

**MINUTES OF THE ENGINEERING AND OPERATIONS COMMITTEE MEETING
OF THE RAINBOW MUNICIPAL WATER DISTRICT
JULY 6, 2022**

1. **CALL TO ORDER** – The Engineering and Operations Committee Meeting of the Rainbow Municipal Water District on July 6, 2022, was called to order by Chairperson Nelson at 3:30 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 Brazier *(via teleconference)*, Member Johnson *(via video conference)*, Member Nelson, Member Marnett, Member McKesson.

Also Present: General Manager Kennedy, Executive Assistant Washburn, Engineering and CIP Program Manager Williams, Information Systems Specialist Espino, Construction and Meters Supervisor Lagunas.

Absent: Member Gasca, Alternate Largent.

Also Present Via Teleconference or Video Conference:

Operations Manager Gutierrez, Project Manager Parra, Grant Specialist

One member of the public was present in person, via teleconference or video conference.

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**

No alternates were seated.

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.

***8. APPROVAL OF MINUTES**

A. May 4, 2022

Motion:

To approve the minutes.

Action: Approve, Moved by Member McKesson, Seconded by Member Marnett.

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

Ayes: Member Brazier, Member Marnett, Member Johnson, Member McKesson, Member Nelson.

9. GENERAL MANAGER COMMENTS

Mr. Kennedy provided an update related to information and potential impacts related to the current drought conditions throughout San Diego County.

Ms. Brazier inquired about a recent KPBS news broadcast had a member of Metropolitan Water District (MWD) on that said member districts should not count on MWD's Lake Mead for emergency water, but rather look for their own sources because MWD would not be able to supply it. She said she was interested in knowing knew who the representative was that spoke, his authority, and what is going to happen. She stated it was on the KPBS Friday 7:00 Evening News a few weeks ago. Mr. Kennedy offered to research this broadcast and provide some follow up. Ms. Brazier expressed her appreciation.

Discussion ensued regarding the matter related to alfalfa crops.

10. ENGINEERING AND CIP PROGRAM MANAGER COMMENTS

Mr. Williams deferred his comments to the agenda items.

11. OPERATIONS MANAGER COMMENTS

Mr. Gutierrez talked about the current fire season and how the Heli-Hydrant was tested to ensure it being fully operational and functioning. He noted RMWD notifies North County Fire each time waterlines are shut down so they are always in the loop.

Mr. Gutierrez reported there were thirteen meters left to complete as part of the WSUP project noting these large meters require more time to complete; however, it is anticipated they will be complete within the next couple of weeks. Ms. Johnson asked in which division were these thirteen meters. Mr. Gutierrez answered they may be spread throughout the District; however, he will confirm.

Discussion ensued regarding the work being conducted on Tecolote Road and how it is almost complete.

12. COMMITTEE MEMBER COMMENTS

Mr. Marnett provided a follow up on his presentation before related the potential cell tower installation. He stated it appears there are safe levels at both houses from Sprint, but he was still trying to reconcile and determine why the measurements are much lower than the theory.

Mr. Marnett stated should RMWD run into problems, he has found there is an additive that can be added to paint that would reflect the RF's. He noted should a great deal of RF's result, adding this to two applications of paint may be a potential backup plan. He noted the additive costs approximately \$160.00 and regular paint \$40.00 which is still cheaper than the absorbing paint. Mr. Kennedy stated it was great to hear the measurements were safer than anticipated and once this matter gets through the County's processes, the way to proceed can be determined. Discussion ensued.

Mr. Kennedy mentioned after the previous Engineering and Operations Committee meeting, he spoke with Mr. Marnett to let him know that should this item come to the committee for deliberation or further discussion, Mr. Marnett will be able to present information to the committee within the three-minute time lime and then must recuse himself due to his residing near the project.

Mr. Marnett referenced the recent RMWD rate sheet mailed out to customers and asked why the backflow cost on his water bill was for \$9.62 per month as opposed to the \$4.81 that is provided in the current and previous rate sheets. Mr. Kennedy stated he will research this matter.

