

**MINUTES OF THE ENGINEERING AND OPERATIONS COMMITTEE MEETING  
OF THE RAINBOW MUNICIPAL WATER DISTRICT  
OCTOBER 6, 2021**

1. **CALL TO ORDER** – The Engineering and Operations Committee Meeting of the Rainbow Municipal Water District on October 6, 2021 was called to order by Chairperson Nelson at 3:31 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.)* Chairperson Nelson, presiding.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL:**

**Present:** Member Marnett, Member Nelson, Member Gasca *(via video conference)*, Alternate Largent *(via video conference)*.

**Also Present:** Executive Assistant Washburn, Operations Manager Gutierrez, Engineering and CIP Program Manager Williams.

**Absent:** Member Brazier.

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

Construction and Maintenance Supervisor Lagunas, Project Manager Tamimi, Associate Engineer Powers, Project Manager Parra, Information Systems Specialist Espino, Information Technology Manager Khattab.

Two members of the public were present via teleconference or video teleconference.

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

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

5. **SEATING OF ALTERNATES**

Ms. Largent was seated as an alternate.

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

There were no amendments to the agenda.

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

There were no comments.

Mr. Nelson introduced Steve McKesson as a public member interested in possibly serving on this committee.

**\*8. APPROVAL OF MINUTES**  
**A. August 4, 2021**

***Motion:***

***To approve the minutes as presented.***

***Action: Approve, Moved by Member Marnett, Seconded by Member Nelson.***

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

***Ayes: Member Marnett, Member Nelson, Alternate Largent.***

***Absent: Member Gasca.***

**9. ENGINEERING AND CIP PROGRAM MANAGER COMMENTS**

Mr. Williams withheld his comments until discussions take place on each of the engineering agenda items.

**10. OPERATIONS MANAGER COMMENTS**

Mr. Gutierrez mentioned the District's SCADA control system took a beating during the recent thunder and lightning storm. He noted each of the facilities impacted and how crew members along with other entities are activity working on making any necessary repairs.

**11. COMMITTEE MEMBER COMMENTS**

Mr. Nelson requested an update on the headquarters development study project. Mr. Williams gave a brief update noting Mastercraft was still activity working on what can be done with the District's current headquarters location and how staff, North County Fire, San Diego County Sherriff's Department, and CalFire were actively working with the County as well as a consultant on a very preliminary design of what a new combined organization site would look like at the property located across from the District on Highway 395. He deferred any further update to Mr. Kennedy.

**12. BOARD ACTION UPDATES**

Mr. Williams updated the committee on Board actions taken at both their August and September meetings, respectively.

**13. WATER SERVICE UPGRADE PROJECT (WSUP) (OPERATIONS)**

Mr. Gutierrez reported the project was 74% complete and just 100 meters to reaching the 75% milestone. He mentioned recent discussions have been related to coordinating the completion of this project including a tentative plan for proceeding during the upcoming holidays.

Mr. Nelson asked if RMWD was having to make any adjustments or compromises due to Concord reverting resources to another project to which Mr. Gutierrez replied it was not.

**14. HELI-HYDRANT PROJECT UPDATE (OPERATIONS)**

Mr. Gutierrez reported the recent ribbon cutting ceremony was a successful with great publicity. He noted RMWD received several certificates acknowledging the project. He mentioned following the event, Jim Desmond's office reached out to RMWD requesting documentation that would assist in preparing a staff report to the County Board of Supervisors for seeking funding for additional Heli-Hydrant projects.

Mr. Gutierrez mentioned some of the other sites RMWD was considering for additional Heli-Hydrant sites. He announced the State has approved RMWD utilizing a portion of the grant monies received for the purchase of generators to offset some of the electronic costs associated with this project which would offset the Board-approved costs by approximately \$30,000. He also reported North County Fire would be invoiced for the purchase of the rock totaling approximately \$10,000.

