



DUE TO THE COVID-19 STATE OF EMERGENCY AND PURSUANT TO WAIVERS TO CERTAIN BROWN ACT PROVISIONS UNDER THE GOVERNOR'S EXECUTIVE ORDERS, THIS MEETING IS BEING CONDUCTED VIA TELECONFERENCE AND

THERE WILL BE NO PHYSICAL LOCATION FROM WHICH MEMBERS OF THE PUBLIC MAY PARTICIPATE

MEMBERS OF THE PUBLIC ARE ENCOURAGED TO PARTICIPATE IN THE BOARD MEETING OPEN SESSION BY GOING TO <https://us02web.zoom.us/j/84400682195> OR BY CALLING 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: 844 0068 2195) (CLOSED SESSION WILL NOT BE ACCESSIBLE TO MEMBERS OF THE PUBLIC; HOWEVER, INSTRUCTIONS FOR SUBMITTING PUBLIC COMMENT ON CLOSED SESSION ITEMS ARE PROVIDED IN ITEM #4.)

MEMBERS OF THE PUBLIC WISHING TO ADDRESS THE BOARD UNDER PUBLIC COMMENT OR ON A SPECIFIC AGENDA ITEM MAY SUBMIT WRITTEN COMMENTS TO OUR BOARD SECRETARY BY EMAIL AT DWASHBURN@RAINBOWMWD.COM OR BY MAIL TO 3707 OLD HIGHWAY 395, FALLBROOK, CA 92028. ALL PUBLIC 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, July 28, 2020

Closed Session 11:30 a.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 recorded 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 recordings. Recordings will be available until the minutes of such meeting are approved. 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 11:30 a.m. and Open Session at 1:00 p.m. Tuesday, July 28, 2020, 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: Brazier ___ Hamilton ___ Gasca ___ Mack ___ Rindfleisch ___**
3. **ADDITIONS/DELETIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)**
4. **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."
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).**

Under Oral Communications, any person wishing to address the Board on matters regarding the Closed Session agenda should email or mailing their comments to the Board Secretary one hour before the Closed Session scheduled start time. All written public comments will be read to the Board prior to their adjournment to Closed Session. Any person wishing to speak to the Board regarding Closed Session agenda items may do so 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.
6. **CLOSED SESSION**
 - A. **Conference with Legal Counsel-Anticipated Litigation (Government Code §54956.9(d)(2))**

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

* Robert and Linda Burton v. Rainbow Municipal Water District

(*) - Asterisk indicates a report is attached.

- C. Appointment, Employment; Evaluation of Performance – General Manager (Government Code §54957(B)(1))

7. REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

Time Certain: 1:00 p.m.

- 8. REPEAT CALL TO ORDER
- 9. PLEDGE OF ALLEGIANCE
- 10. REPEAT ROLL CALL
- 11. REPEAT REPORT ON POTENTIAL ACTION FROM CLOSED SESSION
- 12. REPEAT ADDITIONS/DELETIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)
- 13. 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.”

- 14. **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 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.

- 15. **CSDA PRESENTS DISTRICT OF DISTINCTION AWARD TO RAINBOW MUNICIPAL WATER DISTRICT**

- *16. **APPROVAL OF MINUTES**

- A. June 23, 2020 - Regular Board Meeting

(*) - Asterisk indicates a report is attached.

***17. BOARD OF DIRECTORS' COMMENTS/REPORTS**

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

- A. President's Report (Director Brazier)
- B. Representative Report (Appointed Representative)
 - 1. SDCWA
 - A. Summary of Board Meeting June 25, 2020
 - 2. CSDA
 - 3. LAFCO
 - 4. San Luis Rey Watershed Council
 - 5. Santa Margarita River Watershed Watermaster Steering Committee
 - 6. 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: State Water Board Update 501668-0002

18. COMMITTEE REPORTS

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

CONSENT CALENDAR ITEMS

19. NOTICE OF COMPLETION AND ACCEPTANCE OF FACILITIES CONSTRUCTED UNDER THE HELLING HILL RUN IMPROVEMENT PLANS, TPM 20957

(The facilities included in the Helling Hill Run improvement plans have been constructed per the approved plans and standards, inspected, tested per specifications, and are ready for acceptance. These facilities include 250' of 8" Ductile Iron Pipe and associated appurtenances.)

20. NOTICE OF COMPLETION AND ACCEPTANCE OF FACILITIES CONSTRUCTED UNDER THE MALEK WATERLINE EXTENSION – ENTRADA AL SOL IMPROVEMENT PLANS

(The facilities included in the Malek Waterline Extension – Entrada Al Sol improvement plans have been constructed per the approved plans and standards, inspected, tested per specifications, and are ready for acceptance. These facilities include 360' of 8" PVC waterline and a fire hydrant.)

21. ACCEPTANCE OF THE 2019 SEWER PIPE LINING PROJECT

(The facilities included in the Sewer Pipe Lining Project Change Order #2 have been constructed, including roughly 538 feet of 8-inch diameter sanitary sewer pipe cured in place lining underneath I-15. The liner was installed with 305 ft. of "severe" wrinkles. The Board of directors can accept the facilities and issue a Change Order incorporating a credit pertaining to the severe wrinkles below the centerline.)

BOARD ACTION ITEMS

22. DISCUSSION AND POSSIBLE ACTION TO CONSIDER REQUEST BY JACK HAGERTY FOR RELIEF FROM WATER BILL DUE TO HIGH WATER CONSUMPTION BILL

(Mr. Hagerty is requesting Board consideration for possible relief of a high water bill.)

(*) - Asterisk indicates a report is attached.

- *23. DISCUSSION AND POSSIBLE ACTION ON THIRD AMENDMENT TO THE UNRECORDED JOINT AGREEMENT TO IMPROVE MAJOR SUBDIVISION AND JOINT AGREEMENT TO IMPROVE MAJOR SUBDIVISION COUNTY OF SAN DIEGO TRACT NO. 4736-1 FOR BONSCALL OAKS DEVELOPMENT**
(The development known as Bonsall Oaks (previously Polo Club) would like to exclude several parcels from the project, and certain joint agreements with the County need to be amended to reflect the change.)
- 24. CONSIDER A CONSTRUCTION AGREEMENT WITH SCW CONTRACTING FOR THE NORTH RIVER ROAD SEWER POINT REPAIRS PROJECT IN THE AMOUNT OF \$474,000.00 AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT**
(Consider a construction agreement with SCW Contracting for the North River Road sewer point repairs project.)
- 25. DISCUSSION AND POSSIBLE APPOINTMENT OF JULIE JOHNSON TO SERVE AS A MEMBER AND STEVE STRAPAC AS AN ALTERNATE MEMBER OF THE BUDGET AND FINANCE COMMITTEE**
(At their July 14, 2020 meeting, the Budget and Finance Committee voted to recommend that the Board appoint Julie Johnson to serve as a member and Steve Strapac to serve as an alternate member.)
- 26. CONSIDER RESCHEDULING THE PREVIOUSLY CHANGED REGULAR MEETING DATE OF AUGUST 18, 2020 TO ITS REGULARLY SCHEDULED DATE OF AUGUST 25, 2020**
(Due to the current pandemic situation, many conferences have been cancelled and rescheduled for Calendar Year 2020, including the conference scheduled for the last week in August. This item to provide an opportunity for the Board to determine whether to reschedule the previously changed regular meeting date of August 18, 2020 to its regularly scheduled date of August 25, 2020.)
- 27. BOARD MEMBER REQUESTS FOR AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS**

BOARD INFORMATION ITEMS

- *28. STATEMENT OF AUDITING STANDARDS (SAS) 114 PLANNING LETTER**
(This item is to review the planning stages of the audit for the year ended June 30, 2020.)
- *29. INITIAL REVIEW OF PROPOSED AMENDMENTS AND UPDATES TO ADMINISTRATIVE CODE TITLE 2 – BOARD OF DIRECTORS**
(This item is to provide an opportunity for an initial review of the changes being proposed by staff and provided feedback and input prior to bringing Administrative Code Title 2 back to the Board for approval consideration at the August regular Board meeting.)
- 30. COVID-19 EMERGENCY UPDATE**
- 31. WATER SERVICES UPGRADE PROGRAM (WSUP) UPDATE**
- *32. RECEIVE AND FILE INFORMATION AND FINANCIAL ITEMS**
 - A. General Manager Comments**
 - 1. Meetings, Conferences and Seminar Calendar
 - B. Communications**
 - 1. SB 1386 (Moorlach): Protecting Fire Hydrant System Funding- Support
 - C. Operations Comments**
 - 1. Operations Report
 - D. Engineering Comments**
 - 1. Engineering Report
 - 2. As-Needed Services Expenditures Summary

(*) - Asterisk indicates a report is attached.

- 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. Information Report
 - 2. Budget vs. Actual Fund 1, 2, and 3
 - 3. Fund Balance Projections
 - 4. Treasury Report
 - 5. Five Year Demand
 - 6. Water Sales Summary
 - 7. Check Register
 - 8. Directors' Expense
 - 9. Credit Card Breakdown
 - 10. Developer Projections
 - 11. RMWD Properties

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

34. ADJOURNMENT - To Tuesday, August 18, 2020 at 1:00 p.m.

ATTEST TO POSTING:



FOR: Carl Rindflesich
 Secretary of the Board

7-20-20 @ 10:15 a.m.

 Date and Time of Posting
 Outside Display Cases

(*) - Asterisk indicates a report is attached.

**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS AND SPECIAL MEETING
OF THE BUDGET AND FINANCE COMMITTEE OF THE
RAINBOW MUNICIPAL WATER DISTRICT
JUNE 23, 2020**

1. **CALL TO ORDER** - The Regular Meeting of the Board of Directors and Special Meeting of the Budget and Finance Committee of the Rainbow Municipal Water District on June 23, 2020 was called to order by Vice President Hamilton at 12:00 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. Vice President Hamilton presiding.

2. **ROLL CALL**

A. BOARD OF DIRECTORS:

Present: Director Brazier (*via teleconference*), Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.

B. BUDGET AND FINANCE COMMITTEE:

No members of the Budget and Finance Committee were present for the Closed Session; therefore, roll call was not taken.

Also Present: General Manager Kennedy, Executive Assistant Washburn, Information Technology Specialist Espino.

Present via video teleconference:

Legal Counsel Smith, Legal Counsel Duran-Brown.

No members of the public were present for Closed Session.

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

Vice President Hamilton noted there was an emergency item to be added to the Closed Session agenda. Pursuant to the Brown Act due to the information being received after the agenda was posted and the limited timeframe for a response from the District.

Motion:

To approve the addition of one item to the Closed Session agenda Item 5B.

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

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

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

(*) - Asterisk indicates a report is attached.

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

There were no comments.

The meeting adjourned to Closed Session at 12:01 p.m.

5. CLOSED SESSION

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

* Two Items

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

* Kessner et al., v. Rainbow Municipal Water District, et al.

* *Robert and Linda Burton v. Rainbow Municipal Water District*

The meeting reconvened at 12:50 p.m.

6. REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

This item was addressed under Item #11.

Time Certain: 1:00 p.m.

7. REPEAT CALL TO ORDER

The Regular Meeting of the Board of Directors and Special Meeting of the Budget and Finance Committee of the Rainbow Municipal Water District on June 23, 2020 was called to order by Vice President Hamilton at 1:06 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. Vice President Hamilton presiding.

8. PLEDGE OF ALLEGIANCE

9. REPEAT ROLL CALL

A. BOARD OF DIRECTORS:

Present: Director Brazier (*via teleconference*), Director Gasca, Director Hamilton, Director Mack, Director Rindfleisch.

B. BUDGET AND FINANCE COMMITTEE:

Present: Member Gasca, Member Nelson (*via video teleconference*), Member Ross (*via video teleconference*), Member Hensley (*via video teleconference*).

Absent: Member Moss.

(*) - Asterisk indicates a report is attached.

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Also Present: General Manager Kennedy, Executive Assistant Washburn, Finance Manager Largent, Information Technology Specialist Espino.

Present via video teleconference:

Legal Counsel Smith, Legal Counsel Duran-Brown, District Engineer Strapac, Operations Manager Gutierrez, Human Resources Manager Harp, Information and Technology Manager Khattab, Associate Engineer Powers, Customer Service and Communications Supervisor Gray, Senior Accountant Rubio, Project Manager Williams, Engineering Technician Rubio, Customer Service Representative Stalker, Utility Worker Ramos, Utility Worker Zaragoza.

Seven members of the public were present for Open Session via video teleconference.

10. REPEAT REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

Legal Counsel reported the Board meet in Closed Session to discuss four items and there was no reportable action.

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

Legal Counsel noted the Robert and Linda Burton v. Rainbow Municipal Water District item was added to the Closed Session agenda by a 4/5 vote of the Board based on information obtained after the agenda item was posted regarding this new litigation by Robert and Linda Burton recently filed again the District with the San Diego Superior Court.

12. 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).

Vice President Hamilton read the public comment received from Kevan Farrer stating the following:

“I was in discussions with Amanda about the possibilities of changing out a 2” Agricultural meter, most likely to a 1” Single Family Residential meter as our usage is at zero and we do not intend (in the foreseeable future) to have a need for water on that property. While she said that she could have the meter changed out, resulting in a substantial savings, if or when we wished to restore the 2” meter, there would be a fee (Claw Back) assessed back to the date of the change (now) to the amount of the current rate. So in effect, there would be a potential bill accruing at a rate of \$4,476.24 per year in perpetuity. I asked her if conversely I would receive a credit retroactively (as, once again, there has been no usage) on the installation of the 1” meter and she informed me that this claw back is unilateral. To me, this arrangement appears disingenuous. While I understand that there needs to be a billing component to discourage meter flip flopping, I could not comprehend a bill, 20 years from now, when we potentially sell the property, for \$89,524.80 to get a 2” meter back!

(*) - Asterisk indicates a report is attached.

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So, my questions are:

- 1) Is this regulation correct?
- 2) Is there a waiver that can be executed to lend some sanity to this situation?
 - a. Like maybe a cap on the claw back period? (say 1 or 2 years)
- 3) Does this retroactive claw back inure to a new owner?
- 4) Assuming that 1) is correct, and there is no standard mechanism (item 2) to address this issue, how do I speak with the board for a waiver?

While I understand that there needs to be a bill for the availability of having water at the property, as there is no actual water usage, \$483.42 per month is excessive. Thank you for your prompt attention to this matter, I look forward to hearing from you.”

Mr. Kennedy pointed out Mr. Farrer pointed out RMWD’s meter downsize process; however, he was inaccurate about being liable for all the monthly service charges that would have been paid should the meter be upsized. He explained how the costs would be calculated as well as confirmed the Administrative Code includes these processes.

Director Gasca asked clarification if the customer was seeking a credit for the 1” meter if they moved back to a 2” meter. Mr. Kennedy said the customer would be responsible for paying the difference in capacity fees for the 1” and 2” meters at the time the upsize is requested.

Director Mack said he interpreted the customer’s request to be for a credit toward a new meter should it be upsized in the future. Mr. Kennedy explained there were restrictions preventing RMWD from offering this type of credit. He noted when 2” meters are too big to measure consumption they do not accurately register the usage. President Brazier added this is when the District loses money on those meters.

Director Gasca recommended when RMWD receives these types of requests, the location of the meter including which Division it is in be provided to the Board.

Mr. Kennedy stated the information Ms. Holtz provided to Mr. Farrer was accurate according to the District’s policy; therefore, Mr. Farrer wanted to bring the matter to the Board’s attention. Vice President Hamilton said it appears the customer may not understand the matter entirely. Mr. Kennedy confirmed staff has had communications with Mr. Farrer and are working toward a resolution.

13. EMPLOYEE RECOGNITIONS

- A.** Carlos Ramos (5 Years)
- B.** Ricardo Zaragoza (5 Years)

Mr. Kennedy pointed out both Carlos Ramos and Ricardo Zaragoza were joining the meeting via teleconference. Mr. Ramos and Mr. Zaragoza confirmed they were hired on the same date, but their start dates were a week apart.

Mr. Kennedy pointed out these two gentlemen were the first to work on the WSUP project. He said after the Board meeting concludes, they will come into the Board Room and receive their plaques and checks while exercising safety measures.

(*) - Asterisk indicates a report is attached.

***14. APPROVAL OF MINUTES**

A. May 26, 2020 - Regular Board Meeting

Motion:

To approve the minutes of the May 26, 2020 Regular Board Meeting.

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

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

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

***15. BOARD OF DIRECTORS' COMMENTS/REPORTS**

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

A. President's Report (Director Brazier)

President Brazier said there was nothing to report.

B. Representative Report (Appointed Representative)

1. SDCWA

A. Summary of Board Meeting May 28, 2020

Mr. Kennedy reported at the SDCWA meeting a mid-year budget review was conducted and how it was uncertain whether SDCWA's rate increase will pass at their June rate hearing. He mentioned the Board will review the regional conveyance system at the next meeting and how one of the challenges was determining if there's a cost benefit associated with it. Discussion ensued.

2. CSDA

Director Mack said he received notification the upcoming CSDA Conference has been cancelled.

3. LAFCO

Mr. Kennedy reported he was asked to sit on a subcommittee to look at LAFCO's Agricultural Use Policy. He said LAFCO was working on a policy that used to apply to prime agricultural lands which has been extended to include all agricultural land to be utilized at the County level to discourage any change in use. He pointed out RMWD has a great deal of agricultural land not in use and how this policy would impact changing the use of that land to anything else. He said the outcome of the discussion was LAFCO agreed to add a sunset clause into the policy that if the property is not utilized for agricultural purposes for five years, the disclaimer would not apply as a means of not permanently hamstringing all the property owners. He said this matter will go to the LAFCO Commission for consideration.

(*) - Asterisk indicates a report is attached.

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Director Mack inquired as to how a new owner would go about changing the land use for a property that has been out of agricultural production for five years. Mr. Kennedy said the new owner would need to follow the County processes.

4. San Luis Rey Watershed Council

There was no report given.

5. Santa Margarita River Watershed Watermaster Steering Committee

There was no report given.

6. ACWA

Director Mack reported the ACWA Spring Conference was changed to July; however, he was unable to attend.

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

1. Board Seminar/Conference/Workshop Training Attendance Reports

There were no reports.

D. Directors Comments

Director Gasca said he has had contact with Jack Haggerty and walked him through the process for appealing the situation with the Board and how Mr. Haggerty has said he wants to discuss the matter with Mr. Kennedy to get a better understanding. Mr. Kennedy agreed to contact Mr. Haggerty.

E. Legal Counsel Comments

1. Attorney Report: National Pollutant Discharge Elimination Systems ("NPDES") Program Update 57497789

Legal Counsel summarized the information provided in his report

16. COMMITTEE REPORTS

A. Budget and Finance Committee

Mr. Nelson reported the committee met on June 9th at which time they discussed the budget being presented to the Board for consideration at this meeting. He added an update on accounts receivable aging trends related to COVID-19, an Infor software implementation update, discussed the late charge and shutoff moratorium, as well as discussed options for possibly mitigating liability insurance premium increases based on the information provided by staff.

B. Communications and Customer Service Committee

Vice President Hamilton reported the committee discussed customer service staff has been able to sustain working remotely as well as conducted a brief review of the CSUSM student program update. He noted the committee requested an acknowledgement be sent to the CSUSM team thanking them for their efforts as well as possibly inviting them to give a presentation to the

(*) - Asterisk indicates a report is attached.

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committee on their activities via Zoom if the students are still available and have not moved on to other activities due to graduation. He announced the Fallbrook Vintage Car Show has been cancelled for 2020. He pointed out RMWD was receiving positive coverage in Fallbrook news relative to RMWD's possible detachment from SDCWA and capital improvement projects. Mr. Kennedy asked for a copy of the CSUSM report be sent to the committee members.

Mr. Kennedy added the committee also discussed how to reopen the District offices and how it was recommended RMWD maintain the current status unless the Board decides differently.

Director Mack inquired as to whether the State's law override the County's orders. Mr. Kennedy explained for the COVID-19 reopening, the counties put together plans; however, the Governor sent out a long list of requirements which override everything. He noted RMWD must operate under the San Diego County plan submitted to the State.

Legal Counsel pointed out the State has the ultimate authority; however, local agencies, counties or cities may enact more strict requirements than the State but cannot operate under conditions less than what the State has imposed.

C. Engineering and Operations Committee

Mr. Nelson reported there were three items on the Board agenda today the committee reviewed and recommended the Board approve (Items #20, #22, and #26). He noted the committee also received an update on the solar power project, took a look at the Pipeline Update Project #1 including the bidding process, as well as received a quick briefing on the matter to be discussed today under Item #29.

Time Certain: 1:00 p.m. Public Hearing

***17. PUBLIC HEARING**

A. DISCUSSION AND POSSIBLE ACTION TO ADOPT ORDINANCE NO. 20-07 FOR ID 1 STANDBY CHARGES

Vice President Hamilton shared instructions for how to make comments for those participating in the meeting via teleconference.

Vice President Hamilton opened the public hearing at 2:01 p.m.

There was no further testimony nor written communications received prior to the meeting.

Vice President Hamilton closed the public hearing at 2:03 p.m.

There was no additional Board discussion or staff comments.

Motion:

To approve Ordinance No. 20-07.

Action: Approve, Moved by Director Brazier, Seconded by Member Gasca.

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

(*) - Asterisk indicates a report is attached.

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

BOARD ACTION ITEMS

***18. DISCUSSION AND POSSIBLE ACTION TO ADOPT RESOLUTION NO. 20-10 APPROVING FISCAL YEAR 2020-2021 OPERATING & CAPITAL IMPROVEMENT BUDGET**

Ms. Largent gave a presentation consisting of a condensed version of the budget the Board had already previewed. She recalled at the last Board meeting she was advised to use the sales level of 13,500 acre fee for the year as well as delay any pass through rate increases from SDCWA until January 1, 2021. She reviewed the information contained in the presentation.

Discussion ensued regarding the forecasted capacity fees.

There were no comments from the Budget and Finance Committee members.

Motion:

To accept the Fiscal Year 2020-2021 proposed operating and capital improvement budget (Resolution No. 20-10).

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

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

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

***19. DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 20-11 — A RESOLUTION OF THE BOARD OF DIRECTORS OF RAINBOW MUNICIPAL WATER DISTRICT ESTABLISHING CLASSIFICATIONS AND MONTHLY PAY RANGES FOR DISTRICT EMPLOYEES AND THE GENERAL MANAGER EFFECTIVE JULY 1, 2020 THROUGH JUNE 30, 2021**

Mr. Kennedy pointed out this item was to approve the Cost of Living Adjustments (COLA's) as part of the current Memorandum of Understandings (MOU's) with the employees except for the General Manager.

Ms. Harp stated the MOU's call for the change in annual CPI for the previous calendar years and how the 2.4% COLA is based on the change that occurred in 2019 between 2018-2019 and is effective the first pay period in July 2020. She noted the pay grade for the General Manager will remain unchanged.

Motion:

To approve Option 1 - Approve Resolution No. 20-11 as presented.

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

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

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

***20. AWARD OF PROFESSIONAL SERVICES AGREEMENT WITH HOCH CONSULTING FOR NORTH RIVER ROAD LAND OUTFALL REHABILITATION**

Mr. Kennedy described the emergency actions taken since the heavy rainfall experienced in April as well as the necessary pipeline repairs required at the North River Road location. He pointed out through staff working with Hoch Consulting, it has been identified this work can be completed at a cost of approximately \$2.5M as opposed to \$8M-\$10M. He noted under this contract Hoch Consulting will handle the engineering work, gathering of contract documents, project management and inspections throughout the repair process. Mr. Gutierrez briefly updated the Board on the most recent work being conducted at the site.

Director Gasca inquired about the delta including whether there would be a cost savings to the District. Mr. Kennedy explained the cost savings may not be significant due to the possible increase in capacity.

Mr. Gutierrez pointed out one of the key factors related to this project is RMWD cannot handle failure on this pipeline at all along North River Road. He said there was no way to pump or do any type of bypassing to keep up with the level of flow, especially during the wet seasons; therefore, being a little bit proactive in addition to gaining the capacity in the pipe will go a long way in the future.

Motion:

Approve the Professional Services Agreement with Hoch Consulting for a not-to-exceed amount of \$151,180.

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

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

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

***21. DISCUSSION AND POSSIBLE ACTION TO AWARD CONSTRUCTION CONTRACT FOR THE VISTA VALLEY VILLAS PRESSURE REDUCING STATION PROJECT**

Mr. Strapac gave a presentation noting this station is located on a very steep, rocky slope. Mr. Kennedy mentioned this project is to relocate the station a little further up the street at a more reasonable level for the benefit of the customers as well as provide RMWD some flexibility in operations. Mr. Strapac noted the Engineering and Operations Committee was updated on this project and how three contractors from the pre-qualified bidders list with the low bid coming in at \$334,700 from SCW. He pointed out the bids were conducted via video teleconference.

Mr. Kennedy highlighted RMWD went through a pre-qualification process with its contractors and how before the process was completed, the last project bid out was the Pala Mesa pressure reducing stations and the contractor chosen was very close to getting fired from the job after it took months for them to start the work. He said using the pre-qualified bid process will be more beneficial to the District.

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Director Mack asked whether change order amounts are taken into account when receiving bids. Mr. Kennedy explained under the Public Contracting Code, the District does not have the ability to not accept the lowest responsive bid package that meets all the state law requirements unless the package contains some type of disqualifying error. Mr. Strapac mentioned 10% is sometimes automatically added to public projects. Mr. Kennedy stated the approval process for change orders is provided in the Administrative Code as well as confirmed contracts are for a fixed price with no changes allowed without written approval from the District.

Motion:

To approve Option 1 - Allocate funding and award the construction contract for the Vista Valley Villas PRS Project to SCW Contracting Corporation in accordance with the California Public Contracting Code for a not to exceed amount of \$334,700, make a finding that the project is Categorical Exempt from CEQA, and authorize General Manager to execute contract for the construction of the Vista Valley Villas PRS Project to SCW Contracting Corporation.

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

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

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

22. DISCUSSION AND POSSIBLE ACTION REGARDING “AS NEEDED” CIVIL ENGINEERING SERVICES CHANGE ORDER

Mr. Strapac recalled RMWD has a list of “as needed” consultants for professional services which has streamlined many processes for getting jobs done. He said staff found Omnis Consulting has been working on several RMWD projects and were very responsive. He pointed out this item was reviewed by the Engineering and Operations Committee after which they recommended the Board approval.

Vice President Hamilton asked if there were any legal exposures to RMWD relative to the fact that a contract was issued here and were now putting out a Request for Proposal to add more. Mr. Kennedy and Mr. Strapac said no legal jeopardy should exist.

Motion:

To approve Option 1 - Approve Change Order in the amount of \$150,000 for Omnis Consulting, Inc. to continue to provide civil engineering professional services to the District, authorize the General Manager to execute Change Order for the “As Needed” civil engineering contract with Omnis Consulting, Inc., make a determination that the action identified herein does not constitute a “project” as defined by CEQA.

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

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

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

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***23. DISCUSSION AND POSSIBLE ACTION TO AWARD A PROFESSIONAL SERVICES AGREEMENT TO MASTERCRAFT HOMES GROUP, LLC FOR HQ DEVELOPMENT STUDY SERVICES**

Mr. Kennedy explained staff solicited a Request for Qualifications earlier in the year to which three responses were received and reviewed with the Engineering and Operations Committee. He noted the resulting winner of this process was a firm MasterCraft Homes Group, LLC. He explained this contract will be for the consultant to start with a marketing study. He mentioned the contract will have milestones built in with each step being brought forward for consideration before proceeding. He mentioned one of the recommendations was to create an ad hoc committee to assist with this project.

President Brazier inquired as to how Board and committee members could participate on the ad hoc committee. Legal Counsel clarified no more than two Board Members may participate. Vice President Hamilton stated it would be beneficial to have two Board Members serving on the ad hoc committee.

Motion:

To approve Option 1 - Allocate funding for HQ Development Study Services in the amount of \$122,324.00 for MasterCraft, in support of a new headquarters facility, make a finding that the project is Categorically Exempt from CEQA, and authorize General Manager to execute contract with MasterCraft with the addition of an ad hoc committee to support the activity.

Action: Approve, Moved by Member Gasca, Seconded by Director Mack.

Vote: Motion passed (summary: Ayes = 4, Noes = 0, Abstain = 1).

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

Abstain: Director Brazier.

Directors Mack and Rindfleisch expressed interest in serving on the ad hoc committee.

President Brazier deferred the appointment process to Vice President Hamilton. Vice President Hamilton appointed Directors Mack and Rindfleisch to serve on the Headquarters Development Study Services Ad Hoc Committee.

***24. DISCUSSION AND POSSIBLE ACTION TO APPROVE ORDINANCE NO. 20-06 AMENDING AND UPDATING ADMINISTRATIVE CODE TITLE 1 – GENERAL PROVISIONS**

Mr. Kennedy pointed out feedback was received from the Communications and Customer Service Committee members as well as the Board was provided an opportunity to provide feedback over the last two months prior to bringing this back to the Board for consideration. Ms. Washburn added the only additional proposed revisions was to the Conflict of Interest Code to reflect a position's title change per the Board's adoption of Resolution No. 20-08 on May 26, 2020.

Vice President Hamilton referenced Section 1.01.040 noting there may be a grammatical error. Legal Counsel confirmed the words "thought fully" should be "though fully". Ms. Washburn noted this additional revision.

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Motion:

Approve Option 1 - Adopt Ordinance No. 20-06 amending and updating Administrative Code Title 1 – General Provisions as proposed with the additional revision.

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

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

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

***25. CSDA 2020 BOARD OF DIRECTORS ELECTIONS SEAT C**

Mr. Kennedy pointed out the deadline for submitting the ballot is July 10, 2020. He mentioned RMWD has been asked to support Greg Mills and Arlene Schafer, but only one vote is allowed.

Motion:

To support Arlene Schafer.

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

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

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

26. DISCUSSION AND POSSIBLE APPOINTMENT OF TRACY LARGENT TO SERVE AS AN ALTERNATE MEMBER ON THE ENGINEERING AND OPERATIONS COMMITTEE

Mr. Kennedy mentioned the committee has had some challenges with making a quorum; therefore, it was recommended the Board appoint Ms. Largent to serve as an alternate member. He pointed out this would also serve as an opportunity for cross training.

Director Gasca said he would like to hear assurance staff would not be over tasked by serving on the committee during the current situation. Ms. Largent assured Director Gasca serving on the committee would not overtask her as she attends this committee meeting already.

Motion:

The appointment of Tracy Largent to serve as an alternate on the Engineering and Operations Committee.

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

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

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

(*) - Asterisk indicates a report is attached.

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

There were no requests.

BOARD INFORMATION ITEMS**28. COVID-19 EMERGENCY UPDATE**

Mr. Kennedy updated the Board on the current status of employees. He also mentioned staff has had discussions related to when and how to reopen the District offices while protecting the safety of staff as well as members of the public.

Director Gasca asked for an update on submitting for reimbursement from FEMA. Mr. Kennedy explained RMWD would not be eligible for reimbursement for any amounts already included in the budget. Ms. Harp stated RMWD has an existing grant from ACWA/JPIA that would normally be applied to the District's health fair; however, since the 2020 health fair was cancelled, the District was now allowed to apply the grant toward COVID-19 supply purchases. Ms. Largent added RMWD could request reimbursement for the devices purchased for employees to work from home; however, the value of the devices at the time they are returned to work would need to be subtracted which makes the reimbursement value nil.

29. WATER SERVICES UPGRADE PROGRAM (WSUP) UPDATE

Mr. Williams gave a presentation on the Water Services Upgrade Program (WSUP). He reminded the Board that work on this project was stopped between March 17th-May 5, 2020 due to the issued stay-at-home order. He shared the data provided by Concord to which RMWD has administrative rights to access. Ms. Gray added the information being provided at this time was now accessible on the RMWD website.