13. BOARD ACTION UPDATES

Mr. Williams reported in May the Board approved the Fourth Amendment to the Unrecorded Joint Agreement to Improve the Major Subdivision at Bonsall Oaks.

Mr. Williams also reported in June the Board adopted Resolution No. 22-18 approving the Amended and Restated Resolution to Confirm Participation in SCIP (Statewide Community Infrastructure Program, consented to the omission of signatures to the Final Map for Citro, adopted Resolution No. 22-14 approving the FY22/23 Operating and Capital Improvement Budget, and adopted Resolution No. 22-19 rescinding Resolution of Necessity No. 22-02 which pertains to the real property at 5858 Via del Cielo related to the Hutton Pump Station.

14. CONSIDER AWARD OF CONSTRUCTION CONTRACT IN THE AMOUNT OF \$839,850 WITH ORTIZ CORPORATION FOR THE RAINBOW WATER QUALITY IMPROVEMENT PROJECT - WATER MAIN AND SERVICE RELOCATION PROJECT IN DIVISION 5 (ENGINEERING)

Mr. Williams stated staff was looking for the committee to recommend the Board award this contract. He pointed out the project was put out to eleven pre-qualified contractors to which two bids were received. He said the bid has checked out and no protests have been received. He confirmed the engineer's estimate was well over \$900,000.

Mr. McKesson inquired as to lack of submission being due to contractors being too busy. Mr. Williams confirmed. Mr. McKesson asked the amount of the second bid received to which Mr. Williams answered was a little more than \$1 million. Mr. McKesson inquired as to RMWD's experience with Ortiz. Mr. Williams mentioned RMWD has not had much experience with Ortiz; however, they have been on the pre-qualified list for a little more than three years.

Mr. Nelson said he got the impression that this was more of a County-driven project in which other utilities are involved. He asked if those other utilities to perform their respective pieces of the work and whether the County bears any financial obligation. Mr. Williams clarified the County bears no financial responsibility for the other utilities to relocate, but only for their contractors constructing their portion of the job. He added RMWD was solely responsible for relocating its water main and services the same as the other utilities who must relocate. Discussion followed.

Motion:

To recommend the Board adopt Staff Recommendation Option 1.

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

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

Ayes: Member Brazier, Member Marnett, Member Johnson, Member McKesson, Member Nelson.

Absent: Member Gasca, Alternate Largent.

***15. DISCUSSION AND POSSIBLE ACTION TO AWARD A PROFESSIONAL SERVICES AGREEMENT FOR THE SAN LUIS REY IMPORTED RETURN FLOW RECOVERY PROJECT (DISTRICT WIDE) (ENGINEERING)**

Mr. Kennedy explained in 2014, there was a study being conducted with a company called West Yost to find RMWD a source of local water as directed. He talked about some of the challenges including water rights being tough to come by as well as there not being a great deal of water in the ground. He noted although the study West Yost conducted was not finalized until 2016, it brought RMWD to some level of completion and showed areas within the watersheds that where imported water comes in does contribute to subsurface groundwater flows to which RMWD has the right to recover. He pointed out West Yost had estimated RMWD could do approximately 6,000 acre feet per year at that time; however, this may be a little optimistic.

Mr. Kennedy said for a few years while the Sustainable Groundwater Management Act was being implemented, RMWD was working with all the pumpers in the Pauma Valley as well as the San Luis Rey Indian Water Authority to help broker something that would establish "peace on the river" as far as groundwater goes; however, this did not occur and RMWD was not able to move forward with its project. He noted the one thing with a situation such as this is litigation is a real challenge due to the multiple things involved with groundwater rights. He stated one of the things RMWD did not want to do was spend a great deal of money on these studies to find there is a legal dead end. He reported RMWD has been working very closely with the Indian Water Authority, specifically Pala Reservation since they are an immediate neighbor of the District and provided them with information both in person with presentations to their Board, letters, and other communications to which Chairman Smith has indicated this project seems good to them as long as it does not impair their rights and RMWD keeps them appraised.

