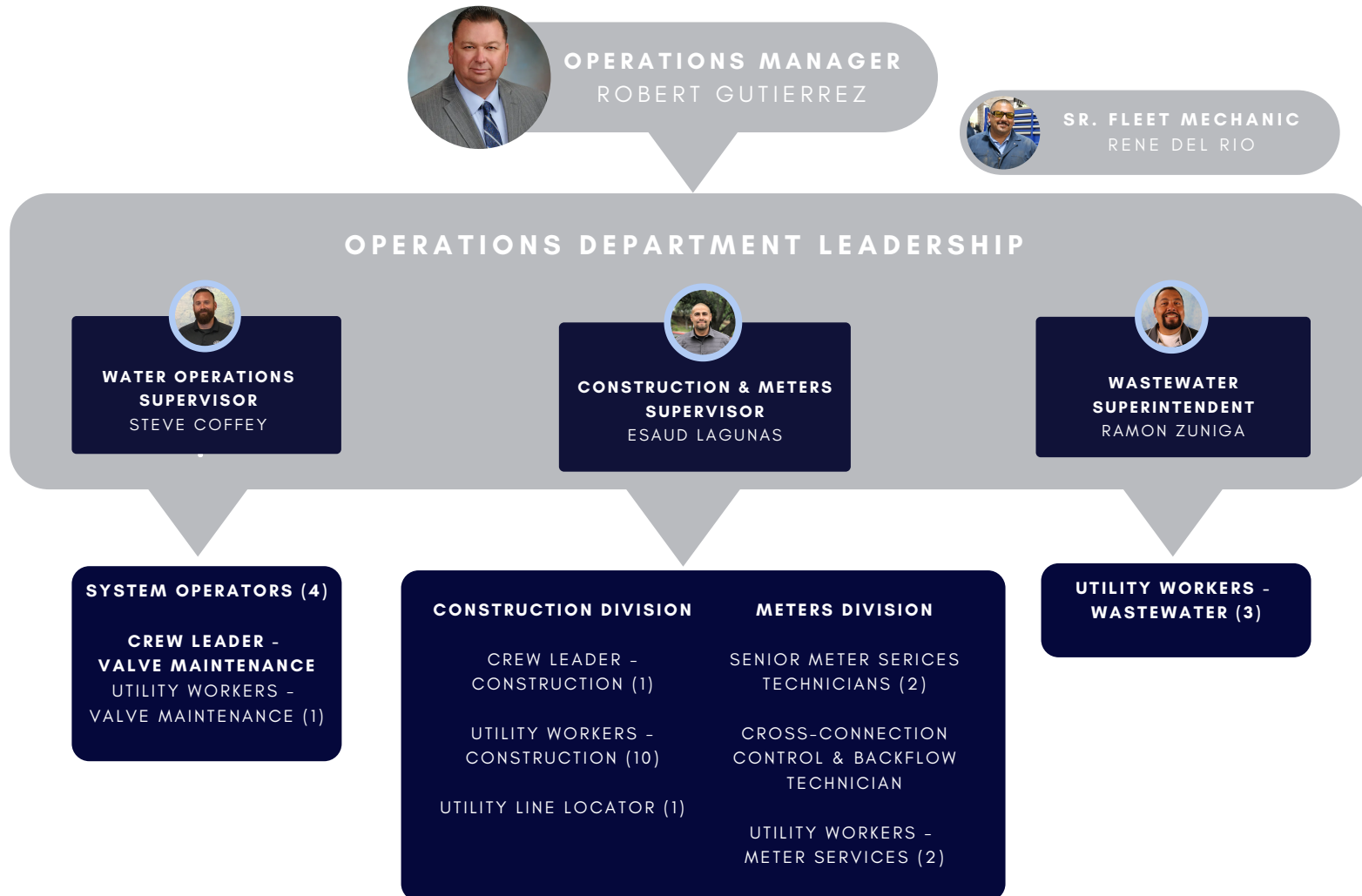


Mission

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Core Values

Responsibility | Teamwork | Innovation | Integrity | Professionalism



BOARD OF DIRECTORS

December 06, 2022

SUBJECT

FINANCE REPORT FOR NOVEMBER 2022

DESCRIPTION

Summary:

Water Sales:

Budgeted 13,500 AF

Actual October FYTD 22/23 6,899 AF

Actual October FYTD 21/22 6,708 AF

Actual October FYTD 20/21 7,223 AF

Actual October FYTD 19/20 6,719 AF

Oct FYTD 2022/2023 Budget vs Actual:

For FY 2022/23 (FY23), the board followed the recommendation of staff and committee to budget future sales lower and more in line with the most recent years' trends at 13,500 AF, with operating expenses being budgeted within this lower operating revenue level as well. FY 22 sales were 14,890 AF, adjusted for sales made per day within the FY.

Fund Balance Projections:

Operating Fund Balances have been adjusted to comply with the Board Cash Reserve Policy 5.03.220.

The *New Water Sources Reserve Fund*, established by the RMWD Board, sets aside funds to study and acquire alternate water sources for the purpose of reducing the District's reliance on imported water. The reserve is funded by the Water Service portion of the Standby Charge collected by the San Diego County Tax Collector from all parcels within the district. It reflects 38.1% of the revenue received from property tax revenues.

Capital Fund Balances have been updated to reflect the changes to developer projects for Water and Wastewater.

Treasury Report:

Interest Revenue for September 2022 was \$31,279 compared to \$30,760 for the prior month. Loss from assets sales was \$0 compared to loss of \$938 for the prior month. Investment valuation was down by \$323,295 from the prior month.

Water Purchases & Water Sales:

The Five-Year Water Purchases Demand Chart (Attachment D) reports purchases; this data is available in real time. Purchases for the fiscal year ending June 30, 2023 are in line with the 5-year average (blue line). FY23 purchases for the first 4 months are slightly above FY22 and above the budgeted purchases that would support 13,500 AF in sales.

The Water Sales Summary Report (Attachment E) represents water that was billed to customers, so the data is time delayed in comparison to the Five-Year Water Purchases Demand Chart. Water Loss from meter inaccuracy and breaks is also not included in the Five-Year Demand Chart since this data is from purchases. These two reports will not correlate unless they are both presented for the same date; we provide the purchases report in real time to provide the board with the most current demand information available.

Monthly Call Volume:

The call volume for September included 933 calls to customer service compared to 939 for the same month one year prior. The average talk time was 3 minutes and 30 seconds. The average time in queue was 1 minutes and 57 seconds. The max time in queue was 17 minutes and 13 seconds compared to 22 minutes and 24 seconds for the same month one year prior.

Attachments:

- A. Budget vs Actuals (October FY23)
- B. Fund Balance & Developer Projections (FY23)
- C. Treasury Report (SEPTEMBER & OCTOBER FY23)
- D. Five-Year Water Purchases Demand Chart (through 11/01/2022)
- E. Water Sales Summary (OCTOBER FY22)
- F. Check Register (SEPTEMBER FY22)
- G. Directors' Expense Report (SEPTEMBER FY22)
- H. Credit Card Breakdown (SEPTEMBER FY22)
- I. RMWD Properties


Tracy Largent, CPA
Finance Manager

December 06, 2022

Rainbow Municipal Water District
 Operating Budget Summary by Fund
NET OPERATING INCOME

Description	FY 2023		
	Actuals YTD 10/31/22	Over (Under)	FY 2023 Budget
Water Operating Fund			
Water Revenues	\$ 19,229,994	\$ 1,412,191	\$ 44,836,269
Water Expenses	17,091,095	949,279	40,663,668
Water Fund Net Income	\$ 2,138,899	\$ 462,913	\$ 4,172,601
Wastewater Operating Fund			
Wastewater Revenues	1,119,711	59,533	3,180,535
Wastewater Expenses	914,253	(525,574)	4,319,481
Wastewater Fund Net Income	\$ 205,458	\$ 585,106	\$ (1,138,945)
General Operating Fund			
General Revenues	3,167,981	118,555	9,148,280
General Expenses	3,112,431	63,005	9,148,280
General Fund Net Income	\$ 55,550	\$ 55,550	\$ -
CHANGE IN NET POSITION	\$ 2,399,907	\$ 1,103,569	\$ 3,033,656

% of Annual Budget

47% Water Purchases/Sales based on historical average

33% Fixed Fee Revenue & Expenses are based on time

**Rainbow Municipal Water District
Water Fund Operating Budget Summary**

Water Operating

Description	FY 2023 Actuals YTD 10/31/22	Over (Under)	FY 2023 Budget	
Operating Revenues				
Water Sales	\$ 19,002,223	\$ 1,577,658	\$ 43,655,604	<i>\$2,545,113 and 246.9 AF Increase over PY</i>
Other Water Services	101,905	\$ (6,000)	324,664	
Total Operating Revenues	\$ 19,104,127	\$ 1,571,658	\$ 43,980,268	
Operating Expenses				
Purchased Water	11,283,207	795,586	23,701,080	
Pumping	349,421	94,366	765,164	
Operations	567,885	(303,015)	2,612,699	
Valve Maintenance	140,646	17,954	368,077	
Construction	751,974	(49,921)	2,405,684	
Meters	419,964	128,550	874,243	
General Fund Transfer	2,552,194	265,758	6,859,307	
Total Operating Expenses	\$ 16,065,291	\$ 949,279	\$ 37,586,254	
Non-Operating Revenues				
Investment Income	95,764	62,431	100,000	
Property Tax Revenue	11,733	(204,934)	650,000	
Other Non-Operating Revenue	18,370	(16,963)	106,000	
Total Non-Operating Revenues	\$ 125,867	\$ (159,466)	\$ 856,000	
Non-Operating Expenses				
Debt Service	1,025,805	0	3,077,414	
Total Non-Operating Expenses	\$ 1,025,805	\$ -	\$ 3,077,414	
CHANGE IN NET POSITION	\$ 2,138,899	\$ 462,913	\$ 4,172,601	13,500AF

% of Annual Budget

47% Water Purchases/Sales based on historical average

33% Fixed Fee Revenue & Expenses are based on time

Rainbow Municipal Water District
Wastewater Fund Operating Budget Summary

Wastewater Operating

Description	FY 2023 Actuals YTD 10/31/22	Over (Under)	FY 2023 Budget
Operating Revenues			
Wastewater Revenues	\$ 1,119,211	\$ 81,033	\$ 3,114,535
Other Revenues	500	\$ (21,500)	66,000
Total Wastewater Revenues	\$ 1,119,711	\$ 59,533	\$ 3,180,535
Operating Expenses			
Total Payroll Expenses	208,167	(18,111)	678,835
Total Maintenance & Supply	145,848	(531,376)	2,031,672
General Fund Transfer	560,238	23,913	1,608,973
Total Wastewater Expenses	\$ 914,253	\$ (525,574)	\$ 4,319,481
CHANGE IN NET POSITION	\$ 205,458	\$ 585,106	\$ (1,138,945)

% of Annual Budget

33% of Annual Budget

**Rainbow Municipal Water District
General Fund Operating Budget Summary**

General Operating

Description	FY 2023		FY 2023 Budget
	Actuals YTD 10/31/22	Over* (Under)	
Operating Revenues			
Water Overhead Transfer	\$ 2,552,194	\$ 265,758	\$ 6,859,307
Wastewater Overhead Transfer	560,238	\$ 23,913	1,608,973
Other General Fund Revenue	55,550	\$ (171,117)	680,000
Total Operating Revenues	\$ 3,167,981	\$ 118,555	\$ 9,148,280
Operating Expenses			
Board of Directors	\$ 15,175	\$ (1,525)	\$ 50,101
Garage	203,936	\$ (6,838)	632,322
Administration	551,956	\$ (141,825)	2,081,342
Human Resources	109,614	\$ (29,278)	416,674
Risk Management	236,481	\$ (76,917)	940,192
IT Services	472,643	\$ (62,304)	1,604,844
Finance	305,093	\$ (84,680)	1,169,321
Customer Service	175,779	\$ (22,495)	594,822
Engineering	399,343	\$ (10,212)	1,228,663
GASB 68 Pension**	642,412	\$ 212,412	430,000
			<i>Needs Mid-Year Adjustment</i>
Total Operating Expenses	\$ 3,112,431	\$ (223,662)	\$ 9,148,280
CHANGE IN NET POSITION	\$ 55,550	\$ 342,217	\$ -

% of Annual Budget

** 33% of Annual Budget*

Operating & Debt Service Fund Balances

	Water Operating	Wastewater Operating	General Operating	Rate Stabilization	New Water Sources	Debt Service	TOTAL FY 22/23
Fund Balances:	FY 22/23	FY 22/23	FY 22/23	FY 22/23	FY 22/23	FY 22/23	
Beginning Available Balance	\$2,314,196	\$719,913	\$1,524,713	\$3,308,176	\$1,722,262	\$847,692	\$10,436,952
Budgeted Operating Surplus (Loss)	4,172,601	(513,738)			200,000		3,858,863
Budgeted Transfer to Water Capital*	(3,500,000)			(3,308,176)	(600,000)		(7,408,176)
Transfer to/from Rate Stabilization							
Transfers In/(Out)							0
Projected Ending Available Balance	\$2,986,797	\$206,175	\$1,524,713	(\$0)	\$1,322,262	\$847,692	\$6,887,639

*Transfer from Operating to Capital is based on Cost of Service Study. The transfer amount in any FY on this sheet is from PY proceeds and is determined after year end close, audit, and completion of Reserve Policy Calculations.