Mr. Williams shared samples of the data provided as well as pictures of the meter location sites.

Mr. Kennedy added each job site is analyzed and communicated between the District and Concord staff members. He also confirmed the locations will be added into GPS as each meter is replaced.

***30. INFORMATIONAL UPDATE ON POTENTIAL SOURCES OF GRANT FUNDING FOR DISTRICT CAPITAL PROJECTS**

Mr. Kennedy explained the Board had expressed interest in researching different grant funding sources; therefore, Hoch Consulting was contacted to provide assistance with this matter. He said Hoch Consulting looked at a series of RMWD projects and then compared those with a list of available grant programs to identify what may be feasible. He referenced a report on the findings provided as a handout showing the findings. He said going forward, RMWD will be working on remitting applications to these funding sources for projects where it makes sense. He explained whenever taking on federal dollars, there is additional financial complexity which in turn may require changes to the current auditing process, Administrative Code, as well as reporting.

Vice President Hamilton expressed interest in the solar power funding. Discussion ensued.

(*) - Asterisk indicates a report is attached.

***31. 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. Information Report
 - 2. Budget vs. Actual Fund 1, 2, and 3
 - 3. Fund Balance Projections
 - 4. Treasury Report
 - 5. Five Year Demand
 - 6. Credit Card Breakdown
 - 7. Directors' Expense
 - 8. Check Register
 - 9. Water Sales Summary
 - 10. Developer Projections
 - 11. RMWD Properties

Vice President Hamilton inquired about the information provided in Item #31E9. Discussion ensued. Ms. Largent agreed to add a budget line as well as grid lines to the report.

Mr. Kennedy mentioned he was contacted by Brent Ives regarding whether RMWD wants to start the Strategic Planning Objectives review via Zoom or wait until the District offices reopen. Vice President Hamilton recommended exploring a way to meet without the requirements of a group meeting.

Director Gasca said he would like to review the budget letter with Ms. Largent. Ms. Largent agreed to contact Director Gasca.

Motion:

To receive and file information and financial items.

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

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

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

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

It was noted first review of Administrative Code Title 2 revisions, a WSUP update, and revisions for PUP #1 should be on the next agenda.

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33. ADJOURNMENT - To Tuesday, July 28, 2020 at 1:00 p.m.

The meeting was adjourned by Vice President Hamilton to a regular meeting on July 28, 2020 at 1:00 p.m.

The meeting was adjourned at 3:44 p.m.

Helene Brazier, Board President

Dawn M. Washburn, Board Secretary

SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING **June 25, 2020**

1. Consideration of Fiscal Years 2020 and 2021 Mid-term Budget Update.
The Board adopted Resolution No. 2020-07 amending the bi-annual budget for fiscal years 2020 and 2021.
2. Adopt the Water Authority's Rates and Charges for Calendar Year 2021.
The Board conducted the Public Hearing; adopted Ordinance No. 2020-01 setting rates and charges for the delivery and supply of water, use of facilities, and provision of services; adopted Resolution No. 2020-08 continuing the Standby Availability Charge; adopted Ordinance No. 2020-02 amending and restating the System Capacity and Water Treatment Capacity Charges imposed by the Water Authority pursuant to Section 5.9 of the County Water Authority Act; and found the actions exempt from CEQA pursuant to Public Resources Code § 21080(b)(8) and authorize the General Manager to file a notice of exemption; and requested the rates and charges be brought back to the Board during the September / October timeframe for any additional cost savings.
3. Approve the Recommended Debt Management Activities.
The Board adopted Resolution No. 2020-09 authorizing (i) the issuance of Series 2020AB Water Revenue Refunding Bonds to advance refund, on a taxable basis, certain outstanding longterm debt, (ii) a negotiated method of sale; (iii) the execution and delivery of financing documents, including the Indenture, Escrow Agreements, Continuing Disclosure Agreements, Purchase Contract and Official Statement; and (iv) the distribution of the Preliminary Official Statement; and adopted Resolution No. 2020-10 authorizing (i) the issuance of Series 2021AB Water Revenue Refunding Bonds to refund, on a tax-exempt forward delivery basis, certain outstanding long-term debt, (ii) a negotiated method of sale, (iii) the execution and delivery of financing documents, including the Indenture, Escrow Agreements, Continuing Disclosure Agreements, Forward Delivery Purchase Contract and Official Statement; and (iv) the distribution of the Preliminary Official Statement.
4. Agreement for the Wheeling of Certain Local Water Supplies to the Padre Dam Municipal Water District by the San Diego County Water Authority.
The Board approved an agreement between the Water Authority and Padre Dam Municipal Water District for the wheeling of certain local supply water produced by a future East County Advanced Water Purification (ECAWP) project in accordance with the board adopted Local Supply Conveyance and Exchange Policy.
5. Local Resources Program agreement for the East County Advanced Water Purification (ECAWP) Program.
The Board authorized the General Manager to execute a Local Resources Program agreement with the Metropolitan Water District of Southern California and the East County Advanced Water Purification (ECAWP) Joint Power Authority (JPA) for the ECAWP Program.

6. Local Resources Program agreement for the City of Escondido's Membrane Filtration and Reverse Osmosis (MFRO) Program.
The Board authorized the General Manager to execute a Local Resources Program agreement with the Metropolitan Water District of Southern California and the City of Escondido (Escondido) for their Membrane Filtration Reverse Osmosis (MFRO) Program.
7. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed the Treasurer's report.
8. Purchase of Water Authority Business Insurance for Fiscal Year 2021.
The Board authorized the General Manager to purchase property insurance from Swiss Reinsurance Company Ltd in the amount of \$208,429, liability insurance from Allied World Assurance Company – CalMutuals JPRIMA in the amount of \$337,053, and workers' compensation insurance from Zenith Insurance Company – CalMutuals JPRIMA in the amount of \$294,633, for a total amount of \$840,115.
9. Amendment to the cost-sharing agreement for Colorado River Board of California funding.
The Board authorized the General Manager to execute an amendment to the joint powers agreement that extends the existing proportional funding shares of the six member agencies of the Colorado River Board of California (CRB) for the next five years (from July 1, 2020 to June 30, 2025).
10. Adopt positions on various state bills:
The Board adopted a position of Support on SB 1301 (Hueso), relating to development of a binational watershed management plan for the Tijuana River Valley and a position of Support on H.R. 7073 (Garamendi), relating to coronavirus financial assistance and relief for special districts.
11. Resolution approving Yuima Municipal Water District's Proposed Rancho Corrido Annexation.
The Board adopted Resolution No. 2020-11 that: a) resolves that the Water Authority reaffirms and certifies the Notice of Exemption filed by the Yuima Municipal Water District as Lead Agency complies with the California Environmental Quality Act (CEQA) and the State CEQA Guidelines, independently determines that the proposed action is categorically exempt from CEQA, and authorizes and directs the General Manager to file a NOE; and b) approves the concurrent annexation of Yuima Municipal Water District's (Yuima MWD) proposed Rancho Corrido Annexation to the Water Authority and the Metropolitan Water District of Southern California (Metropolitan), verifying that all policies have been met, and conditioned upon the fulfillment of all conditions and final approval by the San Diego Local Agency Formation Commission (LAFCO).

12. Closed Session
The Board approved extending the General Manager contract through June 30, 2021, on same terms and conditions as current contract, but extending the 80 hours merit paid leave that was to be used by June 30 to December 31, 2020 due to COVID-19.
13. Closed Session
The Board approved extending the General Counsel contract through June 30, 2021, on same terms and conditions as current contract.
14. Approval of Minutes.
The Board approved the minutes of the Formal Board of Directors meeting of May 28, 2020.
15. Director Appointment and Reappointments.
The Board approved appointment of Consuelo Martinez, representing the city of Escondido; term ending October 18; the reappointment of Director Jim Murtland representing Rincon del Diablo Municipal Water District; term ending June 20, 2026 and the reappointment of Director Keith Lewinger representing the city of Carlsbad; term ending June 16, 2026.



TO: Rainbow Municipal Water District

FROM: Alfred Smith

DATE: July 28, 2020

RE: Attorney Report: State Water Board Update
501668-0002

I. INTRODUCTION.

This attorney report provides an update on a recent Court of Appeal decision affirming the State Water Resources Control Board's ("State Water Board") broad authority to regulate unreasonable use through emergency regulations and curtailment orders, even as to riparian and pre-1914 rights, during drought conditions.

On June 18, 2020, in the case of *Stanford Vina Ranch Irrigation Company v. State of California*, (2020) WL 3396269 ("Stanford Ranch"), the Third District Court of Appeal affirmed the trial court's order allowing the State Water Board to regulate surface water rights through curtailment orders enforcing emergency regulations establishing minimum instream flows to protect salmon and steelhead trout during drought.

The *Stanford Ranch* decision echoes the First District Court of Appeal's 2014 opinion upholding the Board's authority to regulate riparian and pre-1914 surface water rights to maintain minimum instream fish flows in *Light v. State Water Resources Control Board*, (2014) 226 Cal.App.4th 1463. There, the regulation sought to protect salmon and steelhead by establishing local programs to monitor streams and potentially require curtailments of water diverted to protect grapes from frost. The emergency regulation in this new case took a step beyond *Light* by directly declaring diversions that would reduce instream flows below specified minimums to be unreasonable under Article X, section 2 of the California Constitution. Article X, section 2 prohibits waste of water and requires all water use to be reasonable.

The Court of Appeal's decision is significant because it holds that, while riparian and pre-1914 appropriative water right holders have among the highest priority among water right claimants, those high priority water rights must nonetheless yield to the State Water Board's broad authority to regulate reasonable uses of water under Article X, Section 2 of the California Constitution. The decision is also precedent-setting by holding the State Water Board's curtailment of these high priority water rights did not constitute a "taking" of private property without just compensation.

II. BACKGROUND.

The plaintiff in the *Stanford Ranch* case operates diversion dams and ditches for agricultural uses on Deer Creek, a tributary of the Sacramento River originating near the summit of Butt Mountain in the Lassen National Forest. Stanford Ranch's shareholders own agricultural land with previously adjudicated riparian rights to the use of roughly 66 percent of Deer Creek's water. Deer Creek provides spawning and rearing habitat for Chinook salmon and steelhead trout, which are listed as threatened under the federal Endangered Species Act and California Endangered Species Act.

In January 2014, Governor Brown declared a state of emergency due to historic severe and persistent drought conditions. In March 2014, Governor Brown signed into law urgency legislation, which included authority for the State Water Board to adopt emergency regulations to prevent waste and unreasonable use, to promote water conservation, and to require curtailment of diversions when water is not available under the diverter's priority of right (among other things), in response to the threat or presence of critically dry conditions.

In May 2014, the State Water Board began promulgating regulations implementing in-stream flow requirements for Deer Creek and two other Tehama County creeks providing habitat to listed fish species. In those regulations, the Board declared that any diversion reducing flows beneath drought emergency minimums would be a *per se* waste and unreasonable use in violation of Article X, section 2. The emergency regulations barred water from being diverted from Deer Creek and other specified streams during the effective period of any State Water Board curtailment order issued pursuant to the regulations. On June 5, 2014, the State Water Board issued the first curtailment order for Deer Creek, which directed all water rights holders to immediately cease or reduce their diversions in order to maintain the drought emergency minimum flows specified by regulation. From June 2014 to October 2015, the Board issued three more curtailment orders for Deer Creek.

III. COURT'S ANALYSIS.

A. The Trial Court's Decision.

Stanford Ranch filed suit in October 2014 (with subsequent amendments resulting from additional curtailment orders), claiming the Board's emergency regulations and curtailment orders amounted to an unconstitutional taking of Stanford Ranch's vested water rights for fishery enhancement purposes, and claiming the taking was prohibited absent an evidentiary hearing. Stanford Ranch also asked the court to order the Board to rescind its emergency regulations and curtailment orders, and to refrain from adopting further orders that use the "reasonable use" doctrine to prohibit one use of water for the benefit of alternative uses of the same water, without providing due process and just compensation.

In response, the State Water Board argued it had authority to adopt the challenged emergency regulations and to issue curtailment orders to regulate the unreasonable use of water, and that the regulations and curtailments did not constitute a taking or violate Stanford Ranch's due process rights, because Stanford Ranch had no vested right to the unreasonable diversion or use of water.

The trial court concluded the Board possessed quasi-legislative authority to adopt the challenged regulations, without first holding an evidentiary hearing, and that the curtailment orders simply notified affected water right holders that the regulatory provisions were being applied.

The trial court further held that "under the unique circumstances present in this case – persistent and extreme drought conditions threatening to dewater high priority streams during critical migration periods for threatened and endangered fish species ... the Board rationally determined that allowing diversions to reduce flows below minimum 'belly-scraping' amounts necessary for fish migrations and survivability would be unreasonable." Accordingly, the trial court entered judgment against Stanford Ranch on all causes of action.

B. Appellate Court Decision

1. Affirms State Water Board's Authority and Rejects Stanford Ranch's Takings and Due Process Arguments.

In affirming the trial court's decision, the Third District Court of Appeal held the State Water Board possesses broad authority to regulate the unreasonable use of water. The court held that authority includes adoption of a regulation establishing minimum flow requirements to protect the migration of threatened fish species during drought conditions, and to declare unreasonable diversions of water would cause instream flows to fall below levels needed by those fish. Because different standards of review apply to the Board's quasi-legislative rulemaking power and its quasi-adjudicative enforcement actions, the appellate court first considered the validity of the regulations and then considered the validity of the curtailment orders that implemented the regulations.

2. Affirms Validity of Challenged Regulations.

The Court of Appeal determined the challenged regulations fell within the State Water Board's "regulatory authority as they furthered the Board's constitutional and statutory mandate to prevent waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of water in this state." Citing *Light*, the court rejected Stanford Ranch's argument that the Board exceeded its authority by regulating riparian and pre-1914 water rights, explaining "the board is charged with acting to prevent unreasonable and wasteful uses of water, *regardless of the claim of right under which the water is diverted.*"

Among other statutory provisions granting the State Water Board authority, the court cited (1) Water Code section 275, which authorizes the State Water Board to “take all appropriate proceedings or actions before executive, legislative, or judicial agencies to prevent waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of water;” (2) Water Code section 1058, which authorizes the Board to “make such reasonable rules and regulations as it may from time to time deem advisable in carrying out its powers and duties;” and (3) Water Code section 1058.5, which authorizes the Board to adopt emergency regulations to prevent “unreasonable use, unreasonable method of use, or unreasonable method of diversions” during severe drought conditions.

The court rejected Stanford Ranch’s claim that due process and Article X, section 2 required the Board to hold an evidentiary hearing before making a reasonableness determination. According to the court, due process did not require the Board to hold an evidentiary hearing to exercise its legislative authority to adopt a regulation defining reasonable use.

Applying the deferential standard for judicial review of legislative actions, the court found the emergency regulations were within the State Water Board’s authority, were reasonably necessary, and that the Board’s determinations were not arbitrary and capricious or entirely lacking in evidentiary support.

3. Affirms Validity of Challenged Curtailment Orders.

After determining the Board’s emergency regulations were valid, the court held the State Water Board properly implemented those regulations by issuing the challenged curtailment orders. Stanford Ranch argued it held a vested right to Deer Creek’s water based on its landowners’ senior riparian and pre-1914 water rights to Deer Creek flows, so the court should review the orders under an independent judgment standard.

The Court of Appeal disagreed and applied the substantial evidence standard of review. It reasoned that under Article X, section 2, exercise of water rights extends only to as much of the flow as may be required for the reasonable use of that water. Because the Board’s emergency regulations defined unreasonable use as any diversion of water that threatened to drop Deer Creek’s flow below the emergency minimum, the court held that Stanford Ranch possessed no vested right to divert water from Deer Creek in violation of the emergency regulation.

The Court of Appeal found that Stanford Ranch did not dispute that its unregulated diversions would have caused Deer Creek’s flows to drop below the minimum levels specified by regulation. The court held that substantial evidence supports the Board’s application of the regulations to the facts existing in Deer Creek at the time the curtailment orders were issued, finding no fault with the Board’s application of the regulations.

The court rejected Stanford Ranch's argument the curtailment orders were a taking of private property without just compensation, because it found that Stanford Ranch possessed no vested right to divert water from Deer Creek in contravention of the emergency regulations. The court also dismissed Stanford Ranch's arguments that the regulations and curtailment orders impermissibly interfered with a prior judicial decree declaring its water rights, because rights declared by a judicial decree are subject to the rule of reasonableness. Finally, the court rejected Stanford Ranch's argument that the orders violated the rule of priority. The court observed that Stanford Ranch did not identify any junior rights holders who were excluded from curtailment and that, in any event, the rule is not absolute.

IV. CONCLUSION.

The Stanford Ranch case is another example of courts upholding State Water Board authority to regulate riparian and pre-1914 surface water rights to ensure reasonable use during drought – this time when the water rights were previously decreed by a court in a stream adjudication. The new appellate opinion upholds the Board's two-step drought emergency response process (first, adopting an emergency regulation defining reasonable use and, second, issuing an enforcement order applying the regulation to specific water users).

The Court of Appeal's decision leaves unanswered, however, the question of whether the State Water Board's expanded regulatory power applies during less unusual circumstances. (*See Tulare Irrigation District v. Lindsay-Strathmore Irrigation District* (1935) 3 Cal.2d 489, 530 [striking down as unconstitutional legislation declaring certain riparian rights *per se* unreasonable].)

The four key takeaways from the Court of Appeal's decision are:

- The State Water Board may promulgate emergency drought regulations and issue curtailment orders necessary to protect threatened fish;
- While riparian and pre-1914 appropriative water right holders have among the highest priority among water right claimants, and have historically been beyond the reach of State Water Board jurisdiction, those high priority water rights must nonetheless yield to the State Water Board's broad authority to regulate reasonable uses of water under article X, section 2 of the California Constitution;
- The State Water Board has authority to enter a determination that diversions reducing instream flows during certain periods of drought are *per se* unreasonable; and
- Since water right holders do not have a right to an "unreasonable" use of water, the State Water Board's curtailment actions did not constitute a "taking" of private property without just compensation.

BOARD OF DIRECTORS

July 28, 2020

SUBJECT

NOTICE OF COMPLETION AND ACCEPTANCE OF FACILITIES CONSTRUCTED UNDER THE HELLING HILL RUN IMPROVEMENT PLANS, TPM 20957

BACKGROUND

Developers are often required to construct improvements to the water and wastewater facilities that will become part of the Rainbow Municipal Water District's distribution and collection systems in order to serve the parcels they are developing. When constructing these improvements, a developer must submit plans for District approval, pay an inspection fee, hire a contractor with a class "A" license to install the improvements according to the approved plans and District's Standard Specifications, and arrange with the District inspector to have the construction inspected. The developer then warrants the work free of defects for a period of 12 months. RMWD becomes responsible for the daily operation and maintenance of the improvements once they are accepted.

DESCRIPTION

The facilities included in the Helling Hill Run improvement plans have been constructed per the approved plans and Rainbow Municipal Water District Domestic Water, Recycled Water and Sanitary Sewer Facilities Construction Standards Manual, inspected, tested per specifications, and are ready for acceptance. These facilities include 250' of 8" Ductile Iron Pipe and associated appurtenances.

Upon acceptance by the Board, the improvements become part of the District water system and Staff takes over operation and maintenance. The labor and materials payment bond as well as the performance bond were already reduced by 80%. The remaining portion of the labor and materials payment bond, \$9,106, as well as 10% of the original performance bond, \$4,553.00 will be released. A warranty bond of 10% of the original performance bond, \$4,553.00, will be held for a one-year warranty period for all improvements which commences after board acceptance. Installation costs will be added to the District's total valuation.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Two: Asset Management. In addition to maintaining the physical condition of the District's existing infrastructure, it is important to ensure that all new infrastructure is properly accepted administratively and incorporated into the District's records.

ENVIRONMENTAL

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

BOARD OPTIONS/FISCAL IMPACTS

The construction costs of the improvements, totaling \$45,530.00, will be added to the District’s asset valuation.

- 1) Option 1:
 - Accept the Helling Hill Run improvements as complete and as shown on the approved plans.
 - Approve filing the Notice of Completion.
 - Add installation costs of \$45,530.00 to the District’s total valuation.
 - Make a finding that the action herein does not constitute a “project” as defined by CEQA.

- 2) Option 2:
 - Provide other direction to staff.

STAFF RECOMMENDATION

Staff recommends Option 1.



Steven E. Strapac, P.E., P.L.S.
District Engineer

07/28/20

BOARD OF DIRECTORS

July 28, 2020

SUBJECT

NOTICE OF COMPLETION AND ACCEPTANCE OF FACILITIES CONSTRUCTED UNDER THE MALEK WATERLINE EXTENSION – ENTRADA AL SOL IMPROVEMENT PLANS

BACKGROUND

Developers are often required to construct improvements as part of their requirements for developing a parcel of land. These requirements can include facilities that will become part of the Rainbow Municipal Water District such as a watermain extension to serve a parcel or a fire hydrant for fire protection. When constructing a waterline extension and a fire hydrant connected to an existing water main, a developer must submit a plans for District approval, pay an inspection fee, hire a contractor with a class “A” license to install the waterline extension and fire hydrant according to the approved plans and District’s Standard Specifications, and arrange with the District inspector to have the construction inspected. The developer then warrants the work free of defects for a period of 12 months. RMWD becomes responsible for the daily operation and maintenance of the fire hydrant once it is accepted.

DESCRIPTION

The facilities included in the Malek Waterline Extension – Entrada Al Sol improvement plans have been constructed per the approved plans and Rainbow Municipal Water District Domestic Water, Recycled Water and Sanitary Sewer Facilities Construction Standards Manual, inspected, tested per specifications, and are ready for acceptance. These facilities include 360’ of 8” PVC waterline and a fire hydrant.

Upon acceptance by the Board, the improvements become part of the District water system and Staff takes over operation and maintenance. In addition, the payment bond of \$45,554.65 and 90% of the performance bond, \$40,999.19 will be released. A warranty bond of 10% of the performance bond, \$4,555.46, will be held for a one-year warranty period for all improvements which commences after board acceptance. Installation costs will be added to the District’s total valuation.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Two: Asset Management. In addition to maintaining the physical condition of the District’s existing infrastructure, it is important to ensure that all new infrastructure is properly accepted administratively and incorporated into the District’s records.

ENVIRONMENTAL

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

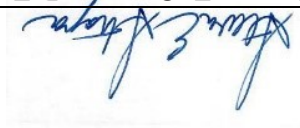
BOARD OPTIONS/FISCAL IMPACTS

The construction costs of the improvements, totaling \$45,554.65, will be added to the District's asset valuation.

- 1) Option 1:
 - Accept the Malek Waterline Extension – Entrada Al Sol improvements as complete and as shown on the approved plans.
 - Approve filing the Notice of Completion.
 - Add installation costs of \$45,554.65 to the District's total valuation.
 - Make a finding that the action herein does not constitute a "project" as defined by CEQA.
- 2) Option 2:
 - Provide other direction to staff.

STAFF RECOMMENDATION

Staff recommends Option 1.



Steven E. Strapac, P.E., P.L.S.

District Engineer

07/28/20

BOARD OF DIRECTORS

July 28, 2020

SUBJECT

ACCEPTANCE OF THE 2019 SEWER PIPE LINING PROJECT

BACKGROUND

As part of the District's Capital Improvement Plan, the District maintains the wastewater conveyance system in the District. Routine maintenance videoing of the lines revealed cracking and root intrusion in the vitrified clay pipe ("VCP") pipe under interstate 15 and the force main from the Fallbrook Oaks Lift Station which can result in I&I and failure of the pipe. Lining the sewer mains can prevent I&I (inflow and infiltration) and reduce the overall sewer flows, particularly in wet weather. Lining the pipe can also extend the life of the pipe and prevent failure.

DESCRIPTION

The Board of Directors authorized the General Manager to execute a contract for the construction of the 2019 Sewer Pipe Lining Project on June 25, 2019 for \$69,000 to line the sewer main segments under interstate 15 and the force main from Fallbrook Oaks Lift Station. NU-LINE Technologies, LLC completed construction of the lining under interstate 15 on October 31, 2019. The liner was installed with 305 ft. of "severe" wrinkles. District staff notified the contractor on April 20, 2020 that according to the specifications, the District would accept a repair, removal and replacement, or an appropriate credit for the non-conforming work. The contractor did not reply to this notice. According to the specifications, the District may move forward to remedy the defective work by accepting the defective work instead of requiring its correction or removal and replacement. In this case, a Change Order would be issued incorporating the necessary revisions in the Contract Documents, including appropriate reduction in the Contract Price covering the value of such accepted defective work.

The Original Contract amount for the Sewer Pipe Lining Project was \$69,000. NU-LINE Technologies was unable to line the force main from the Fallbrook Oaks Lift Station, thus \$32,669 was removed from the contract according to Change Order #2. An acceptable credit pertaining to the wrinkles below the pipe centerline was determined to be \$14,640 according to the specifications. The remaining contract amount is \$21,691.

Facilities constructed and ready for acceptance include the following:

- 538' +/- of 8-inch diameter sanitary sewer pipe cured in place pipe lining underneath I-15, from manhole I6-#49 to I6#50

Upon acceptance by the Board, the improvements become part of the District sewer system and Staff takes over operation and maintenance. A Change Order will be issued incorporating the credit pertaining to the wrinkles below the pipe centerline which was determined to be \$14,640 according to the specifications. In addition, the payment bond of \$69,000.00 and a portion of the performance bond, \$66,831 will be released. There is a one-year warranty period for all improvements which commences after board acceptance. The District will retain a portion of the performance bond equal to 10% of the

reduced contract amount, \$2,169, as the warranty bond for this one-year period. Installation costs of \$21,691 will be added to the District's total valuation.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Two: Asset Management. In addition to maintaining the physical condition of the District's existing infrastructure, it is important to ensure that all new infrastructure is properly accepted administratively and incorporated into the District's records.

ENVIRONMENTAL

The Board determined that the construction of the 2019 Sewer Pipe Lining Project was categorically exempt from CEQA in accordance with CEQA Statute Section 21080.21(a) on June 25, 2019. 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 construction costs of the improvements will be added to the District's asset valuation.

1) Option 1:

- Accept the 2019 Sewer Pipe Lining Project.
- Direct District Staff to issue Change Order for the reduction of \$14,640 in the contract amount pertaining to the defective work.
- Approve filling the Notice of Completion.
- Add installation costs of \$21,691 to the District's total valuation.
- Release the Payment Bond in the amount of \$69,000.00.
- Release a portion of the Performance Bond in the amount of \$66,831.00.
- Retain a portion of the performance bond in the amount of \$2,169.00 as the warranty bond for one year.
- Make a finding that the action does not constitute a "project" as defined by CEQA.

2) Option 2:

- Provide other direction to staff.

STAFF RECOMMENDATION

Staff recommends Option 1.



Steven E. Strapac, P.E., P.L.S.

District Engineer

07/28/20

BOARD OF DIRECTORS

July 28, 2020

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO CONSIDER REQUEST BY JACK HAGERTY FOR RELIEF FROM WATER BILL DUE TO HIGH WATER CONSUMPTION BILL

BACKGROUND

Mr. Hagerty is the former owner of a residential property located at 2446 Gird Road. In September 2019, while he still owned the property, he had a leak on his property that generated a large bill. He contacted District staff and since he had an excellent history of on-time payments he was eligible for the leak relief provisions of the policy adopted by the Board. Staff credited his account in accordance with the policy.

Around this time Mr. Hagerty was in the process of preparing the property for sale. It is unclear exactly when but at some point, the property was unoccupied. The October bill showed normal consumption but when the read was taken for November the meter showed that another unusual spike in consumption had taken place. When he got the bill, Mr. Hagerty again contacted the District to verify the bill. A meter technician was dispatched and confirmed the read. When our technician was on site they also checked to see if the meter was moving and it was not.

Mr. Hagerty could not find evidence of a leak, but also was not at the residence during the billing period as it was unoccupied. He asked staff to implement the leak relief provisions of our policy but the Board had limited this relief to once every five years so staff could not accommodate his request. He has asked staff to identify how the property could have used that much water as he could find no evidence of a leak and it was not running when we went out to check. Staff has indicated that we have no control over what happens on private property between reads and we had validated the meter readings were correct.

Discussions about this continued for a number of months, with Mr. Hagerty reaching out to Director Gasca and the General Manager directly. In early 2020 Mr. Hagerty questioned the accuracy of the meter, so our technicians pulled the meter and put it through our testing system. The test showed that the meter was seriously under registering water at low flows but was accurate at higher flows. Essentially, under 2 gallons per minute the meter was registering nearly zero consumption. During this process the meter was replaced.

DESCRIPTION

Mr. Hagerty has asked staff to make an accommodation in this matter. He has an outstanding balance of \$483.93 that remains due and payable. Staff has relayed to him that under our Board adopted policy, we cannot simply waive the charges because the meter reads have been confirmed.

Mr. Hagerty has requested that the Board consider the matter directly. This action letter is for the Board to review the matter and decide whether to accommodate his request or not.

Mr. Hagerty still has no idea how so much water was used at the property and neither does staff. Since the property was unoccupied at the time it is even more challenging for all. However, the meter reads have been validated and the charges are correct.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Five: Customer Service. This matter falls outside of Staff’s authority to grant Mr. Hagerty’s request and he has asked for it to be brought before the Board.

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

As of now, the fiscal impact is the unpaid balance on Mr. Hagerty’s account of \$483.93. Mr. Hagerty has signaled a willingness to pay at least a partial amount, but since he is retired and on a fixed income would like the Board to consider some level of relief.

There is no policy to guide what level of relief is appropriate here as our policies in this area have already been applied. There are a range of options available to the Board:

1. Confirm staff’s application of our leak relief policy and let the bill stand as is. A payment plan can be arranged with Mr. Haggarty to allow it to be paid over 12 months.
2. Allow the second leak to be considered a part of the first leak and apply the leak relief policy to his November bill. This would result in a credit of \$339.92.
3. Mr. Hagerty has offered to split the bill in half, which would result in a credit of \$241.96.
4. Other options could be determined by the Board.

STAFF RECOMMENDATION

Staff defers to Board discretion on this matter.



Tom Kennedy
General Manager

July 28, 2020

BOARD OF DIRECTORS

July 28, 2020

SUBJECT

DISCUSSION AND POSSIBLE ACTION ON THIRD AMENDMENT TO THE UNRECORDED JOINT AGREEMENT TO IMPROVE MAJOR SUBDIVISION AND JOINT AGREEMENT TO IMPROVE MAJOR SUBDIVISION COUNTY OF SAN DIEGO TRACT NO. 4736-1 FOR BONSALL OAKS DEVELOPMENT

BACKGROUND

The Polo Club development, now known as the Bonsall Oaks development, within the Rainbow Municipal Water District ("District") boundaries has been in process as far back as 1999. This residential development is located on the north side of Gopher Canyon Road, across the street from Vista Valley Country Club (see Exhibit "A".) Improvement plans for the development were eventually approved by the District and have been "renewed" several times. Most recently in 2018, with new requirements added including manholes at the upstream end of sewer lines.

The current owners agreed to construct public improvements per the "Joint Agreement to Improve Major Subdivision County of San Diego Tract 4736-1, recorded September 23, 1999.

Further amendments and agreements have been created including:

1. "Amendment to Joint Agreement to Improve Major Subdivision, County of San Diego Tract 4736-1 (Final Map 13856), on August 8, 2012.
2. "Joint Lien Contract", August 27, 2012 and extended by the County on October 22, 2014.
3. "Holding Agreement No. 1082-0310-00", August 27, 2012, which transferred title to 'Holder' to implement item #2.
4. "Second Amendment to and Assignment and Assumption of Joint Agreement to Improve Major Subdivision, County of San Diego Tract No. 4736-1 (Final Map 13856) " January 15, 2020.
5. "Agreement to Assume Joint Agreement To Improve Major Subdivision, Joint Lien Contract and Holding Agreement (Tract 4736-1)" January 15, 2020.

