



RAINBOW MUNICIPAL WATER DISTRICT

Tuesday, April 28, 2015

Closed Session – Time: 12:00 a.m.

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

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

District Office

3707 Old Highway 395

Fallbrook, CA 92028

Board Agenda Policies

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

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

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

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

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

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

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

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

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

(*) - Asterisk indicates a report is attached.

Notice is hereby given that the Rainbow Municipal Water District Board of Directors will hold Closed Session at 12:00 p.m. and Open Session at 1:00 p.m. Tuesday, April 28, 2015, at the District Office located at 3707 Old Highway 395, Fallbrook, CA 92028. At any time during the session, the Board of Directors Meeting may adjourn to Closed Session to consider litigation or to discuss with legal counsel matters within the attorney client privilege.

AGENDA

1. **CALL TO ORDER**
 2. **ROLL CALL: Sanford_____ Griffiths_____ Lucy_____ Walker_____ Brazier_____**
 3. **ADDITIONS/DELETIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)**
 4. **ORAL/WRITTEN COMMUNICATIONS FROM THE PUBLIC
OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD REGARDING
CLOSED SESSION AGENDA ITEMS (Government Code § 54954.2).**
Under Oral Communications, any person wishing to address the Board on matters regarding the Closed Session agenda should indicate their desire to speak by filling out and submitting a "Speaker's Slip" to the Board Secretary before the meeting begins. *Speaking time shall generally be limited to three minutes, unless a longer period is permitted by the Board President.*
 5. **CLOSED SESSION**
 - A. Conference with Legal Counsel – Personnel (Government Code §54957(b)(1))
 - B. Conference with Legal Counsel-Existing Litigation (Government Code §54956.9(d)(2))
 - Sotero Ruiz Olvera v. Rainbow Municipal Water District
San Diego Superior Court Case No. 37-2015-00005687.CU-PO-NC
 - C. Conference with Legal Counsel-Anticipated Litigation (Government Code §54956.9(d)(4))
 - 2 Potential Cases
 6. **REPORT ON POTENTIAL ACTION FROM CLOSED SESSION**
- Time Certain: 1:00 p.m.
7. **PLEDGE OF ALLEGIANCE**
 8. **REPEAT REPORT ON POTENTIAL ACTION FROM CLOSED SESSION**
 9. **REPEAT ADDITIONS/DELETIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)**
 10. **ACKNOWLEDGEMENTS AND RECOGNITIONS**
 - A. **ANNIVERSARY ACKNOWLEDGEMENT**

Thomas Sjuneson (15 Years)
 - B. **RECOGNITION AND COMMENDATION OF STUDENT ARTWORK**

Arden Baur
Daniela Cruz

(*) - Asterisk indicates a report is attached.

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

Under Oral Communications, any person wishing to address the Board on matters not on this agenda should indicate their desire to speak by filling out and submitting a "Speaker's Slip" to the Board Secretary before the meeting begins. *No action will be taken on any oral communications item since such item does not appear on this Agenda, unless the Board of Directors makes a determination that an emergency exists or that the need to take action on the item arose subsequent to posting of the Agenda (Government Code §54954.2). Speaking time shall generally be limited to three minutes, unless a longer period is permitted by the Board President.*

***12. APPROVAL OF MINUTES**

- A. March 24, 2015 - Regular Board Meeting

13. BOARD OF DIRECTORS' COMMENTS/REPORTS

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

- A. President's Report (Director Sanford)
- B. Representative Report (Appointed Representative)
 - 1. SDCWA
 - 2. CSDA
 - 3. LAFCO
 - 4. San Luis Rey Watershed Council
 - 5. Santa Margarita Watershed Council
- C. Meeting, Workshop, Committee, Seminar, Etc. Reports by Directors (AB1234)
- D. Directors Comments

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

- A. Budget and Finance Committee
 - 1. March 3, 2015 Minutes
- B. Communications Committee
 - 1. March 2, 2015 Minutes
- C. Engineering Committee
 - 1. March 4, 2015 Minutes

BOARD INFORMATION ITEMS

15. DROUGHT UPDATE

(A most recent update on the drought conditions as well as Governor Brown's demand for water use cutbacks will be provided at the Board meeting.)

(This item is informational and for discussion purposes only.)

(*) - Asterisk indicates a report is attached.

BOARD ACTION ITEMS

16. DISCUSSION AND POSSIBLE ACTION TO AWARD A CONTRACT FOR WATER RATE SETTING SERVICES

(In 2010, the RMWD Board adopted a five-year rate setting plan in conformance with the requirements of Proposition 218. The process included a rate design, a series of public hearings, and the approval of a rate setting policy that would be in effect for five years which is the maximum allowed by law. This policy expires this year so in order to adjust rates in 2016 we need to go through the process again. Over the last three months the Finance Committee has been meeting with Raftelis Financial Consultants and reviewing a proposal for the rate setting process. Raftelis is a nationwide leader in the utility rate setting process and is considered the standard among firms that do this sort of work. The Finance Committee reviewed Raftelis' work and approved a recommendation to the Board to contract with Raftelis for the 2015 rate setting process.)

(Staff Recommendation: The approval of the initiation of the water rate setting process and the contract with Raftelis Financial Consultants.)