Water Capital Fund 60 Projected Balance

	<i>Year 1 Approved Budget</i>	<i>Year 1 Planned Adjusted Budget</i>	<i>Year 2 Planned Budget</i>	<i>Year 3 Planned Budget</i>	<i>Year 4 Planned Budget</i>	<i>Year 5 Planned Budget</i>
Fund Balances:	FY 22/23	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 25/27
Beginning Available Balance	\$3,354,855	\$3,354,855	\$813,849	\$2,033,849	\$3,258,849	\$3,433,849
Budgeted Transfer from Operating Reserves	3,500,000	3,500,000	3,000,000	3,000,000	3,000,000	3,000,000
New Water Sources Funds	600,000	600,000	600,000	0	0	0
Capacity Fees	430,994	430,994	0	0	0	0
Total Available Funding	7,885,849	7,885,849	4,413,849	5,033,849	6,258,849	6,433,849
-Less Capital Projects-Water	(7,372,640)	(7,072,000)	(2,380,000)	(1,775,000)	(2,825,000)	(8,885,000)
Projected Ending Available Balance	\$513,209	\$813,849	\$2,033,849	\$3,258,849	\$3,433,849	(\$2,451,151)

Attachment B

Project #	Project Name	Year-to-Date	Year 1	Year 1	Year 2	Year 3	Year 4	Year 5
		Expended 10/31/2022	Approved Budget	Planned Adjusted Budget	Planned Budget	Planned Budget	Planned Budget	Planned Budget
		FY 22/23	FY 22/23	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27
300007	Programatic EIR for Existing Easements	\$ 65,105	\$ 75,000	\$ 75,000	\$ -	\$ -	\$ -	\$ -
300008	New District Headquarters	154	50,000	50,000	500,000	500,000	500,000	500,000
600003	San Luis Rey Imported Return Flow Recovery	4,235	600,000	600,000	600,000			
600007	Pressure Reducing Stations	22,241	150,000	150,000		150,000		
600009	Isolation Valve Installation Program	47,721	500,000	500,000				
600019	Water System Monitoring Program	23,482	185,000	185,000	25,000			
600026	Camino Del Rey Waterline Reloaction	-	25,000	25,000	25,000	25,000		
600030	Corrosion Prevention Program Development and Implementation	2,826	600,000	100,000	600,000	600,000	600,000	
600034	Rice Canyon Tank Transmission PL to I-15/SR76 Corridor	1,688,942	2,900,000	2,900,000				
600035	Morro Mixing	650						
600037	Live Oak Park Road Bridge Replacement	23,767	600,000	600,000				
600040	Vallecitos PS Relocation	-					500,000	1,400,000
600043	Eagles Perch Water Pipeline Improvements (PUP)	-					300,000	1,300,000
600047	Community Power Resiliency Generator Grant (Generator at Sumac)	54,946		500,000				
600048	Northside Zone Supply Redundancy	-						150,000
600050	Lookout Mountain Electrical Upgrade	-						1,000,000
600051	North Feeder and Rainbow Hills Water Line Replacements	-					150,000	1,850,000
600058	Electrical Panel Switches	41,280			130,000			
600067	Pala Mesa Fairways 383 A and C							250,000
600068	Sarah Ann Drive Line 400 A		-	-				35,000
600069	Wilt Road (1331)						150,000	350,000
600070	Katie Lendre Drive Line (PUP)							250,000
600071	Del Rio Estates Line Ext 503							250,000
600072	East Heights Line 147L							150,000
600073	East Heights Line 147A							250,000
600074	Via Zara - PUP						125,000	250,000
600075	Roy Line Ext							250,000
600077	Rainbow Water Quality Improvement	9,942	920,000	920,000				
600080	Los Alisos South 243							150,000
600081	Heli-Hydrant on Tank	300						
N/A	Department Level Capital Expenses	169,919	767,640	467,000	500,000	500,000	500,000	500,000
Total		\$ 2,155,510	\$ 7,372,640	\$ 7,072,000	\$ 2,380,000	\$ 1,775,000	\$ 2,825,000	\$ 8,885,000

**Wholesale Water Efficiency
Capital Fund 62 Projected Balance**

Funded by Western Alliance Loan @4.02% interest

	Year 1 Approved Budget	Year 1 Planned Adjusted Budget	Year 2 Planned Budget	Year 3 Planned Budget	Year 4 Planned Budget	Year 5 Planned Budget
Fund Balances:	FY 22/23	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 25/26
Beginning Available Balance	\$9,712,500	\$9,712,500	\$3,212,500	\$737,500	(\$262,500)	(\$2,563,141)
Wholesale Water Efficiency Project Funding						
Operating Fund Transfer						
Total Available Funding	9,712,500	9,712,500	3,212,500	737,500	(262,500)	(2,563,141)
Less Capital Projects-Wholesale Water Efficiency	(3,797,000)	(6,500,000)	(2,475,000)	(1,000,000)	(2,300,641)	0
Projected Ending Available Balance	\$5,915,500	\$3,212,500	\$737,500	(\$262,500)	(\$2,563,141)	(\$2,563,141)

Wholesale Water Efficiency Capital Project Budgets:

Project #	Project Name	Year-to-Date	Year 1	Year 1	Year 2	Year 3	Year 4	Year 5
		Expended 10/31/2022	Approved Budget	Planned Adjusted Budget	Planned Budget	Planned Budget	Planned Budget	Planned Budget
		FY 22/23	FY 22/23	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 25/26
600008	Weese WTP Permanent Emergency Interconnect Pump Station	\$ 45,532	\$ 825,000	\$ 1,825,000	\$ -	\$ -	\$ -	
600013	Hutton/Turner/Dentro Pump Stations (SDCWA Shutdowns)	107,379	2,375,000	4,375,000	2,475,000			
600084	Morro Pump Station	-				250,000	1,225,000	
600078	Wilt Road Feeder (18 inch Water Line)	60,410				750,000	1,075,641	
600079	Gird Road 1,600' upsized from 12" to 18" or larger	293,062	597,000	300,000				
Total Spending		\$506,383	\$3,797,000	\$6,500,000	\$2,475,000	\$1,000,000	\$2,300,641	\$0

Wastewater Capital Fund 52 & 53 Projected Fund Balance

	Year 1 <i>Approved Budget</i> FY 22/23	Year 2 <i>Proposed Budget</i> FY 23/24	Year 3 <i>Proposed Budget</i> FY 24/25	Year 4 <i>Proposed Budget</i> FY 25/26	Year 5 <i>Proposed Budget</i> FY 25/26
Fund Balances:					
Beginning Available Balance	\$634,288	(\$2,260,213)	\$739,787	\$1,239,787	\$1,739,787
Restricted CFD Funds (Citro)	8,000,000	2,500,000			
Transfer from (to) Operating Reserves		500,000	500,000	500,000	500,000
Forecasted Sewer Connections	16,951				
Total Available Funding	8,651,239	739,787	1,239,787	1,739,787	2,239,787
Less: Capital Projects-Wastewater	(10,911,452)	0	0	0	0
Projected Ending Available Balance	(\$2,260,213)	\$739,787	\$1,239,787	\$1,739,787	\$2,239,787

Attachment B

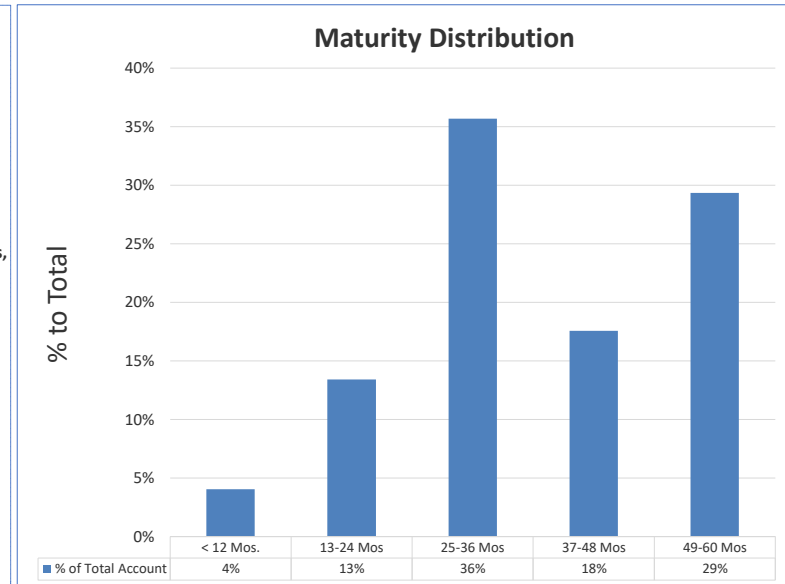
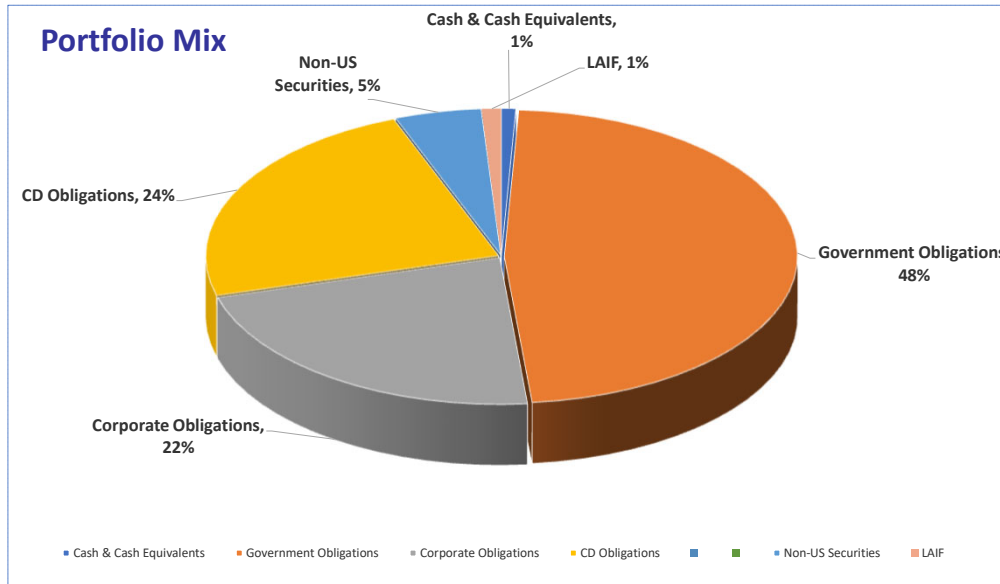
Project #	Project Name	Year-to-Date	Year 1	Year 2	Year 3	Year 4	Year 5
		Expended 10/31/2022 FY 22/23	Approved Budget FY 22/23	Unfunded Budget FY 23/24	Unfunded Budget FY 24/25	Unfunded Budget FY 25/26	Unfunded Budget FY 26/27
530001	Thoroughbred Lane Lift Station and Pipeline Repair (LS1 Replacement)	\$ 1,939,522	\$ 10,791,452	\$ -	\$ -	\$ -	\$ -
530018	Fallbrook Oaks Forcemain and Manhole Replacement					\$150,000	1,650,000
530019	CIPP 500' of line 8" VCP line near Pala Mesa/Palomar						100,000
530020	Rancho Viejo LS Wet Well Expansion					500,000	1,000,000
530023	Replace Rancho Monserate LS Emergency Generator						125,000
XXXXX	HQ B-Plant Dry Well					250,000	1,000,000
XXXXX	HQ B-Plant Generator Replacement				50,000	250,000	500,000
XXXXX	Pala Mesa Sewer CIPP Lining				50,000	650,000	
XXXXX	Oakcliff Sewer CIPP Lining				50,000	650,000	
XXXXX	Old River Road between LS#1 & LS#2					1,000,000	
N/A	Department Level Capital Expenses		120,000				
Total		\$ 1,939,522	\$ 10,911,452	\$ -	\$ 150,000	\$ 3,450,000	\$ 4,375,000