Mr. Kennedy explained tribal water rights are very important, especially since they were given those as a federal right when they were put on these reservations. He noted the victory rate on tribal water rate cases is pretty much 100%; therefore, RMWD wants to ensure as it moves forward is that they understand the District is 100% in support of their rights and the water it wants to extract is downstream of them and not part of these located in the east who will fight them over the rights in the Pauma Valley and other areas. He stated the Pala reservation water comes down through the San Luis Rey River which has been part of a settlement with Escondido; however,

they are having challenges getting it to flow down into the Pala Reservation itself due to the all the pumpers in Pauma Valley are pumping it out before it can cross over which will be an ongoing fight. He said RMWD has made it clear to its tribal neighbors and friends this is a separate matter that will not affect them.

Mr. Kennedy reported this study will be to more accurately refine the modeling West Yost produced with a separate hydrologist looking at the West Yost model after which some deficiencies were discovered in the way West Yost went about it. He noted West Yost was not a local company who did not have a great deal of experience with this basin as well as used some modeling concepts that may have worked in the Central Valley which in turn created some gaps to where that study, should RMWD rely on it to try to extract groundwater, would be easy to poke holes in and put the District at risk. He stressed there is no way he would want to recommend to the RMWD Board to then go into spending bigger money drilling wells, starting extractions, and other sorts of levels of testing without having a much better study conducted that would be resistant to success in litigation. He clarified there is no way it could be guaranteed a project such as this might not be challenged, but that it would be better to have goal to not have this happen over water that is worth fighting for.

Mr. Kennedy stated RMWD has solicited Requests for Proposals as discussed previously and how a small team reviewed both proposals received in response as well as interview both companies. He reported one copy led by Hoch Consulting; however, Hoch is more of an umbrella over a team of people including Geoscience who is the primary hydrologist working on this project as well as the rest of their project team who are all extremely qualified. He pointed out this team is the exact team that got through to construction the new pure water Oceanside project as well as worked on all their mission desalter projects to where they are actively pumping and treating water today. He added Geoscience has conducted work both upstream and downstream of RMWD; thus, they are very familiar with this hydrologic condition. He noted after speaking with both groups, the team was convinced this is the right team with which to proceed; however, there was concern with their cost proposal which was significantly more than the other party. He mentioned the team worked really hard with Hoch Consulting to work on finding ways to lessen the costs which resulted in phasing this project out as opposed to committing to \$1.6 million. He noted staff also worked with Hoch to determine the smallest number and most meaningful information that can be shared with the Board so they can make an informed decision.

Mr. Kennedy explained the two main goals is to get as far east as possible without encroaching on tribal rights while getting the lower TDS water as possible since that will be less costly to treat. He said discussions are starting discussions with Rancho Water, FPUD and Oceanside on trying to obtain some federal funding to offset the costs of constructing a combined brine line; however, this is something RMWD does not want to have to do.

Mr. Kennedy reported the initial proposal has been reduced to a not-to-exceed \$600,000 which will get RMWD to a point the consultant can then say the Board has the option to look at the data and consider whether to proceed. He mentioned staff was also working with a representative from the Bureau of Reclamation regarding a new program they just came out with for funding feasibility studies which staff will be working to try to obtain federal money to help pay for this project.

Mr. Kennedy noted the proposal before the committee today is to approve the Professional Services Agreement with Hoch Consulting at \$600,000 and then move forward. He said it is unfortunate it will cost this much especially with what is happening with the Colorado supply and State Water Project, it is something RMWD owes its ratepayers to try to get a local supply that will not only be more reliable, but also cheaper than what the costs will be through its current wholesalers.

Mr. Marnett asked for the real cost of implementing the entire thing. Mr. Kennedy stated it would be more than \$20 million. Mr. Nelson pointed out the purpose of this phase was to determine the finally outlay to have an up and running system. Discussion ensued.