17. DISCUSSION AND POSSIBLE ACTION TO AWARD A CONTRACT FOR STRATEGIC PLANNING FACILITATION SERVICES

(The development of a Strategic Plan for the District is extremely important so that we can have a process for the Board to work on a long range vision for the District. At the last two Board meetings there have been discussions related to the initiation of a process for the Board to commence a Strategic Planning process. At the March 24, 2015 Board meeting, the Board give General Manager Kennedy direction to contact a number of providers of implementation services. After conducting phone interviews with three firms, the GM and Board President jointly decided to do an in person interview with Michele Tamayo to discuss the range of services that her firm could provide. The meeting went well and her style and approach was consistent with what we are looking for; therefore, additional discussions were conducted to refine the scope and fee proposal related to this work.)

(Staff Recommendation: Staff strongly recommends the approval of the initiation of the Strategic Planning process and the contract with Tamayo Group.)

***18. DISCUSSION AND POSSIBLE ACTION REGARDING APPROVAL OF ORDINANCE NO. 15-05 TO REVISE AND ESTABLISH ENGINEERING FEES AND DEPOSITS**

(The Engineering Department provides a wide variety of services to the public and has not evaluated its engineering fees since 2005 and its plan check and inspection deposits since 2006. The District contracted J.C. Heden and Associates to evaluate our internal processes and required staff time and survey six other local agencies to determine costs associated with engineering services. Ordinance No. 15-05 establishes charges for various services provided by the District's Engineering Department. The intent of this Ordinance is to ensure that the District recover the actual costs of Engineering Services.)

(Staff Recommendation: Approve Ordinance No. 15-05.)

***19. DISCUSSION AND POSSIBLE ACTION REGARDING APPROVAL OF ORDINANCE NO. 15-06 TO AMEND ORDINANCE NO. 13-09 TO EXCLUDE ENGINEERING SERVICE FEES AND DEPOSITS**

(Appendix A of Ordinance No. 13-09 establishes fees and charges regarding water and sewer service, which include but is not limited to rates, fixed fees and capacity fees. Historically, fees related to engineering services have been included in the same Appendix for water and sewer rates. Ordinance No. 15-06 revises Appendix A to exclude fees and deposits related to Engineering Services. A separate Board Action item is included on this month's agenda to adopt an Ordinance which will establish a separate Engineering services fee schedule.)

(Staff Recommendation: Approve Ordinance No. 15-06.)

(*) - Asterisk indicates a report is attached.

***20. DISCUSSION AND POSSIBLE ACTION ON PROPOSITION 1 (2014 WATER BOND) AND BECK RESERVOIR UV PROJECT (GRIFFITHS)**

(In 2012 the Beck Reservoir was taken out of service. In 2013 the Board issued a \$1.2 Million contract with Arcadis to design a UV treatment facility for the outflow of Beck Reservoir which would comply with California Department Public Health. In August 2014 General Manager Kennedy embarked on a review of all operations including the Capital Improvement Program after which Arcadis performed a revised cost benefit analysis in the fall of 2014. A series of meetings were held with District operations staff and Arcadis. It was ultimately decided to pause the design process until the Master Planning process could sort out how the reservoir treatment system would work going forward. This agenda item was intended to discuss the status of the Beck Reservoir UV Project as well as a request from Director Griffiths to give an update on the potential use of funds from last year's Water Bond for the process.)

(Staff is not recommending any action until the Water Master Plan is completed.)

21. DISCUSSION AND POSSIBLE ACTION REGARDING MATTERS RELATED TO THE FPUD REORGANIZATION AND DISSOLUTION APPLICATION TO LAFCO

- A. Ad Hoc Committee
- B. Public Relations Consultant Update
- C. LAFCO Consultant Update

***22. RECEIVE AND FILE INFORMATION ITEMS FOR MARCH 2015**

- A. **General Manager Comments**
 - 1. Meetings, Conferences and Seminar Calendar
 - 2. Paperless Agenda Packets & District Issued Devices Survey
- B. **Communications**
 - 1. Ratepayer Letters
- C. **Construction & Maintenance Comments**
 - 1. Construction and Maintenance Report
 - 2. Valve Maintenance Report
 - 3. Garage/Shop Repair
- D. **Water Operations Comments**
 - 1. Water Operations Report
 - 2. Electrical/Telemetry Report
- E. **Wastewater Comments**
 - 1. Wastewater Report
- F. **Operations Comments**
 - 1. Water Quality Report
 - 2. Cross Connection Control Program Report
- G. **Engineering Comments**
 - 1. Engineering Report
- H. **Customer Service**
 - 1. Field Customer Service Report
 - 2. Meters Report
- I. **Human Resource & Safety Comments**
 - 1. Human Resources Report
 - 2. Safety Report

***23. RECEIVE AND FILE FINANCIAL STATEMENTS AND INFORMATION FOR FEBRUARY/MARCH 2015**

- A. **Finance Manager Comments**
 - 1. Interim Financial Statement


(*) - Asterisk indicates a report is attached.

2. Monthly Investment Report
3. Visa Breakdown
4. Directors' Expense
5. Check Register
6. Office Petty Cash
7. Monthly Water Usage Report
8. Projected CIP Cash Flow Report
9. RMWD Sewer Equivalent Dwelling Units (EDU's) Status

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

25. ADJOURNMENT - To Tuesday, May 26, 2015 at 1:00 p.m.

ATTEST TO POSTING:



Helene Brazier
Secretary of the Board

4-21-15 @ 1:00 p.m.

Date and Time of Posting
Outside Display Cases