RAINBOW MUNICIPAL WATER DISTRICT
 TREASURER'S MONTHLY REPORT OF INVESTMENTS
 PORTFOLIO SUMMARY
 9/30/2022



QUARTER 1 FY23

TYPE	ISSUER	CUSIP	Bond Rating	Date of Maturity	Par Value	Cost Basis	Market Value*	Interest Rate	Yield to Maturity	Semi-Annual Interest	Days to Maturity	Object
Money Market Funds	First American Government	31846V567				\$ 59,231	\$ 59,231				0	11508
Trust	Willimington Trust	CSCDA 2017-01				\$ 50,000	\$ 50,000				0	10301
Total Cash & Cash Equivalents					\$ -	\$ 109,231	\$ 109,231					
Callable 4/28/23 1X	FEDERAL FARM CR BKS	3130ARMQ1	Aaa	10/28/24	\$ 540,000	\$ 542,565	\$ 519,885	2.700%	2.500%	\$ 7,325	759	11508
	FEDERAL FARM CR BKS	3133EJFC8	Aaa	11/07/24	\$ 489,000	\$ 487,342	\$ 474,198	2.940%	2.940%	\$ 7,164	769	
Non-Callable	FEDERAL FARM CR BKS	3133EDJY9	Aaa	12/21/23	\$ 450,000	\$ 456,678	\$ 441,716	2.950%	2.050%	\$ 6,736	447	11508
Callable 9/30/22 1X	FEDERAL HOME LOAN BKS STEP UP	3130AP7B5	Aaa	09/30/26	\$ 800,000	\$ 800,000	\$ 702,288	0.500%	0.977%	\$ 2,000	1461	11508
Callable 10/14/22 1X	FEDERAL HOME LOAN BKS	3130APAM7	Aaa	10/14/26	\$ 1,000,000	\$ 995,000	\$ 869,190	0.900%	1.000%	\$ 4,478	1475	11508
Non-Callable	FEDERAL HOME LOAN BKS	3130AQF40	Aaa	12/20/24	\$ 500,000	\$ 499,710	\$ 464,650	1.000%	1.020%	\$ 2,499	812	11508
Callable 4/21/23 1X	FEDERAL HOME LOAN BKS STEP UP	3130ARQ61	Aaa	10/21/24	\$ 500,000	\$ 502,195	\$ 486,405	2.200%	2.900%	\$ 5,524	752	11508
Callable 8/17/22 QTR	FEDERAL HOME LOAN BKS STEP UP	3130ARTC5	Aaa	05/17/27	\$ 490,000	\$ 489,020	\$ 467,867	3.020%	4.020%	\$ 7,384	1690	11508
Callable 7/22/22 QTR	FEDERAL HOME LOAN BKS	3130ARJH5	Aaa	04/22/27	\$ 500,000	\$ 500,000	\$ 473,320	3.150%	3.150%	\$ 7,875	1665	11508
Callable 9/29/22 QTR	FEDERAL HOME LOAN BKS	3130ASKB4	Aaa	12/29/23	\$ 245,000	\$ 245,813	\$ 241,381	3.350%	3.120%	\$ 4,117	455	
	FEDERAL HOME LOAN BKS	3130ASZZ5	Aaa	08/28/25	\$ 500,000	\$ 501,820	\$ 490,820	3.375%	3.375%	\$ 8,468	1063	
	FEDERAL HOME LOAN BKS	3130AT2T3	Aaa	08/25/27	\$ 500,000	\$ 503,370	\$ 489,040	3.350%	3.120%	\$ 8,431	1790	
	TENNESSEE VALLEY AUTHORITY	880591ER9	Aaa	09/15/24	\$ 500,000	\$ 497,780	\$ 485,885	3.350%	3.120%	\$ 8,338	716	11508
Total Government Obligations					\$ 7,014,000	\$ 7,021,294	\$ 6,606,645					
Callable 9/10/25	AMERICAN HOND FIN CORP MTN	02665WDN8	A3	09/10/25	\$ 500,000	\$ 506,050	\$ 447,755	1.000%	0.750%	\$ 2,500	1076	11508
Callable 1/26/22 STEP	BANK OF AMERICA	06048WK82	A2	01/26/26	\$ 500,000	\$ 498,500	\$ 423,575	0.610%	0.800%	\$ 1,525	1214	11508
	BRANCH BANKING TRUST	07330MAB3		09/16/25	\$ 500,000	\$ 498,920	\$ 476,720	3.625%	3.625%	\$ 9,063	1082	
Callable 9/30/23	CITIGROUP INC	17298CKE7	A3	09/30/23	\$ 1,000,000	\$ 1,000,000	\$ 861,790	1.000%	1.000%	\$ 5,000	365	11508
Callable 05/28/23	JPMORGAN CHASE & CO	48128G3N8	A2	05/28/26	\$ 1,000,000	\$ 1,000,000	\$ 854,210	1.200%	1.200%	\$ 6,000	1336	11508
Total Corporate Issues					\$ 3,500,000	\$ 3,503,470	\$ 3,064,050					
FDIC Ins. CD	BMW BANK NORTH AMER	05580AMB7		03/29/23	\$ 240,000	\$ 240,000	\$ 238,822	2.860%	2.900%	\$ 3,432	180	11508
FDIC Ins. CD	JPMORGAN CHASE BK NA COLUMBU	48128UHS1		07/31/25	\$ 249,000	\$ 249,000	\$ 223,973	0.550%	0.550%	\$ 685	1035	11508
FDIC Ins. CD	MERRICK BK SOUTH JORDAN UTAH	59013KBV7		07/31/24	\$ 249,000	\$ 249,000	\$ 239,893	2.200%	2.200%	\$ 2,739	670	11508
CD	MORGAN STANLEY PVT BK PURCHA	61760AL49		06/24/24	\$ 245,000	\$ 245,000	\$ 236,793	2.290%	2.250%	\$ 2,805	633	11508
	NORTHERN TR CORP SR N	665859AW4		05/10/27	\$ 500,000	\$ 508,415	\$ 482,140	4.000%	4.000%	\$ 10,168	1683	
	PNC BANK NA	69353REQ7		06/01/25	\$ 600,000	\$ 596,040	\$ 574,620	3.250%	3.250%	\$ 9,686	975	
FDIC Ins. CD	STATE BK INDIA CHICAGO ILL	856283N69		06/26/25	\$ 248,000	\$ 252,166	\$ 224,946	0.950%	60.000%	\$ 1,198	1000	11508
CD	SYNCHRONY BANK	87165HE89		10/08/26	\$ 248,000	\$ 248,000	\$ 217,627	0.950%	0.950%	\$ 1,178	1469	11508
CD	UBS Bank USA SALT LAKE CITY UT - CD	90348JT59		09/22/26	\$ 249,000	\$ 249,000	\$ 218,129	0.950%	0.950%	\$ 1,183	1453	
	US BANCORP	91159HHR4		04/27/27	\$ 650,000	\$ 638,911	\$ 604,481	3.150%	3.150%	\$ 10,238	1670	11508
Total CD Obligations					\$ 3,478,000	\$ 3,475,532	\$ 3,261,423					
Medium Term Note	Credit Suisse Ag New York	22550L2G5	A2	8/7/2026	\$ 800,000	\$ 801,916	\$ 660,648	1.250%	1.200%	\$ 5,012	1407	11508
Total Non-US Securities					\$ 800,000	\$ 801,916	\$ 660,648					
Subtotal Long Term												
Pooled Investment					\$ 14,792,000	\$ 14,911,443	\$ 13,701,996					
Portfolio Totals	Local Agency Investment Fund (LAIF)**	0.981052743				\$ 148,253	\$ 148,253				0	10103
						\$ 15,059,696	\$ 13,850,249					



This monthly report accurately reflects all District pooled investments. It is in conformity with the Investment Administrative code section 5.03.080. The District has sufficient cash flow to meet six months of obligations. This is in effect is in compliance with the current Investment Policy.

Tracy Largent

11/8/2022

Tracy Largent, Treasurer

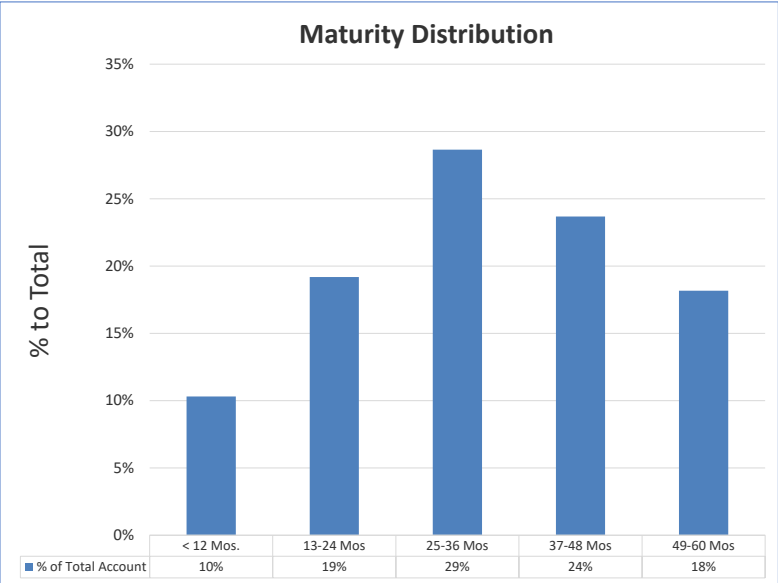
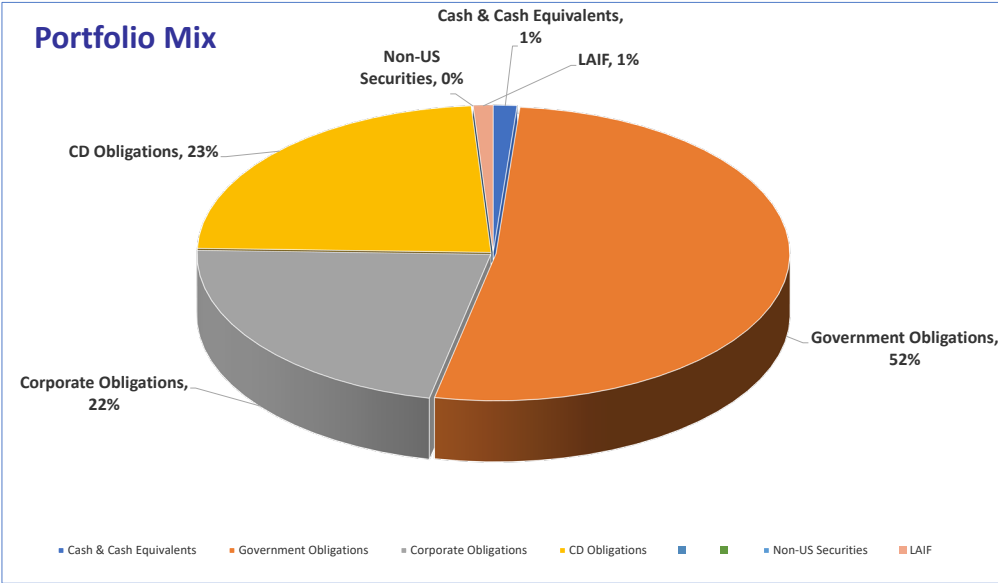
*Source of Market Value - US Bank monthly statements

**Source of LAIF FMV - CA State Treasurer Pooled Money Investment Account @ <https://www.treasurer.ca.gov/pmia-laif/reports/valuation.asp>