DESCRIPTION

The project developer now wishes to exclude certain parcels from the project and the relevant agreements need to be amended to reflect these changed conditions.

As part of this process, owners of the development must sign new agreements with the relevant public agencies with jurisdiction over the project, including Rainbow Municipal Water District. As part of the project, the developer is constructing significant water and sewer infrastructure, and paying capacity fees.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Two: Asset Management. Construction of this project will add new customers to the District, ensuring long-term viability. The development will also help system looping and add a pump station.

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

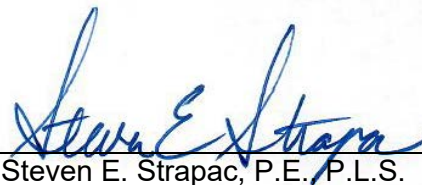
There is no additional direct Fiscal Impact to this action. Board options include:

- 1) Authorize the General Manager to Execute the following agreements:
 - a. THIRD AMENDMENT TO THE UNRECORDED JOINT AGREEMENT TO IMPROVE MAJOR SUBDIVISION, EXTENSION OF TIME TO COMPLETE IMPROVEMENTS, PARTIAL RELEASE OF JOINT LIEN CONTRACT, AND PARTIAL TERMINATION OF ORIGINAL HOLDING AGREEMENT FOR SAN DIEGO TRACT NO. 4736-1 (FINAL MAP 13856)
 - b. JOINT AGREEMENT TO IMPROVE MAJOR SUBDIVISION COUNTY OF SAN DIEGO TRACT NO. 4736-1 (Final Map 13856, Lots 1-18) (Phase 1A-1, PDS1998-2140-4736-1) (Single District)

- 2) Provide other direction to staff.

STAFF RECOMMENDATION

Staff Recommends Option 1.



Steven E. Strapac, P.E. P.L.S.
District Engineer

July 28, 2020

**JOINT AGREEMENT TO IMPROVE MAJOR SUBDIVISION
COUNTY OF SAN DIEGO
TRACT NO. 4736-1
(Final Map 13856, Lots 1-18)
(Phase 1A-1, PDS1998-2140-4736-1)
(Single District)**

This Joint Agreement ("Agreement") is made and entered into this ____ day of _____, 20____, between the County of San Diego, State of California ("County"), the Rainbow Municipal Water District ("District") and Bonsall Oaks, LLC, a California limited liability ("Owner").

WITNESSETH:

WHEREAS, the Board of Supervisors of the County ("Board") approved Final Map Tract No. 4736-1, Final Map 13856 ("Final Map") on September 22, 1999, for the development of 165 single family residential lots and two open space lots on a total of approximately 449.54 acres, commonly known as the Polo Club Project;

WHEREAS, On September 22, 1999, the County, District and the Former Owner entered into an agreement to perform certain acts and construct certain improvements as a condition of County's approval of the Final Map, in compliance with the Subdivision Map Act (Gov. Code § 66410, et seq.), and Section 81.404 of the San Diego County Code of Regulatory Ordinances ("County Code"), which was subsequently amended on August 8, 2012 and again on January 15, 2020;

WHEREAS, on August 8, 2012, County, District, Former Owner and First American Trust, FSB ("Holder"), entered into an agreement, entitled "Joint Lien Contract," recorded on August 27, 2012, as Document No. 2012-0511052 in the Official Records of San Diego County ("Joint Lien Contract"), to postpone construction of said improvements and secured their future installation in accordance with Government Code section 66499 and Section 81.409 of the San Diego County Code;

WHEREAS, on August 8, 2012, County, District, Former Owner, and Holder entered into an agreement entitled "Holding Agreement No. 1082-0310-00" recorded in the Official Records of San Diego County on August 27, 2012 as Document No. 2012-0511053 ("Holding Agreement"), whereby title to the Property was transferred to Holder for the purpose of implementing the Joint Lien Contract;

WHEREAS, on October 22, 2014, the Board extended to October 22, 2016 the performance completion date for the improvements described in the Joint Lien Contract and Joint Improvement Agreement to Improve Major Subdivision County of San Diego Tract No. 4736-1;

WHEREAS, On May 13, 2015, pursuant to an agreement between the Bonsall Community Planning Group and the developer, the County Hearing Officer, Terrence Connors, approved a Modification to the Resolution of Approval for Final Map No. 13856 that deleted improvements to Gopher Canyon Road and added conditions for off-site intersection improvements.

WHEREAS, On January 15, 2020 the Board approved the "Second Amendment to and Assignment and Assumption of Joint Agreement to Improve Major Subdivision, County of San Diego Tract No. 4736-1 (Final Map 13856)" ("Second Amendment"), entered into by County, District, Owner, and Holder, thereby extending to October 21, 2021 the performance completion date for the improvements described in the Joint Lien Contract and Joint Improvement Agreement. Collectively, the Joint Agreement to Improve Major Subdivision County of San Diego Tract No. 4736-1, the First Amendment, and Second Amendment shall hereinafter be called the "Joint Improvement Agreement";

WHEREAS, also on January 15, 2020, the Board approved the "Agreement to Assume Joint Agreement To Improve Major Subdivision, Joint Lien Contract and Holding Agreement (Tract 4736-1)", entered into by County, District, Former Owner, Owner, and Holder, whereby Owner fully assumed all rights and obligations relating to the Joint Improvement Agreement, Joint Lien Contract and Holding Agreement;

WHEREAS, the Owner now desires to substitute security for Lots 2-17, Map 13856 in order to release them from the Joint Lien Contract and affect a partial termination of the Holding Agreement as to said lots as a result of the partial release of the Joint Lien Contract; and

WHEREAS, pursuant to Section 66462 of the Subdivision Map Act and Section 81.407 of the San Diego County Code, the Board requires Owner to make or agree to make certain subdivision improvements; **NOW, THEREFORE**,

FIRST: IMPROVEMENTS. Owner agrees at its own cost and expense to furnish all the labor, equipment and material to perform and complete, and within 730 days from the date of the approval of this Agreement by the Board to perform and complete, in a good, workmanlike manner, according to the plans and specifications referred to below, the following improvements:

1. The improvements within the subdivision as shown on the attached plans and specifications as Exhibit 1 and incorporated into this Agreement by reference, together with the improvements specifically designated by the plans and specifications to be improved.

2. The improvement of the sewer and/or water facilities ("Facilities") as shown on the attached plans and specifications as Exhibit 1 and incorporated into this Agreement by reference. These improvements shall be constructed subject to the following additional terms and conditions:

(a) Owner shall convey to District easements covering the property in which the Facilities are located, in all instances where the Facilities are not located in a dedicated street. Owner's engineer shall provide a legal description and an 8½" X 14" plat of easement for approval by District. The plat shall be a reproducible transparency with the appropriate District's title block and fully locate and describe the easement. The standard easement processing fee and costs of a policy of title insurance insuring title to the easement in the District shall be paid by Owner.

(b) Owner shall pay District separately on demand the full amount of costs incurred by the District in connection with the work, including plan checking, inspection, materials furnished, and all other expenses of each District directly attributable to the work, plus a reasonable amount for overhead in connection therewith. Owner shall deposit with the District concurrently with the execution of this Agreement the following sums being the estimated amounts of each District's expenses: District - \$ N/A. Should the expenses incurred by District exceed said deposit, Owner shall pay the amount of such excess to the District on demand. Should the District's expenses be less than the amount deposited, the difference shall be refunded upon completion of the work and its acceptance by the District.

(c) Owner shall obtain at its expense, all necessary permits required by County, State or other public agency in connection with the construction of the Facilities.

(d) The Facilities shall be operated by the District to whom they are dedicated in accordance with the rules and regulation of that District. Service connection fees and meter costs are not included in the estimated cost of facilities set forth in the Second Paragraph, but shall be an additional sum paid by Owner in accordance with the District's rate schedule as it from time to time exists.

3. The setting by a licensed surveyor or engineer of all monuments and stakes not installed on the date of recording of the Final Map, and the setting of all previously installed monuments and stakes that were removed, altered or destroyed prior to completion of the improvements and their acceptance by the Board and District, within 30 days of acceptance. Owner hereby further agrees to pay the engineer or surveyor for setting the monuments, and to secure the obligation to pay the engineer or surveyor by providing security for faithful performance, as set forth in the section herein entitled "Amounts of Security", subject to the following:

(a) Notice of Setting. Pursuant to Section 66497 of the Subdivision Map Act, within five days after the final setting of all monuments has been completed, the engineer or surveyor shall give written notice to Owner and County's Director of Public Works ("Director") that final monuments have

been set.

(b) Payment of Engineer. Upon payment to the engineer or surveyor for setting the final monuments, Owner shall present to Director evidence of such payment and receipt thereof by the engineer or surveyor. In this event, Owner's security obligations conditioned on payment to the engineer or surveyor, as required by this Paragraph, shall terminate. Where a cash deposit is given by the Owner as security for faithful performance, the Clerk of the Board of County may pay the engineer or surveyor for setting the final monuments from the cash deposit if so directed by Director upon the request of Owner.

(c) Nonpayment. If Owner does not present evidence to Director that he has paid the engineer or surveyor for setting the final monuments, and if the engineer or surveyor notifies Director that he has not been paid by Owner for setting the final monuments, County may, within three months from the date of said notification, pay the engineer or surveyor the amount due from any deposit.

(d) Death or Disability of Engineer. Pursuant to Section 66498 of the Subdivision Map Act, in the event of death, disability or retirement from practice of the engineer or surveyor charged with the responsibility for setting monuments, or in the event of his or her refusal to set such monuments, County may direct Director, or such engineer or surveyor as it may select, to set the monuments. If the original engineer or surveyor is replaced by another, the former may, by letter to Director, release his or her right to set the final monuments to the substitute surveyor or engineer. When the monuments are so set, the substitute engineer shall amend any Final Map in accordance with the correction and amendment provisions of Sections 66469 through 66472 of the Subdivision Map Act. All provisions of this Agreement relating to payment shall apply to the service performed by the substitute engineer or surveyor.

4. (___) If preceding blank is checked, erosion control work as shown on the attached plans and specifications as Exhibit 2 and incorporated into this Agreement by reference, is subject to the following:

(a) The tops of all slopes shall be diked to prevent water from flowing over the edge of the slope.

(b) All driveways shall be paved not later than October 1, where their slopes exceed two percent (2%).

(c) As soon as grading is completed, but not later than October 1, the entire area not to be paved immediately will be treated with two to four tons per acre straw mulch, 50 lbs. per acre annual rye grass seed or

equivalent as determined by the Director at the time of planting, and 100 lbs. per acre actual nitrogen and phosphate (ammonia phosphate 16-20-0). The mulch shall be tacked in place with a sheepsfoot roller and lightly irrigated. On cut and fill slopes, jute matting shall be installed over the mulch to hold it in place and cutting from small leaf ice plants, or approved equivalent ground cover, shall be planted with spacing approved by Director prior to October 15.

(d) An irrigation system shall be installed in accordance with County's standard drawings for irrigation systems and approved by Director not later than May 15 following the planting of the slopes.

(e) Sandbags shall be placed in gutters as approved by Director.

(f) Catch basins, stilling basins and storm drain system as approved by Director shall be installed.

(g) Owner shall maintain the plantings and erosion control measures described herein until release from such obligation by Director. Owner shall pick up and replace on the slopes all sand intercepted by the sandbags, catch basins and stilling basins after each runoff-producing rainfall.

(h) For purposes of providing for the performance of emergency erosion control work which Director, in his or her sole discretion, deems necessary, Owner shall deposit with Director, the sum of \$ N/A, which sum is independent of any other improvement security required by the terms of this Agreement.

5. Incomplete Offsite Street and Utility Improvements.

(a) In the event this unit or subsequent units of this project require access across streets that have not been improved and accepted into the public maintained road system, and to the extent additional sewer and water facilities to serve this unit or subsequent units are required, the Owner agrees to complete said improvements to the satisfaction of Director and, where appropriate, each District prior to requesting acceptance of the improvements secured under this Agreement.

(b) Owner agrees that its obligation under this Agreement shall continue in the event of a transfer or sale of this unit or subsequent units to a person or persons who are not parties to this Agreement.

SECOND: INSPECTION, ACCEPTANCE AND COST ESTIMATE. Owner agrees that the work and improvements required in the First Paragraph, subparagraph 2, above shall be done subject to inspection by and to the satisfaction of the District to

whom the improvements will be dedicated, and the improvements shall not be deemed completed until approved and accepted as completed by the accepting District. Owner agrees that all other work and improvements required in the First Paragraph shall be done subject to inspection by and to satisfaction of Director and the improvements shall not be deemed completed until approved and accepted as completed by the Board. District and Director shall be allowed to inspect their respective facilities during all stages of the construction. District and Director shall be notified a minimum of forty-eight (48) hours prior to the commencement of construction of their respective facilities. The estimated costs of the work and improvements specified in the First Paragraph are itemized as follows:

Improvements of the Streets and/or Easements	\$ 698,800.00
Improvements of the Sewer Facilities	\$ 308,100.00
Improvements of the Water Facilities	\$ 160,400.00
Setting of Monuments	\$ 24,732.00
Erosion Control Work, if any	\$ N/A
Total Estimated Amount	\$ 1,192,032.00

Owner agrees that its obligation under this Agreement extends to the completion of the designated improvements, and that this obligation is not limited by the amount of these cost estimates. Owner further agrees that these cost estimates are estimates only and are not intended to constitute liquidated damages.

THIRD: PARK LAND AND FEES. (____) If the preceding blank is checked, dedication of land or payment of fees for park or recreational purposes is required for this project. Section 66477 of the Subdivision Map Act and Section 810.103 of the San Diego County Code required the dedication of land, the payment of fees in lieu thereof, or a combination of both, for park or recreational purposes. Owner hereby agrees to dedicate land and/or pay County the sum of \$N/A in satisfaction of these requirements.

If land is to be dedicated, pursuant to Section 810.107(b) of the San Diego County Code, Owner agrees to offer the land for dedication prior to the approval of the Final Map by the Board.

If fees alone are to be paid, or fees are to be paid in combination with the dedication of land, pursuant to Section 810.107 (a) and (c) of the San Diego County Code, Owner agrees to pay the full amount specified above prior to the issuance of any building permit or prior to the date upon which all subdivision improvements are to be completed, whichever occurs first. Owner further agrees to secure the obligation to pay

the amount required by this Paragraph, by providing security for faithful performance, as set forth in the section herein entitled "Amounts of Security" below, at the time of submitting this Agreement and Final Map for approval by the Board.

FOURTH: DRAINAGE FEES. (____) If the preceding blank is checked, drainage fees are required for this project. Government Code Section 66483 and Section 810.208 of the San Diego County Code require the payment of drainage fees. Owner agrees to pay drainage fees to County in the amount of \$N/A in satisfaction of these requirements. Owner agrees to pay the full amount specified prior to approval of the Final Map if a reimbursement agreement exists for the Local Drainage Area. If no reimbursement agreement exists, Owner agrees to pay the fees prior to the earliest of the following:

(a) the date of issuance of any building permit except building permits for model houses;

(b) the date all subdivision improvements are completed and accepted by County;

(c) the date construction commences of any portion of a master planned flood control facility within the Local Drainage Area;

(d) the date of execution of a reimbursement agreement for facilities constructed within the Local Drainage Area.

Owner further agrees to secure the obligation to pay the amount required by this paragraph, by providing security for faithful performance, as set forth in the section herein entitled "Amounts of Security" below, at the time of submitting this Agreement and Final Map for approval by the Board.

FIFTH: TAX AND ASSESSMENT LIENS. Section 66493 of the Subdivision Map Act requires Owner to post security whenever any part of the subdivision is subject to a lien for taxes or special assessments collected as taxes which are not yet payable. Owner hereby agrees to pay, or causes to be paid, when due, all State, County, municipal and local taxes, and the current installment of principal and interest of all special assessments collected as taxes which at the time the Final Map is recorded are a lien against such subdivision, or any part thereof, but which are not yet payable. Owner further agrees to secure the obligation to pay such taxes and assessment liens by providing security for faithful performance, as set forth in the section herein entitled "Amounts of Security", at the time of submitting this Agreement and Final Map for approval by the Board.

In accordance with Section 81.104 of the San Diego County Code, whenever security pursuant to this Paragraph is filed with the Board, the Clerk of the Board, upon written notification by the Tax Collector that the total amount of such taxes or special assessments has been paid in full, may release the security.

In the event that the taxes or special assessments are allowed to become delinquent, pursuant to Section 66494 of the Subdivision Map Act, the Clerk of the Board shall apply the proceeds of the security required by this Paragraph to the payment of any such taxes or special assessments, including penalties and costs.

SIXTH: OWNER'S LIABILITY FOR DAMAGES. County, District, and their respective officers or employees shall not be liable or responsible for any accident, loss or damage happening or occurring to the work or improvements specified in this Agreement prior to their completion and acceptance. Nor shall County, District, or their respective officers or employees be liable for any person or property injured by reason of the work or improvements. All of the aforesaid liability shall be assumed by Owner. Owner further agrees to protect County, District, and their respective officers and employees from all liability or claim because of, or arising out of, the use of any patent or patented article in conjunction with the construction of the improvements required by this Agreement.

SEVENTH: OWNER'S LIABILITY FOR EXPENSES. County, District, and their officers or employees shall not be liable for any portion of the expense of the work or improvements specified in this Agreement, or for the payment for any labor or materials furnished in connection with such work or improvements.

EIGHTH: OWNER'S DUTY TO PROTECT PUBLIC. At all times from the acceptance by County and Districts of the streets and/or easements offered for dedication in this subdivision up to the completion and acceptance of the improvements by the District and the Board, Owner will give good and adequate warning to the public of each and every dangerous condition existing on the property being improved, and will protect the public from any and all such defective or dangerous conditions. It is understood and agreed that, until completion of all improvements to be performed under this Agreement, those improvements to be located in the streets and/or easements not accepted as improved shall be under the charge of Owner for the purposes of this Agreement, and Owner, upon receipt of a street closure permit issued by Director, may close all or any portion of any specified street whenever it is necessary to protect the traveling public during the construction of improvements required by this Agreement. Owner further agrees to pay for the inspection of streets and/or easements as may be required by Director and District.

NINTH: TYPES OF IMPROVEMENT SECURITY. Pursuant to Sections 66462 and 66499 of the Subdivision Map Act, it is further agreed that Owner shall file a security with the District and the Clerk of the Board at the time of submitting this Agreement and Final Map for approval by the Board. The security shall consist of one of the following types:

1. Bond or bonds by one or more duly authorized corporate sureties;
2. A deposit with the District and the Clerk of the Board of money or negotiable

bonds of the kind approved for securing deposits of public moneys;

3. An instrument of credit from one or more financial institutions subject to regulation by the state or federal government and pledging that the funds necessary to carry out the obligations of this Agreement are on deposit and guaranteed for payment; or

4. An irrevocable standby letter of credit from one or more financial institutions subject to regulation by the state or federal government.

TENTH: SECURITY. Security shall be in the following amounts and shall fulfill the following purposes:

1. Security for Faithful Performance. Security shall be provided to ensure the faithful performance of all acts and improvements required by this Agreement in amounts not less than one-hundred percent (100%) of the total estimated costs of the improvements or of the acts to be performed as set forth in the Second Paragraph, more specifically described as follows:

Work and Improvements	\$ 1,192,032.00
Park Land and/or Dedication Fees	\$ N/A
Drainage Fees	\$ N/A
Tax and Assessment Liens	\$ N/A
Total Estimated Amount	\$ 1,192,032.00

(a) Owner's Failure to Perform. In the event Owner fails to complete the acts, improvements, or contractual obligations specified herein within the time and upon the terms and conditions of this Agreement, County or District may jointly or severally and independently pursue any or all of the following remedies:

(1) Cause such portions of the work to be done and take such protective measures as are deemed necessary to complete the work. Accordingly, Owner agrees that County, District, or their agents, employees or representatives may enter upon Owner's property to effect the appropriate work and necessary measures.

(2) Apply the security for faithful performance, or any balance thereof, to the construction or completion of the work or installation of improvements or the satisfying of any contractual obligation remaining pursuant to this Agreement.

(3) Pursue legal remedies in any court of competent jurisdiction for damages not covered by the security or to seek specific performance of the terms and conditions of this Agreement.

(b) Release of Security

(1) Completion of Work and Improvements Specified in the First Paragraph. Pursuant to Section 81.408 of the San Diego County Code, in the event that the work and improvements specified in the First Paragraph are completed within the time and upon the terms and conditions of this Agreement, Owner is entitled to a release of the security in a sum equal to ninety-five percent (95%) of the value of such security originally pledged, less previous payments advanced.

(2) Partial Completion of Work and Improvements Specified in the First Paragraph. Pursuant to Section 66499.7 of Subdivision Map Act and upon the partial performance of the work as it progresses, Owner may be entitled to partial releases of the security for work and improvements specified in the First Paragraph. However, no reduction in such security will be authorized (1) where Director or District determine that more than fifty percent (50%) of the amount of work remains to be completed; (2) where the reduction results in a remaining security of less than 5 percent (5%) of the original security; (3) where there has been twice previously processed partial releases of such security in conjunction with this Agreement.

No reduction in security for the work and improvements specified in the First Paragraph will apply to the required warranty period described below, to the five percent (5%) determined necessary for such warranty, or to costs, fees, and reasonable expenses, including attorney's fees.

(3) Completion of Acts Not Involving Work and Improvements Specified in the First Paragraph. Owner is entitled to a release of one-hundred percent (100%) of the security posted for performance of acts or contractual obligations which do not involve the performance of the work and improvements specified in the First Paragraph upon completion of such acts and/or contractual obligations.

(c) Any release of security related to an improvement or obligation subject to the approval by an agency other than County shall be subject to Section 66499.8 of the Subdivision Map Act.

2. Security for Payment. Good and sufficient security in an amount not less than fifty percent (50%) of the estimated costs specified in the Second Paragraph of the work and improvements required in the First Paragraph, securing payment to contractors, subcontractors, and persons renting equipment or furnishing labor or materials to the contractors or subcontractors for the improvements. This security shall inure to the benefit of any and all person, companies, and corporations entitled to file claims under Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this security.

This security for shall, after passage of the time within which claims of lien are required to be recorded pursuant to Article 3 (commencing with Section 8410) of Chapter 4 of Title 2 of Part 6 of Division 4 of the Civil Code and after acceptance of the work by County and District, be reduced to an amount not less than the total claimed by all claimants for whom claims of lien have been recorded and notice thereof given in writing to County and District, and if no such claims have been recorded, the security may be released in full.

3. Warranty. A one (1) year warranty of the work and improvements specified in the First Paragraph secured by continuing in effect for a period of one (1) year five percent (5%) of the security for faithful performance for such work and improvements by County and District. Pursuant to this warranty, Owner, at its sole expense, agrees to repair or replace any and all work required under this Agreement that may prove defective in workmanship and/or materials, together with any other work which may be affected by this repair, within a one (1) year period from the date of acceptance of the work and improvements by County and District. Work necessitated, however, by ordinary wear and tear, or unusual abuse or neglect, shall not be included in this warranty.

Director or District shall give Owner notice of the existence of such defects in their respective facilities with reasonable promptness. Owner shall notify Director or District upon completion of such repairs. Should Owner fail to comply with County or District request for repairs within one (1) week of receiving the written notification, County or District is authorized to have the defects repaired and made good at the expense of Owner who hereby agrees to pay the cost for such work immediately upon demand. In an emergency, County or District may repair any defect in their respective facilities without prior notification to Owner. A County or District decision to repair defects in no way relieves Owner of the warranties given in this provision.

ELEVENTH: CHANGES. Upon consent by Owner, County or District may make changes, alterations, or additions to the plans and specifications for the work and improvements of their respective facilities specified in the First Paragraph which do not exceed ten percent (10%) of the original estimated cost of the work and improvements and which Director or District determines to be necessary and desirable for the proper completion of their respective facilities. No changes, alterations, or additions shall

relieve any security obligations given for the faithful performance of this Agreement.

TWELFTH: EXTENSION OF TIME. It is further agreed by and between the parties that in the event it is deemed necessary to extend the time of completion of the work and improvements contemplated under this Agreement, said extension may be granted by the Board or District upon the Owner's request, by the Board unilaterally, or by District with the Board's approval, and shall in no way affect the validity of this Agreement or release any security obligations given for the faithful performance of this Agreement.

THIRTEENTH: COSTS OF ENFORCING JUDGMENT. As part of the security given for the faithful performance of this Agreement and in addition to the face amount specified therefor, there shall be included costs and reasonable fees, including reasonable attorney's fees, incurred by County or District in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

FOURTEENTH: EXERCISE OF RIGHTS BY DISTRICT OR COUNTY. Whenever in this Agreement reference are made to the rights of "County and/or District" or to "County or District" and the exercise of rights, the parties hereto agree that such rights may be exercised by County or District (1), jointly, or (2) severally and individually with County or District acting independently of one another.

FIFTEENTH: GOVERNING LAW AND JURISDICTION. This Agreement shall be governed, interpreted, construed and enforced in accordance with the laws of the State of California without regard to choice of law principles. Venue for any disputes shall be brought only in the state or federal courts located in San Diego County, California. Owner consents to personal jurisdiction in such courts and hereby waives any defense of lack of personal jurisdiction.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed the date first above written.

COUNTY OF SAN DIEGO

APPROVED AS TO FORM AND LEGALITY
COUNTY COUNSEL

By: _____
Clerk, Board of Supervisors

By: _____
SENIOR DEPUTY

RAINBOW MUNICIPAL WATER DISTRICT

By: _____
Printed Name
Printed Title

OWNER

Bonsall Oaks, LLC
a California limited liability company

By: Bonsall Oaks II, LLC
a California limited liability company
its Manager

By: _____
David R. Pallinger, Manager

Notes: (1) Signatures must be acknowledged; and,
(2) Appropriate security must be attached.

Recording Requested By and
When Recorded Please Return To:

County of San Diego
Dept. of Planning and
Development Services
Attention: Ken Brazell
Mail Station: 0650

Above Space for Recorder's Use

**THIRD AMENDMENT TO THE UNRECORDED JOINT AGREEMENT TO IMPROVE MAJOR
SUBDIVISION, EXTENSION OF TIME TO COMPLETE IMPROVEMENTS, PARTIAL RELEASE
OF JOINT LIEN CONTRACT, AND PARTIAL TERMINATION OF ORIGINAL HOLDING
AGREEMENT FOR SAN DIEGO TRACT NO. 4736-1 (FINAL MAP 13856)**

This Third Amendment to the Joint Agreement To Improve Major Subdivision, Partial Release of Lien Contract and Partial Termination of Holding Agreement for County of San Diego Tract No. 4736-1 (Final Map 13856) is made and entered into this _____ day of _____, 2020, between the County of San Diego, a political subdivision of the State of California ("County"), Rainbow Municipal Water District ("District"), and Bonsall Oaks, LLC, a California limited liability ("Owner"), company with respect to the following:

RECITALS

A. Final Map Tract No. 4736-1, Final Map 13856 ("Final Map") was approved by the County's Board of Supervisors ("Board") on September 22, 1999, for the development of 165 single family residential lots and two open space lots on a total of approximately 449.54 acres, commonly known as the Polo Club Project, owned by the Vista Villas Development Limited ("Former Owner") and more particularly described in Exhibit "A" attached hereto and made a part hereof ("Property"). The Final Map was recorded on September 23, 1999 as Document No. 1999-0650279 in the Official Records of San Diego County.

B. On September 22, 1999, the County, District and the Former Owner entered into an agreement entitled, "Joint Agreement to Improve Major Subdivision County of San Diego Tract No. 4736-1" to perform certain acts and construct certain improvements as a condition of County's approval of the Final Map, in compliance with the Subdivision Map Act (Gov. Code § 66410, et seq.), and Section 81.404 of the San Diego County Code of Regulatory Ordinances ("County Code"). The agreement incorrectly referenced Former Owner as "Vista Villa Development Limited", rather than "Vista Villas Development Limited, A California Limited Partnership", as was intended by the signing parties.

C. On August 8, 2012, County, District, Former Owner and First American Trust, FSB (“Holder”), entered into an agreement, entitled “Joint Lien Contract,” recorded on August 27, 2012, as Document No. 2012-0511052 in the Official Records of San Diego County (“Joint Lien Contract”), to postpone construction of the improvements identified in the Joint Improvement Agreement to Improve Major Subdivision County of San Diego Tract No. 4736-1 and secured the future installation of said improvements in accordance with Government Code section 66499 and Section 81.409 of the San Diego County Code.

D. On August 8, 2012, County, District, Former Owner, and Holder entered into an agreement entitled “Holding Agreement No. 1082-0310-00” recorded in the Official Records of San Diego County on August 27, 2012 as Document No. 2012-0511053 (“Holding Agreement”), whereby title to the Property was transferred to Holder for the purpose of implementing the Joint Lien Contract.

E. On August 8, 2012, County, District and Former Owner entered into an agreement entitled “Amendment to Joint Agreement to Improve Major Subdivision, County of San Diego Tract No. 4736-1 (Final Map 13856)” (“First Amendment”), thereby amending certain terms and provisions of the Joint Improvement Agreement to Improve Major Subdivision County of San Diego Tract No. 4736-1, including amending the completion date for constructing the improvements identified in the Joint Improvement Agreement. The amendment incorrectly referenced Former Owner as “Vista Villas Development Limited”, rather than “Vista Villas Development Limited, A California Limited Partnership”, as was intended by the signing parties.

F. On October 22, 2014, the Board extended to October 22, 2016 the performance completion date for the improvements described in the Joint Lien Contract and Joint Improvement Agreement to Improve Major Subdivision County of San Diego Tract No. 4736-1.

G. On January 15, 2020 the Board approved the “Second Amendment to and Assignment and Assumption of Joint Agreement to Improve Major Subdivision, County of San Diego Tract No. 4736-1 (Final Map 13856)” (“Second Amendment”), entered into by County, District, Owner, and Holder, thereby extending to October 21, 2021 the performance completion date for the improvements described in the Joint Lien Contract and Joint Improvement Agreement. Collectively, the Joint Agreement to Improve Major Subdivision County of San Diego Tract No. 4736-1, the First Amendment, and Second Amendment shall hereinafter be called the “Joint Improvement Agreement”.

H. Also on January 15, 2020, the Board approved the “Agreement to Assume Joint Agreement To Improve Major Subdivision, Joint Lien Contract and Holding Agreement (Tract 4736-1)”, entered into by County, District, Former Owner, Owner, and Holder, whereby Owner fully assumed all rights and obligations relating to the Joint Improvement Agreement, Joint Lien Contract and Holding Agreement.