**15. NORTH RIVER ROAD CONSTRUCTION UPDATE (OPERATIONS)**

Mr. Gutierrez reported staff has completed the exchange of all the manhole lids and rings and how the contractor has been out on site assessing each manhole to determine how to address RMWD's sewer flows. He stated with these steps completed, the lining work will commence in the upcoming week with electronic message boards on site notifying the residents of the timeframes during which this work will be conducted.

Mr. Marnett inquired as to whether the new manhole rings are bonded to the linings. Mr. Gutierrez stated he would need to look into this and provide a response.

**\*16. EFI SOLE SOURCE UPDATE (ENGINEERING)**

Mr. Williams explained this was essentially the same memo provided in 2019 for pressure reduction stations, but now for pump stations specifically related to the Hutton and Turner Pump Station Project currently be worked on. He noted the draft memo has been provided to the committee for review and to provide the committee with an opportunity to make a recommendation to the Board for approval at their October meeting.

Mr. Marnett inquired as to the approximately cost for each pump station. Mr. Tamimi stated the approximate cost for the pressure reducing stations was \$880,000 each and the pump stations will cost at least approximately \$1 million each. Mr. Williams pointed out there was nothing else like this project; therefore, staff was asking for a sole source as opposed to leaving it open for a product equal to such.

Mr. Marnett asked if RMWD would pay the contractor to procure. Mr. Williams confirmed the contractor will procure and RMWD was not planning on the owner furnishing these shelters. Mr. Nelson asked if RMWD was going to write the specifications and checks for the pump stations, would it not be simpler and cleaner for RMWD to procure it themselves and furnish it to the contractor to avoid contractor markup on the procurement and administration which may allow RMWD the possibility to put these stations on order long before a contract is selected. Mr. Williams stated it was not that RMWD would not take these steps; however, the District has not yet reached this stage noting staff would first need Board authorization. He pointed out the down side with going owner-furnished (which it may still do) is that should anything go wrong, it would be the District's responsibility resulting in a Change Order from the contractor. Discussion ensued.

Mr. Williams pointed out another option may be should RMWD not go with owner-furnished but still want to sole source that it is an EFI pump station at each location, the District can negotiate with EFI directly with the bid schedule stating "Turner Pump Station" with the dollar amount already negotiated; thereby, all contractors would be bidding apples-to-apples.

Mr. Nelson inquired as to whether the intent was only to receive a broad authorization that anytime a pump station is purchased, it would be sole sourced with EFI with Hutton and Turner being the first two purchased or would the authorization only be for Hutton and Turner. Mr. Williams confirmed the recommendation to the Board now would be for authorization to purchase these two pump stations and then in the event any are needed in the future, it would be sole sourced to EFI. Mr. Nelson asked whether each time a pump station is purchased, Board approval would be required due to the dollar amounts involved. Ms. Largent stated she would be meeting with the bankers this month to secure funding.

Mr. Marnett inquired as to whether staff was seeking approval for funding for all future pump stations. Mr. Williams clarified staff was seeking authorization that when a pump station is being built, it be an EFI pump station. Discussion followed.

Mr. Nelson stated he was in support of directing the procurement to this vendor; however, he wanted to be sure staff was asking the Board for what they want. Mr. Williams acknowledged this input; thus, staff would work on updating the Board memo to be clearer as to what was being requested. Ms. Largent agreed the fiscal impact should be blank and Option 2 should be eliminated in the staff memo.

Mr. Gasca recommended not necessarily setting up something like this without including a term limit or sunset clause, especially in the event a competitive vendor becomes available. Mr. Williams agreed to also update the staff memo being presented to the Board with a time limit.

Mr. Marnett inquired as to whether the pump station has redundancy built into it. Mr. Gutierrez confirmed all pump stations will have a built-in redundancy.