RAINBOW MUNICIPAL WATER DISTRICT
 TREASURER'S MONTHLY REPORT OF INVESTMENTS
 PORTFOLIO SUMMARY
 10/31/2022



TYPE	ISSUER	CUSIP	Bond Rating	Date of Maturity	Par Value	Cost Basis	Market Value*	Interest Rate	Yield to Maturity	Semi-Annual Interest	Days to Maturity	Object
Money Market Funds	First American Government	31846V567				\$ 128,938	\$ 128,938				0	11508
Trust	Willimington Trust	CSCDA 2017-01				\$ 50,000	\$ 50,000				0	10301
Total Cash & Cash Equivalents					\$ -	\$ 178,938	\$ 178,938					
Callable 4/28/23 1X	FEDERAL FARM CR BKS	3130ARMQ1	Aaa	10/28/24	\$ 540,000	\$ 542,565	\$ 517,838	2.700%	2.500%	\$ 7,325	728	11508
	FEDERAL FARM CR BKS	3133EJFC8	Aaa	11/07/24	\$ 489,000	\$ 487,342	\$ 472,178	2.940%	2.940%	\$ 7,164	738	
Non-Callable	FEDERAL FARM CR BKS	3133EDJY9	Aaa	12/21/23	\$ 450,000	\$ 456,678	\$ 440,348	2.950%	2.050%	\$ 6,736	416	11508
Callable 9/30/22 1X	FEDERAL HOME LOAN BKS STEP UP	3130AP7B5	Aaa	09/30/26	\$ 800,000	\$ 800,000	\$ 698,320	0.500%	0.977%	\$ 2,000	1430	11508
Callable 10/14/22 1X	FEDERAL HOME LOAN BKS	3130APAM7	Aaa	10/14/26	\$ 1,000,000	\$ 995,000	\$ 864,770	0.900%	1.000%	\$ 4,478	1444	11508
Non-Callable	FEDERAL HOME LOAN BKS	3130AQF40	Aaa	12/20/24	\$ 500,000	\$ 499,710	\$ 463,370	1.000%	1.020%	\$ 2,499	781	11508
Callable 4/21/23 1X	FEDERAL HOME LOAN BKS STEP UP	3130ARQ61	Aaa	10/21/24	\$ 500,000	\$ 502,195	\$ 485,170	2.200%	2.900%	\$ 5,524	721	11508
Callable 8/17/22 QTR	FEDERAL HOME LOAN BKS STEP UP	3130ARTC5	Aaa	05/17/27	\$ 490,000	\$ 489,020	\$ 469,920	3.020%	4.020%	\$ 7,384	1659	11508
Callable 7/22/22 QTR	FEDERAL HOME LOAN BKS	3130ARJH5	Aaa	04/22/27	\$ 500,000	\$ 500,000	\$ 470,325	3.150%	3.150%	\$ 7,875	1634	11508
Callable 9/29/22 QTR	FEDERAL HOME LOAN BKS	3130ASKB4	Aaa	12/29/23	\$ 245,000	\$ 245,813	\$ 240,597	3.350%	3.120%	\$ 4,117	424	
	FEDERAL HOME LOAN BKS	3130ASZZ5	Aaa	08/28/25	\$ 500,000	\$ 501,820	\$ 489,055	3.375%	3.375%	\$ 8,468	1032	
	FEDERAL HOME LOAN BKS	3130ARY62	Aaa	05/23/25	\$ 600,000	\$ 594,210	\$ 586,764	4.000%	4.000%	\$ 11,884	935	
	FEDERAL HOME LOAN BKS	3130AT2T3	Aaa	08/25/27	\$ 500,000	\$ 503,370	\$ 486,255	3.350%	3.120%	\$ 8,431	1759	
	TENNESSEE VALLEY AUTHORITY	880591ER9	Aaa	09/15/24	\$ 500,000	\$ 497,780	\$ 484,465	3.350%	3.120%	\$ 8,338	685	11508
Total Government Obligations					\$ 7,614,000	\$ 7,615,504	\$ 7,169,375					
Callable 9/10/25	AMERICAN HOND FIN CORP MTN	02665WDN8	A3	09/10/25	\$ 500,000	\$ 506,050	\$ 445,660	1.000%	0.750%	\$ 2,500	1045	11508
Callable 1/26/22 STEP	BANK OF AMERICA	06048WK82	A2	01/26/26	\$ 500,000	\$ 498,500	\$ 418,980	0.610%	0.800%	\$ 1,525	1183	11508
	BRANCH BANKING TRUST	07330MAB3		09/16/25	\$ 500,000	\$ 498,920	\$ 472,990	3.625%	3.625%	\$ 9,063	1051	
Callable 9/30/23	CITIGROUP INC	17298CKE7	A3	09/30/23	\$ 1,000,000	\$ 1,000,000	\$ 853,650	1.000%	1.000%	\$ 5,000	334	11508
Callable 05/28/23	JPMORGAN CHASE & CO	48128G3N8	A2	05/28/26	\$ 1,000,000	\$ 1,000,000	\$ 851,030	1.200%	1.200%	\$ 6,000	1305	11508
Total Corporate Issues					\$ 3,500,000	\$ 3,503,470	\$ 3,042,310					
FDIC Ins. CD	BMW BANK NORTH AMER	05580AMB7		03/29/23	\$ 240,000	\$ 240,000	\$ 238,934	2.860%	2.900%	\$ 3,432	149	11508
FDIC Ins. CD	JPMORGAN CHASE BK NA COLUMBU	48128UHS1		07/31/25	\$ 249,000	\$ 249,000	\$ 222,374	0.550%	0.550%	\$ 685	1004	11508
FDIC Ins. CD	MERRICK BK SOUTH JORDAN UTAH	59013KBV7		07/31/24	\$ 249,000	\$ 249,000	\$ 238,649	2.200%	2.200%	\$ 2,739	639	11508
CD	MORGAN STANLEY PVT BK PURCHA	61760AL49		06/24/24	\$ 245,000	\$ 245,000	\$ 235,683	2.290%	2.250%	\$ 2,805	602	11508
	NORTHERN TR CORP SR N	665859AW4		05/10/27	\$ 500,000	\$ 508,415	\$ 478,525	4.000%	4.000%	\$ 10,168	1652	
	PNC BANK NA	69353REQ7		06/01/25	\$ 600,000	\$ 596,040	\$ 570,594	3.250%	3.250%	\$ 9,686	944	
FDIC Ins. CD	STATE BK INDIA CHICAGO ILL	856283N69		06/26/25	\$ 248,000	\$ 252,166	\$ 223,346	0.950%	60.000%	\$ 1,198	969	11508
CD	SYNCHRONY BANK	87165HE89		10/08/26	\$ 248,000	\$ 248,000	\$ 214,267	0.950%	0.950%	\$ 1,178	1438	11508
CD	UBS Bank USA SALT LAKE CITY UT - CD	90348JT59		09/22/26	\$ 249,000	\$ 249,000	\$ 214,792	0.950%	0.950%	\$ 1,183	1422	
	US BANCORP	91159HHR4		04/27/27	\$ 650,000	\$ 638,911	\$ 597,357	3.150%	3.150%	\$ 10,238	1639	11508
Total CD Obligations					\$ 3,478,000	\$ 3,475,532	\$ 3,234,521					
Total Non-US Securities					\$ -	\$ -	\$ -					
Subtotal Long Term												
Pooled Investment					\$ 14,592,000	\$ 14,773,444	\$ 13,625,145					
Portfolio Totals	Local Agency Investment Fund (LAIF)**	0.981052743				\$ 148,253	\$ 148,253				0	10103
						\$ 14,921,697	\$ 13,773,398					



This monthly report accurately reflects all District pooled investments. It is in conformity with the Investment Administrative code section 5.03.080. The District has sufficient cash flow to meet six months of obligations. This is in effect is in compliance with the current Investment Policy.

Tracy Largent

11/8/2022

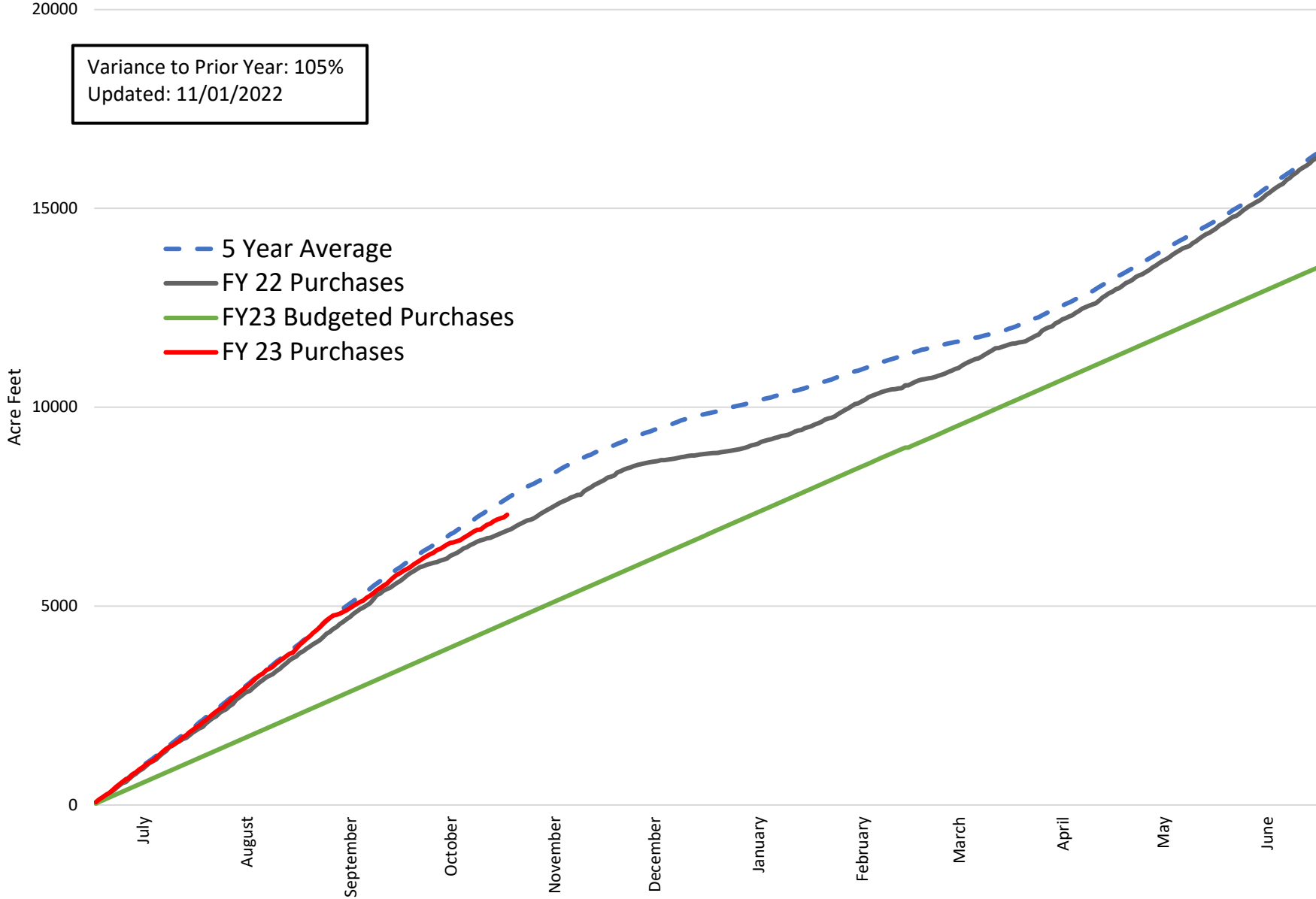
Tracy Largent, Treasurer

*Source of Market Value - US Bank monthly statements

**Source of LAIF FMV - CA State Treasurer Pooled Money Investment Account @ <https://www.treasurer.ca.gov/pmia-laif/reports/valuation.asp>

System Demands Comparison Chart

Variance to Prior Year: 105%
Updated: 11/01/2022



Comparative Water Sales YTD from Prior Years

FISCAL YEAR 2022-2023

Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
1,227	AD	126,735	108,343	138,717										858
531	AG	190,990	174,397	235,403										1,379
276	CM	52,026	47,725	62,693										373
26	CN	13,891	8,870	16,009										89
21	IS	4,157	3,544	4,402										28
121	MF	14,020	12,841	16,595										100
148	PC	86,650	77,010	99,962										605
313	PD	102,297	94,478	121,441										731
6,012	SF	181,808	160,423	198,867										1,242
8,675	Total	772,574	687,631	894,089	-	-	-	-	-	-	-	-	-	5,405

FISCAL YEAR 2021-2022

Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
1,227	AD	49,878	120,877	132,208										696
531	AG	126,020	156,517	188,678										1,082
276	CM	43,597	45,074	58,754										338
26	CN	9,809	7,353	8,900										60
21	IS	4,094	3,585	3,722										26
121	MF	14,171	12,501	14,634										95
148	PC	105,195	87,728	98,194										668
313	PD	104,423	101,695	108,445										722
-	SC	54,638	-	-										125
-	SD	86,465	-	-										198
6,012	SF	186,785	176,948	193,467										1,279
8,675	Total	785,075	712,278	807,002	-	-	-	-	-	-	-	-	-	5,290

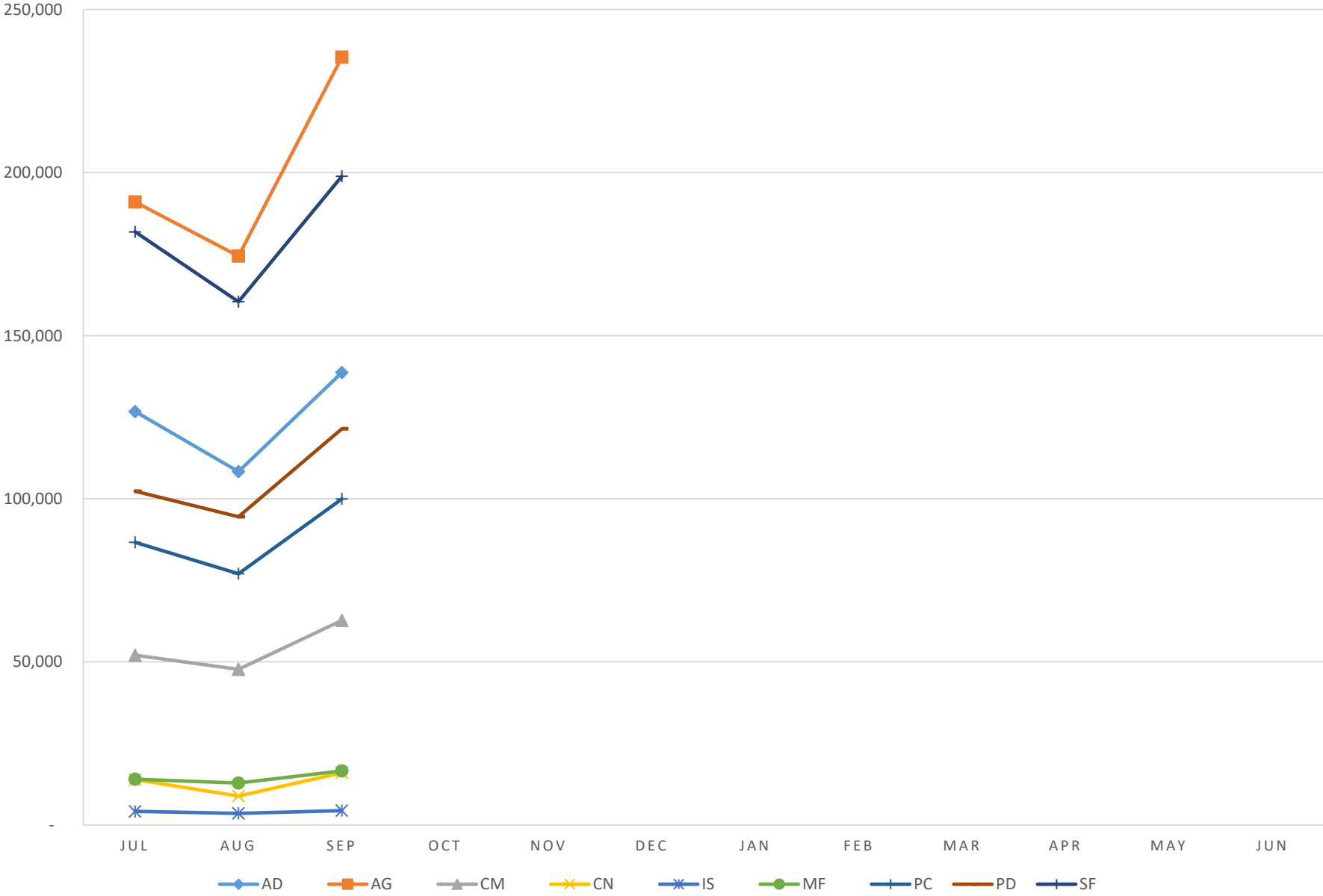
FISCAL YEAR 2020-2021

Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
549	AD	34,763	39,406	46,230										276
402	AG	109,886	131,840	137,233										870
271	CM	43,615	49,777	48,946										327
24	CN	6,330	12,547	10,164										67
21	IS	2,513	2,972	3,359										20
114	MF	14,151	14,484	14,090										98
	PC	-	-	-										-
	PD	-	-	-										-
319	SC	137,945	133,502	160,919										993
1,012	SD	186,337	204,966	223,721										1,412
5,851	SF	169,793	186,711	189,918										1,254
8563	Total	705,333	776,205	834,580	-	-	-	-	-	-	-	-	-	5,317