Mr. Marnett stated it would seem foolish to be cheap on this type of project because if done wrong it could lead the District down a much more costly legal suit. Mr. Kennedy agreed noting this was why it is imperative RMWD ensures getting the best solid study possible.

Mr. Williams stated being part of the RFP and interview process, he has a high degree of confidence in the team staff was proposing. He also mentioned in their debrief with Geosyntec regarding the disparity in the numbers they admitted they had absolutely rushed their proposal to get in by the deadline. He gave credit to Ms. Parra for her hard work during the process of reaching a \$600,000 not-to-exceed contract.

Mr. McKesson asked what RMWD's confidence guarantee a deliverable that will truly enable the District to go forward. Mr. Kennedy shared his experience watching this contractor's work over the past decades and how they are a top-of-the-line experts in this area with an excellent reputation for delivering. He said should it not turn out to be a buildable project, then it can be stopped until a later time. He stated he was risk adverse to spending capital on something that may not end up in litigation or delayed for a long period of time; therefore, the goal is to make sure it is as bullet-proof as possible up front.

Mr. Nelson mentioned he was very concerned with the costs associated with this project and how it is unfortunate for the District that there are not any other firms available in the area that bring the level of expertise and intricate knowledge of its geological area which may facilitate some price competition. He said he finds where Hoch assembled a team that cannot be beat which leaves RMWD with very little leverage in terms of pricing; therefore, he believed "quality trumps cost" because the District needs to have such.

Mr. Nelson asked for clarification related to the \$600,000 Task A of the agreement has no stopping points within the task. Mr. Kennedy confirmed this was the plan. Mr. Nelson referenced the consultant agreement as he inquired about the scope of work to be conducted, specifically the alternatives listed and whether examples could be provided. Mr. Kennedy provided some examples or scenarios noting it would depend on the hydrogeological model.

Mr. Nelson asked for additional detail related to Task #5. Mr. Kennedy explained it was to make sure RMWD understands brine disposal may become part of this project. Discussion ensued.

Ms. Johnson agreed this was a huge project and wanted to know if there was federal funding available to support it and how much. Mr. Kennedy stated it would be low-interest loans, grants, matching grants, etc. He pointed out there is no guarantee regarding funding; however, applications cannot be submitted until RMWD has a project to present.

Ms. Johnson asked if RMWD has a staff member with expertise looking into funding possibilities. Mr. Kennedy introduced Ms. Kim, RMWD's Grant Specialist. Ms. Johnson asked Ms. Kim what types of federal grants she has found available for this project. Ms. Kim stated at this time RMWD was not currently applying for federal grants due to the fact RMWD does not have a project in place yet. She pointed out funding would not be received until Fiscal Year 2023/2024 for any projects starting now.

Ms. Parra pointed out as RMWD works toward developing the feasibility study, the consultant has worked with other agencies and received grant funding for various aspects of a project. She

noted the consultant was specifically structuring the feasibility study to set RMWD up for future opportunities when it reaches the essentially Phase II aspect to ensure all the requirements are met for various granting agencies which will segue seamlessly into being eligible to receiving funding for construction and implementation. She mentioned some of the local, state, and federal opportunities staff was watching very closely. She concluded with noting as progress is made on the feasibility study, staff will continue to explore various options available at the time as well as gearing up for long-term funding opportunities as well.

Mr. Nelson asked for the estimated costs associated with Task B. Ms. Parra stated she did not have the exact number, but knows the consultant was willing to reduce the price significantly which resulted in a not-to-exceed amount of \$10,000 to be added. Mr. Nelson expressed concern that it seemed as though the consultant will be contacting existing well owners on the District's behalf. Mr. Kennedy stated this would only happen with RMWD's approval.

Ms. Johnson expressed concern this was a huge decision to make with a mere 45-minute discussion. She stated with no disrespect to Ms. Kim, she would recommend RMWD staff find a professional grant writer who has experience in federal grants due to this project being so big. Mr. Kennedy assured Ms. Johnson that Ms. Kim is RMWD's Grants Specialist who will use whatever resources necessary to find any available funding.