I. The Owner desires to have Lots 2-17, Map 13856 released from the Joint Lien Contract and to affect a partial termination of the Holding Agreement as to said lots as a result of the partial release of the Joint Lien Contract. The Owner has deposited with the

County and District all fees for inspections, lab tests and other related purposes, and has substituted, in place of the Joint Lien Contract, bonds for faithful performance and for labor and materials as security for the obligations imposed by the Joint Improvement Agreement for the aforementioned lots. As the Owner has posted adequate security and paid the fees required by the Joint Improvement Agreement, the County and District are amenable to releasing the aforementioned lots from the Joint Lien Contract and to affect the partial termination of the Holding Agreement. Lots 1 and 18 are open space easements not subject to the lien created by the Joint Lien Contract. Therefore, following the release of Lots 2-17, Map 13856, only Lots 19-167, inclusive, Map 13856 will continue to remain subject to the lien created by the Joint Lien Contract to secure construction of the required improvements stated in the Joint Improvement Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The time to perform and complete improvements shall be extended from October 21, 2021, pursuant to the Second Amendment, to _____, and may be extended from time to time with the approval of the Board.
2. In accordance with the terms and conditions of the Joint Lien Contract, a lien upon the property ("Property") described in Exhibit "A" ("Owner's Deed"), attached hereto, shall remain in effect for Lots 19-167, Map 13856 as security for the construction of the improvement specified in the Fourth Paragraph of the Amended Joint Improvement Agreement ("Improvements"), in the estimated amounts specified in Exhibit "B" attached hereto; provided, however, that Owner's obligation hereunder shall extend to the actual cost of construction of the Improvements, notwithstanding that such costs may exceed the estimate set forth in Exhibit "B".
3. The County and District hereby release Lots 2-17, Map 13856 from the Joint Lien Contract. The lien created by the Joint Lien Contract shall remain in place and in full force and effect as against Lots 19-167, Map 13856.
4. The Holding Agreement is partially terminated as to Lots 2-17 Map 13856, due to the partial release of the Joint Lien Contract. Owner is hereby relieved of the obligations imposed by the Holding Agreement as to the aforementioned lots. The obligations imposed by the Holding Agreement on Owner shall remain as against Lots 19-167, Map 13856.
5. Owner, as the sole owner of Lots 19-167 subject to the Joint Lien Contract, consents within the meaning of Government Code section 66499.16 to the reversion to acreage of all parcels subject to the Joint Lien Contract, should the County determine that reversion is warranted as a result of Owner's failure to timely substitute security and commence construction of required improvements. Should the County or a reviewing court determine that reversion to acreage of the portion of the subdivision subject to the Joint Lien Contract is not possible, Owner agrees, at Owner's sole cost and expense, following Owner's failure to timely substitute security and commence construction of

required Improvements to process a map, to merge the parcels subject to the Joint Lien Contract into a single parcel and that the \$15,000 deposit required by County Code section 81.409 may be applied to the merger in accordance with Government Code section 66499.20.2. Owner agrees to file a merger map with County no more than six months following notice from County of Owner's obligation to process a merger map as a result of Owner's failure to timely substitute security and complete required improvements. A filed merger map shall be deemed a reversion to acreage map within the meaning of County Code section 81.409 for purposes of allowing for the release of the Joint Lien Contract.

6. Owner agrees that, in the event the Improvements required for Lots 1-18, Map 13856, and Lots 19-167, Map 13856 are not conveyed to County and/or District simultaneously, the Improvements that are first conveyed shall be constructed in a manner to allow their operation independent of the remaining Improvements, until all Improvements specified in the Joint Improvement Agreement are completed and conveyed to County and/or District.

7. Pursuant to Subdivision Ordinance section 81.205, payment of the fees related to provision of the improvements or services specified in the Joint Agreement, in the amount required as a condition of approval of Owner's Map, shall be adjusted to represent the effects of inflation as represented in the Market Trends Index as published in the "Engineering News Record" or a similar index as determined appropriate by the Director of Planning and Development Services.

8. Whenever references are made in the Joint Improvement Agreement to either "County" or "District," individually, the aforementioned party shall exercise such acts or rights under the Joint Improvement Agreement severally and individually acting independently of the other.

9. Except as amended herein, all provisions, terms, and conditions of the Joint Improvement Agreement shall remain unmodified and in full force and effect, including in the event Lots 1-18, Map 13856, and Lots 19-167, Map 13856 are not constructed and/or conveyed simultaneously.

IN WITNESS WHEREOF, the parties have caused this Third Amendment to be executed as of the date first written above.

OWNER

Bonsall Oaks, LLC

a California limited liability company

By: Bonsall Oaks II, LLC
a California limited liability company
its Manager

By: _____
David R. Pallinger, Manager

RAINBOW MUNICIPAL WATER DISTRICT

By: _____

Print Name: _____

Print Title: _____

NOTE: NOTARY ACKNOWLEDGEMENTS REQUIRED FOR SIGNATURES

COUNTY OF SAN DIEGO

APPROVED AS TO FORM AND LEGALITY
COUNTY COUNSEL

By: _____
Andrew James Potter
Clerk, Board of Supervisors

By: _____
SENIOR DEPUTY

NOTE: NOTARY ACKNOWLEDGEMENTS REQUIRED FOR SIGNATURES

EXHIBIT "A"
LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

(APN: 127-571-05 THROUGH 127-571-09, 127-572-01 THROUGH 127-572-19, 127-572-20 THROUGH 127-572-28, 127-573-01 THROUGH 127-573-47, 127-580-01 THROUGH 127-580-24, 127-581-01 THROUGH 127-581-08, 127-581-11 THROUGH 127-581-29, & 127-581-32, 127-582-01 THROUGH 125-582-17)

LOTS 19 THROUGH 167, INCLUSIVE, COUNTY OF SAN DIEGO TRACT 4736-1, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 13856, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY AS FILE NO. 1999-650279, DATED SEPTEMBER 23, 1999.

EXHIBIT "B" TO LIEN CONTRACT

**ESTIMATED OF COST TM 4736-1
(LOTS 19-167 INCLUSIVE)**

PERFORMANCE SECURITY

Street and Drainage	\$ 7,144,800
Sewer	\$ 2,768,700
Water	\$ 2,715,200
Setting of Monuments	\$ 112,219

LABOR AND MATERIAL SECURITY

Street and Drainage	\$ 3,572,400
Sewer	\$ 1,379,300
Water	\$ 1,357,600
Setting of Monuments	\$ 56,110

FEES AND DEPOSITS

Inspection Deposit	\$ 380,600
Material Lab Deposit	\$ 126,400

TOTAL LIEN CONTRACT AMOUNT \$ 19,613,329

BOARD OF DIRECTORS

July 28, 2020

SUBJECT

CONSIDER A CONSTRUCTION AGREEMENT WITH SCW CONTRACTING FOR THE NORTH RIVER ROAD SEWER POINT REPAIRS PROJECT IN THE AMOUNT OF \$474,000.00 AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

BACKGROUND

The 15-inch vitrified clay pipe (VCP) land outfall section of gravity sanitary sewer in North River Road beginning just west of Highway 76 and ending at the intersection of Stallion Drive is one of the most critical pieces of infrastructure for Rainbow Municipal Water District. It consists of nearly three miles of pipeline and 58 manholes. This pipeline carries wastewater to the City of Oceanside San Luis Rey Water Reclamation Facility for treatment on behalf of Rainbow Municipal Water District.

During the 2018-2019 rainstorms, wastewater flows exceeded capacities as measured at the Stallion and North River Road flow metering station. The increase of flows was attributed to significant infiltration & intrusion (I&I) of rainwater into the wastewater collection system. In response to I&I, field crews quickly deployed four hundred rain pans and over four hundred plugs. Additionally, there were assumptions by staff the I&I on the 15-inch VCP may be a contributing issue to the excess flow(s).

On June 25, 2019 Rainbow Municipal Water District Wastewater Staff began a self-assessment of the 15-inch VCP by cleaning the line first and then conducting a video/photographic inspection of nearly one mile of pipeline and fifteen manholes utilizing Houston Harris. The video inspection revealed several issues Staff identified as needing to be repaired. In October of 2019 staff continued with video/photographic inspection stopping at the intersection of Stallion and North River Road.

Staff began working on logistics to begin repair efforts and was in the process of finalizing plans and specifications to address broken sections of VCP, badly cracked sections of VCP, I&I, raising manholes to finish grade, lining existing manholes and cast in place pipe (CIPP) of the worst sections.

In late March 2020, the region was hit by a severe rainstorm which caused an overflow condition on the pipeline. As a result of this staff continued with video/photographic inspection. Staff observed two sections that were considered an imminent threat to collapse. The General Manager declared a State of Emergency on Sunday April 19, 2020 and authorized the immediate repair of two (2) of the most damaged sections of VCP. SCW was hired by the District and repairs of the two (2) sections began the following week.

Staff has determined this project can no longer be a multi-year phased repair effort and instead, the entire three-mile section of VCP requires immediate repair efforts.

DESCRIPTION

The Point Repairs project is the first of three phases for the overall sewer enhancement in North River Road.

Phase I: Excavate and make spot repairs to the VCP and replace with C-900 PVC

Phase II: CIPP the high priority sections of VCP (approximately 9,000 linear feet)

Phase III: Manhole rehabilitation

The project was advertised with the District's fourteen (14) pre-qualified contractors and was out for bid for

three-weeks. The District received one (1) bids and SCW Contracting is the lowest responsible and responsive bidder. The engineer's estimate for this project was \$360,000. Phase II was placed out for bid on July 17, 2020, with a bid opening scheduled for August 11, 2020. Phase II will then be brought to the Board of Directors at the regularly scheduled meeting on August 18, 2020. Phase III is the third and final phase, and Staff is in the process of working with Hoch Consulting to prepare the bid documents. Staff's goal is to complete all three phases before the rain season in 2021. This is an aggressive schedule; however, Staff is confident the work can be completed in the timeline proposed.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Two: Asset Management

BOARD OPTIONS/FISCAL IMPACTS

Funds are available in the CIP Budget-Wastewater Capital Fund and have been included in the FY 2021 Capital Budget under Project # 530017. This project utilizes Community Facilities District funds that are required to be spend by June 30, 2021 on Wastewater capital projects.

Board Options:

1. Approve the Construction Agreement with SCW Contracting in the amount of \$474,000.00 and authorize the General Manager to sign on behalf of the District.
2. Reject all bids and request Staff to re-bid the project. This option will delay all three phases of the project and the funds that are required to be spent by June 30, 2021 may also be delayed.

ENVIRONMENTAL

The project is Categorically Exempt as a Class 1 Categorical Exemption from the California Environmental Quality Act (CEQA) pursuant to Section 15301 of the 2020 CEQA Guidelines, in that the project involves a minor alteration of existing facilities.

STAFF RECOMMENDATION

Staff recommends Option 1, awarding the construction agreement to SCW Contracting in the amount of \$474,000.00 and authorizing the General Manager to sign on behalf of the District.


Robert Gutierrez
Operations Manager

07/28/2020

BOARD OF DIRECTORS

July 28, 2020

SUBJECT

DISCUSSION AND POSSIBLE APPOINTMENT OF JULIE JOHNSON TO SERVE AS A MEMBER AND STEVE STRAPAC AS AN ALTERNATE MEMBER OF THE BUDGET AND FINANCE COMMITTEE

BACKGROUND

At their July meeting, the Budget and Finance Committee was informed RMWD received notification in early June from the Communications and Customer Service Chairperson, Julie Johnson, of her interest in serving on the Budget and Finance Committee to gain more knowledge about the District including the financial aspects of the organization.

It was also recommended at that time the committee consider seeking appointment of a staff member to serve as an alternate member on the committee. The purpose for having alternates appointed would be to ensure a quorum is present, but also to have staff involvement which may assist in their position's other responsibilities.

DESCRIPTION

At their July 14, 2020 meeting, the Budget and Finance Committee voted to recommend that the Board appoint Julie Johnson to serve as a member and Steve Strapac to serve as an alternate member.

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

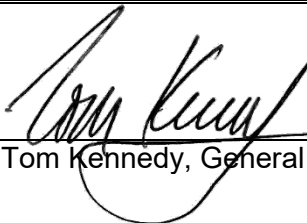
- 1) Appoint Julie Johnson to serve as a member and Steve Strapac as an alternate member on the Budget and Finance Committee.
- 2) Deny appointment of Julie Johnson to serve as a member on the Budget and Finance Committee.

- 3) Deny appointment of Steve Strapac to serve as an alternate member on the Budget and Finance Committee.
- 4) Deny appointment of both Julie Johnson and Steve Strapac to serve on the Budget and Finance Committee.

There are no known fiscal impacts.

STAFF RECOMMENDATION

Staff supports direction.



Tom Kennedy, General Manager

7/28/2020

BOARD OF DIRECTORS

July 28, 2020

SUBJECT

CONSIDER RESCHEDULING THE PREVIOUSLY CHANGED REGULAR MEETING DATE OF AUGUST 18, 2020 TO ITS REGULARLY SCHEDULED DATE OF AUGUST 25, 2020

BACKGROUND

At the December 3, 2019 Regular Board meeting, the Board of Directors established the Regular Meetings of the Board of Directors for Calendar Year 2020. The August 25, 2020 regularly scheduled meeting date was changed to August 18, 2020 to eliminate any scheduling conflicts for those Directors wishing to attend a conference during the last week of August 2020.

DESCRIPTION

Due to the current pandemic situation, many conferences have been cancelled and rescheduled for Calendar Year 2020, including the conference scheduled for the last week in August.

This item to provide an opportunity for the Board to determine whether to reschedule the previously changed regular meeting date of August 18, 2020 to its regularly scheduled date of August 25, 2020.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Six: Communication

Administrative Code Section 3.01.010 – Regular Meetings

ENVIRONMENTAL

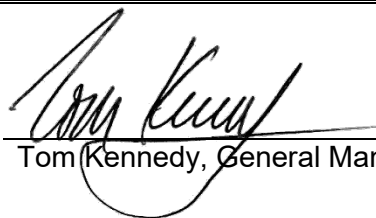
In accordance with CEQA guidelines Section 15378, the action before the Board does not constitute a “project” as defined by CEQA and further environmental review is not required at this time.

BOARD OPTIONS/FISCAL IMPACTS

- 1) Approve rescheduling the August 18, 2020 Regular Board meeting to August 25, 2020.
- 2) Do not reschedule the August 18, 2020 Regular Board meeting.

STAFF RECOMMENDATION

Staff supports Board decision.



Tom Kennedy, General Manager

July 28, 2020

BOARD OF DIRECTORS

July 28, 2020

SUBJECT

STATEMENT OF AUDITING STANDARDS (SAS) 114 PLANNING LETTER

DESCRIPTION

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. In April the board awarded a new audit contract to Lance, Soll, Lunghart, LLP (LSL) for auditing services. The attached letter describes planning stages of the audit for the year ended June 30, 2020.

The audit for year ended June 30, 2020 is scheduled to begin September 8, 2020 with a report issues by approximately November 30, 2020.

ATTACHMENTS

- SAS 114 Letter


Tracy Largent, CPA
Finance Manager

July 28, 2020



June 26, 2020

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

Via Email

Attn: Tracy Largent, Finance Manager
tlargent@rainbowmwd.com

We are engaged to audit the financial statements of the Rainbow Municipal Water District (the "District") for the year ended June 30, 2020. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

**Our Responsibilities under U.S. Generally Accepted Auditing Standards,
Government Auditing Standards and the Uniform Guidance.**

As stated in our engagement letter dated June 26, 2020, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we will consider the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting.

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we will perform tests of its compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit. Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to management's discussion and analysis, the schedule of proportionate share of the net pension liability, the schedule of changes in the net OPEB liability and related ratios, and the schedules of contributions which supplement the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

Planned Scope, Timing of the Audit, and Other

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.



Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

We expect to begin our audit on approximately September 8, 2020 and issue our report on approximately November 30, 2020. Mr. Bryan Gruber, CPA, is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

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

Very truly yours,

Lance, Solt & Lingham, LLP

BOARD OF DIRECTORS

July 28, 2020

SUBJECT

INITIAL REVIEW OF PROPOSED AMENDMENTS AND UPDATES TO ADMINISTRATIVE CODE TITLE 2 – BOARD OF DIRECTORS

DESCRIPTION

As part of the ongoing process, staff conducted a review of RMWD’s Administrative Code Title 2 and found no significant changes needed to be made, but rather minor typographical, grammatical, and formatting updates.

This item is to provide an opportunity for an initial review of the changes being proposed by staff and provided feedback and input prior to bringing Administrative Code Title 2 back to the Board for approval consideration at the August regular Board meeting.



Tom Kennedy, General Manager

July 28, 2020

Title 2
BOARD OF DIRECTORS

Chapters:

- 2.01 Code of Ethics
- 2.02 Attendance at Meetings
- 2.03 Remuneration and Reimbursement
- 2.04 ~~Members of the Board of Directors~~Board President
- 2.05 ~~Membership in Associations and Organizations~~Members of the Board of Directors
- 2.06 ~~Committees~~Basis of Authority
- 2.07 ~~Climate Change~~Membership in Associations
- ~~2.08 Training, Education and Conferences~~
- ~~2.09 Committees~~
- ~~2.10 Climate Change Policy~~

**Chapter 2.01
CODE OF ETHICS**

Sections:

- 2.010.020 Code of Ethics Policy**
- 2.01.020.01 Non-Partisan Board**
- 2.01.010.02 Board Appointed Members of Standing Committees**
- 2.01.010.03 Failure to Follow Code of Ethics Policy**
- 2.01.010.04 Matters of Personal Interest**
- 2.01.010.05 Gratuities and Gifts**

Section 2.01.010 Code of Ethics Policy

The Board of Directors of the Rainbow Municipal Water District is committed to providing excellence in leadership ~~resulting that results~~ in the ~~provision of the~~ highest quality of services to its constituents. ~~In order to~~ assist in the governing of the behavior between and among members of the Board of Directors, ~~S~~staff and ~~P~~public, the following rules shall be observed:

- The dignity, style, values and opinions of each Director shall be respected.
- Responsiveness and attentive listening in communication is encouraged.
- The Board shall focus on the provision of service to its constituents and the proper management of the District.
- The primary responsibility of the Board of Directors is the formulation and evaluation of policy. Routine matters concerning the operational aspects of the District are to be delegated to the General Manager.
- Directors shall commit themselves to avoiding double talk, hidden agendas, gossip, backbiting, partisan political discussions, and other negative forms of interaction.
- Directors shall commit themselves to focusing on issues, not personalities. The presentation of the opinions of others shall be encouraged. Cliques and voting blocks based on personalities rather than issues shall be avoided.
- Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions, but without being disagreeable. Once the Board of Directors takes action, Directors shall commit to supporting said action and not create barriers to the implementation of said action.

Directors shall practice the following procedures:

- In seeking clarification on items, Directors will work directly with the General Manager to obtain information to supplement, upgrade or enhance their knowledge and understanding to improve legislative decision-making.
- In handling complaints from residents, property owners, and employees of the District, said complaints shall be referred directly to the General Manager.
- In handling items related to safety, concerns for safety, or hazards shall be reported to the General Manager or to the District Office. Emergency situations shall be dealt with by seeking appropriate assistance immediately.
- In seeking clarification for policy related concerns, especially those involving personnel, legal action, land acquisition and development, finances, and

programming, said concerns shall be referred directly to the General Manager.

- When approached by District personnel concerning specific District policy, Directors shall direct inquiries to the General Manager. If the General Manager is the subject of the concern of the employee, the Director shall contact the Human Resources Manager. The chain of command shall be followed.

The work of the District is a team effort. All individuals shall work together in the collaborative process, assisting each other in conducting the affairs of the District.

When responding to constituent requests and concerns, Directors shall be courteous, responding to individuals in a positive manner and routing their questions to the General Manager.

Any member of the public who attends a Board or Standing Committee meeting shall be treated with respect as they provide input to the Board or Standing Committee. All parties who wish to speak shall be given the opportunity to do so in accordance with regular procedures outlined in the agenda for each meeting. Directors and Standing Committee members shall not interact with any member of the public in a dismissive or disrespectful manner at any meeting.

Directors should develop a working relationship with the General Manager wherein current issues, concerns and District projects can be discussed comfortably and openly.

Directors should function as a part of the whole. Staff lobbying of Board Members on a particular position on an issue is prohibited.

Directors are responsible for monitoring the District's progress.

Section 2.01.010.01 **Non-Partisan Board Policy**

The Board of Directors of the Rainbow Municipal Water District is a non-partisan elected body. Decisions made by the Board shall not be made on the basis of party affiliation of any Director or whether a particular political party has a stated position on the matter under deliberation by the Board. When in Board chambers, all Directors and Standing Committee members will leave their party affiliations outside of the room and refrain from partisan political discussions. All decisions shall be made in terms of what is best for the constituents of the District, not on the basis of what is good for any political party.

Section 2.01.010.02 ~~**Code of Ethics for**~~ **Board Appointed Members of Standing Committees**

All Board appointed members of the District's Standing Committees shall conform to the same guidelines described above. All appointed members of the District's Standing Committees represent the Board of Directors on these committees and as such are held to the same expectations.

Section 2.01.010.03
Failure to Follow Code of Ethics Policy

Any Director who fails to follow this Code of Ethics policy is subject to censure by a vote of the Board of Directors. Any member of any Standing Committee who fails to follow this Code of Ethics Policy may have their appointment to the Standing Committee revoked by a vote of the Board of Directors. The District reserves the right to establish an ad hoc committee of District directors to (1) review allegations of ethical misconduct; and (2) make recommendations to the full District board of directors for censure or discipline as appropriate.

Section 2.01.010.04
Matters of Personal Interest

In addition to the legal requirement imposed by state law and regulations as recognized by sections beginning at 1.02.020 of this code, section 4.01.120 and section 5.03.090 of this code, members of the Board and committees are to avoid putting themselves in the position of choosing between what is best for the District or advancing their own financial or political interests.

Participation in a decision affecting the District must be avoided if that decision will have a reasonably foreseeable and material financial effect (positive or negative) on the individual, the individual's immediate family, or any of the individual's economic interests (real property, sources of income, businesses in which the individual has an investment or holds a management position, or gifts from a donor).

Board and committee members are disqualified from voting, participating in the vote, or otherwise influencing a District decision where it is reasonably foreseeable ~~that~~ the vote may involve or affect one of the following sources of income by the individual, the individual's spouse, domestic partner, dependent children or immediate family:

1. An interest in real property (ownership, lease, loan, mortgage or otherwise) with a value of \$2,000 or more;
2. An investment worth \$2,000 or more;
3. A source of income totaling \$500 or more within 12 months prior to the decision;
4. A donor of gifts totaling \$460 or more (or as otherwise adjusted by the FPPC pursuant to Government Code section 87103) within twelve months prior to the decision;
5. A business entity where the individual is a director, officer, partner, trustee, or employee, or an entity where the individual otherwise holds any position of management;
6. The individual's personal residence is within 500 feet of the subject property.
7. The decision will otherwise cause a measurable financial benefit or loss on the individual's personal finances;

The foregoing disqualification requirements shall not apply where the director or committee member's financial interest is indistinguishable from the effect on the public generally.

In all situations giving rise to a question of decision-making, the director or committee member should consider whether the individual would experience discomfort if the circumstances of the decision were to be reported on the front page of the local newspaper and how the individual would explain the reasons for the vote to the residents of the District.

2.01.010.05 Gratuities and Gifts

All Board members will be required to keep an objective and un-obligated viewpoint. This includes the refusal to accept any and all gifts over a nominal value and gratuities from vendors and prospective vendors. All gifts are subject to Form 700 reporting according to the FPPC guidelines provided within the Form 700.

**Chapter 2.02
ATTENDANCE AT MEETINGS**

Sections:

- 2.02.010 Attendance Policy**
- 2.02.010.01 Attendance**
- 2.02.010.02 Vacancies**
- 2.02.010.03 Staff Meetings**

**Chapter 2.02
ATTENDANCE
AT MEETINGS**

**Section 2.02.010
Attendance ~~Policy~~At Meetings**

**2.02.010.01 Attendance
~~Attendance Policy~~**

Members of the Board of Directors shall attend all regular and special meetings of the Board unless there is a good cause for absence.

**2.02.0120.02
Vacancies**

A vacancy shall occur if any member ceases to discharge the duty of his/her office for the period of three consecutive months except as authorized by the Board of Directors.

**2.02.0130.03
Staff Meetings**

Members of the Board of Directors shall not attend Staff meetings unless invited by the General Manager of District sStaff.

Chapter 2.03
REMUNERATION AND REIMBURSEMENT

Sections:

2.03.010 Remuneration and Reimbursement Policy

2.03.010.01 Compensable Meetings

2.03.010.02 Compensation

2.03.010.03 Training, Seminars and Conferences

2.03.010.04 Legitimate Expenses

approval, the Board member will be eligible for compensation of \$150 for each full day at a conference or seminar.

2.03.010.4 Legitimate Expenses

–Members of the Board of Directors shall be reimbursed for all legitimate expenses incurred in attending any meetings or in making any trips on official business of the Board, when so authorized in accordance with this Administrative Code. Reimbursement for the cost of the use of a Director's vehicle shall be on the basis of total miles driven and at the rate specified in the Internal Revenue Service Rates as established in Publication 463 or any successor publication.

Chapter 2.04
MEMBERS OF THE BOARD OF DIRECTORS

Sections:

2.04.010 Board of Directors Policy

2.04.010.01 Board President

2.04.010.02 Members of the Board of Directors

2.04.010.03 Basis of Authority

2.04.010.04 Training, Education and Conferences

Chapter 2.04
BOARD PRESIDENT

Section 2.04.010

Board of Directors Policy~~President Policy~~

2.04.010.01 Board President

The President of the Board of Directors shall serve as chairperson at all Board meetings. He/she shall have the same rights as the other members of the Board in voting, introducing motions, resolutions and ordinances, and any discussion questions that follow said actions.

In the absence of the President, the Vice President of the Board of Directors shall serve as chairperson over all meetings of the Board. If the President and Vice President of the Board are both absent, the remaining members present shall select one of themselves to act as chairperson of the meeting.

2.04.010.02 Members of the Board of Directors

Directors shall thoroughly prepare themselves to discuss agenda items at meetings of the Board of Directors. If clarification is required it would be requested from the General Manager.

Information exchanged before meetings shall be distributed through the General Manager and all Directors will receive all information being distributed.

Directors shall at all times conduct themselves with courtesy to each other, staff and members of the audience present at Board meetings.

Directors shall defer to the chairperson for conduct of meetings of the Board but shall be free to question and discuss items on the agenda. All comments should be brief and confined to the matter being discussed by the Board.

2.04.010.03 Basis of Authority

The Board of Directors is the unit of authority within the District. Apart from his/her normal function as a part of this unit, Directors have no individual authority. As individuals, Directors shall not commit the District to any policy, act or expenditure. Violation of the foregoing may be subject to censure as determined by the Board of Directors.

2.04.010.04 Training, Education and Conferences

It is the policy of the Rainbow Municipal Water District to encourage Board development and excellence of performance by reimbursing expenses incurred for tuition, travel, lodging and meals as a result of training, educational courses, participation with professional organizations, and attendance at local, state and national conferences associated with the interests of the District.

Attendance at such conferences shall be considered as a day of service for the purpose of Board member compensation.

District administrative staff shall be responsible for making arrangements for travel, lodging and registration for Directors attending state and national seminars, workshops and conferences. All expenses shall be reported to the District by Directors, together with validated receipts.

Attendance by Directors at seminars, workshops and conferences shall be approved by the Board of Directors prior to incurring any reimbursable costs.

Upon returning from seminars, workshops, or conferences where expenses are reimbursed by the District, Directors will provide a written summary at the next Board meeting during Directors' Comments. Said summary shall detail what was learned at the session(s) that will be of benefit to the District. Materials from the session(s) will be delivered to the Board Secretary and may be included in the District library for the future use by other Directors.

Chapter 2.04
BOARD PRESIDENT

Section 2.04.010
Board President Policy

~~The President of the Board of Directors shall serve as chairperson at all Board meetings. He/she shall have the same rights as the other members of the Board in voting, introducing motions, resolutions and ordinances, and any discussion questions that follow said actions.~~

~~In the absence of the President, the Vice President of the Board of Directors shall serve as chairperson over all meetings of the Board. If the President and Vice President of the Board are both absent, the remaining members present shall select one of themselves to act as chairperson of the meeting.~~

Moved to Board of Directors Policy as Section 2.04.010.01

Chapter 2.05
MEMBERS OF THE BOARD OF DIRECTORS

Section 2.05.010
Board of Directors Policy

~~Directors shall thoroughly prepare themselves to discuss agenda items at meetings of the Board of Directors. If clarification is required it would be requested from the General Manager.~~

~~Information that is exchanged before meetings shall be distributed through the General Manager, and all Directors will receive all information being distributed.~~

~~Directors shall at all times conduct themselves with courtesy to each other, to staff and to members of the audience present at Board meetings.~~

~~Directors shall defer to the chairperson for conduct of meetings of the Board, but shall be free to question and discuss items on the agenda. All comments should be brief and confined to the matter being discussed by the Board.~~

**Chapter 2.06
BASIS OF
AUTHORITY**

**Section 2.06.010
Basis of Authority**

The Board of Directors is the unit of authority within the District. Apart from his/her normal function as a part of this unit, Directors have no individual authority. As individuals, Directors shall not commit the District to any policy, act or expenditure. Violation of the foregoing may be subject to censure as determined by the Board of Directors.

Moved to Board of Directors Policy as Section 2.04.010.03

Section 2.08.010

Training and Associations Policy

~~It is the policy of the Rainbow Municipal Water District to encourage Board development and excellence of performance by reimbursing expenses incurred for tuition, travel, lodging and meals as a result of training, educational courses, participation with professional organizations, and attendance at local, state and national conferences associated with the interests of the District.~~

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~~District administrative staff shall be responsible for making arrangements for travel, lodging and registration for Directors attending state and national seminars, workshops and conferences. All expenses shall be reported to the District by Directors, together with validated receipts.~~

~~Attendance by Directors at seminars, workshops and conferences shall be approved by the Board of Directors prior to incurring any reimbursable costs.~~

~~Upon returning from seminars, workshops, or conferences where expenses are reimbursed by the District, Directors will provide a written summary at the next Board meeting during Directors' Comments. Said summary shall detail what was learned at the session(s) that will be of benefit to the District. Materials from the session(s) will be delivered to the Board Secretary and may be included in the District library for the future use of other Directors~~

Chapter 2.05
MEMBERSHIP IN ASSOCIATIONS AND ORGANIZATIONS

Sections:

2.05.010 Membership Policy

2.05.010.01 Approved Association and Organization Memberships

2.05.010.02 Individual Board Member Participation in Associations and Organizations

Section 2.05.010
Membership Policy

Section 2.08.010.01
Approved Association and Organization Memberships

In accordance with California Water Code, Section 71597, the district may by resolution of a four-fifths majority of its directors obtain membership in associations, having for their purpose, the furtherance of subjects relating to the powers and duties of the district and for the interchange of information relating to such powers and duties.

The Board shall, by ordinance, resolution, or motion, approve membership in associations or organizations and a copy of the ordinance, resolution or motion shall be maintained as part of District records in the office of the GM/Board Secretary. The General Manager will ensure ~~that~~ annual dues are paid when due:

In the event ~~that~~ a previously authorized membership is ~~deemed thought~~ to be no longer necessary by the General Manager or any member of the Board, the General Manager or any Board member will notify the Board of Directors that the need to maintain membership no longer exists and the General Manager may, with concurrence from a simple majority of the Board, cancel membership in the aAssociation or oOrganization.

The General Manager may, at his discretion, approve individual staff memberships in organizations and/or associations ~~that are~~ applicable to the employee's performance of their duties and/or support technical development in their fields.

2.05.010.02 Individual Board Member Participation in Associations and Organizations

Individual Board members may hold membership in and attend meetings of such national, state, and local associations and/or organizations as may exist which have applicability to the District and shall look upon such memberships as an opportunity for in-service training. The District will pay individual board member dues and expenses for the following organizations and associations:

Water Environment Federation
American Water Works Association
California Water Environment Association

District payment for participation by individual board member in organizations or associations not listed above may be approved on a case-by-case basis by the Board of Directors.

This policy is not intended to preclude a board member from participating in any organization or association; it only applies to those memberships paid for by the District.