FISCAL YEAR 2019-2020

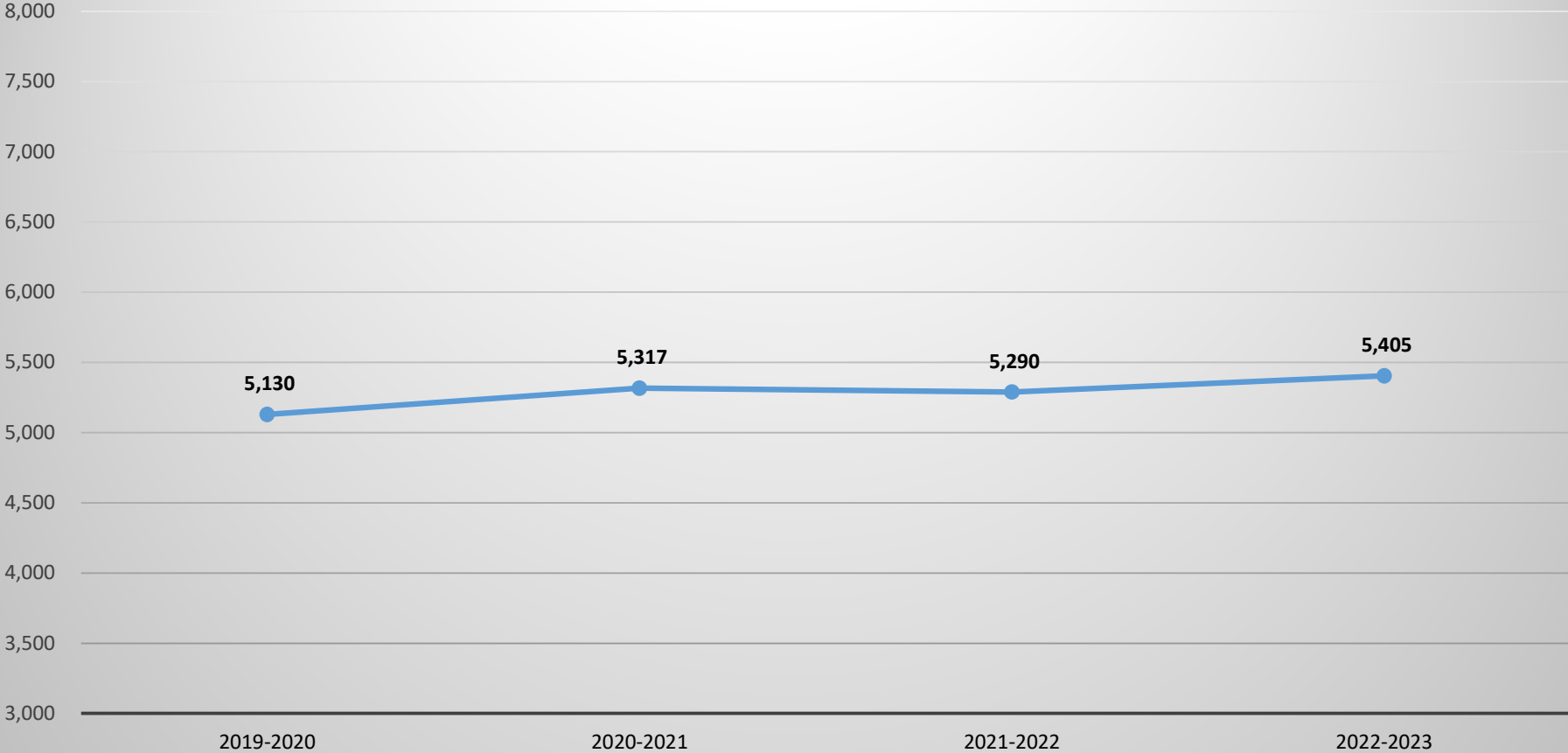
Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
553	AD	28,018	36,530	36,506										232
400	AG	113,285	139,802	139,715										902
267	CM	35,561	46,750	44,883										292
19	CN	1,484	1,549	1,183										10
21	IS	3,060	1,799	1,946										16
114	MF	11,910	11,187	11,539										80
323	SC	135,069	157,307	156,337										1,030
1,021	SD	164,817	213,262	218,596										1,370
5,536	SF	150,907	188,769	182,811										1,199
8,254	Total	644,111	796,955	793,516	-	-	-	-	-	-	-	-	-	5,130

USAGE BY CUSTOMER CLASS FY 22-23





Comparative Water Sales YTD



Comparative Water Sales YTD from Prior Years

FISCAL YEAR 2022-2023

Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
1,227	AD	126,735	108,343	138,717	106,589									1,103
531	AG	190,990	174,397	235,403	155,093									1,735
276	CM	52,026	47,725	62,693	42,655									471
26	CN	13,891	8,870	16,009	8,202									108
21	IS	4,157	3,544	4,402	2,791									34
121	MF	14,020	12,841	16,595	13,322									130
148	PC	86,650	77,010	99,962	77,857									784
313	PD	102,297	94,478	121,441	87,843									932
6,012	SF	181,808	160,423	198,867	156,344									1,601
8,675	Total	772,574	687,631	894,089	650,696	-	-	-	-	-	-	-	-	6,899

FISCAL YEAR 2021-2022

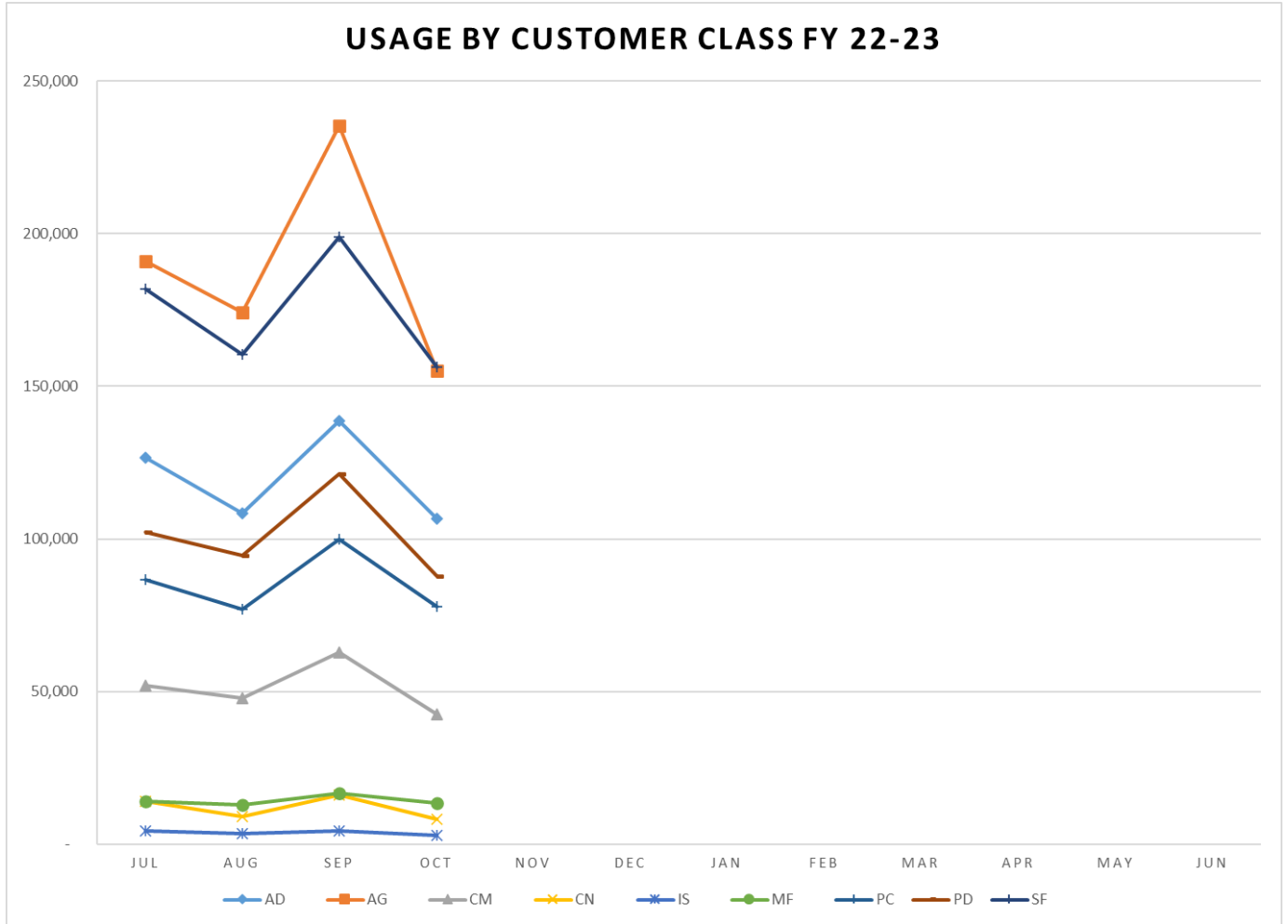
Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
1,227	AD	49,878	120,877	132,208	105,801									938
531	AG	126,020	156,517	188,678	141,035									1,406
276	CM	43,597	45,074	58,754	34,843									418
26	CN	9,809	7,353	8,900	4,999									71
21	IS	4,094	3,585	3,722	2,400									32
121	MF	14,171	12,501	14,634	11,363									121
148	PC	105,195	87,728	98,194	76,152									843
313	PD	104,423	101,695	108,445	85,321									918
-	SC	54,638	-	-	-									125
-	SD	86,465	-	-	-									198
6,012	SF	186,785	176,948	193,467	155,723									1,637
8,675	Total	785,075	712,278	807,002	617,637	-	-	-	-	-	-	-	-	6,708

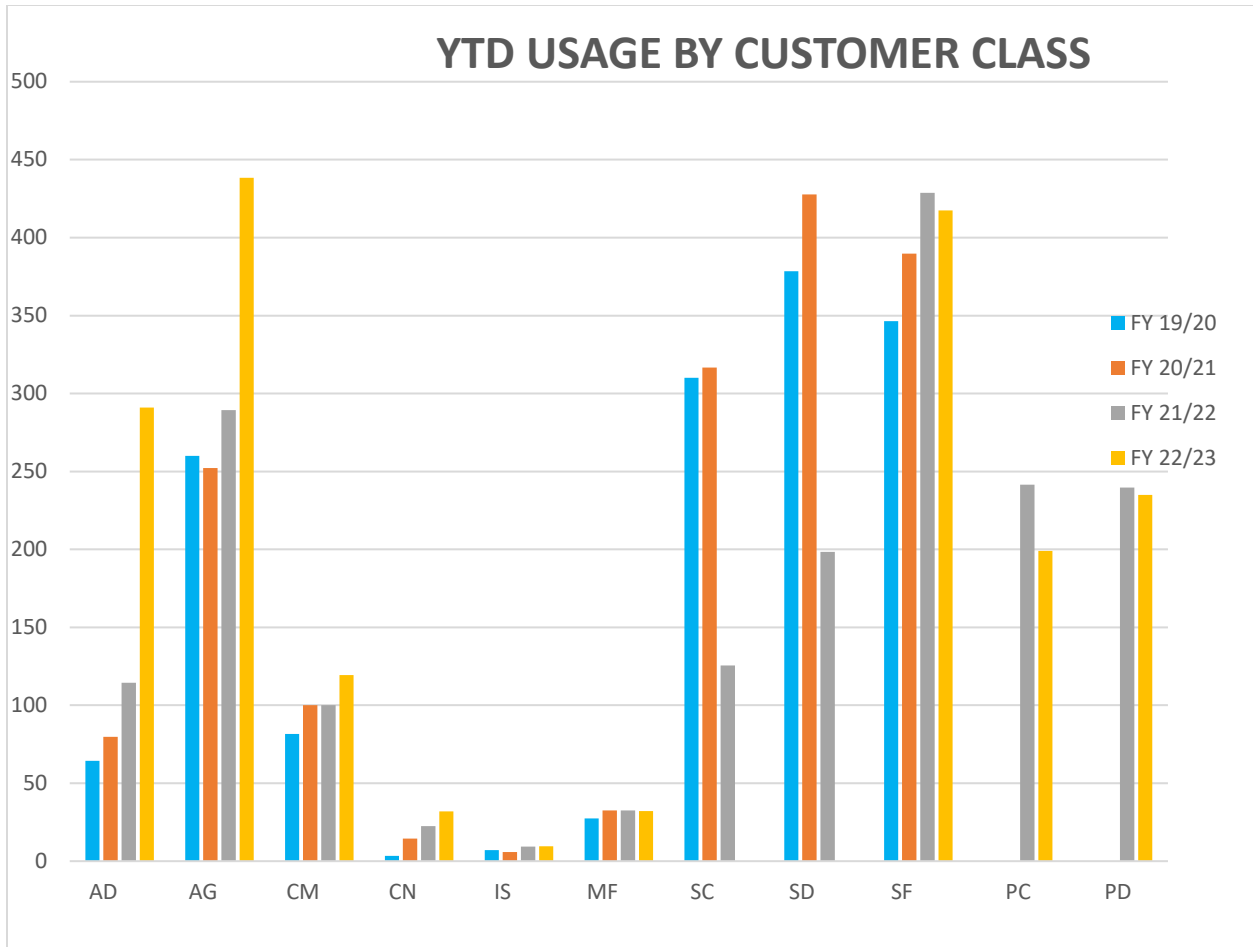
FISCAL YEAR 2020-2021

Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
549	AD	34,763	39,406	46,230	42,502									374
402	AG	109,886	131,840	137,233	129,675									1,168
271	CM	43,615	49,777	48,946	49,458									440
24	CN	6,330	12,547	10,164	14,057									99
21	IS	2,513	2,972	3,359	3,231									28
114	MF	14,151	14,484	14,090	14,996									133
	PC	-	-	-	-									-
	PD	-	-	-	-									-
319	SC	137,945	133,502	160,919	156,961									1,353
1,012	SD	186,337	204,966	223,721	229,964									1,940
5,851	SF	169,793	186,711	189,918	189,511									1,689
8563	Total	705,333	776,205	834,580	830,355	-	-	-	-	-	-	-	-	7,223