Mr. Gutierrez offered to take anyone interested to visit the Rainbow Heights pump station site to what is currently taking place with the project or in two weeks when the station is delivered. Mr. Marnett asked Mr. Nelson if he would like to schedule a tour to the site for the November committee meeting. Mr. Nelson stated he is always in support of field trips; however, he was reluctant to schedule a tour on a committee meeting day and would rather schedule something for a date other than a meeting date.

***Motion:***

***That this committee recommend to the Board the staff proposal to sole source the procurement of the pumps for the Hutton, Turner and a potentially additional site leaving the dollar amount open knowing they will cost approximately \$1 million each which satisfies the requirement as to being specific as to what this sole source is for and also having a way to sunset it so it does not go into perpetuity.***

***Action: Approve, Moved by Member Nelson, Seconded by Member Marnett.***

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

***Ayes: Member Marnett, Member Nelson, Member Gasca, Alternate Largent.***

**17. RAINBOW HEIGHTS PUMP STATION CONSTRUCTION UPDATE (ENGINEERING)**

Mr. Williams displayed photographs of the construction site noting the project continues to go well. He noted more concrete was actively being poured and the pump station would be delivered in two weeks. He pointed out this would be a great opportunity for the committee members to visit the site at this stage or when the station was being set with staff and that more pictures will be shared at the November committee meeting. Discussion ensued.

Mr. Williams mentioned testing is scheduled for November and project completion in December with the Notice of Completion going to the Board in January 2022. Mr. Nelson stated given the size and complexity of this project, he would like updates to be provided at both the November and December committee meetings.

**\*18. CONSTRUCTION MANAGEMENT SELECTION FOR THOROUGHbred LIFT STATION #1 AND PROJECT STATUS UPDATE (ENGINEERING)**

Mr. Williams reported RMWD issued a Request for Proposal for Construction Management and Inspection for the Lift Station #1 Replacement project noting five proposals were received. He noted an evaluation summary has been provided in the agenda packet. He explained it was unanimously determined the top firm was Valley Construction Management based on their written proposal. He stated following an interview with the proposers, Valley Construction Management was still found to be the best firm for this project and how staff was able to negotiate a reduction in \$60,000 from their original proposal. He mentioned staff was very comfortable with this as well as expressed appreciation to all five companies who submitted proposals.

Mr. Nelson stated although he supports this item, he was hoping to find a greater cost reduction than \$60,000 especially when given the unique circumstances that there will only be two people on the job. He said he appreciates the fact the price was very close to a competing price; however, he would have like to have seen a more significant price reduction.

Mr. Marnett expressed how pleased he was with the proactive approach Valley Construction Management took in submitting their proposal. Mr. Gasca added Valley Construction Management was the only firm to address safety issues which is critical. Mr. Nelson noted Valley Construction Management came through very effectively and qualified.

***Motion:***

***To recommend the Board approve Valley Construction Management for this project.***

***Action: Approve, Moved by Member Marnett, Seconded by Member Gasca.***

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

***Ayes: Member Marnett, Member Nelson, Member Gasca, Alternate Largent.***

Mr. Williams noted the next step in this process was to conduct a bid opening which has been scheduled for October 21, 2021 and how Kennedy Jenks has been added to the micro tunneling matrix that staff was asked to create which has been included in the meeting agenda packet along with applicable backup data.

Mr. Nelson thanked staff for completing what had been agreed upon as an approach. He said although one may wonder why it would be necessary to go through all of this over micro tunneling which amounts to 270' out of 3,000' of pipe, the reason would be because the micro tunneling for

this project would account for one-sixth of the entire \$15 million contractor's budget. He pointed out the matrix shows while it is the most expensive approach, it also highlights a number of other issues that would cause great concern including rendering one of the options infeasible. He noted his observations as well as complimented the staff for doing the work to create this matrix. Discussion followed.

Mr. Williams noted this was a great exercise staff may not have otherwise considered without the recommendation from the committee. Discussion ensued.