Section 2.08.010.04

Approved Association and Organization Memberships

~~In accordance with California Water Code, Section 71597, the district may by resolution of a four-fifths majority of its directors obtain membership in associations having for their purpose the furtherance of subjects relating to the powers and duties of the district and for the interchange of information relating to such powers and duties.~~

~~The Board shall, by ordinance, resolution, or motion, approve membership in associations or organizations and a copy of the ordinance, resolution or motion shall be maintained in the office of the GM/Board Secretary. The General Manager will ensure that annual dues are paid when due:~~

~~In the event that a previously authorized membership is deemed to be no longer necessary, the General Manager will notify the Board of Directors that the need to maintain membership no longer exists and the General Manager may, with concurrence from a simple majority of the Board, cancel membership in the Association or Organization.~~

~~The General Manager may, at his discretion, approve individual staff memberships in organizations and/or associations that are applicable to the employee's performance of their duties and/or support technical development in their fields.~~

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Chapter 2.07
MEMBERSHIP IN ASSOCIATIONS

Section 2.07.010

Individual Board Member Participation in Associations and Organizations Policy

Individual Board members may hold membership in and attend meetings of such national, state, and local associations and/or organizations as may exist which have applicability to the District, and shall look upon such memberships as an opportunity for in-service training. The District will pay individual board member dues and expenses for the following organizations and associations:

Water Environment Federation
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District payment for participation by individual board member in organizations or associations not listed above may be approved on a case by case basis by the Board of Directors.

This policy is not intended to preclude a board member from participating in any organization or association; it only applies to those memberships paid for by the District.

Chapter 2.08
TRAINING, EDUCATION AND CONFERENCES

Sections:

~~2.08.010 Training, Education and Conference Policy~~

~~2.08.010.01 Approved Associations and Organization Membership~~

Deleted - Section Moved to Board of Directors Policy as Sections 2.04.010.04 and 2.05.010.01 Respectively

Chapter 2.06
COMMITTEES

Sections:

2.06.010 Committees Policy

2.06.010.01 Budget and Finance Committee

2.06.010.02 Engineering and Operations Committee

2.06.010.03 Communications and Customer Service Committee

Chapter 2.09 COMMITTEES

Section 2.06.0109 Committees

The Board shall organize committees that are advisory to the Board with regards to matters within their respective areas of responsibility. Committees may study, advise and make recommendations to the Board on matters within the committee's area of responsibility. Committee recommendations shall be communicated to the Board. The authority of committees is limited to advisory recommendations only. Committees may provide recommendations for the Board to consider, which recommendations may be considered, adopted, amended or rejected by the Board in the Board's sole discretion. The Board may refer a recommendation back to the committee for reevaluation whenever the Board deems additional evaluation is required. Committees shall have no authority to take action or otherwise render decisions that are binding upon the Board or District staff.

Each committee shall have at least four and no more than seven regular members appointed by a simple majority vote of the Board. Each committee may also have up to two alternate committee members appointed by a simple majority of the Board. Committees may be comprised of Directors, staff, and legal ratepayers of the District. Committee members must reside within District boundaries. Committee members must be registered voters within District boundaries and must maintain a primary domicile within District boundaries for the duration of their tenure. The Board in its sole discretion may determine at any time whether a committee member properly resides within the District. Each committee shall designate their own chairperson, but that Chairperson may not also serve as an elected member of the Board of Directors. In order to promote attendance by Directors at Committee meetings without inadvertently creating a violation of the Ralph M. Brown Act, no more than one member of the Board of Directors may sit as a member on a Committee. Directors that are not members of a committee may attend as observers but are allowed to participate at the Committee's request.

Members of the committees serve at the pleasure of the Board. The Board has authority to remove committee members at any time in the Board's sole discretion. Each committee may elect a vice-chairperson, but that vice-chairperson may not also serve as an elected member of the Board of Directors. Members of committees, including the chairperson and vice-chairperson shall serve until their successors are appointed. The chairperson of a committee is its presiding officer. In the absence of the chairperson, the vice-chairperson shall perform the duties of the chairperson. The chairperson and vice-chairperson are not deprived of any of the rights and privileges of a committee member by reason of being the presiding officer.

The chairperson and vice-chairperson will hold their positions for one calendar year. Committee members will serve a term of four years and may be reappointed at the will of the Board.

Committee meetings shall be open to the public and held in accordance with the provisions of the Ralph M. Brown Act. At least 72 hours before a committee meeting, the Secretary shall post an agenda containing a brief, general description of each item of business to be discussed at the

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committee meeting. The posting shall be freely accessible to the public. No action shall be taken by secret ballot at a committee meeting.

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A majority of the members of each committee shall constitute a quorum for the transaction of business.

Only regular members of the committee are entitled to make, second or vote on any motion or other action of the committee. Alternate members present at a meeting, but not seated as a regular member by the committee Chairperson, may participate in discussions but may not participate in motions or voting. Each committee member shall be entitled to one vote on all matters considered by the committee. A simple majority vote of the members of the Committee shall designate approval of a motion.

All committee member absences will be considered by the majority of the committee members to determine whether or not the absence is without cause. Sickness, jury duty, vacation and/or bereavement will be considered excused absences. When three meetings in a row or a total of six meetings in one calendar year are missed the remaining committee members will consider removal of the individual from the committee. The removal must be voted upon and approved by the majority of the committee members with the exception of the committee member in question.

If the roll call of regular members reveals that a quorum of regular members cannot be established, the Chairperson may appoint one or more alternate members who are present to be a temporary regular member in order to establish a quorum. Once a quorum is established, any remaining alternate member who has not been appointed as a temporary regular member shall remain as an alternate member. Once alternates have been seated as a regular committee member, they may immediately participate in any action taken and voted upon by the committee. All alternates must conform to the same rules as regular committee members. The Chairperson shall state for the record which alternate members have been seated as temporary regular members.

Committee Members and alternates shall comply with the obligations and responsibilities of office including the obligation to comply with the disclosure requirements of the Political Reform Act (Form 700). The reporting categories made applicable to the Directors by Rainbow Municipal Water District's local conflict of code shall apply to the members of the committee members.

All committee communications must go through the designated committee chairperson.

2.069.010.01 Budget and Finance Committee

The Committee shall work in concert with the General Manager, Treasurer, and Finance Manager of the District.

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The Committee shall be responsible for the review of District finances including: rates, fees, charges and other sources of revenue; budget; audit; investments; insurance; and other financial matters.

2.069.0120.02 -Engineering and Operations Committee

The Committee shall work in concert with the General Manager, District Engineer, and Operations Manager.

The Committee shall be responsible to review matters of design, construction, replacement, and repair of the District facilities and property, including: the Capital Improvement Program; contractor selection process; contractor management programs; and other engineering-related matters.

The committee shall also be responsible to review matters of operations, preventative maintenance practices, standard operating procedures, technical services, equipment, and other operations-related matters.

2.069.101.03030 -Communications and Customer Service Committee

The Committee shall work in concert with the General Manager and Customer Service and Communications Supervisor.

The Committee shall be responsible for providing input or guidance on matters of internal and external communications including: positive public image; community outreach; media relations; water conservation programs; intergovernmental relations; customer service policies; and other public relations programs.

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Chapter 2.07
CLIMATE CHANGE

Sections:

2.07.010 **Climate Change Policy**

Chapter 2.10
CLIMATE CHANGE POLICY

Section 2.07.01010
Climate Change Policy

Regardless of the root cause of the climate changes ~~that are~~ currently being observed globally, the Board of Directors of the District shall follow the science that forecasts the climate changes. Since the mission of the District is to ensure a reliable supply of water for our constituents, failure to monitor and use the best available scientific forecasts for future water supply could put our constituents at risk. The root cause of the climate changes is immaterial – the Board must focus on how science can inform the Board as to the impacts a climate change will have on future water supply conditions and take appropriate actions to prevent harm to our constituents.

Title 2
BOARD OF DIRECTORS

Chapters:

- 2.01 Code of Ethics**
- 2.02 Attendance at Meetings**
- 2.03 Remuneration and Reimbursement**
- 2.04 Members of the Board of Directors**
- 2.05 Membership in Associations and Organizations**
- 2.06 Committees**
- 2.07 Climate Change**

**Chapter 2.01
CODE OF ETHICS**

Sections:

- 2.010.020 Code of Ethics Policy**
- 2.01.020.01 Non-Partisan Board**
- 2.01.010.02 Board Appointed Members of Standing Committees**
- 2.01.010.03 Failure to Follow Code of Ethics Policy**
- 2.01.010.04 Matters of Personal Interest**
- 2.01.010.05 Gratuities and Gifts**

Section 2.01.010
Code of Ethics Policy

The Board of Directors of the Rainbow Municipal Water District is committed to providing excellence in leadership resulting in the highest quality of services to its constituents. To assist in the governing of the behavior between and among members of the Board of Directors, staff and public, the following rules shall be observed:

- The dignity, style, values and opinions of each Director shall be respected.
- Responsiveness and attentive listening in communication is encouraged.
- The Board shall focus on the provision of service to its constituents and the proper management of the District.
- The primary responsibility of the Board of Directors is the formulation and evaluation of policy. Routine matters concerning the operational aspects of the District are to be delegated to the General Manager.
- Directors shall commit themselves to avoiding double talk, hidden agendas, gossip, backbiting, partisan political discussions, and other negative forms of interaction.
- Directors shall commit themselves to focusing on issues, not personalities. The presentation of the opinions of others shall be encouraged. Cliques and voting blocks based on personalities rather than issues shall be avoided.
- Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions, but without being disagreeable. Once the Board of Directors take action, Directors shall commit to supporting said action and not create barriers to the implementation of said action.

Directors shall practice the following procedures:

- In seeking clarification on items, Directors will work directly with the General Manager to obtain information to supplement, upgrade or enhance their knowledge and understanding to improve legislative decision-making.
- In handling complaints from residents, property owners, and employees of the District, said complaints shall be referred directly to the General Manager.
- In handling items related to safety, concerns for safety, or hazards shall be reported to the General Manager or to the District Office. Emergency situations shall be dealt with by seeking appropriate assistance immediately.
- In seeking clarification for policy related concerns, especially those involving personnel, legal action, land acquisition and development, finances, and programming, said concerns shall be referred directly to the General Manager.

- When approached by District personnel concerning specific District policy, Directors shall direct inquiries to the General Manager. If the General Manager is the subject of the concern of the employee, the Director shall contact the Human Resources Manager. The chain of command shall be followed.

The work of the District is a team effort. All individuals shall work together in the collaborative process, assisting each other in conducting the affairs of the District.

When responding to constituent requests and concerns, Directors shall be courteous, responding to individuals in a positive manner and routing their questions to the General Manager.

Any member of the public who attends a Board or Standing Committee meeting shall be treated with respect as they provide input to the Board or Standing Committee. All parties who wish to speak shall be given the opportunity to do so in accordance with regular procedures outlined in the agenda for each meeting. Directors and Standing Committee members shall not interact with any member of the public in a dismissive or disrespectful manner at any meeting.

Directors should develop a working relationship with the General Manager wherein current issues, concerns and District projects can be discussed comfortably and openly.

Directors should function as a part of the whole. Staff lobbying of Board Members on a particular position on an issue is prohibited.

Directors are responsible for monitoring the District's progress.

2.01.010.01 Non-Partisan Board

The Board of Directors of the Rainbow Municipal Water District is a non-partisan elected body. Decisions made by the Board shall not be made on the basis of party affiliation of any Director or whether a particular political party has a stated position on the matter under deliberation by the Board. When in Board chambers, all Directors and Standing Committee members will leave their party affiliations outside of the room and refrain from partisan political discussions. All decisions shall be made in terms of what is best for the constituents of the District, not on the basis of what is good for any political party.

2.01.010.02 Board Appointed Members of Standing Committees

All Board appointed members of the District's Standing Committees shall conform to the same guidelines described above. All appointed members of the District's Standing Committees represent the Board of Directors on these committees and as such are held to the same expectations.

2.01.010.03 Failure to Follow Code of Ethics Policy

Any Director who fails to follow this Code of Ethics policy is subject to censure by a vote of the Board of Directors. Any member of any Standing Committee who fails to follow this Code of Ethics Policy may have their appointment to the Standing Committee revoked by a vote of the Board of Directors. The District reserves the right to establish an ad hoc committee of District directors to (1) review allegations of ethical misconduct; and (2) make recommendations to the full District board of directors for censure or discipline as appropriate.

2.01.010.04 Matters of Personal Interest

In addition to the legal requirement imposed by state law and regulations as recognized by sections beginning at 1.02.020 of this code, section 4.01.120 and section 5.03.090 of this code, members of the Board and committees are to avoid putting themselves in the position of choosing between what is best for the District or advancing their own financial or political interests.

Participation in a decision affecting the District must be avoided if that decision will have a reasonably foreseeable and material financial effect (positive or negative) on the individual, the individual's immediate family, or any of the individual's economic interests (real property, sources of income, businesses in which the individual has an investment or holds a management position, or gifts from a donor).

Board and committee members are disqualified from voting, participating in the vote, or otherwise influencing a District decision where it is reasonably foreseeable the vote may involve or affect one of the following sources of income by the individual, the individual's spouse, domestic partner, dependent children or immediate family:

1. An interest in real property (ownership, lease, loan, mortgage or otherwise) with a value of \$2,000 or more;
2. An investment worth \$2,000 or more;
3. A source of income totaling \$500 or more within 12 months prior to the decision;
4. A donor of gifts totaling \$460 or more (or as otherwise adjusted by the FPPC pursuant to Government Code section 87103) within twelve months prior to the decision;
5. A business entity where the individual is a director, officer, partner, trustee, or employee, or an entity where the individual otherwise holds any position of management;
6. The individual's personal residence is within 500 feet of the subject property.
7. The decision will otherwise cause a measurable financial benefit or loss on the individual's personal finances;

The foregoing disqualification requirements shall not apply where the director or committee member's financial interest is indistinguishable from the effect on the public generally.

In all situations giving rise to a question of decision-making, the director or committee member should consider whether the individual would experience discomfort if the circumstances of the decision were to be reported on the front page of the local newspaper and how the individual would explain the reasons for the vote to the residents of the District.

2.01.010.05 Gratuities and Gifts

All Board members will be required to keep an objective and un-obligated viewpoint. This includes the refusal to accept any and all gifts over a nominal value and gratuities from vendors and prospective vendors. All gifts are subject to Form 700 reporting according the FPPC guidelines provided within the Form 700.

Chapter 2.02
ATTENDANCE AT MEETINGS

Sections:

- 2.02.010 Attendance Policy**
- 2.02.010.01 Attendance**
- 2.02.010.02 Vacancies**
- 2.02.010.03 Staff Meetings**

Section 2.02.010
Attendance Policy

2.02.010.01 Attendance

Members of the Board of Directors shall attend all regular and special meetings of the Board unless there is a good cause for absence.

2.02.010.02 Vacancies

A vacancy shall occur if any member ceases to discharge the duty of his/her office for the period of three consecutive months except as authorized by the Board of Directors.

2.02.010.03 Staff Meetings

Members of the Board of Directors shall not attend Staff meetings unless invited by the General Manager of District staff.

Section 2.03.010

Remuneration and Reimbursement Policy

2.03.010.1 Compensable Meetings

State Law limits Board member compensation to ten (10) compensable meetings per month (Water Code Section 20202). The RMWD Board shall not be eligible for compensation for more than six (6) compensable days per month.

2.03.010.2 Compensation

Members of the Board of Directors shall receive compensation of \$150 for each day's attendance up to two Board meetings per month. In addition, Board Members shall receive compensation of \$150 for each day in attendance at the following regularly scheduled local meetings:

- Council of Water Utilities Monthly Meeting
- San Diego Chapter of CSDA Quarterly Meeting

Certain Board Members will be appointed as the District's representative for local agencies and organizations. Board Members appointed to the following organizations will receive compensation of \$150 per day of attendance at meetings of the following organizations:

- San Luis Rey Watershed Council
- Santa Margarita Watershed Council

Should two compensable meetings occur in a single day, the Board member(s) in attendance shall be eligible for compensation of only \$150 for the entire day.

2.03.010.3 Training, Seminars and Conferences

If a Board member wishes to attend any training, seminar, or conference and receive compensation for the event and travel/registration expenses, the Board member must present his or her request for attendance in writing during a regularly scheduled open session Board meeting. A standing agenda item for this practice will be included in each Board meeting agenda. The Board member requesting compensation and travel/registration costs shall indicate the nature of the conference and the benefits that his or her attendance will bring to the District and its ratepayers. The full Board shall consider this information and take action to approve or disapprove the compensation by a majority vote. Upon approval, the Board member will be eligible for compensation of \$150 for each full day at a conference or seminar.

2.03.010.4 Legitimate Expenses

Members of the Board of Directors shall be reimbursed for all legitimate expenses incurred in attending any meetings or in making any trips on official business of the Board, when so authorized in accordance with this Administrative Code. Reimbursement for the cost of the use of a Director's vehicle shall be on the basis of total miles driven and at the rate specified in the Internal Revenue Service Rates as established in Publication 463 or any successor publication.

Chapter 2.04
MEMBERS OF THE BOARD OF DIRECTORS

Sections:

- 2.04.010** Board of Directors Policy
- 2.04.010.01** Board President
- 2.04.010.02** Members of the Board of Directors
- 2.04.010.03** Basis of Authority
- 2.04.010.04** Training, Education and Conferences

Section 2.04.010
Board of Directors Policy

2.04.010.01 Board President

The President of the Board of Directors shall serve as chairperson at all Board meetings. He/she shall have the same rights as the other members of the Board in voting, introducing motions, resolutions and ordinances, and any discussion questions that follow said actions.

In the absence of the President, the Vice President of the Board of Directors shall serve as chairperson over all meetings of the Board. If the President and Vice President of the Board are both absent, the remaining members present shall select one of themselves to act as chairperson of the meeting.

2.04.010.02 Members of the Board of Directors

Directors shall thoroughly prepare themselves to discuss agenda items at meetings of the Board of Directors. If clarification is required it would be requested from the General Manager.

Information exchanged before meetings shall be distributed through the General Manager and all Directors will receive all information being distributed.

Directors shall at all times conduct themselves with courtesy to each other, staff and members of the audience present at Board meetings.

Directors shall defer to the chairperson for conduct of meetings of the Board but shall be free to question and discuss items on the agenda. All comments should be brief and confined to the matter being discussed by the Board.

2.04.010.03 Basis of Authority

The Board of Directors is the unit of authority within the District. Apart from his/her normal function as a part of this unit, Directors have no individual authority. As individuals, Directors shall not commit the District to any policy, act or expenditure. Violation of the foregoing may be subject to censure as determined by the Board of Directors.

2.04.010.04 Training, Education and Conferences

It is the policy of the Rainbow Municipal Water District to encourage Board development and excellence of performance by reimbursing expenses incurred for tuition, travel, lodging and meals as a result of training, educational courses, participation with professional organizations, and attendance at local, state and national conferences associated with the interests of the District.

Attendance at such conferences shall be considered as a day of service for the purpose of Board member compensation.

District administrative staff shall be responsible for making arrangements for travel, lodging and registration for Directors attending state and national seminars, workshops

and conferences. All expenses shall be reported to the District by Directors, together with validated receipts.

Attendance by Directors at seminars, workshops and conferences shall be approved by the Board of Directors prior to incurring any reimbursable costs.

Upon returning from seminars, workshops, or conferences where expenses are reimbursed by the District, Directors will provide a written summary at the next Board meeting during Directors' Comments. Said summary shall detail what was learned at the session(s) that will be of benefit to the District. Materials from the session(s) will be delivered to the Board Secretary and may be included in the District library for the future use by other Directors.

Chapter 2.05
MEMBERSHIP IN ASSOCIATIONS AND ORGANIZATIONS

Sections:

2.05.010 Membership Policy

2.05.010.01 Approved Association and Organization Memberships

2.05.010.02 Individual Board Member Participation in Associations and Organizations

Section 2.05.010
Membership Policy

2.08.010.01 Approved Association and Organization Memberships

In accordance with California Water Code, Section 71597, the district may by resolution of a four-fifths majority of its directors obtain membership in associations, having for their purpose, the furtherance of subjects relating to the powers and duties of the district and for the interchange of information relating to such powers and duties.

The Board shall, by ordinance, resolution, or motion approve membership in associations or organizations and a copy of the ordinance, resolution or motion shall be maintained as part of District records. The General Manager will ensure annual dues are paid when due:

In the event a previously authorized membership is thought to be no longer necessary by the General Manager or any member of the Board, the General Manager or any Board member will notify the Board of Directors that the need to maintain membership no longer exists and the General Manager may, with concurrence from a simple majority of the Board, cancel membership in the association or organization.

The General Manager may, at his discretion, approve individual staff memberships in organizations and/or associations applicable to the employee's performance of their duties and/or support technical development in their fields.

2.05.010.02 Individual Board Member Participation in Associations and Organizations

Individual Board members may hold membership in and attend meetings of such national, state, and local associations and/or organizations as may exist which have applicability to the District and shall look upon such memberships as an opportunity for in-service training. The District will pay individual board member dues and expenses for the following organizations and associations:

Water Environment Federation
American Water Works Association
California Water Environment Association

District payment for participation by individual board member in organizations or associations not listed above may be approved on a case-by-case basis by the Board of Directors.

This policy is not intended to preclude a board member from participating in any organization or association; it only applies to those memberships paid for by the District.

**Chapter 2.06
COMMITTEES**

Sections:

- 2.06.010 Committees Policy**
- 2.06.010.01 Budget and Finance Committee**
- 2.06.010.02 Engineering and Operations Committee**
- 2.06.010.03 Communications and Customer Service Committee**

Section 2.06.010 Committees

The Board shall organize committees that are advisory to the Board with regards to matters within their respective areas of responsibility. Committees may study, advise and make recommendations to the Board on matters within the committee's area of responsibility. Committee recommendations shall be communicated to the Board. The authority of committees is limited to advisory recommendations only. Committees may provide recommendations for the Board to consider, which recommendations may be considered, adopted, amended or rejected by the Board in the Board's sole discretion. The Board may refer a recommendation back to the committee for reevaluation whenever the Board deems additional evaluation is required. Committees shall have no authority to take action or otherwise render decisions that are binding upon the Board or District staff.

Each committee shall have at least four and no more than seven regular members appointed by a simple majority vote of the Board. Each committee may also have up to two alternate committee members appointed by a simple majority of the Board. Committees may be comprised of Directors, staff, and legal ratepayers of the District. Committee members must reside within District boundaries. Committee members must be registered voters within District boundaries and must maintain a primary domicile within District boundaries for the duration of their tenure. The Board in its sole discretion may determine at any time whether a committee member properly resides within the District. Each committee shall designate their own chairperson, but that Chairperson may not also serve as an elected member of the Board of Directors. In order to promote attendance by Directors at Committee meetings without inadvertently creating a violation of the Ralph M. Brown Act, no more than one member of the Board of Directors may sit as a member on a Committee. Directors that are not members of a committee may attend as observers but are allowed to participate at the Committee's request.

Members of the committees serve at the pleasure of the Board. The Board has authority to remove committee members at any time in the Board's sole discretion. Each committee may elect a vice-chairperson, but that vice-chairperson may not also serve as an elected member of the Board of Directors. Members of committees, including the chairperson and vice-chairperson shall serve until their successors are appointed. The chairperson of a committee is its presiding officer. In the absence of the chairperson, the vice-chairperson shall perform the duties of the chairperson. The chairperson and vice-chairperson are not deprived of any of the rights and privileges of a committee member by reason of being the presiding officer.

The chairperson and vice-chairperson will hold their positions for one calendar year. Committee members will serve a term of four years and may be reappointed at the will of the Board.

Committee meetings shall be open to the public and held in accordance with the provisions of the Ralph M. Brown Act. At least 72 hours before a committee meeting, the Secretary shall post an agenda containing a brief, general description of each item of business to be discussed at the committee meeting. The posting shall be freely accessible to the public. No action shall be taken by secret ballot at a committee meeting.

Each lawfully noticed committee meeting will be recorded with summary minutes prepared from these meeting audio recordings. The minutes of each committee meeting and any recommendation of a committee shall include a summary of the information presented. District staff will prepare minutes of each meeting. Draft minutes will be provided to the committee at the next available committee meeting for committee member review, consideration and approval. Once approved, minutes will be made a part of the District's permanent records and audio recordings will be disposed of according to the District's Records Retention policy provided in the District's Administrative Code.

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Only regular members of the committee are entitled to make, second or vote on any motion or other action of the committee. Alternate members present at a meeting, but not seated as a regular member by the committee Chairperson, may participate in discussions but may not participate in motions or voting. Each committee member shall be entitled to one vote on all matters considered by the committee. A simple majority vote of the members of the Committee shall designate approval of a motion.

All committee member absences will be considered by the majority of the committee members to determine whether or not the absence is without cause. Sickness, jury duty, vacation and/or bereavement will be considered excused absences. When three meetings in a row or a total of six meetings in one calendar year are missed the remaining committee members will consider removal of the individual from the committee. The removal must be voted upon and approved by the majority of the committee members with the exception of the committee member in question.

If the roll call of regular members reveals that a quorum of regular members cannot be established, the Chairperson may appoint one or more alternate members who are present to be a temporary regular member in order to establish a quorum. Once a quorum is established, any remaining alternate member who has not been appointed as a temporary regular member shall remain as an alternate member. Once alternates have been seated as a regular committee member, they may immediately participate in any action taken and voted upon by the committee. All alternates must conform to the same rules as regular committee members. The Chairperson shall state for the record which alternate members have been seated as temporary regular members.

Committee Members and alternates shall comply with the obligations and responsibilities of office including the obligation to comply with the disclosure requirements of the Political Reform Act (Form 700). The reporting categories made applicable to the Directors by Rainbow Municipal Water District's local conflict of code shall apply to the members of the committee members.

All committee communications must go through the designated committee chairperson.

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2.06.010.02 Engineering and Operations Committee

The Committee shall work in concert with the General Manager, District Engineer, and Operations Manager.

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The committee shall also be responsible to review matters of operations, preventative maintenance practices, standard operating procedures, technical services, equipment, and other operations-related matters.

2.06.101.03 Communications and Customer Service Committee

The Committee shall work in concert with the General Manager and Customer Service and Communications Supervisor.

The Committee shall be responsible for providing input or guidance on matters of internal and external communications including: positive public image; community outreach; media relations; water conservation programs; intergovernmental relations; customer service policies; and other public relations programs.

**Chapter 2.07
CLIMATE CHANGE**

Sections:

2.07.010 Climate Change Policy

Section 2.07.010
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MEETINGS/SEMINARS/CONFERENCES/WORKSHOPS

VARIABLE					
DATE	2020	MEETING	LOCATION	ATTENDEES	POST
August	13	SDCWA Special Board Meeting	SDCWA	GM	N/A
August	*	CSDA – San Diego Chapter	The Butcher Shop – 6:00 p.m. 5255 Kearny Villa Road San Diego, CA 92123	Mack	N/A
August	*	LAFCO Special Meeting	County Admin Center, Room 302 – 9:30am	(As Advised by GM)	N/A
August	*	Santa Margarita River Watershed Watermaster Steering Committee	Rancho California Water District	Hamilton	N/A

* To Be Announced

MEETINGS/SEMINARS/CONFERENCES/WORKSHOPS

RECURRING					
DATE	2020	MEETING	LOCATION	ATTENDEES	POST
August	3	LAFCO	County Admin. Center Room 302 9:00 am	As Advised by GM	N/A
August	5	Engineering & Operations Committee Meeting	RMWD Board Room 3:00 p.m.	Appointed Director, General Manager	7/28
August	6	Communications & Customer Service Committee Mtg.	RMWD Board Room 3:30 p.m.	Appointed Director, General Manager	7/28
August	11	Budget & Finance Committee Mtg.	RMWD Board Room 1:00 p.m.	Appointed Director, General Manager	7/28
August	18	SDCWA GM's Meeting	SDCWA, San Diego 9:00 a.m.	General Manager	N/A
August	18	Council of Water Utilities	The Butcher Shop – 8:00 a.m. 5255 Kearny Villa Road San Diego, CA 92123	All Directors, General Manager	N/A
August	18	RMWD General Board	RMWD Board Room (Start Time to Be Determined)	All Directors	8/11
August	21	NC Managers	Golden Egg 7:45 a.m.	General Manager	N/A
August	26	North County Work Group (NCWG)	Rincon Del Diablo, Escondido 7:30 a.m.	General Manager	N/A
August	26	San Luis Rey Watershed Council	Pala Administration Building 1:00 p.m.	Appointed Director	N/A
August	27	SDCWA Full Board Meeting	SDCWA Board Room, 3-5 p.m.	General Manager	N/A

MEETINGS/SEMINARS/CONFERENCES/WORKSHOPS

- **CHANGES – ADDITIONS - DELETIONS:**

1. The Board will consider changing the August Board meeting from August 18, 2020 to August 25, 2020 due to the cancellation of the conference scheduled for the last week in August.

~NOTE~ Some or all the meetings listed may be held via teleconference or cancelled due to the current COVID-19 situation. Please contact the District with any inquiries.



Irvine Ranch
WATER DISTRICT



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



Association of California Water Agencies



Regional Water Authority
BUILDING ALLIANCES IN NORTHERN CALIFORNIA



CALIFORNIA MUNICIPAL UTILITIES
ASSOCIATION



CWSA

Community Water Systems Alliance



CSDA



California
Water
Association



EASTERN
MUNICIPAL
WATER
DISTRICT



EAST VALLEY
WATER DISTRICT



EAST BAY
MUNICIPAL UTILITY DISTRICT



SAN GABRIEL VALLEY
WATER ASSOCIATION



SANTA ANA



PADRE DAM
Municipal Water District



Santa Margarita
Water District



City of
Santa Rosa



CITY OF SAN BERNARDINO
WATER DEPT.



Walnut Valley
Water District



CITY OF ESCONDIDO



CITY OF FOUNTAIN VALLEY
Fountain Valley
A Nice Place to Live
INCORPORATED
JUNE 11, 1961
ORANGE COUNTY, CALIFORNIA



Elsinore Valley Municipal Water District



EL TORO WATER DISTRICT



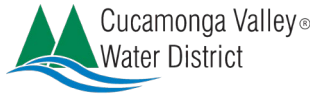
VISTA
IRRIGATION
DISTRICT



CALIFORNIA
WATER SERVICE



TRABUCO CANYON
WATER DISTRICT



Cucamonga Valley
Water District

Service Beyond Expectation



VALLEY CENTER
Municipal Water District
Water Conservation A Way of Life



CITY OF PASADENA
INCORPORATED JUNE 1886



CITY OF
SANTA CRUZ



WATER
DISTRICT



CITY OF POWAY
THE CITY IN THE COUNTRY
Incorporated 1940



CITY OF OCEANSIDE
INCORPORATED 1888



ESTABLISHED 1956
OTAY
WATER DISTRICT



LAS VIRGENES
MUNICIPAL
WATER DISTRICT
EST. 1958

City of
SACRAMENTO

Association of California Cities
Orange County



• Education
• Policy
• Advocacy



WESTERN
MUNICIPAL
WATER
DISTRICT



Monte Vista
Water District



ALAMEDA COUNTY WATER DISTRICT



moulton niguel
water district



SINCE 1933



San Francisco
Water Power Sewer
Services of the San Francisco Public Utilities Commission



RAINBOW
MUNICIPAL WATER DISTRICT
Committed to Excellence



CITY OF FRESNO
INCORPORATED 1885



SACRAMENTO COUNTY
WATER AGENCY



Helix
WATER DISTRICT



BIGHORN - DESERT VIEW
WATER AGENCY



City of
Carlsbad



CONTRA COSTA
WATER DISTRICT



July 15, 2020

The Honorable Cecilia M. Aguiar-Curry
Chair, Assembly Local Government Committee
1020 N Street, Room 157
Sacramento, CA 95814

RE: SB 1386 (Moorlach): Protecting Fire Hydrant System Funding- Support

Dear Chair Aguiar-Curry:

We, the undersigned coalition of statewide associations, cities, water suppliers and regional stakeholders, are writing to express our support for SB 1386. SB 1386 is an important measure which would protect fire hydrant system funding and ensure public water suppliers are able to operate sufficiently sized and pressurized water systems to supply water to their customers and to fight fires. This measure affirms that existing law allows water suppliers to include the costs of operating and maintaining these systems, as well as the costs associated with fire hydrant and the water served through them, in their property-related service charges. Because of lawsuits that threaten California water providers' ability to fund water services used in fire protection, this measure is critical to preventing these costs from being passed on to fire protection agencies.