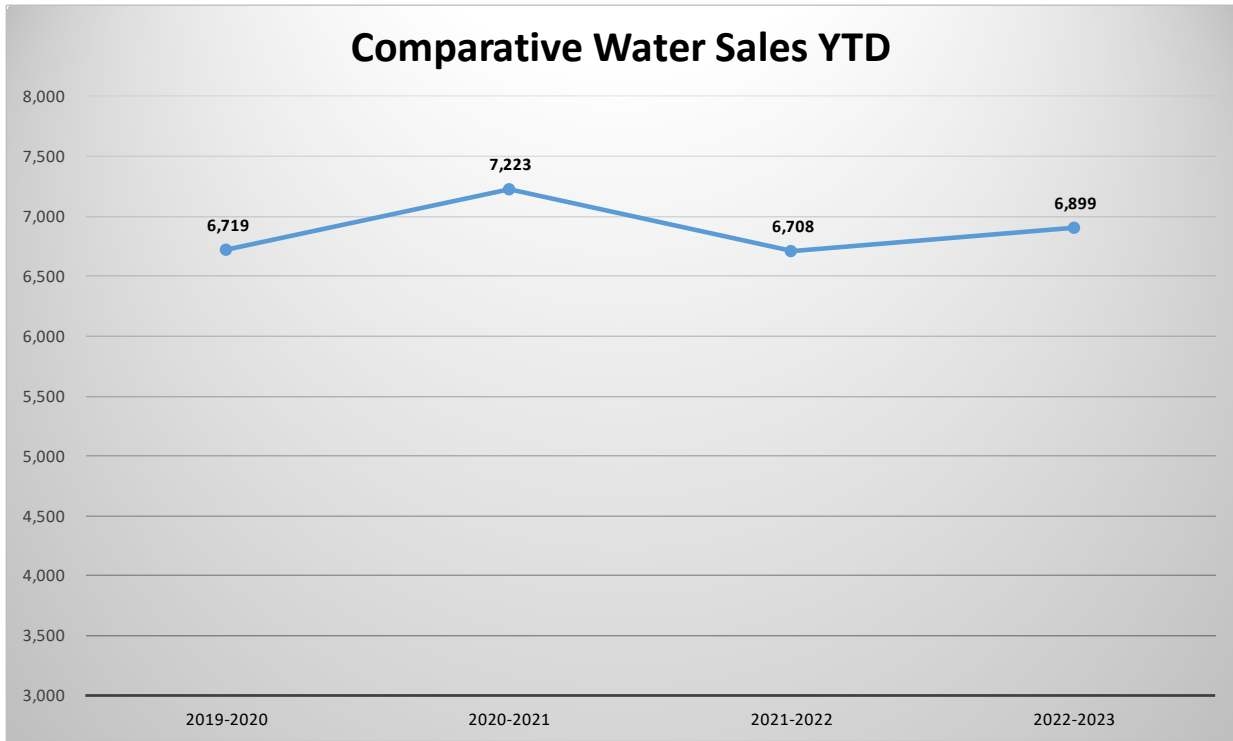
FISCAL YEAR 2019-2020

Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
553	AD	28,018	36,530	36,506	32,640									307
400	AG	113,285	139,802	139,715	135,633									1,213
267	CM	35,561	46,750	44,883	40,374									385
19	CN	1,484	1,549	1,183	1,041									12
21	IS	3,060	1,799	1,946	2,046									20
114	MF	11,910	11,187	11,539	11,065									105
323	SC	135,069	157,307	156,337	136,485									1,343
1,021	SD	164,817	213,262	218,596	179,714									1,782
5,536	SF	150,907	188,769	182,811	153,331									1,551
8,254	Total	644,111	796,955	793,516	692,329	-	-	-	-	-	-	-	-	6,719





Comparative Water Sales YTD from Prior Years





Check Register September 2022

Description	Bank Transaction Code	Issue Date	Amount
A PERFECT SHADE	ACH	9/2/2022	450.00
ACWA/JPIA	ACH	9/2/2022	8,692.95
AHMED KHATTAB	CHECK	9/2/2022	179.33
AIRGAS USA, LLC	ACH	9/2/2022	598.70
ALLIED TRAFFIC & EQUIPMENT RENTALS INC	ACH	9/2/2022	1,758.25
ALPHA DOG TOWING LLC.	CHECK	9/2/2022	300.00
ARAMARK UNIFORM SERVICES	CHECK	9/2/2022	465.39
ARDURRA GROUP, INC.	CHECK	9/2/2022	20,650.00
AZUGA, INC.	CHECK	9/2/2022	1,183.95
BABCOCK LABORATORIES, INC	ACH	9/2/2022	122.37
BANNER BANK	CHECK	9/2/2022	27,457.52
BOOT BARN INC	CHECK	9/2/2022	1,704.77
BP BATTERY INC.	ACH	9/2/2022	298.78
BRAX COMPANY, INC	CHECK	9/2/2022	3,615.87
BRIGHTVIEW TREE CARE SERVICES, INC.	CHECK	9/2/2022	4,999.00
CLEMMON TAYLOR	CHECK	9/2/2022	1,087.33
COLONIAL LIFE & ACCIDENT INS.	CHECK	9/2/2022	60.71
CORE & MAIN LP	CHECK	9/2/2022	12,513.73
COUNTY OF S.D. DEPT OF ENVIRONMENTAL HEALTH	CHECK	9/2/2022	548.00
CRANWORKS SOUTHWEST, INC.	CHECK	9/2/2022	15,187.72
DAILY JOURNAL CORPORATION	CHECK	9/2/2022	416.00
DAVID HILL	CHECK	9/2/2022	200.00
DIAMOND ENVIRONMENTAL SERVICES	CHECK	9/2/2022	492.53
DITCH WITCH WEST	CHECK	9/2/2022	941.13
ENERGAGE, LLC	CHECK	9/2/2022	2,100.00

Description	Bank Transaction Code	Issue Date	Amount
FALLBROOK AUTO PARTS	CHECK	9/2/2022	4,494.38
FALLBROOK EQUIPMENT RENTAL	ACH	9/2/2022	778.44
FALLBROOK WASTE AND RECYCLING	CHECK	9/2/2022	469.47
FEDEX	CHECK	9/2/2022	66.65
FERGUSON WATERWORKS #1083	CHECK	9/2/2022	2,445.39
FLYERS ENERGY LLC	ACH	9/2/2022	7,512.63
GOLDEN STATE INDUSTRIAL COATINGS, INC.	CHECK	9/2/2022	13,500.00
HACH	CHECK	9/2/2022	73.12
HARRIS & ASSOCIATES, INC.	ACH	9/2/2022	15,025.99
HASA INC.	CHECK	9/2/2022	3,631.51
HAYDEN HAMILTON	CHECK	9/2/2022	117.50
HELIX ENVIRONMENTAL PLANNING INC	CHECK	9/2/2022	21,582.52
HOUSTON AND HARRIS	CHECK	9/2/2022	2,989.50
HYDROSCIENCE ENGINEERS, INC	CHECK	9/2/2022	5,673.00
IMPACT DESIGN	CHECK	9/2/2022	30.18
INFOSEND, INC.	CHECK	9/2/2022	5,532.72
JAMES W FOWLER CO	CHECK	9/2/2022	521,692.85
KENNEDY/JENKS CONSULTANTS INC	ACH	9/2/2022	1,760.00
KEVIN MILLER	ACH	9/2/2022	363.00
KNOCKOUT PEST CONTROL& TERMITE, INC.	CHECK	9/2/2022	100.00
KYOCERA DOCUMENT SOLUTIONS AMERICA, INC.	CHECK	9/2/2022	12.00
LEIGHTON CONSULTING, INC.	CHECK	9/2/2022	4,513.00
LIQUID ENVIRONMENTAL SOLUTIONS OF CA, LLC	ACH	9/2/2022	193.72
MALLORY SAFETY AND SUPPLY, LLC	CHECK	9/2/2022	2,068.80
MICHAEL MACK	CHECK	9/2/2022	228.75
MISSION RESOURCE CONSERVATION DISTRICT	ACH	9/2/2022	275.00
MITCHELL 1	CHECK	9/2/2022	6,795.09
MOBILE MINI, INC	CHECK	9/2/2022	1,124.37
MOBILE MODULAR	CHECK	9/2/2022	3,499.30
PAM MOSS	CHECK	9/2/2022	34.12
PERRAULT CORPORATION	CHECK	9/2/2022	12,000.92
PITNEY BOWES BANK INC PURCHASE POWER	CHECK	9/2/2022	1,100.00
PITNEY BOWES INC.	CHECK	9/2/2022	739.16
PRINCIPAL LIFE INSURANCE COMPANY	ACH	9/2/2022	7,904.60

Description	Bank Transaction Code	Issue Date	Amount
RENE DEL RIO	CHECK	9/2/2022	113.75
ROBCAR CORPORATION	CHECK	9/2/2022	2,630.00
RT LAWRENCE CORPORATION	ACH	9/2/2022	2,488.34
SALIZCO INC	CHECK	9/2/2022	2,769.12
SAN DIEGO GAS & ELECTRIC	CHECK	9/2/2022	46,698.97
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY	CHECK	9/2/2022	16,504.63
SPECIALTY MOWING SERVICES, INC.	ACH	9/2/2022	4,983.00
STREAMLINE	CHECK	9/2/2022	300.00
SUPERIOR READY MIX	CHECK	9/2/2022	1,640.32
SYSKA HENNESSY GROUP, INC.	CHECK	9/2/2022	5,415.00
TCN, INC	CHECK	9/2/2022	18.72
THE WELD SHOP, INC	ACH	9/2/2022	781.19
TRAFFIC SUPPLY, INC.	CHECK	9/2/2022	1,476.71
UNDERGROUND SERVICE ALERT	ACH	9/2/2022	278.52
UNITED BUILDING MAINTENANCE CENTER LLC	CHECK	9/2/2022	3,800.00
V&A CONSULTING ENGINEERS, INC.	CHECK	9/2/2022	10,000.00
VALLEY CONSTRUCTION MANAGEMENT	CHECK	9/2/2022	61,755.52
VERIZON WIRELESS	CHECK	9/2/2022	6,111.76
WATERLINE TECHNOLOGIES INC.	CHECK	9/2/2022	4,074.03
WESTERN LANDSCAPE MAINTENANCE PLUS, INC.	ACH	9/2/2022	932.51
WINZER CORP	CHECK	9/2/2022	1,687.77
ZENNER PERFORMANCE	CHECK	9/2/2022	475.86
AMERICAN EXPRESS - TK (AUGUST STATEMENT)	WIRE	9/8/2022	21,299.12
SDCWA WATER PURCHASE- JULY 2022	WIRE	9/13/2022	3,094,896.58
UNION BANK CC - DAUGHERTY (AUGUST STATEMENT)	EFT	9/13/2022	250.93
UNION BANK CC - DELRIO (AUGUST STATEMENT)	EFT	9/13/2022	954.86
UNION BANK CC - KENNEDY (AUGUST STATEMENT)	EFT	9/13/2022	506.41
UNION BANK CC - NUNEZ (AUGUST STATEMENT)	EFT	9/13/2022	146.56
UNION BANK CC - ORTIZ (AUGUST STATEMENT)	EFT	9/13/2022	182.58
UNION BANK CC - RAMIREZ (AUGUST STATEMENT)	EFT	9/13/2022	41.84
2GO TESORO LLC	CHECK	9/16/2022	50,000.00
ACWA-JPIA	ACH	9/16/2022	91,039.89
ADP - ADVICE OF DEBIT #614466995	EFT	9/16/2022	531.88
ARAMARK UNIFORM SERVICES	CHECK	9/16/2022	1,416.69