Mr. Marnett stated the most telling thing is the schedule impact column on Page 3 of the matrix and how some of the savings may not necessary be savings in that the prices will increase during the waiting period. Mr. Gutierrez added there were scheduling impacts with Citro's models already going up and how having this type of matrix will assist in validating costs associated with future projects.

## **19. RICE CANYON CIP BUDGET UPDATE (ENGINEERING)**

Mr. Williams referenced bullet points related to this update noting according to the terms of the Participation Agreement with Tri Pointe Homes for which they bid out the pipeline project, this project is approximately 4,500 linear feet of 18" pipe that will extend from the Rice Canyon Tank to the Citro development to serve Horse Creek Ridge and Citro area. He mentioned RMWD has appropriated \$3.375 million in the CIP budget for this project pre-bid to which two bids were received with both being over the appropriated budget resulting in the Board appropriating additional funds to the CIP budget in the amount of \$1.825 million for a total project cost now of \$5.2 million (a 50% increase). He explained this amount covers RMWD's administrative costs, contingencies built in, as well as soft costs such as inspections, geotechnical, and environmental. He pointed out it is important for the District to move forward with the project in order for the contractor to secure the bid schedule prices with manufacturers, suppliers, and vendors to lock down the bid amount prices. He pointed out the contractor, Cass Arrieta, whose agreement is with Tri Pointe Homes who has an agreement with RMWD so actual costs are reimbursed. He explained when Cass Arrieta conducted bids with all of their vendors and manufacturers, those numbers are only good for 30-60 days maximum; however, since RMWD had not had anything awarded yet, this matter needed to go to the Board to authorize Cassa Arrieta's to issue Purchase Orders and lock in prices so the materials could be sent.

Mr. Nelson asked if there was any consideration given to rebidding this project. Mr. Williams stated this bid opening was postponed and rescheduled 2-3 different times trying to gain more interested contractors; however, for whatever reason this project was not of interest. Discussion ensued regarding what caused the lack of contractor interest.

Mr. Williams noted staff negotiated the existing Annexation and Participation Agreements that the Board was updated on at their September meeting. He said everyone was ready to go and feeling this was going to be a good project.

Mr. Marnett inquired as to the anticipated completion date. Mr. Williams answered it would be an approximate 12-18 month project; however, a pre-construction meeting has not be held yet.

Mr. Nelson asked for confirmation RMWD put up the difference between the contract price and the amount Tri Pointe was prepared to pay. Mr. Williams said this project is funded by RMWD, not Tri Pointe and that RMWD was reimbursing for actual costs. Mr. Nelson inquired as to whether RMWD experienced a 50% increase over the engineer's estimate. Mr. Williams confirmed this was true.

Mr. Gasca expressed the importance of this project. Mr. Gutierrez explained additional benefits this project will bring to the District. Discussion ensued regarding the project location.

Mr. Nelson asked if this was a ROI project. Ms. Largent confirmed it was and would help with RMWD's transportation costs.

**\*20. AS-NEEDED SERVICES EXPENDITURES SUMMARY**

Mr. Nelson pointed out there was one listing did not have a project title provided. Mr. Williams stated this was for the San Diego County park; therefore, it was not a CIP project involving a RMWD easement.

Discussion ensued regarding the geotechnical services information provided in the summary.

**21. LIST OF SUGGESTED AGENDA ITEMS FOR THE NEXT SCHEDULED ENGINEERING AND OPERATIONS COMMITTEE MEETING**

It was noted updates on Rainbow Heights, North River Road update, WSUP, and Thoroughbred Lift Station #1, as well as a Change Order to Helix Environmental should be on the next committee agenda.

**22. ADJOURNMENT**

*The meeting was adjourned by Chairperson Nelson.*

The meeting adjourned at 5:05 p.m.

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**Flint Nelson, Committee Chairperson**

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**Dawn M. Washburn, Board Secretary**