Our cities and water agencies are some of the 81 local governments being sued to challenge the long-standing method of funding water service used in firefighting through property-related water service charges. The lawsuits allege that including these costs in our water rates is prohibited by Article XIII D of the California Constitution (i.e. "Proposition 218").

In our opinion, these lawsuits are without merit and threaten to force all of California's public retail water service providers to charge fire protection agencies directly for these costs. If that occurs, the ability of fire protection agencies to fund essential equipment and personnel would be greatly impacted. Our property-related service charges are legitimate under existing law, but in order to avoid lengthy and expensive legal battles with costs that will be passed on to our customers and to avoid additional burdens on fire protection agencies, the law needs to be affirmed by the Legislature.

Proposition 218 placed provisions into the California Constitution that limit local governments' authority to impose and increase taxes, fees, assessments, and charges. We faithfully abide by the requirements of Proposition 218 and are serious about our responsibility to provide services to our customers in an efficient and cost-effective manner. Including the costs of operating and maintaining fire hydrant systems, as well as the costs associated with the water distribution system and the water that is needed to fight fires, within property-related water service charges is legitimate and appropriate under Proposition 218. Ensuring water rates cover these costs is critical for the safety of all of our customers.

SB 1386 reinforces our authority under the law to use property-related service charges for funding water services related to fire protection. SB 1386 does this by amending Proposition 218's implementing statute to reflect a recent court case that concluded that these costs are in fact a property-based service.

For these reasons, we strongly support SB 1386 and urge you and your colleagues to vote "Aye" on this important measure. Please do not hesitate to contact Christine Compton with the Irvine Ranch Water District (IRWD) at (949) 453-5338, Glenn Farrel with the San Diego County Water Authority (SDCWA) at (916) 216-1747, or either IRWD's Sacramento advocate Pilar Oñate-Quintana at (916) 230-4470 or SDCWA's Sacramento advocate Steve Cruz at (916) 307-7741 if you have questions regarding this measure.

Sincerely,

Alameda County Water District
Association of California Cities, Orange County Chapter
Association of California Water Agencies
Bighorn Desert View Water Agency
California Municipal Utilities Association
California Special Districts Association
California Water Association
California Water Service
City of Carlsbad
City of Escondido
City of Fountain Valley
City of Fresno
City of Fullerton
City of La Habra
City of Napa
City of Oceanside
City of Pasadena
City of Poway
City of Sacramento
City of Santa Cruz
City of Santa Rosa
City of San Diego
Coachella Valley Water District
Community Water Systems Alliance
Contra Costa Water District
County of Ventura
Cucamonga Valley Water District
East Bay Municipal Utilities District
East Valley Water District
Eastern Municipal Water District
El Toro Water District
Elsinore Valley Municipal Water District
Helix Water District

Inland Empire Utilities Agency
Irvine Ranch Water District
Las Virgenes Municipal Water District
Long Beach Water Department
Monte Vista Water District
Moulton Niguel Water District
Municipal Water District of Orange County
Orange County Water District
Otay Water District
Padre Dam Municipal Water District
Rainbow Municipal Water District
Rancho California Water District
Regional Water Authority
Sacramento County Water Agency
San Bernardino Municipal Water Department
San Diego County Water Authority
San Francisco Public Utilities Commission
San Gabriel Valley Water Association
Santa Ana Public Works Agency
Santa Margarita Water District
South Orange County Economic Coalition
Trabuco Canyon Water District
Valley Center Municipal Water District
Vista Irrigation District
Walnut Valley Water District
Western Municipal Water District

cc: The Honorable John M.W. Moorlach, Senator, 37th District
The Honorable Members, Assembly Local Government Committee
Jimmy McDonald, Principal Consultant, Assembly Local Government Committee

BOARD OF DIRECTORS

 July 28, 2020

SUBJECT

 Operations Report for June 2020

DESCRIPTION

 Activities for Operations & Maintenance Division

CONSTRUCTION & MAINTENANCE DEPARTMENT:

	Repairs	Installations	Leaks
Mainline	7		4
Service	4		4
Hydrants			
Valves			
Meters			
Blow-Offs			
Air Vacs			

WATER OPERATIONS VALVE MAINTENANCE DEPARTMENT:
Water Operations:

- Collected THM and Haa5 2nd quarter samples
- 75% Completed of Rainbow Hills Pump Station rehabilitation work to include painting, installation of ¾ inch rock to cover dirt, removal of interior fence, installation of six new Vent-O-Matic air/vacs
- Installed eight new District warning/no trespassing signs at remote facilities
- Completed four pump control valve maintenance/rebuild
- Activated and brought online upgraded Vallecitos Pressure Station
- Repaired and trouble shot one PRV Station

Valve Maintenance:

Monthly Totals	Valves (Distribution)	Appurtenance Valves	Appurtenances
Exercised	66	99	N/A
Inoperable	5	14	
Repaired			
Replaced			
Installed			

Valve Maintenance completed and/or oversaw the following:

- 166 utility locates completed
- Assisted with (2) shutdowns
- Replaced (7) air vacs / (0) wharf heads (1) Fire hydrants
- Panted 110 appurtenances

METERS DEPARTMENT:

Current Projects:

- Water Service Upgrade Project
- Concord in route 28 and headed to route 40
- 586 meters have been replaced by Concord

Future Projects:

- Prepping meter services in route 40

Backflows:

- 334 devices tested last month and 2058 backflow inspections completed this year

Customer Service Requests:

- 1174 total resolved requests for the month of June

WASTEWATER:

Monthly, Semi Annual and Annual Reports:

- California Integrated Water Quality System (CIWQS): Confirmation # 2574746 Reported “No Spill Report” for Month: June 2020

Projects:

EAM Work order # 177517

June 4,2020 – Map Page I-6 Manhole # 58 repairs to sewer manhole and easement washed down by April’s 2020 rain event.

EAM Work order # 177422 North River Road pipe rehabilitation

June 22,2020 - Rainbow MWD exposed 15” sewer line Map page: P1_10
Rainbow MWD bypassed sewer line during repairs

June 23,2020 - Rainbow MWD performed sewer line repairs Map page: P1_10
Rainbow MWD – Performed sewer bypass

June 24,2020 - Rainbow MWD exposed 15” sewer line Map page: P1_13
Rainbow MWD performed sewer bypass

June 25,2020 - Rainbow MWD exposed 15” sewer line Map page: P1_13
Rainbow MWD performed sewer bypass

Projects:

June 22,2020 - Top hat repairs to sewer lines
Contractor: Robotic sewer Inc.
\$ 5,000.00

F-5_2 – F-5_3 Top hat repairs
G-5_2 – G-5_1 Top hat repairs
G-5_2 – G-5_3 Top hat repairs

Customer service:

4290 Pala Road Fallbrook – Sewer smell along Hy 76. Responded to customer complaint stated foul odor on Hwy 76 – Advised customer will place a temporary treatment at 4 sewer manholes East of residence home. Caltrans encroachment permit required.

Mutual Aid: Traffic Control

June 22,2020 - Traffic control provided
June 23,2020 - Traffic control provided
June 24,2020 - Traffic control provided
June 25,2020 - Traffic control provided

FLEET/GARAGE:

Projects:

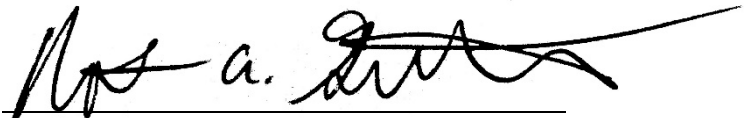
- # 133 Portable welder trailer Rehab.
- Unit # 13 Highway products Surveyor Pack Spec and Installation
- Specs and Ordering of new replacement vehicles 72 and 21
- Detail and prep Gov Deals replacement vehicles
- Work bench and shop toolbox storage upgrade
- Purchase and store items in chemical flammable cabinets
- Clean shop area and complete office filing cabinet installation

Future Projects:

- Identify and upgrade problematic Gas Boy Fuel System Cubes.
- Shop compressor preventive maintenance
- Prep new dump truck # 72
- Prep new crew truck # 21
- Upfit unit # 3 and # 16 with Maximum tool storage and install center consoles with additional radio's and all lighting.
- Equipment trailer maintenance brake & bearing inspections and bearing repack to include structural and light Inspection's

Violations:

- None for June 2020



Robert Gutierrez
Operations Manager

7/13/2020

BOARD OF DIRECTORS

July 28, 2020

SUBJECT

Engineering Report for June 2020

DESCRIPTION

CAPITAL PROJECTS:

Beck Dam Inundation Study (HDR Eng., Inc.): Department of Safety of Dams had commented on the District's submittal of the inundation study. Additional modeling was required for different breach scenarios. Response to comments were accepted by the Department of Safety of Dams and has addressed all the Department of Safety of Dams comments/concerns. The project is deemed complete.

Corrosion Protection Program (HDR Eng., Inc.): A final version was submitted to the District by the consultant in June 2020 for review; however, due to additional inconsistencies identified by District staff in the report, it will be revised by the consultant and finalized in July 2020. Operations staff is actively installing CP in the field as a "regular operation".

Land Surveying Services - Record of Survey (KDM Meridian): The record of survey was submitted to the county but placed on hold. After the District Counsel completes Quiet Title action and resolves boundary issues, the record of survey will be finalized. Due to the COVID-19 restrictions, the Quiet Title action is delayed.

Olive Hill Estates Transmission Line Reconnection Project (T.E. Roberts, Inc.): Project includes the construction of 2,550 lineal feet of 14-inch ductile iron pipe and 30 lineal feet of 12-inch ductile iron pipe in the Olive Hill Estates community. The District has been reviewing submittals and a preconstruction meeting was held June 11, 2020. The contractor is on site to pothole the existing utilities. The contractor also has a second crew on site to receive material at their yard on Thoroughbred Road. Contractor has completed potholing and will start construction/installation of the pipeline on July 15, 2020.

Phase I PRS Project: The project is on hold, and the contract cancelled.

Pipeline Upgrade Project (PUP) No. 1 (Omnis Consulting): Bid package was reviewed by the Engineering and Operations Committee. The project will be divided into multiple bid packages and bid as individual improvement projects.

Pipeline Upgrade Project (PUP) No. 2 (Harris & Assoc.): Aerial and Environmental Surveys are complete. Consultant is working on design. District staff has reviewed the 90% plans for the Nella Lane Waterline Improvements and consultant is finalizing plans.

Pressure Reduction Optimization Plan: Engineering staff worked on identifying existing right of way and locations for future pressure reducing stations based on the discussion from the Engineering and Operations staff meeting. District staff is continuing to work on finalizing a standard design for above ground pressure reducing stations to be used in future bid documents.

Quiet Title: Attorneys have served all known decedents of the original property owners. Next step is to have an order for service by publication. After that, assuming no responses, we can provide a default judgment to the court. NO CHANGE

Rainbow Height's Pump Station Replacement (Orion Construction Corp): The Construction Contract was executed on June 25, 2020. A preconstruction meeting is scheduled on July 7, 2020 and the Notice to Proceed will be issued after the meeting. The contractor is sending in submittals and setting up meetings.

Rice Canyon Tank Transmission Line (Dexter Wilson Eng.): The Consultant continues to work on the design. District staff is working with consultant to resolve easement issues.

Sewer Pipe Lining (Nu-Line Tech.): Contractor did not respond to the District's request for replacement or a credit for the defective lining. Acceptance of the improvements with a change order to the contract amount reflecting the credit for defective lining is before the Board for consideration.

Thoroughbred and Schoolhouse Lift Stations (Kennedy Jenks Assoc.): Consultant is moving forward with Design of the facilities required for serving the Meadowood Development. A Change Order which allows the consultant to complete the design is before the Board for consideration.

Solar Power at Bonsall Reservoir: Staff is working with SDG&E on options

Vista Valley Country Club Villas HOA PRS Project (SCW Contracting): Project includes rock excavation into existing slope, construction of a retaining wall, installation of one EFI PRS, removing an existing piping cross and connecting the two piping runs, and installation of two plug valves in the Vista Valley Country Club Villas HOA. Design plans were reviewed by Engineering and Operations twice. Project plans were finalized in early May 2020 and bid was released in mid-May 2020. The Bid opening was on June 4, 2020, with SCW Contracting Corporation as the lowest apparent bidder \$334,700. The engineers estimate was \$230,000. Bid verification was completed and the project was awarded to SCW at the June 23, 2020 Board meeting. District staff is currently routing the project contract for review and signatures.

Weese Filtration Plant Interconnect: District is investigating costs of expanding the capacity of the proposed pump station.

DEVELOPER PROJECTS:

Fairview-Lilac Del Cielo (Bonsall LLC): 73 Units / 77.8 EDUs - The developer paid 50% of the sewer connection fees and the agreement is effective for five years from the date of execution (12/31/24).

Golf Green Estates (Development Solutions): 94 SFR / 102.46 EDUs – Across from Bonsall Elementary School on Old River Road. Staff working with the developer on easement issues. Onsite punch list was prepared by staff. Contractor to complete items on the punch list. Water meters purchased to date - 69.

Horse Creek Ridge (D.R. Horton): 627 SFR/MF, 430 WMs (Reduced by 124 WMs) / 754 EDUs – On Highway 76 and Horse Ranch Creek Road. Inspected meter installs, meter releases and sewer connections. All water meters have been purchased - 430.

Horse Creek Ridge Unit 6R5 Promontory (Richmond American Homes): 116 Units, 124 WMs (includes irrigation meters purchased by DRH) / 124 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. Inspected meter installs, meter releases and sewer connections. All water meters have been purchased - 113.

Malabar Ranch (Davidson Communities): 31 SFR / 29 EDUs - On Via Monserate/La Canada. There are 17 out of 31 homes built. Developer needs to complete the waterline relocation and punch list items.

Malek 350' Water Main Extension on Entrada Al Sol: Construction is complete. Acceptance of the facilities is before the Board for consideration.

Meadowood (Pardee Homes): Approximately 850 Units - On Pala Road/Horse Ranch Creek Road. The developer is grading the project now. The Board has entered an Out of Agency Service Agreement with the Developer.

Pala Mesa Highlands (Beazer Homes): 124 SFR / 159.88 EDUs – On Old Highway 395. The PRS needs to be installed. Inspected meter installs, meter releases and sewer connections. Water meters purchased to date - 104. Same

Wiestling 198' Water Main Extension on West Lilac Road: A 20' easement has been dedicated to the District along the westerly boundary of the property. All documentation has been approved and a preconstruction meeting has been scheduled. Preconstruction meeting with the contractor. Waiting on submittals and a start date.

OTHER:

ITEMS	NO#	ITEMS	NO#
Water Availability Letters	2	Water Meters Purchased	43
Sewer Availability Letters	2	Sewer EDUs Purchased	0
Water Commitment Letters	0	Developer Shutdowns	0
Sewer Commitment Letters	0	Jobs Closed: Dentro De Lomas Street Improvements	0

Delia Rubio for

Steven E. Strapac, PE, PLS
District Engineer

7/28/2020

**AS-NEEDED CONTRACT EXPENDITURES REPORT
JULY 2020**

CONT #	EXP DATE	TITLE	CONSULTANT	FUND SOURCE	ASSIGNMENT LETTERS	DESCRIPTION	AUTHORIZED AMOUNT	NOT TO EXCEED AMOUNT	INVOICED TO DATE	CURRENT BALANCE
18-16	8/29/2021	As-Needed Land Surveying Services	Johnson-Frank & Associates, Inc.	NON-CIP	2019-00A	Topography - Dentre De Lomas Road repair.		\$ 5,115.40	\$ 5,115.40	
				NON-CIP	2019-00B	Easement review - McDowell / Mead		\$ 4,100.00	\$ 1,404.25	
							\$ 50,000.00	\$ 9,215.40	\$ 6,519.65	\$ 43,480.35
18-14	8/29/2021	As-Needed Land Surveying Services Change Order 01 for \$50K	KDM Meridian, Inc.	NON-CIP	2018-01	Stake easement on Morro Hills due to 20" watermain failure.		\$ 7,280.00	\$ 7,278.75	
				CIP	2019-02	RMWD "Base Map" to perform in-house design of proposed water facilities on Via Ararat.		\$ 5,800.00	\$ 5,800.00	
				---	2019-03	Cancelled		\$ -	\$ -	
				CIP	2019-04	Stake easement on Gird Road for construction project.		\$ 5,400.00	\$ 5,400.00	
				CIP	2019-05	Legal and Plat for Campbell - Via Ararat		\$ 1,195.00	\$ 1,195.00	
				NON-CIP	2019-06	Stake easement on Via Oeste Drive and Laketree Drive		\$ 10,900.00	\$ 7,725.00	
				CIP	2019-07	Easements for new PS on W. Lilac/Via Ararat		\$ 4,100.00	\$ 1,100.00	
				NON-CIP	2020-08	Linda Vista Drive - Mainline Break		\$ 5,563.00	\$ 5,562.50	
				CIP	2020-09	Gird Road - Winery easement anlysis an exhibit		\$ 7,680.00	\$ 6,900.00	
									\$ 100,000.00	\$ 47,918.00
18-15	8/29/2021	As-Needed Land Surveying Services Change Order 01 for \$50K	Right-of-Way Engineering, Inc.	NON-CIP	2019-00A	Title Reports, Legals & Plats - Los Sicomoros		\$ 7,705.00	\$ 7,705.00	
				NON-CIP	2019-00B	Adams Property Easement - Ranger Road		\$ 1,885.00	\$ 1,885.00	
				CIP	2019-00C	Pardee Easement - North River		\$ 2,875.00	\$ 2,875.00	
				NON-CIP	2019-01	Easement Survey - Grove View Road		\$ 4,220.00	\$ 3,285.00	
				CIP	2019-02	Easement Survey - Pala Mesa/Tecalote/Fire Rd/Pala Lake		\$ 15,640.00	\$ 15,451.30	
				CIP	2019-03	Easement Survey - Moosa Creek Pump Station. Restake and reconfigure easement authorized additional \$525.		\$ 5,410.00	\$ 5,675.20	
				CIP	2020-04	Lemonwood Easement Location		\$ 5,370.00	\$ 4,390.00	
				CIP	2020-05	Easement Survey - Hutton Pump Station		\$ 5,687.50		
					\$ 100,000.00	\$ 48,792.50	\$ 41,266.50	\$ 58,733.50		
19-16	6/25/2022	As-Needed Civil Engineering Services	Dudek	Both	2019-01	PRS and other Schematic Design/Drafting Services		\$ 10,000.00	\$ 845.00	
								\$ 150,000.00	\$ 10,000.00	\$ 845.00
19-17	7/01/2022	As-Needed Civil Engineering Services	Omnis Consulting, Inc.	NON-CIP	2019-01	PS&E Pavement Repair - Dentre De Lomas		\$ 8,890.00	\$ 8,890.00	
				CIP	2019-02	Olive Hill Estates Transmission Water Main		\$ 73,700.00	\$ 73,700.00	
				CIP	2019-03	Vista Valley Retaining Wall Design		\$ 23,495.00	\$ 23,040.67	
				CIP	2019-04	Sarah Ann to Gird Road Force Main Replacement		\$ 22,790.00	\$ 10,730.00	
				CIP	2020-05	Gird Road Water Main Upsize		\$ 21,120.00	\$ 13,228.00	
									\$ 150,000.00	\$ 149,995.00
19-18	6/25/2022	As-Needed Civil Engineering Services	HydroScience Engineers, Inc.	CIP	2019-01	Live Oak Park Road Bridge Crossing		\$ 42,020.00	\$ 27,145.00	
							\$ 150,000.00	\$ 42,020.00	\$ 27,145.00	\$ 122,855.00



**SEWER EQUIVALENT DWELLING UNITS (EDUs) STATUS REPORT
JUNE 2020**

STATUS SUMMARY	EDUs
Total Treatment Capacity Purchased from Oceanside	8,333.33
Less 5% Contractual Allowance	416.67
EDUs Set Aside by Board for Emergencies	60.00
EDUs Connected	4,985.20 *
EDUs Unconnected/Committed	259.88
Total EDUs Available for Purchase:	2,611.59

DEVELOPMENTS WITH UNCONNECTED/COMMITTED EDUs	EDUs	CAPACITY FEES PAID
Bonsall Oaks (Polo Club) - 165 Lots	59.85	\$ 1,038,336
Golf Green Estates (Dev. Solutions) - 102.46	18.16	\$ 586,888
Horse Creek Ridge (DR Horton/RAH) - 754**	0.0	\$ -
Lilac Del Cielo (Bonsall Group) - 77.8***	38.90	\$ 549,499
Passarelle (HRC Commercial) - 96.57	96.57	\$ -
Pala Mesa Highlands (Beazer Homes) - 159.88	33.00	\$ 470,393
Others (5 or less)	13.40	\$ 225,449
TOTAL UNCONNECTED:	259.88	\$ 2,870,565

*There is a delay between connections and new account activations.

**Paid flat rate for 754 EDUs. Currently have connected 863.4 EDUs.

***Paid initial 50% of Sewer Capacity Fee.

BOARD OF DIRECTORS

July 28, 2020

SUBJECT

HUMAN RESOURCES REPORT FOR JULY/AUGUST 2020

DESCRIPTION

Personnel changes, human resources activities, and safety report for July/August 2020

PERSONNEL UPDATES:

- Ricardo Zaragoza was selected to fill the System Operator I vacancy created by Steve Coffey's promotion to System Operations Supervisor; Ricardo transferred from the Meters Department.
- Jesus Hernandez will transfer from System Operations to the Meters Department on July 27, 2020 to fill the vacancy created by Ricardo's departure from Meters.
- Gerardo Cancino has been selected for the System Operator I vacancy created by Jesus' transfer to Meters; Gerardo will transfer from the Valve Maintenance group to System Operations.
- Meter Services Supervisor Justin Chandler has given notice, creating a vacancy as of July 27, 2020.
- Carlos Ramos will be placed on an out-of-class assignment as Senior Meter Services Technician until the Meter Services Supervisor position is filled.

LEAVES OF ABSENCE:

- One employee in the Construction/Maintenance Department is on long term disability leave of absence.
- One employee in Customer Service returned from the Families First Coronavirus Response Act leave on July 2.
- One employee in the Information Technology Department is on a short-term Family Medical Leave in July.

EXCELLENCE COIN AWARDS:

We awarded 1 Coin Honorable Mention in the month of June, as follows:

Professionalism HM

Ricardo Zaragoza (Meters) – Customer Accolade, Andrew Smith
Customer left the following Voicemail for Ricardo's Supervisor:

"Hey Justin, my name is Andrew Smith. I live in Bonsall and I was having some water pressure issues. We gave you folks a call and Ricardo came out, and he was very helpful and helped us resolve our situation quickly. I've been suffering with low water pressure, and it was an easy fix, but he was amazing, and I just wanted to make sure you guys knew that. I'm sure you don't end up calls of people they're doing a good job, but I wanted you to know that Ricardo did a great job for us, and I was very pleased. Have a good day. Thanks."

REALLOCATION OF HEADCOUNT:

The Operations Manager has made the recommendation to reallocate one headcount from the Valve Maintenance Crew to the Construction Crew. Below is the analysis that led to this staffing change:

- There are four staff members currently in the valve program, and work is distributed as follows:
 - One member spends seventy percent of their time conducting Dig Alert mark outs as well as locating and marking water lines on easements as directed by Engineering.
 - There are two members who operate a single valve truck and exercise an average of 1200 valves per year. Their job also consists of shutting down water lines for main line repairs.
 - The fourth staff member trails the valve exercising crew and paints appurtenances like fire hydrants, wharf heads and blow offs.

- There are three vehicles allocated to valve maintenance, two valve trucks and one truck used for the line locating.
 - One of the valve trucks has had several mechanical issues and is a 2008 Ford F450. At fourteen years old this truck is ready to be replaced or decommissioned as it has almost one-hundred thousand miles.
 - The second valve truck is rarely used, since one team member spends 70% of their time performing line locates and mark-outs, and it takes two staff members to operate a valve truck together.
 - During 2019 a beta test was conducted where the second valve truck was utilized by the Dig Alert person and the trail person who usually follows the valve truck. Their assignment was to exercise valves as well as conduct mark outs. This proved to not be feasible as majority of time was spent on mark outs, leading to inefficient use of staff time for the second team member.
 - In order to efficiently use staff and vehicle resources, there would need to be two team members assigned to each valve truck, plus a team member assigned to perform mark-outs.
 - In order to achieve this staffing-to-tuck ratio, the District would need to either reduce the current headcount by one person or invest in a replacement valve truck and one additional staff member in Valve Maintenance to operate the second valve truck.
 - The secondary valve truck will be sent to auction as it will no longer be necessary and has reached its useful life span. Since the valve crew has only been utilizing one truck for several years there should not be any reduction in exercising valves.
 - Our current projection is that the reduced size valve crew can meet all critical components of the valve exercising and appurtenances maintenance program. Robust monitoring of the program will ensure that the maintenance objective of the program continues to be met.

- There are several factors causing the construction crew to be challenged to meet labor demands, including:
 - One Crew Leader is on long term disability leave with no known return date. This has caused a staffing shortage that will persist until the employee becomes able to return to work or decides to resign or retire.
 - The crew has consistently had the highest overtime rates in the District due to afterhours leaks. While total overtime will persist due to the unpredictable nature of leaks, an additional team member would allow that overtime to be distributed among more employees and reduce the burnout employees may face due to excessive overtime.
 - In addition to its normal functions, the Construction crew has also ramped up assistance in other areas, such as the installation of PRVs and supporting the WSUP project assisting by vacuuming and backfilling meter boxes.

Based on the analysis above, staff's assessment is that in order to increase efficiencies in valve maintenance and address the increase in workload to the construction crew, the labor resource would provide the District with greater value on the Construction crew. There is no fiscal impact to the change, since the Utility Worker job classifications are at the same salary grades in each department.

RECRUITMENT:

- The Meter Services Supervisor position is currently open for recruitment.
- One Utility Worker – Construction is currently open for recruitment.

EMPLOYEE ANNIVERSARIES:

HIRE DATE	EMPLOYEE NAME	YEARS WITH RMWD
7/2/2007	GERARDO CANCINO	13 years
7/2/2018	TIFFANY MYHRE	2 years
7/9/2007	JERRY KRAFT	13 years
7/10/2019	BRYAN ORTIZ	1 year
7/16/2007	CLEMMON TAYLOR	13 years

SAFETY:

▪ **Incidents**

There were no lost time or modified duty due to a work-related incident.

▪ **Safety Training**

Target Solutions online training: 50 completions for June 2020

Future planning to increase safety awareness throughout the district to include:

- Risk Management Policy
- Hazardous Communication
- Hearing Conservation review and update
- Spill Prevention Control, Countermeasures Plan rewrite

▪ **Claims**

Ceniceros 764 Rainbow Hills Drive
Suzukawa – 3617 Genista Pl.
Monday- 4441 La Canada Rd



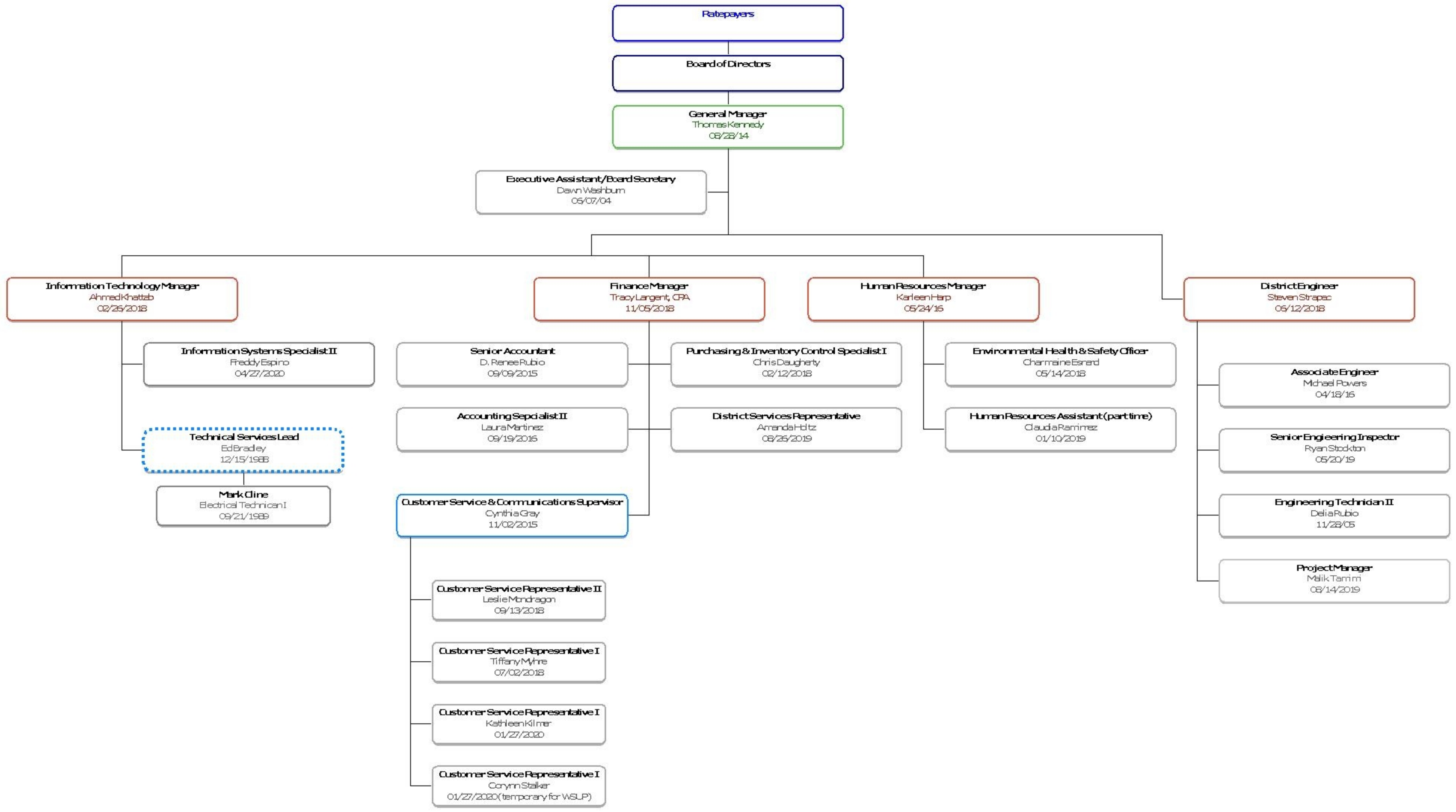
Karleen Harp, COSM
Human Resources Manager

07/28/2020

**RAINBOW MUNICIPAL WATER DISTRICT
ORGANIZATIONAL CHART
PAGE 1 of 2**

Creation Date: 8/21/2014

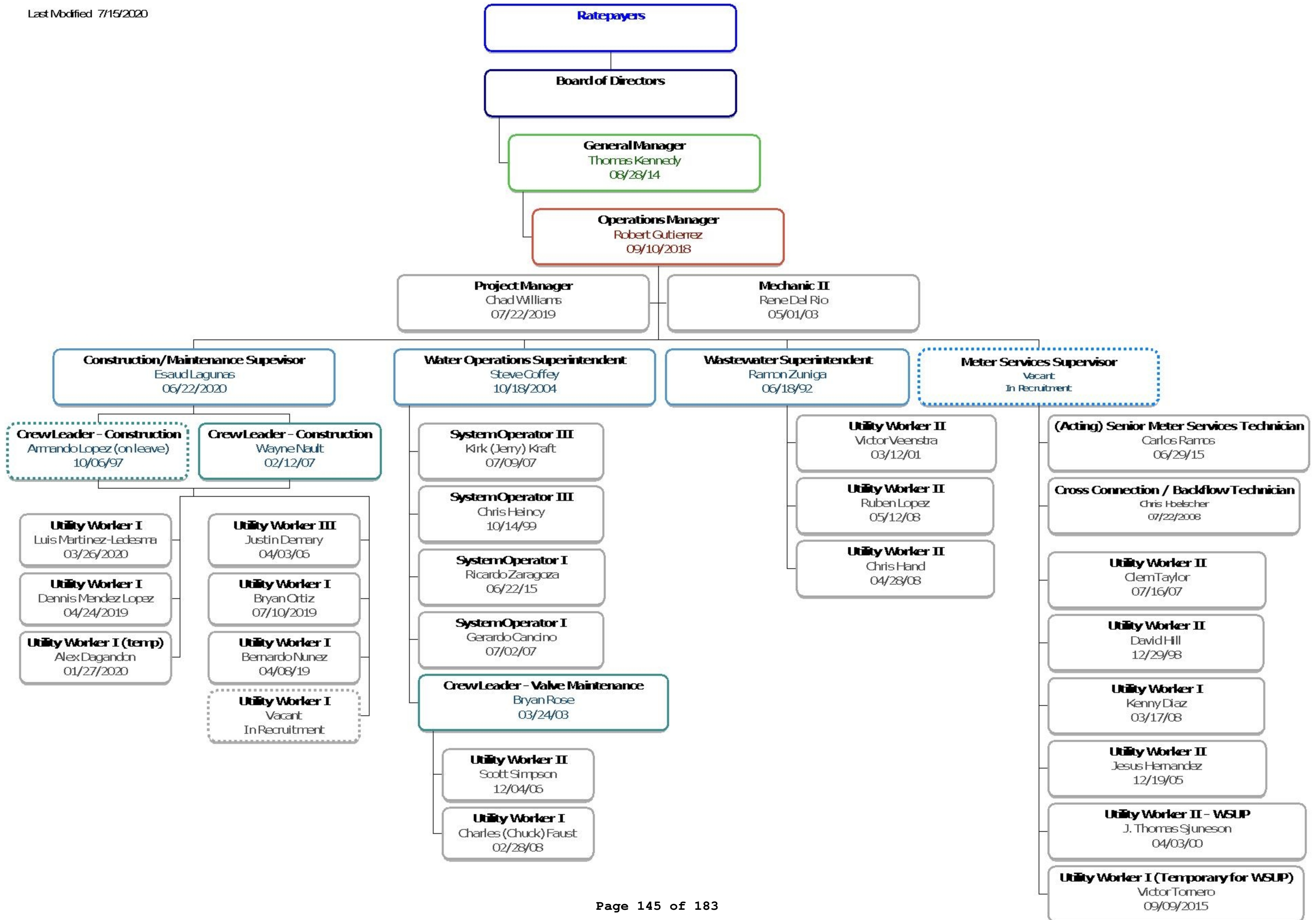
Last Modified: 7/15/2020



RAINBOW MUNICIPAL WATER DISTRICT
 ORGANIZATIONAL CHART
 PAGE 2 of 2

Creation Date 8/21/2014

Last Modified 7/15/2020



BOARD OF DIRECTORS

July 28, 2020

SUBJECT

FINANCE REPORT FOR JULY 2020

DESCRIPTION

Summary:

FY 2019/2020 Water Sales Results:

Budgeted 17,000 AF

Actual 13,247 AF

April FYTD 2019/2020 Budget vs Actual:

Due to the projected sales being significantly lower than budgeted, revenues were 22% lower than budgeted for April FYTD 2019/20 and operating expenses were 13% lower than budgeted. When considering the 22% vs 13%, it is important to know the operating expenses includes water purchase expenses accrued for the month of April, but it does not include April sales as sales are billed a month after their use; sales are accrued at year end to account for this. We plan to start accruing the sales monthly for an accurate comparison once other essential accounting duties are brought current.