Description	Bank Transaction Code	Issue Date	Amount
AT&T	CHECK	9/16/2022	170.97
AT&T	CHECK	9/16/2022	12,271.64
BOOT BARN INC	CHECK	9/16/2022	399.68
COLONIAL LIFE & ACCIDENT INS.	CHECK	9/16/2022	60.71
CORE & MAIN LP	CHECK	9/16/2022	31,085.88
COUNTY OF S.D. DEPT OF ENVIRONMENTAL HEALTH	CHECK	9/16/2022	4,137.00
COUNTY OF SAN DIEGO, RCS	CHECK	9/16/2022	1,116.27
CRAIG SHOBE	CHECK	9/16/2022	495.00
CRANWORKS SOUTHWEST, INC.	CHECK	9/16/2022	16,834.67
DENNIS MENDEZ	CHECK	9/16/2022	265.00
DIAMOND ENVIRONMENTAL SERVICES	CHECK	9/16/2022	349.27
EDDIE MOSS	CHECK	9/16/2022	198.68
FALLBROOK AUTO PARTS	CHECK	9/16/2022	659.23
FALLBROOK WASTE AND RECYCLING	CHECK	9/16/2022	889.66
FEDEX	CHECK	9/16/2022	783.09
FERGUSON WATERWORKS #1083	CHECK	9/16/2022	58,123.10
FLUME TECH	CHECK	9/16/2022	1,400.07
FLYERS ENERGY LLC	ACH	9/16/2022	7,322.33
GLOBAL POWER GROUP INC.	CHECK	9/16/2022	823.01
GOLDEN STATE INDUSTRIAL COATINGS, INC.	CHECK	9/16/2022	2,500.00
GRANGETTO'S-FALLBROOK	CHECK	9/16/2022	291.44
HAWTHORNE MACHINERY COMPANY	CHECK	9/16/2022	5,670.73
IB CONSULTING, LLC	CHECK	9/16/2022	1,410.00
ICONIX WATERWORKS (US) INC	ACH	9/16/2022	6,439.24
KIMBALL MIDWEST	CHECK	9/16/2022	1,204.65
KINSEY & KINSEY, INC.	CHECK	9/16/2022	160.00
LANCE, SOLL & LUNGHARD LLP	CHECK	9/16/2022	19,218.00
LAURA MARTINEZ	CHECK	9/16/2022	63.74
LINCOLN NATIONAL LIFE INSURANCE COMPANY	CHECK	9/16/2022	4,625.76
MODULAR BUILDING CONCEPTS, INC	CHECK	9/16/2022	1,536.51
OPR COMMUNICATIONS, INC.	CHECK	9/16/2022	7,500.00
PARKHOUSE TIRE, INC.	ACH	9/16/2022	2,284.85
PETERS PAVING & GRADING, INC	ACH	9/16/2022	32,952.90
PRECISION MOBILE DETAILING	ACH	9/16/2022	1,089.35

Description	Bank Transaction Code	Issue Date	Amount
QTX MOBILE ACCESSORIES, INC.	CHECK	9/16/2022	1,425.00
RAIN FOR RENT RIVERSIDE	CHECK	9/16/2022	2,572.20
RED MOUNTAIN, INC.	ACH	9/16/2022	4,999.60
REM MECHANICAL, INC	ACH	9/16/2022	135.00
ROAD SOUP LLC	CHECK	9/16/2022	1,143.63
ROBCAR CORPORATION	CHECK	9/16/2022	1,665.00
ROLLIN C BUSH	CHECK	9/16/2022	5,066.00
SALIZCO INC	CHECK	9/16/2022	6,601.20
SHRED-IT USA LLC	CHECK	9/16/2022	187.12
SONSRAY MACHINERY LLC.	ACH	9/16/2022	1,284.73
SOUTHWEST ANSWERING SERVICE, INC.	CHECK	9/16/2022	1,001.00
T S INDUSTRIAL SUPPLY	CHECK	9/16/2022	3,175.02
THE ALCHEMY GROUP INC	CHECK	9/16/2022	15,000.00
THE WELD SHOP, INC	ACH	9/16/2022	300.00
TRAFFIC SUPPLY, INC.	CHECK	9/16/2022	392.38
US BANK	ACH	9/16/2022	291.67
VISTA IRRIGATION DISTRICT	CHECK	9/16/2022	1,300.00
WATERLINE TECHNOLOGIES INC.	CHECK	9/16/2022	10,378.05
WESTERN ALLIANCE BANK-LOAN PAYMENTS	CHECK	9/16/2022	190,531.25
WHITE CAP CONSTRUCTION SUPPLY	CHECK	9/16/2022	597.36
WINZER CORP	CHECK	9/16/2022	148.50
WEX - ADMIN FEES (AUG 2022)	EFT	9/26/2022	89.90
HOME DEPOT CC - ALL (SEPTEMBER 2022 STATEMENT)	EFT	9/29/2022	3,194.03
A PERFECT SHADE	ACH	9/30/2022	450.00
AGUILAR PLANT CARE, INC.	CHECK	9/30/2022	1,100.00
AIRGAS USA, LLC	ACH	9/30/2022	2,101.95
ARAMARK UNIFORM SERVICES	CHECK	9/30/2022	565.14
ART'S TRENCH PLATE & KRAIL SERVICE CO, INC.	ACH	9/30/2022	633.00
AT&T LONG DISTANCE	CHECK	9/30/2022	40.34
AZUGA, INC.	CHECK	9/30/2022	1,183.95
B & C CRANE SERVICE, INC.	CHECK	9/30/2022	616.00
BASSETT COMMUNICATIONS, INC	CHECK	9/30/2022	2,537.98
BONSALL PEST CONTROL	CHECK	9/30/2022	210.00
BOOT BARN INC	CHECK	9/30/2022	189.49

Description	Bank Transaction Code	Issue Date	Amount
BP BATTERY INC.	ACH	9/30/2022	288.96
BROWN AND CALDWELL	ACH	9/30/2022	645.47
CHRIS HAND	CHECK	9/30/2022	80.00
CHRISTIAN BROTHERS MECHANICAL SERVICES, INC.	CHECK	9/30/2022	26,811.00
CITY OF OCEANSIDE	CHECK	9/30/2022	7,491.47
COLONIAL LIFE & ACCIDENT INS.	CHECK	9/30/2022	60.71
CORE & MAIN LP	CHECK	9/30/2022	10,920.64
COUNTY OF SAN DIEGO DEPT OF PUBLIC WORKS	CHECK	9/30/2022	948.70
CRAIG SHOBE	CHECK	9/30/2022	1,625.00
DAILY JOURNAL CORPORATION	CHECK	9/30/2022	208.00
DIAMOND ENVIRONMENTAL SERVICES	CHECK	9/30/2022	492.53
DITCH WITCH WEST	CHECK	9/30/2022	1,195.78
EMERGENCY POWER CONTROLS, INC.	CHECK	9/30/2022	6,174.75
FALLBROOK AUTO PARTS	CHECK	9/30/2022	14,844.71
FALLBROOK IRRIGATION SUPPLIES	CHECK	9/30/2022	9.95
FALLBROOK MUFFLER	CHECK	9/30/2022	2,619.97
FALLBROOK WASTE AND RECYCLING	CHECK	9/30/2022	469.47
FEDEX	CHECK	9/30/2022	93.04
FERGUSON WATERWORKS #1083	CHECK	9/30/2022	35,216.82
FLEET TRUCK & AUTO SHOP INC.	ACH	9/30/2022	902.49
FLEETCREW, INC.	ACH	9/30/2022	687.99
FLYERS ENERGY LLC	ACH	9/30/2022	8,259.45
FREEDOM AUTOMATION, INC.	CHECK	9/30/2022	8,265.00
HACH	CHECK	9/30/2022	1,762.25
HARRIS & ASSOCIATES, INC.	ACH	9/30/2022	14,880.83
HASA INC.	CHECK	9/30/2022	7,693.02
HAWTHORNE MACHINERY COMPANY	CHECK	9/30/2022	3,941.97
HAYDEN HAMILTON	CHECK	9/30/2022	499.16
HELIX ENVIRONMENTAL PLANNING INC	CHECK	9/30/2022	9,486.64
HILL BROTHERS CHEMICAL CO.	CHECK	9/30/2022	2,819.82
HYDROSCIENCE ENGINEERS, INC	CHECK	9/30/2022	8,560.00
ICONIX WATERWORKS (US) INC	ACH	9/30/2022	6,885.05
IMPACT DESIGN	CHECK	9/30/2022	1,410.12
INFOR (US), INC.	ACH	9/30/2022	200.00

Description	Bank Transaction Code	Issue Date	Amount
INFOSEND, INC.	CHECK	9/30/2022	5,520.62
JOHNSON-FRANK & ASSOCIATES, INC.	CHECK	9/30/2022	1,480.00
KDM MERIDIAN	CHECK	9/30/2022	2,587.50
KENNEDY/JENKS CONSULTANTS INC	ACH	9/30/2022	4,436.25
KENNY DIAZ	CHECK	9/30/2022	826.12
KEVIN MILLER	ACH	9/30/2022	363.00
KINSEY & KINSEY, INC.	CHECK	9/30/2022	160.00
KNOCKOUT PEST CONTROL& TERMITE, INC.	CHECK	9/30/2022	100.00
KNOWBE4, INC.	CHECK	9/30/2022	1,232.00
LAYFIELD USA CORPORATION	ACH	9/30/2022	16,907.00
LEIGHTON CONSULTING, INC.	CHECK	9/30/2022	2,174.30
LIFELINE RESCUE	CHECK	9/30/2022	2,320.00
MICHAEL MACK	CHECK	9/30/2022	369.58
MIGUEL GASCA	CHECK	9/30/2022	96.25
MOBILE MINI, INC	CHECK	9/30/2022	1,149.54
MOBILE MODULAR	CHECK	9/30/2022	3,499.30
OCCUPATIONAL HEALTH CENTERS OF CA, A MEDICAL CORP	CHECK	9/30/2022	240.00
OMNIS CONSULTING INC.	CHECK	9/30/2022	10,014.00
O'REILLY AUTO PARTS	CHECK	9/30/2022	404.88
PALOMAR HEALTH	CHECK	9/30/2022	85.00
PAM MOSS	CHECK	9/30/2022	61.25
PITNEY BOWES BANK INC PURCHASE POWER	CHECK	9/30/2022	1,100.00
POLLARDWATER	CHECK	9/30/2022	173.17
PRINCIPAL LIFE INSURANCE COMPANY	ACH	9/30/2022	8,276.40
QUALITY CHEVROLET	ACH	9/30/2022	250.17
RAIN FOR RENT RIVERSIDE	CHECK	9/30/2022	2,420.02
RHO MONSERATE C.C.H.A.	CHECK	9/30/2022	490.98
RIGHT-OF-WAY ENGINEERING SERV	CHECK	9/30/2022	4,389.30
RINCON CONSULTANTS, INC.	CHECK	9/30/2022	1,013.63
ROBCAR CORPORATION	CHECK	9/30/2022	2,755.00
RT LAWRENCE CORPORATION	ACH	9/30/2022	600.00
SALIZCO INC	CHECK	9/30/2022	3,451.84
SAN DIEGO GAS & ELECTRIC	CHECK	9/30/2022	59,472.06
SONSRAY MACHINERY LLC.	ACH	9/30/2022	1,875.95

Description	Bank Transaction Code	Issue Date	Amount
SUPERIOR READY MIX	CHECK	9/30/2022	1,701.23
TIAA COMMERCIAL FINANCE, INC.	CHECK	9/30/2022	2,854.92
UNITED BUILDING MAINTENANCE CENTER LLC	CHECK	9/30/2022	3,800.00
UNITED RENTALS NORTHWEST, INC	CHECK	9/30/2022	407.26
VALLEY CONSTRUCTION MANAGEMENT	CHECK	9/30/2022	76,284.22
VERIZON WIRELESS	CHECK	9/30/2022	6,163.22
WATERLINE TECHNOLOGIES INC.	CHECK	9/30/2022	8,362.48
WESTERN LANDSCAPE MAINTENANCE PLUS, INC.	ACH	9/30/2022	532.51
WHITE CAP CONSTRUCTION SUPPLY	CHECK	9/30/2022	6,464.89
WINZER CORP	CHECK	9/30/2022	1,009.88
XYLEM INC	CHECK	9/30/2022	8,354.48
		TOTAL:	5,118,674.65

Director's Expenses FY 2022-2023

Disbursement Date	Description	Miguel Gasca	Claude Hamilton	Michael Mack	Pam Moss	William Stewart
07/31/22	WATER AGENCIES ASSOC OF S.D. CSDA,SAN DIEGO CHAPTER CONFERENCES (CSDA, ACWA, etc.) TRAINING COUNCIL OF WATER UTILITIES DIRECTORS' PER DIEMS	\$ 150.00	\$ 150.00		\$ 150.00	\$ 150.00
	TRAVEL EXPENSES MILEAGE EXPENSE					
	REIMBURSEMENT FROM DIRECTORS					
	Monthly Totals	<u>\$ 150.00</u>	<u>\$ 150.00</u>	<u>\$ -</u>	<u>\$ 150.00</u>	<u>\$ 150.00</u>
08/31/22	WATER AGENCIES ASSOC OF S.D. CSDA,SAN DIEGO CHAPTER CONFERENCES (CSDA, ACWA, etc.) TRAINING COUNCIL OF WATER UTILITIES DIRECTORS' PER DIEMS		\$ 65.00	\$ 65.00	\$ 65.00	
	TRAVEL EXPENSES MILEAGE EXPENSE	\$ 650.00	\$ 690.00	\$ 690.00	\$ 40.00	\$ 40.00
	DIRECTORS' PER DIEMS	\$ 150.00	\$ 450.00	\$ 900.00	\$ 450.00	\$ 300.00
	TRAVEL EXPENSES	\$ 353.42	\$ 530.13	\$ 751.30		
	MILEAGE EXPENSE		\$ 374.64	\$ 228.75	\$ 34.12	
	REIMBURSEMENT FROM DIRECTORS					
	Monthly Totals	<u>\$ 1,153.42</u>	<u>\$ 2,109.77</u>	<u>\$ 2,635.05</u>	<u>\$ 589.12</u>	<u>\$ 340.00</u>