Motion:

To accept and recommend the Board approve Staff Recommendation Option 1 - Determine that the action defined herein does not constitute a "project" as specified by CEQA, approve the Professional Services Agreement with Hoch Consulting for a not to exceed amount of \$600,000, and authorize the General Manager to execute the Professional Services Agreement.

Action: Approve, Moved by Member McKesson, Seconded by Member Nelson.

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

Ayes: Member Brazier, Member Marnett, Member Johnson, Member McKesson, Member Nelson.

16. CIP PROJECT UPDATE PRESENTATION (ENGINEERING)

Mr. Williams shared a "FY 21/22 CIP Project Updates" presentation noting all dollar amounts provided in the presentation are from April 2022.

Mr. Williams reviewed each of the completed projects providing details related to each (Rainbow Heights Pump Station, He reviewed details for each of the projects (Rainbow Heights Pump Station, Water Service Upgrade Project, Heli-Hydrant, and North River Road Land Outfall Rehabilitation Phase 2 & 3).

Mr. Williams spoke on each of the CIP projects currently in progress providing highlights and status updates for each (Programmatic Environmental Impact Report, New District Headquarters, San Luis Rey Imported Return Flow Recovery, Isolation Valve Installation Program, Morro Mixing, Water System Monitoring Program, Camino Del Rey Waterline Relocation, Live Oak Park Road Bridge Replacement, Rainbow Water Quality Improvements, Corrosion Prevention Program, Gomez and Magee Pump Station Upgrades and Sumac Radio Tower, Manual Transfer Switches, Sarah Ann Drive Line 400A/Fallbrook Oaks Force Main and Lift Station, Rice Canyon Tank Pipeline, Lift Station 1 Replacement, Pressure Reducing Stations, Tank Maintenance and Fall

Protection, Hutton and Turner Pump Station Upgrades, Gird Road Water Main, Wilt Road Feeder, Morro Pump Station Upgrades, and Weese WTP Permanent Emergency Interconnect and Pump Station).

Mr. Nelson asked Mr. Williams to meet with him following the meeting regarding the costs associated with the Live Oak Park Road Bridge Replacement project. Mr. Williams agreed.

Mr. Marnett mentioned the middle wire on the Hutton Tank was loose. Mr. Gutierrez made a note of this information.

Mr. Nelson asked if the easement secured new location associated with the Hutton Pump Station project was the one where there were challenges with the landowner. Mr. Williams confirmed it was the Hutton site and the matter has been resolved with the rescinding of the Resolution of Necessity the Board approved in June. He reported the new easement was triple in size and for \$10,000.

Mr. Nelson pointed out RMWD spent approximately \$21,000 on the design services for the Gird Road Water Main project in 2020 and wanted to know about the new task for additional design services for a cost of approximately \$6,000. Mr. Lagunas explained there were two projects associated with this project that have been combined into one which most likely generated this amended cost.

Ms. Johnson asked if Bonsall Unified School District confirmed the high school will be built at this site. Mr. Williams clarified they want the school to go in at this site, but it has not yet been confirmed. Discussion ensued.

Mr. Nelson asked whether RMWD spent under \$60,000 on design for the Wilt Road Feeder project which was completed in two phases. Mr. Williams confirmed. Mr. Marnett inquired as to how many feet of pipeline this involved. Mr. Williams stated it was just under a mile.

***17. AS-NEEDED SERVICES EXPENDITURES SUMMARY**

Mr. Williams pointed out there have been three tasks added.

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

It was noted the Programmatic Environmental Impact Report, a grants process presentation, in-house wholesale water efficiency projects schedule and process update, as well as a solar panel installation update should be on the next committee agenda.

19. ADJOURNMENT

The meeting was adjourned by Chairperson Nelson.

The meeting adjourned at 5:29 p.m.

Flint Nelson, Committee Chairperson

Dawn M. Washburn, Board Secretary