Water purchases through 6/30/2020 were at 97% of the prior year actual purchases.

Capital Budget:

Operating Funds have a balance of \$8.4M. Water Capital Fund balances are: Water \$4.1M, Water Replacement Project \$7.3M, and Wastewater \$10M. FYTD Capital Spending was \$2.2M of the budgeted \$9.1M Capital Budget. This does not include the WSUP project which had \$4M spent of the \$3.8M budget for the FY.

Treasury Report:

Interest Revenue for May 2020 was \$50,526, compared to \$9,856 for the prior month.

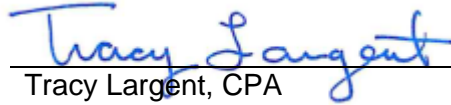
Water Purchases & Water Sales:

The Five-Year Water Purchases Demand Chart (Attachment D) reports purchases; this data is available in real time. 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.

Attachments:

- A. Budget vs Actuals (APRIL FYTD 19/20)
- B. Fund Balance Projections

- C. Treasury Report (MAY FY 19/20)
- D. Five-Year Water Purchases Demand Chart (through 7/3/2020)
- E. Water Sales Summary (MAY FY 19/20)
- F. Check Register (MAY FY 19/20)
- G. Directors' Expense Report (MAY FY 19/20)
- H. Credit Card Breakdown (MAY FY 19/20)
- I. Developer Projections
- J. RMWD Properties



Tracy Largent, CPA
Finance Manager

July 28, 2020

Statement of Revenues & Expenses

Operating Funds (Water, Wastewater, & General Funds)

April 30, 2020



Positive = Over Budget

Negative = Under Budget

	FY 19/20 YTD Revenues/Expenditures	FY 19/20 YTD Operating Budget	YTD Variance \$	YTD Variance %	FY 19/20 Annual Operating Budget
41110-Water Sales-Sf Mf Cm Is	5,824,119	7,496,544	-1,672,425	-22%	8,995,853
41112-Sewer Charges-Established Acct	2,180,352	2,640,735	-460,383	-17%	3,168,882
42120-Monthly O & M Charges	6,536,628	6,859,488	-322,860	-5%	8,231,385
42121-Monthly O&M Charges - CWA	3,919,150	4,122,462	-203,312	-5%	4,946,955
43101-Operating Inc Turn On/Off Fees	0	9,167	-9,167	-100%	11,000
43106-Operating Inc-Sewer Letter Fee	400	1,667	-1,267	-76%	2,000
41120-Water Sales-Ag-Dom Non Cert	773,269	964,991	-191,723	-20%	1,157,990
41160-Water Sales-Ag. Non Discount	2,789,784	3,536,829	-747,046	-21%	4,244,195
41170-Water Sales-Construction	72,133	299,529	-227,395	-76%	359,434
41180-Water Sales - Tsawr Com	3,768,683	3,992,601	-223,918	-6%	4,791,121
41190-Water Sales-Sawr Ag/Dom	2,393,459	5,879,248	-3,485,789	-59%	7,055,098
42130-Readiness-To-Serve Rev Id#1	191,060	208,333	-17,274	-8%	250,000
42140-Pumping Charges	526,076	568,569	-42,493	-7%	682,283
-Water Sales	28,975,113	36,580,163	-7,605,050	-21%	43,896,195
43100-Operating Inc Oak Crest Service Charges	0	20,000	-20,000	-100%	24,000
43102-Operating Inc Penalty/Int Chgs	93,116	225,000	-131,884	-59%	270,000
43104-Operating Inc. R.P. Charges	205,703	229,167	-23,464	-10%	275,000
43108-Operating Inc Plan Check Rev.	52,545	62,500	-9,955	-16%	75,000
43110-Operating Inc Inspections	29,805	16,667	13,138	79%	20,000
43111-Operating Inc Install Fees Hyd	920	1,667	-747	-45%	2,000
43114-Operating Inc-Miscellaneous	0	5,833	-5,833	-100%	7,000
43116-New Meter Sales/Install Parts	16,935	33,333	-16,398	-49%	40,000
43117-Notice Delivery Revenue	80	50,000	-49,920	-100%	60,000
-Other Operating Revenue	399,103	644,167	-245,064	-38%	773,000
42200-Overhead Trs From Water Sewer	4,127,683	5,896,685	-1,769,002	-30%	7,076,023
-Transfers from Water & Waste Water	4,127,683	5,896,685	-1,769,002	-30%	7,076,023
REVENUE-Operating Revenue	33,501,899	43,121,015	-9,619,116	-22%	51,745,218

Positive = Over Budget

Negative = Under Budget

	FY 19/20 YTD Revenues/Expenditures	FY 19/20 YTD Operating Budget	YTD Variance \$	YTD Variance %	FY 19/20 Annual Operating Budget
50001-Water Purchases	14,293,724	18,235,024	-3,941,300	-22%	21,882,029
50003-Water In Storage	-251,465	0	-251,465		0
50005-Ready To Serve Charge	419,795	410,050	9,745	2%	492,060
50006-Infrastructure Access Charge	472,324	483,060	-10,736	-2%	579,672
50008-Ag Credit-Sawr	-697,216	-1,347,460	650,244	-48%	-1,616,952
50010-Customer Service Charge	900,200	904,210	-4,010	0%	1,085,052
50011-Capacity Reservation Charge	334,248	333,530	718	0%	400,236
50012-Emergency Storage Charge	1,337,318	1,347,225	-9,907	-1%	1,616,670
50013-Supply Reliability Charge	679,935	695,785	-15,850	-2%	834,942
-Cost of Purchased Water Sold	17,488,863	21,061,424	-3,572,561	-17%	25,273,709
56101-Regular Salaries	4,067,484	4,283,854	-216,370	-5%	5,140,625
56103-Overtime Paid Comptime Earn.	353,076	257,708	95,368	37%	309,250
56202-Director's Compensation	9,600	11,667	-2,067	-18%	14,000
56518-Duty Pay	36,300	36,500	-200	-1%	43,800
56520-Deferred Comp-Employer Contrib	115,995	124,814	-8,819	-7%	149,777
-Salary & Labor Expenses	4,582,455	4,714,544	-132,088	-3%	5,657,452
56501-Employer's Share FICA SSI	255,363	249,469	5,894	2%	299,363
56502-Employer's Share Medicare	66,024	62,285	3,739	6%	74,742
56515-Worker's Compensation Ins	190,257	103,469	86,788	84%	124,163
56516-State Unemployment Ins E.T.T.	13,859	11,361	2,498	22%	13,633
-Taxes	525,503	426,584	98,919	23%	511,901
56503-Medical Ins ACWA Health Ben	713,435	731,445	-18,010	-2%	877,734
56504-Dental Insurance	68,884	75,460	-6,576	-9%	90,552
56505-Vision Ins ACWA	9,475	9,580	-105	-1%	11,496
56506-Life S/T L/T Disability Ins	49,543	43,855	5,688	13%	52,626
56507-Retirement-CalPERS	410,836	425,107	-14,272	-3%	510,129
56511-Employee Uniform Allowance	18,734	16,667	2,067	12%	20,000
-Fringe Benefits	1,270,907	1,302,114	-31,207	-2%	1,562,537
52176-Overhead Transfer To Gen Fund	4,127,683	5,896,685	-1,769,002	-30%	7,076,022
-Transfers	4,127,683	5,896,685	-1,769,002	-30%	7,076,022

Positive = Over Budget

Negative = Under Budget

	FY 19/20 YTD Revenues/Expenditures	FY 19/20 YTD Operating Budget	YTD Variance \$	YTD Variance %	FY 19/20 Annual Operating Budget
56512-Employee Training/Tuition Reim	7,591	22,083	-14,492	-66%	26,500
56513-Employee Relations	9,259	13,250	-3,991	-30%	15,900
56530-Gasb 68 Pension	420,306	349,926	70,380	20%	419,911
60000-Equipment	26,054	65,833	-39,779	-60%	79,000
60100-Computers	369,633	599,732	-230,099	-38%	719,678
63100-Equipment Maintenance	127,653	130,917	-3,264	-2%	157,100
63102-Equipment Maintenance Contract	17,500	45,667	-28,166	-62%	54,800
63200-Equipment Rental	150,706	99,557	51,149	51%	119,468
63400-Kitchen Supplies	13,430	13,333	96	1%	16,000
63401-Building Maintenance	175,500	116,167	59,334	51%	139,400
63404-Backflow Expenses	98,868	125,000	-26,132	-21%	150,000
63421-Fuel And Oil	143,390	116,667	26,723	23%	140,000
63422-Repair Supplies Auto	47,232	60,833	-13,601	-22%	73,000
65000-Property/Liability Insurance	285,426	235,395	50,031	21%	282,474
65100-District Paid Insurance Claims	225,521	229,167	-3,646	-2%	275,000
65200-Miscellaneous Expense	6,611	0	6,611		0
66000-Bad Debt Exp/Billing Adjust'S	0	4,167	-4,167	-100%	5,000
POSTAGE-Postage	38,754	38,750	4	0%	46,500
70000-Professional Services	683,604	712,458	-28,854	-4%	854,950
70100-Annual Audit Services	18,698	20,833	-2,135	-10%	25,000
70300-Legal Services	294,315	408,333	-114,019	-28%	490,000
70400-Bank Service Charges	46,140	41,667	4,473	11%	50,000
72000-Supplies & Services	1,350,697	1,144,292	206,406	18%	1,373,150
72001-Right Of Way Expenses	141,828	166,667	-24,838	-15%	200,000
72010-Tank Maintenance	559,516	640,985	-81,469	-13%	769,182
72150-Regulatory Permits	62,555	61,333	1,222	2%	73,600
72200-Books & Resources	220	2,167	-1,946	-90%	2,600
72400-Dues & Subscriptions	71,407	57,842	13,565	23%	69,410
72500-Safety Supplies	27,721	37,083	-9,362	-25%	44,500
72600-Sewer Line Cleaning	23,084	48,333	-25,250	-52%	58,000
72700-Printing & Reproductions	1,232	13,333	-12,101	-91%	16,000
72702-Public Notices & Advertising	1,709	7,083	-5,374	-76%	8,500

Positive = Over Budget

Negative = Under Budget

	FY 19/20 YTD Revenues/Expenditures	FY 19/20 YTD Operating Budget	YTD Variance \$	YTD Variance %	FY 19/20 Annual Operating Budget
72900-Stationary & Office Supplies	5,059	8,333	-3,275	-39%	10,000
73000-Small Tools & Equipment	21,166	46,667	-25,501	-55%	56,000
74000-Communicatons & Phone Bills	8,290	7,083	1,207	17%	8,500
74100-Phone Bill	88,115	70,533	17,582	25%	84,640
75300-Travel, Conferences & Training	36,206	67,263	-31,056	-46%	80,715
75400-Workforce Development	39,625	61,667	-22,041	-36%	74,000
75500-Recruitment	12,671	19,083	-6,412	-34%	22,900
77000-Sewage Treat.-Oceanside Plant	1,242,209	691,667	550,542	80%	830,000
78000-Utilities - Electricity	449,338	481,250	-31,912	-7%	577,500
78300-Hazardous Waster Material Disposal	7,770	10,000	-2,230	-22%	12,000
78700-Utilities - Propane	6,022	12,917	-6,894	-53%	15,500
78900-Trash Pick-Up	8,644	8,958	-314	-4%	10,750
-Operating Expenses	7,371,276	7,114,273	257,003	4%	8,537,128
EXPENSE-Operating Expense	35,366,687	40,515,624	-5,148,937	-13%	48,618,749
49301-Property Tax Rev. - Ad Valorem	494,686	379,167	115,519	30%	455,000
-Property Tax Revenue	494,686	379,167	115,519	30%	455,000
49050-Revenue Billing Adjustments	17,064	0	17,064		0
49102-Non Oper Inc-Nsf Check Fees	0	2,500	-2,500	-100%	3,000
49105-Other Intergovernmental - Federal	29,751	0	29,751		0
49106-Other Intergovernmental - State	8,182	0	8,182		0
49107-Recycling Revenue	0	6,667	-6,667	-100%	8,000
49108-Non Oper Inc-Rents And Leases	0	141,667	-141,667	-100%	170,000
49109-Miscellaneous Revenue	80,455	30,000	50,455	168%	36,000
49114-Misc Revenue - Eng. Services	2,800	4,167	-1,367	-33%	5,000
57050-Expense Billing Adjustments	17,501	0	17,501		0
82000-Shop & Field Equipment	131,158	319,750	-188,592	-59%	383,700
83000-Vehicles	244,321	216,667	27,654	13%	260,000
-Other Nonoperating Revenue/Expense	-254,727	-351,417	96,690	-28%	-421,700
-Non Operating Revenue (Expenses)	239,959	27,750	212,209	765%	33,300
Debt Service		2,039,828	-2,039,828	-100%	2,447,793
Current Year Net Revenue Less Expense*	\$ (1,624,829)				\$ 711,976

*Does not Include: Depreciation Expense

Operating & Debt Service Fund Balance

Current Year Current Cash
\$9,481,880

	Water Operating	Wastewater Operating	General Operating	Rate Stabilization	Debt Service	TOTAL
	FY 20/21	FY 20/21	FY 20/21	FY 20/21	FY 20/21	FY 20/21
Fund Balances:						
Beginning Unrestricted Fund Balance	\$1,168,341	\$1,284,808	\$1,316,773	\$4,112,931	\$591,279	\$8,474,132
Transfer to Capital						0
Transfer to/from Rate Stabilization						0
Budgeted Operating Surplus (Loss)	100,547	(234,170)	8,159,423		(2,447,793)	5,578,007
Transfers In/(Out)			(8,159,423)		2,447,793	(5,711,630)
Projected Ending Fund Balance	\$1,268,888	\$1,050,638	\$1,316,773	\$4,112,931	\$591,279	\$8,340,509

Water Capital Fund Balance

Fund 26 & 60 Current Cash
\$6,329,464

	Year 1	Year 2	Year 3	Year 4	Year 5
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
Fund Balances:					
Beginning Unrestricted Fund Balance	\$4,364,696	\$4,187,958	(\$4,225,661)	(\$6,678,708)	(\$4,794,462)
Financing			5,000,000		
Transfer from Operating Reserves	1,600,000		3,349,172	4,809,246	4,018,854
Capacity Fees Current Year	1,474,869				
Less: Capital Labor	(343,507)	(300,000)	(300,000)	(300,000)	(300,000)
Less: Capital Project Budgets	60% (2,908,100)	(8,113,619)	(10,502,219)	(2,625,000)	(7,512,000)
Projected Worst Case Ending Fund Balance	\$4,187,958	(\$4,225,661)	(\$6,678,708)	(\$4,794,462)	(\$8,587,607)
Forecasted Capacity Fees		\$8,709,853	\$2,317,350	\$1,196,115	\$2,267,418
Potential Ending Fund Balance	\$4,187,958	\$4,484,192	\$4,348,495	\$7,428,856	\$5,903,129

Capital Project Budgets (Water):

GL Project #	Project Description	Proposed Budgets				
		Year 1 Projected	Year 2 Budget	Year 3 Budget	Year 4 Budget	Year 5 Budget
		FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
	Department Level Capital Expenses	457,400	559,000			
600038	Blue Breton Water System Looping Project	37,000	370,000	400,000		
100038	Water Supplier Assessment	35,000				
600031	Olive Hill Estates Transmission Line Reconnection	73,700	1,500,000			
600035	Tank and Reservoir Mixing Upgrades	30,000	250,000	1,500,000		
600002	Gird to Monserate Hill Water Line					1,400,000
600003	San Luis Rey Imported Return Flow Recovery					600,000
600009	Isolation Valve Installation Program	150,000	150,000			
600017	Pressure Reducing Station Replacement Program (Rehabilitation)		300,000			
	Vallecitos PS Relocation		530,000	500,000		
	Sampling Ports for testing		25,000			
	Generator at Sumac				250,000	
	Northside Zone Supply Redundancy					500,000
600001	Rainbow Heights PS (#1) Upgrades/Recon.	30,000	1,303,698	1,303,699		
600007	Pressure Reducing Stations	500,000	750,000	800,000	250,000	800,000
600013	Hutton Pump Station	20,000	580,000	800,000		
600013	Turner Pump Station	20,000	580,000	800,000		
600019	Water System Monitoring Program	275,000			1,000,000	
600037	Live Oak Park Road Bridge Replacement			600,000		
600008	Weese WTP Permanent Emergency Interconnect and Pressure Station	30,000	500,000	1,250,000		
	Gomez PS Building		250,000	750,000		
	Lookout Mountain Electrical Upgrade. The Complete electrical upgrade w/emerg. generator				250,000	750,000
	Mission Road / FPUD Interconnect					70,000
600036	Pipeline Upgrade Project 2 (PUP 2)	400,000				3,000,000
600026	Camino Del Rey Waterline Reloaction	150,000		2,100,000		
600030	Corrosion Prevention Program Development and Implementation	100,000	250,000	250,000	250,000	250,000
600014	Morro Tank Zone Permanent FPUD Interconnection				150,000	
	North Feeder and Rainbow Hills Water Line Replacements			150,000	1,850,000	
	76 & Gird Permanent Emergency Pump Station				75,000	725,000
600034	Rice Canyon Tank Transmission PL to I-15/SR76 Corridor		1,000,000	3,000,000		
600029	Via Ararat Drive Waterline Project	350,000				
600021	Pipeline Upgrade Project 1 (PUP 1)	150,000	3,250,000	1,000,000		
300008	New District Headquarters	50,000	200,000	300,000	300,000	2,000,000
	Northside Permanent FPUD Emergency Interconnection					150,000
300007	Programatic EIR for Existing Easements	50,000	450,000			

Water Service Upgrade Project Fund Balance

Current Cash		Year 1	Year 2	Year 3	Year 4	Year 5
\$ 7,400,000		FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
Fund Balances:						
Beginning Unrestricted Fund Balance		\$11,332,580	\$7,332,580	\$3,232,580	\$ 32,580	\$ 32,580
Less: Meter Replacement/Upgrade Project 100%		(4,000,000)	(4,100,000)	(3,200,000)	0	0
Projected Fund Balance		\$7,332,580	\$3,232,580	\$ 32,580	\$ 32,580	\$ 32,580

Capital Project Budgets:

		Proposed Budgets				
		Year 1	Year 2	Year 3	Year 4	Year 5
		Projected	Budget	Budget	Budget	Budget
GL Project #	Project Description	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
600027	Service Meter Replacement	3,200,000	1,300,000	1,400,000		
600028	Water Service Upgrade	800,000	2,800,000	1,800,000		
Total		\$4,000,000	\$4,100,000	\$3,200,000	\$ -	\$ -

Wastewater Capital Fund Balance
 Fund 52 & 53 Current Cash
\$14,836,394

	Year 1 FY 19/20	Year 2 FY 20/21	Year 3 FY 21/22	Year 4 FY 22/23	Year 5 FY 23/24
Fund Balances:					
Beginning Unrestricted Fund Balance	\$9,350,451	\$10,086,547	\$4,586,547	(\$4,713,453)	(\$5,138,453)
Sewer Connections					
Restricted CFD Funds*		2,750,000			
Financing					
Capacity Fees Current Year	\$1,356,096				
Less: Capital Project Budgets	100% (620,000)	(8,250,000)	(9,300,000)	(425,000)	(850,000)
Projected Worst Case Ending Fund Balance	10,086,547	4,586,547	(4,713,453)	(5,138,453)	(5,988,453)
Forecasted Sewer Connections		\$11,049,501	\$0	\$3,435,443	\$4,237,800
Potential Ending Fund Balance	\$10,086,547	\$15,636,048	\$6,336,048	\$9,346,491	\$12,734,291

*Restricted Cash amounts are available for drawdown throughout the specified Capital Project process.

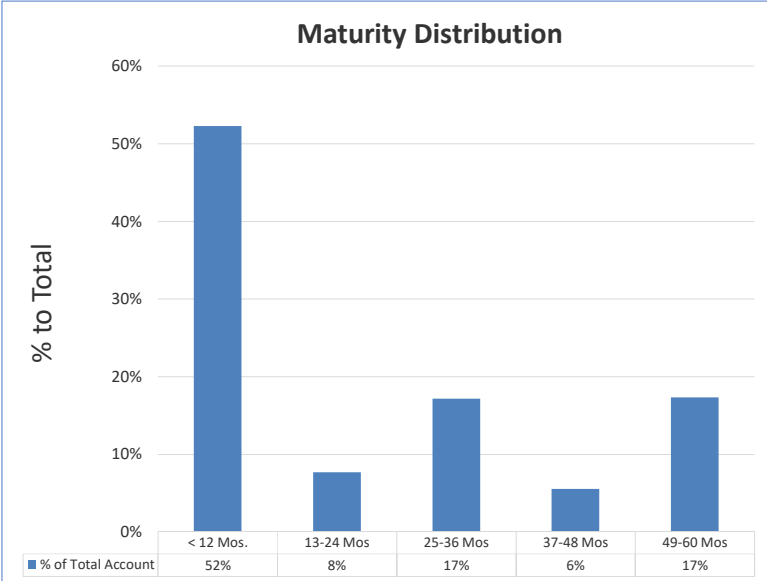
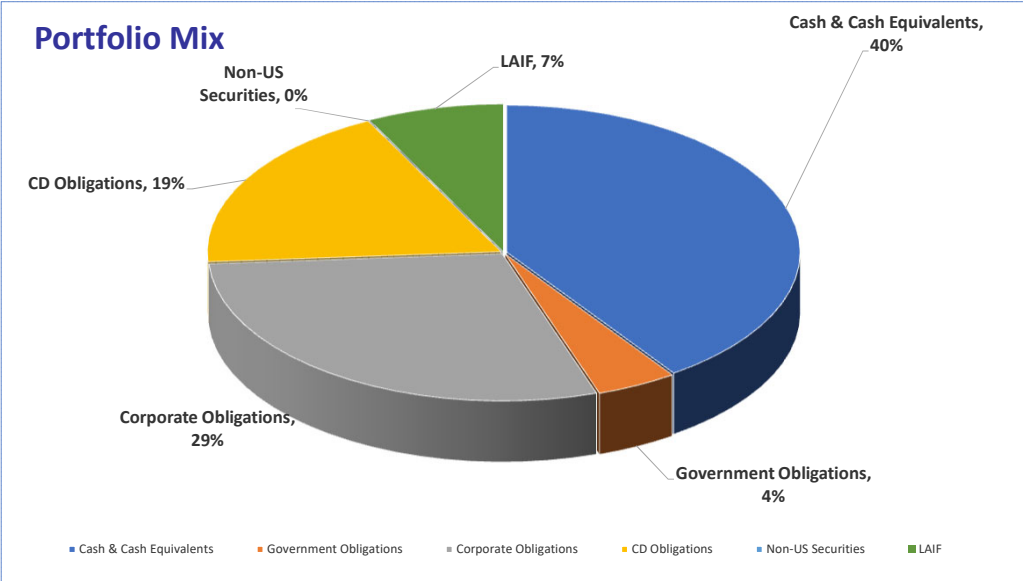
Capital Project Budgets (Wastewater):

GL Project #	Project Description	Proposed Budgets				
		Year 1 Projected	Year 2 Budget	Year 3 Budget	Year 4 Budget	Year 5 Budget
		FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
530001	School House Lift Station (#1) Replacement, San Luis Rey Interceptor from Mission to Thoroughbred LSEQ, and San Luis Rey Interceptor/Main From School House LS to Old River LS & Throughbred LS/EQ		\$ 3,000,000	\$ 6,000,000		
530017	Department Level Capital Expenses	195,000	310,000			
NA	N River Road Land Outfall Rehabilitation (Operations Project)		2,500,000			
	City of Oceanside WW Plant	200,000	200,000	200,000	200,000	200,000
	Fallbrook Oaks Forcemain and Manhole Replacement	25,000	300,000			
530006	CIPP 500' of line 8" VCP line near Pala Mesa/Palomar					
	Sewer System Rehabilitation Program	100,000	100,000	100,000	100,000	100,000
	Rancho Viejo LS Wet Well Expansion					150,000
	Almendra Court, I-15 Crossing Sewer Rehabilitation		40,000			
	Fallbrook Oaks LS Rehabilitation					400,000
	Replace Rancho Monserate LS Emergency Generator				125,000	
530015	Sewer System Condition Assessment Program	100,000	300,000			
	Old River Road LS Equalization Basin			2,500,000		
	Old River Road LS to Stallion Outfall Repair		500,000	500,000		
Total		\$ 620,000	\$ 8,250,000	\$ 9,300,000	\$ 425,000	\$ 850,000