**Director's Expenses
FY 2022-2023**

Disbursement Date	Description	Miguel Gasca	Claude Hamilton	Michael Mack	Pam Moss	William Stewart
09/30/22	WATER AGENCIES ASSOC OF S.D. CSDA,SAN DIEGO CHAPTER CONFERENCES (CSDA, ACWA, etc.) TRAINING				\$ 600.00	
	COUNCIL OF WATER UTILITIES DIRECTORS' PER DIEMS	\$ 150.00	\$ 150.00	\$ 150.00	\$ 750.00	\$ 150.00
	TRAVEL EXPENSES MILEAGE AND EXPENSES				\$ 1,759.76	
	REIMBURSEMENT FROM DIRECTORS					
	Monthly Totals	<u>\$ 150.00</u>	<u>\$ 150.00</u>	<u>\$ 150.00</u>	<u>\$ 3,109.76</u>	<u>\$ 150.00</u>
	TOTAL TO DATE FOR 2022:	\$ 1,453.42	\$ 2,409.77	\$ 2,785.05	\$ 3,848.88	\$ 640.00



AMERICAN EXPRESS
SEPTEMBER 2022

GL Finance Code	GL Transaction Amount	Description
GL 03 41 63401	90.30	CULLIGAN
GL 03 51 75300	37.47	FM PARKING
GL 03 51 75300	30.00	FM AIRFARE
GL 03 44 60100	0.43	AMAZON WEB SERVICES
GL 03 43 72500	70.00	AMAZON #114-1975920-6467453/PO# 12501
GL 03 43 72500	145.38	AMAZON #114-1975920-6467453/PO# 12501
GL 03 44 60100	40.94	AMAZON #113-1613620-9095417
GL 01 34 72000	(193.56)	AMAZON #114-5215942-7383425/PO# 12511
GL 03 36 72000	408.37	AMAZON #114-2348397-9503464/PO# 12513
GL 03 44 60100	68.91	AMAZON #113-2800097-6885866
GL 03 44 60100	11.75	AMAZON #113-9753409-4849004
GL 01 34 72000	192.19	AMAZON #114-1189937-0233848/PO# 12511
GL 03 44 60100	116.27	AMAZON #113-2046563-6994651
GL 03 41 63400	357.80	AMAZON #114-8285824-7017849
GL 03 44 60100	13.87	AMAZON #114-2728582-1569051
GL 03 44 60100	195.75	AMAZON #113-4455833-1470608
GL 03 44 60100	25.02	AMAZON #113-4455833-1470608
GL 03 36 63422	65.78	AMAZON #114-8926199-3595437
GL 03 44 60100	25.02	AMAZON #113-7034869-0264265
GL 03 44 60100	195.75	AMAZON #113-7034869-0264265
GL 03 44 60100	11.74	AMAZON #113-9753409-4849004
GL 03 41 63400	365.48	AMAZON #114-8158306-1121006
GL 01 34 72000	963.32	AMAZON #114-5215942-7383425/PO# 12511
GL 03 44 60100	362.03	AMAZON #113-4500007-5243418
GL 03 51 75300	6.17	FM MEAL
GL 03 43 72000	2.99	APPLE.COM
GL 03 20 75300	775.00	ACWA-STEWART

GL Finance Code	GL Transaction Amount	Description
GL 03 20 75300	775.00	ACWA-GASCA
GL 03 44 72400	110.00	ATLASSIAN
GL 03 44 60100	40.00	AUTHORIZE.NET
GL 01 99 21334	190.26	2022 3RD QRT SUI AND ETT-2022
GL 03 41 72000	4.38	EDD SUI/ETT TAX FILING - CC FEE
GL 03 20 75300	65.00	CSDA-CERT IN GOV APP FEE
GL 03 44 72400	192.50	CORELOGIC
GL 03 44 60100	60.00	DIGITAL RIVER
GL 03 44 60100	86.99	DIRECT TV
GL 03 51 75300	20.44	FM MEAL
GL 03 20 75300	5.50	BM BEVERAGE
GL 03 20 75300	682.00	BM HOTEL STAY
GL 03 20 75300	700.46	BM HOTEL STAY
GL 03 41 72400	24.00	GOOGLE SERVICES
GL 03 41 74100	1,162.64	AMERICAN EXPRESS - TK (SEPTEMBER STATEMENT)
GL 03 51 72400	150.00	GFOA-FM MEMBERSHIP
GL 03 51 72000	345.00	GFOA-BAP SUBMISSION FEE
GL 03 43 72500	97.66	GRAINGER #9429305544/PO# 12489
GL 03 41 63401	100.76	GRAINGER #9447413775/PO# 12529
GL 03 43 72500	2,040.08	GRAINGER #9427910220/PO# 12489
GL 03 44 75300	135.00	IT MGR HOTEL STAY
GL 03 44 75300	693.57	IT MGR HOTEL STAY
GL 03 51 75300	685.16	FM HOTEL STAY
GL 01 35 56515	225.00	JPIA - KDIAZ
GL 03 44 60100	191.02	MICROSOFT
GL 03 42 75400	225.00	NCHRSO
GL 03 43 72000	123.64	NFPA #966009
GL 03 43 72000	280.22	NFPA #966009
GL 03 41 72000	854.50	NNA - LMARTINEZ
GL 03 41 70300	4,686.00	NOSSAMAN #537193
GL 03 91 70300	1,349.00	NOSSAMAN #537193
GL 03 91 70300 700014	923.00	NOSSAMAN #537193
GL 60 99 70300 600003	603.50	NOSSAMAN #537193
GL 62 99 70300 600008	461.50	NOSSAMAN #537193

GL Finance Code	GL Transaction Amount	Description
GL 62 99 70300 600013	1,278.00	NOSSAMAN #537193
GL 60 99 70300 600047	142.00	NOSSAMAN #537193
GL 60 99 70300 600077	639.00	NOSSAMAN #537193
GL 62 99 70300 600077	674.50	NOSSAMAN #537193
GL 53 99 70300 530001	1,668.50	NOSSAMAN #537193
GL 03 41 70300	2,531.95	NOSSAMAN #537194
GL 60 99 70300 600003	1,170.00	NOSSAMAN #537194
GL 53 99 70300 530001	877.50	NOSSAMAN #537194
GL 62 99 70300 600013	487.50	NOSSAMAN #537194
GL 03 41 70300 300024	8,625.00	NOSSAMAN #537195
GL 03 41 70300 300022	456.00	NOSSAMAN #537196
GL 03 91 70300 300023	720.00	NOSSAMAN #537197
GL 53 99 70300 530001	22,922.58	NOSSAMAN #537198
GL 53 99 70300 530001	12,060.50	NOSSAMAN #537199
GL 62 99 70300 600013	5,066.00	NOSSAMAN #537200
GL 53 99 70300 530001	10,800.16	NOSSAMAN #537201
GL 53 99 70300 530001	5,130.00	NOSSAMAN #537202
GL 03 41 70300 300007	1,013.50	NOSSAMAN #537203
GL 03 41 70300	1,668.50	NOSSAMAN #538318
GL 03 91 70300	8,023.00	NOSSAMAN #538318
GL 53 99 70300 530001	674.50	NOSSAMAN #538318
GL 62 99 70300 600008	2,059.00	NOSSAMAN #538318
GL 03 41 70300	7,275.10	NOSSAMAN #538319
GL 03 91 70300	3,087.50	NOSSAMAN #538319
GL 03 91 70300 300007	2,470.00	NOSSAMAN #538319
GL 62 99 70300 600013	650.00	NOSSAMAN #538319
GL 60 99 70300 600077	2,307.50	NOSSAMAN #538319
GL 03 91 70300 700014	1,430.00	NOSSAMAN #538319
GL 03 91 70300 700029	585.00	NOSSAMAN #538319
GL 03 91 70300 300020	810.00	NOSSAMAN #538320
GL 03 41 70300 300024	3,662.50	NOSSAMAN #538321
GL 03 41 70300 300022	456.00	NOSSAMAN #538322
GL 03 91 70300 700027	1,845.00	NOSSAMAN #538323
GL 53 99 70300 530001	2,425.00	NOSSAMAN #538324

GL Finance Code	GL Transaction Amount	Description
GL 53 99 70300 530001	3,990.00	NOSSAMAN #538325
GL 53 99 70300 530001	259.45	NOSSAMAN #538326
GL 53 99 70300 530001	6,908.50	NOSSAMAN #538327
GL 03 91 70300 300007	3,786.00	NOSSAMAN #538328
GL 03 41 72900	31.19	OFFICE DEPOT #264639031002
GL 03 41 72900	78.24	OFFICE DEPOT #264639031001
GL 03 41 72900	79.71	OFFICE DEPOT #265261145001
GL 03 43 72000	48.93	OFFICE DEPOT
GL 03 41 72000	71.81	BOARD MEETING LUNCH - STAFF
GL 03 20 75300	70.40	BOARD MEETING LUNCH - BM
GL 03 41 72000	123.88	MANAGERS LUNCH
GL 03 41 72000	109.14	MANAGERS LUNCH
GL 03 43 72000	35.08	BREAKFAST FOR MEETING
GL 03 41 75300	17.65	PREPASS
GL 03 42 56513	225.18	MEETING - BREAKFAST
GL 03 42 56513	258.50	MEETING - BREAKFAST
GL 03 44 60100	10.00	RING
GL 03 51 75300	51.48	FM MEAL
GL 01 34 72000	382.74	ROUSE SIGN AND GRAPH #15463
GL 03 42 56513	282.00	SP APPREC AT WORK
GL 03 41 72000	4.34	ICE
GL 03 41 72000	26.39	BOARD BEVERAGES
GL 03 41 63400	46.25	FRUIT GUYS #5603974
GL 03 41 63400	92.50	FRUIT GUYS #5603705
GL 03 41 63400	46.25	FRUIT GUYS #5603407
GL 03 41 63400	92.50	FRUIT GUYS #5603009
GL 03 20 75300	54.38	BM MEALS
GL 03 51 75300	39.66	FM MEAL
GL 03 51 75300	31.83	FM MEAL
GL 03 43 72000	91.26	SAFETY TRAINING LUNCHESES
GL 03 42 72000	84.00	VIMEO
GL 03 41 72900	78.83	STORAGE CONTAINERS
GL 03 44 60100	338.98	WASABI
GL 03 41 63401	468.88	WAXIE #81189163

GL Finance Code	GL Transaction Amount	Description
GL 01 99 15260	4,016.92	WESTERN WATER #1310955-01
GL 03 36 72000	484.00	WHIP AROUND #84105
GL 02 61 73000	569.99	VEVOR #22091400984520387064
GL 03 41 72000	57.22	MANAGERS LUNCH
GL 01 35 72000	40.25	ZOHO
GL 03 44 60100	299.87	ZOOM
	162,148.42	American Express (September Statement)

Rainbow Municipal Water District
Property spreadsheet

APN	Description of Use	Acreage
1023000800	North Reservoir	4.8
1023001100	U-1 Pump Station	0.14
1023005000	Rainbow Creek Crossing near North Reservoir	0.89
1023005300	Connection 9	0.01
1024300900	Pump Station across PS1 (not in use)	0.12
1025702000	U-1 Tanks	1.08
1026305400	Pump Station #1	0.33
1026602000	Booster Pump Station #4	0.03
1027001600	Pump Station #3	0.67
1071702800	Connection 7	1.60
1071702900	Pala Mesa Tank	10.35
1080206900	Northside Reservoir	9.23
1082210600	Beck Reservoir	27.25
1082210900	Near Beck Reservoir	4.82
1082211000	Near Beck Reservoir	6.23
1082211800	Near Beck Reservoir - Excess Property (not in use)	4.68
1084210600	Rice Canyon Tank	1.00
1084410300	Canonita Tank	2.41
1091410700	Gomez Creek Tank	1.00
1092310900	Rainbow Heights Tank	0.35
1092330300	Rainbow Heights Tank	0.99
1092341000	Rainbow Heights Concrete Tank - used for SCADA	1.74
1093101800	Vallecitos Tank	0.55
1093822800	Magee Tank	1.03
1093912400	Magee Pump Station	0.3
1100721000	Huntley Road Pump Station	0.52
1102203700	Huntley Chlorination Station (not in use)	0.2
1212011000	Morro Tank	0.31
1212011100	Morro Tank	4.85
1212011200	Morro Reservoir	13.01
1213300900	Morro Reservoir	6.79
1250703200	Sumac Reservoir (Not in Use)	1.72
1250902600	Headquarters	7.38
1250903400	Headquarters	4.43
1250903500	Headquarters	3.40
1250903800	Headquarters	17.03
1251002100	Rancho Viejo Lift Station #5	0.05
1252311800	Hutton Tank	1.39
1252312600	Hutton Tank	0.89
1260803100	Via de los Cepillos Easement	0.47
1261708700	Lift Station #2	0.08
1261708900	Lift Station #2	0.12
1263004200	Lift Station #1	0.01
1270710500	Bonsall Reservoir (Not in Use)	6.19
1270710600	Connection 6	0.28
1271512300	Turner Tank	15.12
1721404300	Gopher Canyon Tank	1.84
	<i>Total</i>	167.68