RAINBOW MUNICIPAL WATER DISTRICT
 TREASURER'S MONTHLY REPORT OF INVESTMENTS
 PORTFOLIO SUMMARY
 5/31/2020



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	Fund	Object
Money Market Funds	JP MORGAN MONEY MARKET Trust	48125C068S	N/A			\$ 299,630	\$ 299,630				0	53	11508
	Willimington Trust	CSCDA 2017-01				\$ 2,750,000	\$ 2,750,000				0	53	10301
Money Market Funds	Zions Bank	7326251D				\$ 629,073	\$ 629,073	2.090%			0	60	10310
Money Market Funds	Zions Bank	7326250				\$ 5,666,394	\$ 5,666,394	2.060%			0	60	10311
Money Market Funds	Zions Bank	7326251E				\$ 2,011,995	\$ 2,011,995	2.090%			0	60	10309
Total Cash & Cash Equivalents					\$ -	\$ 11,357,092	\$ 11,357,092						
Non-Callable	FEDERAL HOME LOAN BANK BONDS	3130AD4X7	Aaa	12/11/20	\$ 500,000	\$ 494,905	\$ 504,945	2.000%	2.400%	\$ 4,949	194	60	11508
Non-Callable	FEDERAL FARM CR BKS	3133EHRU9	Aaa	07/19/22	\$ 200,000	\$ 200,938	\$ 207,020	1.900%	1.800%	\$ 1,909	779	53	11508
Non-Callable	FEDERAL HOME LOAN BANKS	3130ADR9G	Aaa	03/10/23	\$ 500,000	\$ 501,990	\$ 533,555	2.670%	2.660%	\$ 6,702	1013	53	11508
Total Government Obligations					\$ 1,200,000	\$ 1,197,832	\$ 1,245,520						
Make Whole	CITIBANK NA	17325FAQ1	Aa3	07/23/21	\$ 475,000	\$ 486,623	\$ 489,592	3.400%	2.150%	\$ 8,075	418	53	11508
Callable 3/1/22	UNION BK CALIF N A MEDIUM TERM	90520EAH4	A2	04/01/22	\$ 308,000	\$ 315,377	\$ 319,704	3.150%	1.900%	\$ 13,860	670	38	11508
Callable 3/1/22	UNION BK CALIF N A MEDIUM TERM	90520EAH4	A2	04/01/22	\$ 290,400	\$ 297,355	\$ 301,435	3.150%	1.900%	\$ 13,860	670	53	11508
Callable 3/1/22	UNION BK CALIF N A MEDIUM TERM	90520EAH4	A2	04/01/22	\$ 281,600	\$ 288,344	\$ 292,301	3.150%	1.900%	\$ 13,860	670	60	11508
Non-Callable	WELLS FARGO	95000U2B8	A2	07/22/22	\$ 980,000	\$ 989,232	\$ 1,011,017	2.610%	2.410%	\$ 12,909	782	38	11508
Callable 10/1/22	PNC BK N A PITTSBURG PA	69349LAG3	A3	11/01/22	\$ 980,000	\$ 999,179	\$ 1,025,345	2.700%	2.065%	\$ 13,489	884	60	11508
Bullet	BANK OF AMERICA CORP	06051GEU9	A2	01/11/23	\$ 475,000	\$ 490,794	\$ 502,731	3.300%	2.300%	\$ 7,838	955	53	11508
Bullet	TOYOTA MOTOR CREDIT CORP	89236TDW2	A1	04/17/24	\$ 500,000	\$ 532,175	\$ 530,515	2.900%	1.200%	\$ 7,250	1417	38	11508
Bullet	JP MORGAN CHASE AND CO	46625HJX98	A2	05/13/24	\$ 930,000	\$ 981,522	\$ 1,024,367	3.625%	2.400%	\$ 16,856	1443	60	11508
Callable 7/1/24	BB&T CORPORATION %	05531FBH5	A2	08/01/24	\$ 1,000,000	\$ 1,020,170	\$ 1,051,150	2.500%	2.057%	\$ 12,500	1523	38	11508
Set Up/CBLE 9/18/20	BANK OF AMERICA CORP SR GLBL	06048WC99	A2	09/18/24	\$ 500,000	\$ 500,000	\$ 490,425	2.250%	2.346%	\$ 5,625	1571	38	11508
Bullet	STATE STR CORP	857477AN3	A1	11/15/24	\$ 283,500	\$ 299,909	\$ 313,148	3.300%	2.000%	\$ 13,365	1629	38	11508
Bullet	STATE STR CORP	857477AN3	A1	11/15/24	\$ 267,300	\$ 282,771	\$ 295,254	3.300%	2.000%	\$ 13,365	1629	53	11508
Bullet	STATE STR CORP	857477AN3	A1	11/15/24	\$ 259,200	\$ 274,202	\$ 286,307	3.300%	2.000%	\$ 13,365	1629	60	11508
Callable 4/12/25	US BANCORP	91159HHZ6	Aae	05/12/25	\$ 250,000	\$ 251,780	\$ 256,080	1.450%	1.300%	\$ 13,365	1807	38	11508
Total Corporate Obligations					\$ 7,780,000	\$ 8,009,433	\$ 8,189,371						
FDIC Ins. CD	BARCLAYS BK DEL	06740KJK4	Aaa	09/16/20	\$ 245,000	\$ 245,000	\$ 246,593	2.200%	2.200%	\$ 2,695	108	60	11508
FDIC Ins. CD	AMERICAN EXPRESS CENTRN	02587DB64	Aaa	09/23/20	\$ 250,000	\$ 250,000	\$ 251,735	2.300%	2.300%	\$ 2,875	115	53	11508
FDIC Ins. CD	ALLY BK MIDVAL UTAH	02007GFD0	N/A	09/28/20	\$ 245,000	\$ 245,000	\$ 247,222	2.780%	2.800%	\$ 3,406	120	38	11508
FDIC Ins. CD	DISCOVER BANK	254672F29	N/A	08/10/21	\$ 248,000	\$ 248,000	\$ 251,906	1.520%	1.500%	\$ 1,885	436	53	11508
FDIC Ins. CD	WELLS FARGO BANK NATL ASSN	949763AF3	N/A	08/17/21	\$ 98,000	\$ 98,000	\$ 99,624	1.570%	1.550%	\$ 769	443	53	11508
FDIC Ins. CD	WELLS FARGO BANK NATL ASSN	949763AF3	N/A	08/17/21	\$ 150,000	\$ 150,000	\$ 152,486	1.570%	1.550%	\$ 1,178	443	38	11508
FDIC Ins. CD	MB FINL BK NA CHIC IL	55266CZJ8	N/A	11/18/21	\$ 247,000	\$ 247,000	\$ 256,601	2.810%	2.850%	\$ 3,470	536	60	11508
FDIC Ins. CD	FLAGSTAR BK FSB TROY MICH	33847E2K2	N/A	06/13/22	\$ 245,000	\$ 246,749	\$ 255,998	2.440%	2.200%	\$ 3,010	743	53	11508
FDIC Ins. CD	GOLDMAN SACHS BK USA NY	38148PKT3	N/A	06/14/22	\$ 245,000	\$ 245,000	\$ 255,511	2.340%	2.350%	\$ 2,867	744	53	11508
FDIC Ins. CD	CAPITAL ONE NATL ASSN VA	14042RKL4	N/A	11/22/22	\$ 250,000	\$ 250,000	\$ 262,918	2.400%	2.400%	\$ 3,000	905	53	11508
FDIC Ins. CD	MORGAN STANLEY	61747MF63	N/A	01/11/23	\$ 246,000	\$ 246,000	\$ 260,814	2.630%	2.650%	\$ 3,235	955	53	11508
FDIC Ins. CD	BMW BANK NORTH AMER	05580AMB7	N/A	03/29/23	\$ 240,000	\$ 240,000	\$ 257,126	2.860%	2.900%	\$ 3,432	1032	53	11508
FDIC Ins. CD	SALLIE MAE BK SLT LAKE CITY	795450M44	Aaa	04/11/23	\$ 240,000	\$ 240,000	\$ 257,628	2.900%	2.950%	\$ 3,480	1045	60	11508
FDIC Ins. CD	CAPITAL ONE BANK (USA) NAT	1402TAW7	N/A	06/19/24	\$ 245,000	\$ 245,000	\$ 264,095	2.520%	2.500%	\$ 3,087	1480	53	11508
FDIC Ins. CD	MORGAN STANLEY PVT BK PURCHA	61760AL49	N/A	06/24/24	\$ 245,000	\$ 245,000	\$ 261,626	2.290%	2.250%	\$ 2,805	1485	53	11508
FDIC Ins. CD	FIRST NATL BK MCGREGOR TEX	32112UDA6	N/A	06/28/24	\$ 249,000	\$ 250,743	\$ 269,139	2.300%	2.150%	\$ 2,884	1489	53	11508
FDIC Ins. CD	CITIBANK N A CD CLL	17294XUN4	N/A	07/31/24	\$ 159,000	\$ 159,000	\$ 159,596	2.200%	2.200%	\$ 1,749	1522	53	11508
FDIC Ins. CD	JPMORGAN CHASE BK NA COLUMBU	48128HY28	N/A	07/31/24	\$ 247,000	\$ 247,000	\$ 247,884	2.300%	2.300%	\$ 2,841	1522	53	11508
FDIC Ins. CD	MERRICK BK SOUTH JORDAN UTAH	59013KBV7	N/A	07/31/24	\$ 249,000	\$ 249,000	\$ 265,324	2.200%	2.200%	\$ 2,739	1522	53	11508
FDIC Ins. CD	HSBC BK USA NATIONAL ASSN	44329MBF9	NA	11/04/24	\$ 247,000	\$ 247,000	\$ 249,075	2.125%	2.125%	\$ 2,624	1618	53	11508
FDIC Ins. CD	SYCHRONY BK RETAIL	87165FZD9	NA	04/17/25	\$ 248,000	\$ 252,712	\$ 253,964	1.450%	1.050%	\$ 1,832	1782	38	11508
FDIC Ins. CD	BMO HARRIS BY NATL CHIC	05581W7S8	NA	05/28/25	\$ 210,000	\$ 210,000	\$ 210,315	0.750%	0.750%	\$ 788	1823	38	11508
Total CD Obligations					\$ 5,048,000	\$ 5,056,204	\$ 5,237,180						
Total Non-US Securities					\$ -	\$ -	\$ -						
Subtotal Long Term Pooled Investment	Local Agency Investment Fund (LAIF)**	1.009854934			\$ 14,028,000	\$ 25,620,562	\$ 26,029,163					\$ -	13103
Portfolio Totals						\$ 27,705,383	\$ 28,134,530						



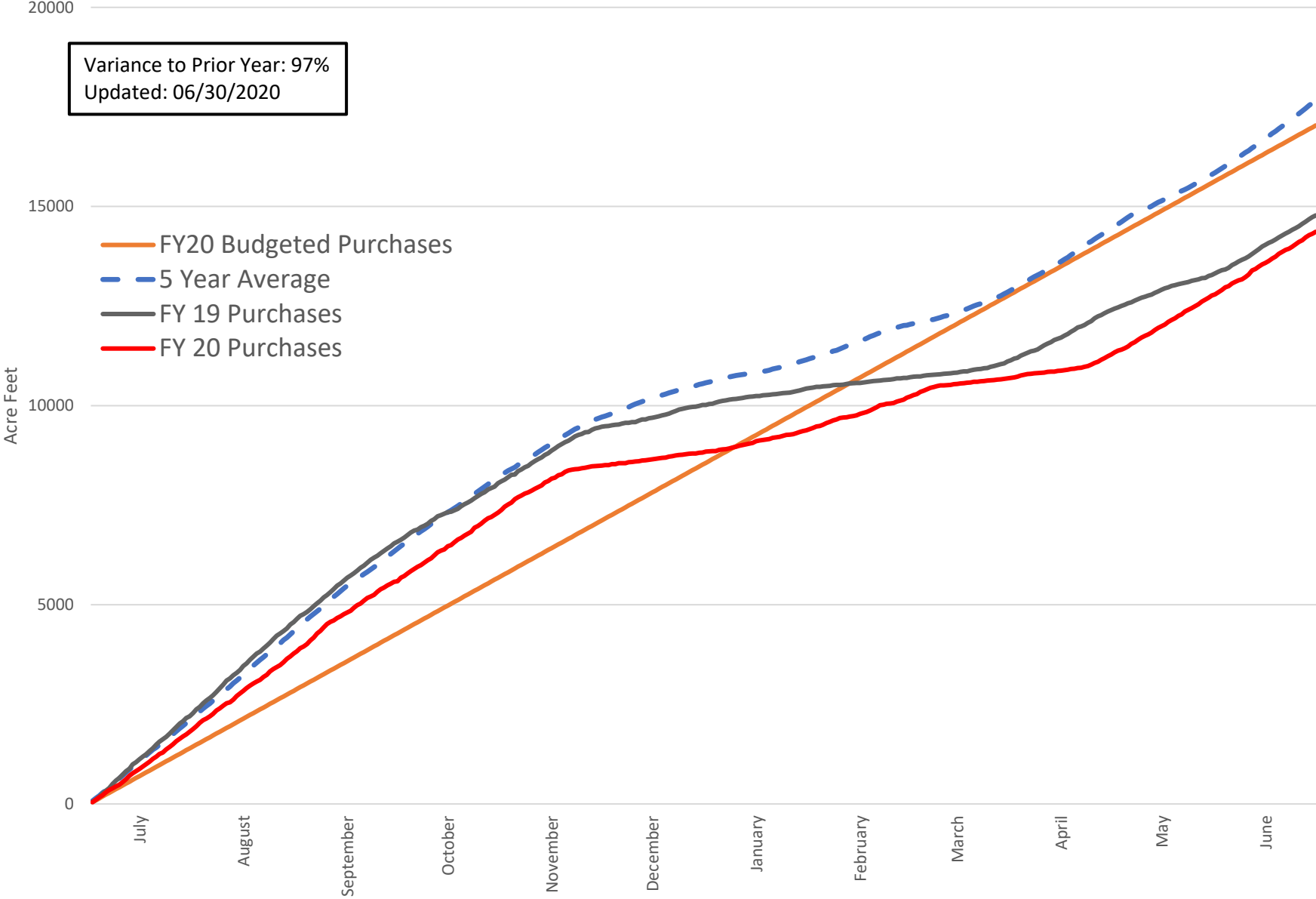
This monthly report accurately reflects all District pooled investments. It is in conformity with the Investment Administrative code section 5.03.080. The District has sufficient cash flow to meet six months of obligations. This is in effect in compliance with the current Investment Policy.

Tracy Largent
 Tracy Largent, Treasurer 7/2/2020

*Source of Market Value - MUFG 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: 97%
Updated: 06/30/2020



Comparative Water Sales YTD from Prior Years

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	37,164	15,379	6,577	12,803	15,493	9,171	16,352		566
400	AG	113,285	139,802	139,715	135,633	132,703	48,601	25,028	48,632	52,776	30,082	57,514		2,121
267	CM	35,561	46,750	44,883	40,374	29,303	16,496	13,155	7,715	23,943	13,395	16,062		660
19	CN	1,484	1,549	1,183	1,041	1,286	314	490	1,120	5,734	448	402		35
21	IS	3,060	1,799	1,946	2,046	2,048	927	643	1,011	1,146	768	672		37
114	MF	11,910	11,187	11,539	11,065	12,605	8,386	7,568	7,671	7,659	9,100	8,443		246
323	SC	135,069	157,307	156,337	136,485	152,308	47,287	10,146	50,873	60,622	15,917	51,289		2,235
1021	SD	164,817	213,262	218,596	179,714	207,689	77,699	21,552	63,607	73,953	29,760	71,299		3,035
5536	SF	150,907	188,769	182,811	153,331	174,251	89,028	52,276	68,964	71,166	58,074	81,397		2,918
8254	Total	644,111	796,955	793,516	692,329	749,357	304,117	137,435	262,396	312,492	166,715	303,430	-	11,852

FISCAL YEAR 2018-2019

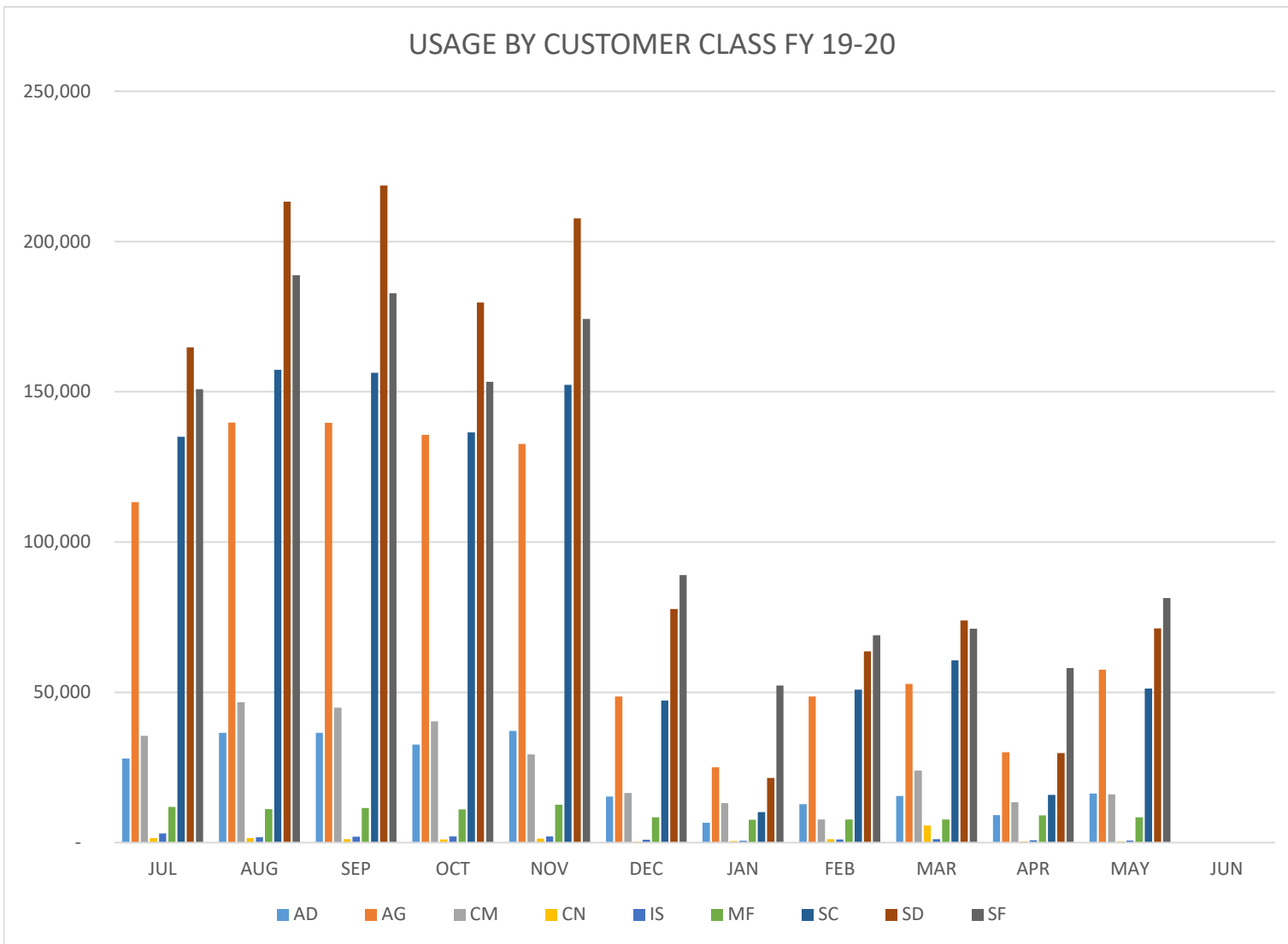
Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
562	AD	34,648	47,312	45,104	28,007	29,134	20,794	9,982	6,874	4,335	10,153	21,429		592
402	AG	129,946	149,080	154,084	110,908	93,077	70,762	33,893	21,947	18,274	46,890	83,296		2,094
264	CM	51,483	67,254	66,114	36,283	24,307	15,501	10,455	6,708	8,425	11,076	21,698		733
23	CN	3,982	27,189	4,915	2,545	3,115	2,815	2,831	829	547	636	993		116
21	IS	4,964	3,824	3,852	3,447	2,161	1,736	884	864	470	413	2,430		57
112	MF	11,653	12,856	13,798	11,513	11,816	10,461	8,551	7,929	6,940	8,289	10,710		263
323	SC	165,088	203,887	203,899	134,052	132,762	83,121	22,699	9,624	3,104	38,669	107,046		2,534
1024	SD	230,264	264,247	273,401	189,659	170,318	118,228	41,039	22,400	12,611	51,941	132,236		3,458
5468	SF	168,323	192,173	207,384	146,492	144,114	114,763	63,252	50,903	35,144	64,480	118,606		2,997
8199	Total	800,351	967,822	972,551	662,906	610,804	438,181	193,586	128,078	89,850	232,547	498,444	-	12,845

FISCAL YEAR 2017-2018

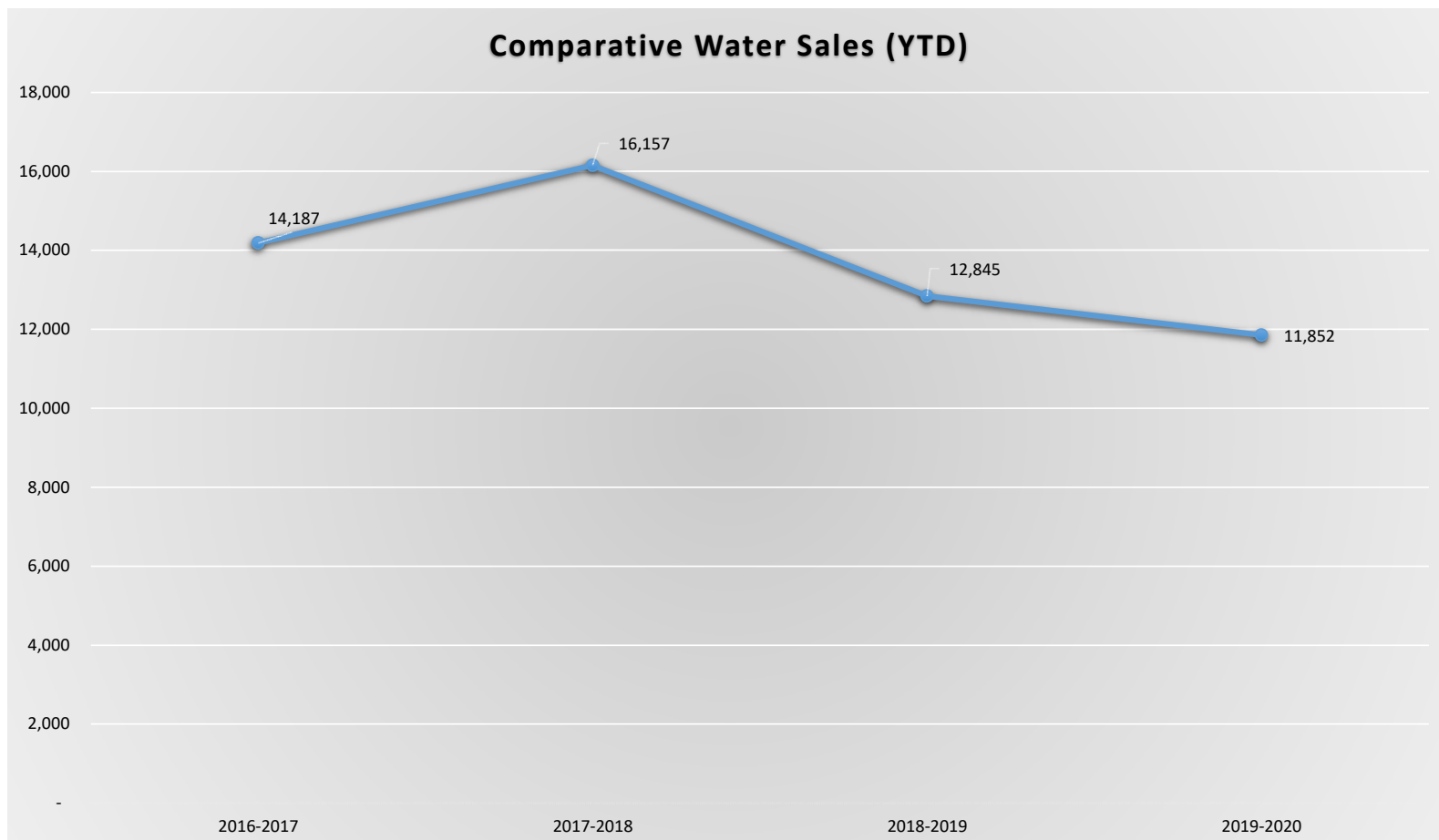
Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
563	AD	33,310	29,712	36,164	31,255	32,514	30,935	27,243	19,989	17,733	14,039	27,870		690
395	AG	144,066	131,474	145,280	120,785	126,036	102,884	92,501	61,270	63,137	48,588	101,399		2,611
247	CM	33,715	42,488	33,812	26,189	24,168	16,762	18,502	48,862	19,156	19,093	39,603		740
32	CN	2,447	3,983	8,073	10,623	18,605	5,773	3,526	2,577	2,103	2,227	5,027		149
20	IS	2,320	2,440	2,793	2,488	2,335	1,700	1,339	1,038	695	1,087	1,591		46
96	MF	11,472	10,002	13,072	10,304	11,489	11,350	9,566	8,403	8,262	8,210	9,402		256
323	SC	179,822	156,120	202,103	148,336	176,307	145,994	119,086	84,941	75,753	58,715	126,561		3,383
1024	SD	244,799	223,157	271,457	222,398	243,725	210,020	185,162	112,432	111,709	72,554	185,977		4,783
5196	SF	174,946	165,760	194,809	155,004	162,664	146,096	120,654	96,800	89,344	80,182	137,710		3,499
7896	Total	826,897	765,136	907,563	727,382	797,843	671,514	577,579	436,312	387,892	304,695	635,140	-	16,157

FISCAL YEAR 2016-2017

Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
591	AD	36216	34134	39119	28217	22903	24494	7934	5036	5338	17861	23635		562
403	AG	156957	152359	172040	132882	104544	96050	31370	16829	20790	87717	108448		2,479
231	CM	47830	45043	43040	26707	20970	21140	5876	4333	4912	14068	19093		581
30	CN	4900	4950	7309	11456	7427	904	-	63	924	815	1545		93
24	IS	3806	3701	3980	3061	2446	1653	1408	594	700	1942	1382		57
88	MF	11307	11657	13746	10597	8876	11213	7139	7047	5954	8981	9382		243
326	SC	183744	166212	206354	150910	121456	115009	18861	6544	81497	102350	137573		2,963
1034	SD	279246	253718	298226	222243	181674	171322	39596.7	18148.3	21918.4	127268	178858		4,114
5122	SF	187516	175736	202555	154361	120520	133125	57385	42596	40254	103952	130470		3,096
7849	Total	911,522	847,510	986,369	740,434	590,816	574,910	169,570	101,190	182,287	464,954	610,386	-	14,187



Comparative Water Sales YTD from Prior Years





Check Register May 2020

Description	Bank Transaction Code	Issue Date	Amount
A PERFECT SHADE	ACH	05/01/2020	406.57
ACWA-JPIA	ACH	05/01/2020	81621.96
AIRGAS USA, LLC	ACH	05/01/2020	58.85
ALL STAR GLASS	ACH	05/01/2020	445.06
APPLEONE EMPLOYMENT SERVICES	CHECK	05/01/2020	224.38
ARAMARK UNIFORM SERVICES	CHECK	05/01/2020	712.10
ART'S TRENCH PLATE & KRAIL SERVICE CO, INC.	ACH	05/01/2020	25.00
AT&T	CHECK	05/01/2020	166.28
AT&T	CHECK	05/01/2020	502.35
AT&T LONG DISTANCE	CHECK	05/01/2020	21.29
AT&T MOBILITY	CHECK	05/01/2020	2203.16
AZUGA, INC.	CHECK	05/01/2020	987.00
BONSALL PEST CONTROL	CHECK	05/01/2020	200.00
BP BATTERY INC.	ACH	05/01/2020	1071.20
CALIFORNIA STATE UNIVERSITY,	CHECK	05/01/2020	1500.00
COLONIAL LIFE & ACCIDENT INS.	CHECK	05/01/2020	121.42
COPY 2 COPY	CHECK	05/01/2020	69.44
CRACKS & CORNERS CLEANING SERVICE	ACH	05/01/2020	1532.00
DIAMOND ENVIRONMENTAL SERVICES	CHECK	05/01/2020	297.64
DITCH WITCH WEST	CHECK	05/01/2020	464.77
FALLBROOK EQUIPMENT RENTAL	ACH	05/01/2020	3732.94
FLUME TECH	CHECK	05/01/2020	933.38
FLYERS ENERGY LLC	ACH	05/01/2020	4325.88
FREEDOM AUTOMATION, INC.	CHECK	05/01/2020	3150.00
HADRONEX, INC.	CHECK	05/01/2020	2149.61

Description	Bank Transaction Code	Issue Date	Amount
HARBOR FREIGHT	CHECK	05/01/2020	356.23
HARRIS & ASSOCIATES, INC.	CHECK	05/01/2020	2456.25
HAWTHORNE EQUIPMENT	CHECK	05/01/2020	9868.82
HAWTHORNE MACHINERY COMPANY	CHECK	05/01/2020	845.28
HDR ENGINEERING, INC.	CHECK	05/01/2020	17178.25
HELIX ENVIRONMENTAL PLANNING INC	CHECK	05/01/2020	8123.75
HOUSTON AND HARRIS	CHECK	05/01/2020	9629.29
ICONIX WATERWORKS (US) INC	ACH	05/01/2020	2005.30
IMPACT PACIFIC INC	CHECK	05/01/2020	397.26
INFOR (US), INC.	ACH	05/01/2020	720.00
INLAND KENWORTH (US) INC	ACH	05/01/2020	205250.13
JUSTIN CHANDLER	CHECK	05/01/2020	200.00
KDM MERIDIAN	CHECK	05/01/2020	13685.00
KEVIN MILLER	ACH	05/01/2020	726.00
KNOCKOUT PEST CONTROL& TERMITE, INC.	CHECK	05/01/2020	450.00
LINCOLN NATIONAL LIFE INSURANCE COMPANY	CHECK	05/01/2020	4406.39
LIQUID ENVIRONMENTAL SOLUTIONS OF CA, LLC	CHECK	05/01/2020	14782.00
LONDON MOEDER ADVISORS	CHECK	05/01/2020	8750.00
MALLORY SAFETY AND SUPPLY, LLC	CHECK	05/01/2020	934.00
MAR-CON PRODUCTS	CHECK	05/01/2020	1400.75
NUTRIEN AG SOLUTIONS, INC	CHECK	05/01/2020	189.48
O'CONNELL ENGINEERING & CONSTRUCTION, INC.	CHECK	05/01/2020	11896.13
OMNIS CONSULTING INC.	CHECK	05/01/2020	7430.00
PACIFIC PIPELINE SUPPLY	CHECK	05/01/2020	481.19
PACIFIC RIM HYDROSEEDING, INC.	CHECK	05/01/2020	2134.44
PARKHOUSE TIRE, INC.	ACH	05/01/2020	1339.63
PETERS PAVING & GRADING, INC	ACH	05/01/2020	30025.00
POLLARDWATER	CHECK	05/01/2020	608.67
PVM TRANSPORT	CHECK	05/01/2020	800.00
RAMON FRANCISCO COTE	CHECK	05/01/2020	218.50
RENE BUSH	ACH	05/01/2020	726.00
RHO MONSERATE C.C.H.A.	CHECK	05/01/2020	251.76
RICHARD C. MICHAUD	ACH	05/01/2020	3947.37

Description	Bank Transaction Code	Issue Date	Amount
RIGHT-OF-WAY ENGINEERING SERV	CHECK	05/01/2020	4120.00
ROBERTO & MAURA OCHOA	CHECK	05/01/2020	1000.00
SALIZCO INC	CHECK	05/01/2020	1670.62
SAN DIEGO GAS & ELECTRIC	CHECK	05/01/2020	3515.70
SCST, INC.	CHECK	05/01/2020	2808.50
SCW CONTRACTING CORPORATION	ACH	05/01/2020	14725.18
SHRED-IT USA LLC	CHECK	05/01/2020	163.44
SOUTHWEST ANSWERING SERVICE, INC.	CHECK	05/01/2020	822.48
SPECIALTY MOWING SERVICES, INC - W9	ACH	05/01/2020	19701.00
STREAMLINE	ACH	05/01/2020	300.00
T S INDUSTRIAL SUPPLY	CHECK	05/01/2020	6777.92
THE ASSESSMENT SPECIALISTS, INC.	CHECK	05/01/2020	550.00
TIAA COMMERCIAL FINANCE, INC.	CHECK	05/01/2020	2589.50
TIME WARNER CABLE	CHECK	05/01/2020	1250.00
TNG SECURITY INC. DBA CALIFORNIA COMMERCIAL SECURITY	CHECK	05/01/2020	368.04
TRAFFIC SAFETY SOLUTIONS, LLC	ACH	05/01/2020	17942.50
ULINE	CHECK	05/01/2020	314.61
VERIZON WIRELESS	CHECK	05/01/2020	4443.57
WATER QUALITY SPECIALISTS	ACH	05/01/2020	1950.00
WESTERN LANDSCAPE MAINTENANCE PLUS, INC.	ACH	05/01/2020	507.15
WHITE CAP CONSTRUCTION SUPPLY	CHECK	05/01/2020	213.36
WINZER CORP	CHECK	05/01/2020	3365.64
XEROX FINANICAL SERVICES	CHECK	05/01/2020	565.83
HOME DEPOT CC - ALL (APRIL STATEMENTS)	EFT	5/7/2020	1930.83
SDCWA WATER PURCHASE-MARCH 2020	WIRE	5/12/2020	914279.08
UNION BANK CC - COFFEY (APRIL STATEMENTS)	EFT	5/12/2020	140.26
UNION BANK CC - DAUGHERTY (APRIL STATEMENTS)	EFT	5/12/2020	117.86
UNION BANK CC - DEL RIO (APRIL STATEMENTS)	EFT	5/12/2020	423.09
UNION BANK CC - HARP (APRIL STATEMENTS)	EFT	5/12/2020	424.80
UNION BANK CC - WILLIAMS (APRIL STATEMENTS)	EFT	5/12/2020	63.61
ACWA-JPIA	ACH	05/15/2020	80504.30
ADP - ADVICE OF DEBIT #556917406	EFT	5/15/2020	1190.45
AIRGAS USA, LLC	ACH	05/15/2020	248.50

Description	Bank Transaction Code	Issue Date	Amount
ALL STAR GLASS	ACH	05/15/2020	445.06
ALPHA HEAVY DUTY TOWING	CHECK	05/15/2020	102.00
APPLEONE EMPLOYMENT SERVICES	CHECK	05/15/2020	221.51
ARAMARK UNIFORM SERVICES	CHECK	05/15/2020	986.41
ART'S TRENCH PLATE & KRAIL SERVICE CO, INC.	ACH	05/15/2020	274.00
AT&T MOBILITY	CHECK	05/15/2020	2203.16
AZUGA, INC.	CHECK	05/15/2020	252.91
BABCOCK LABORATORIES, INC	ACH	05/15/2020	424.00
BONSALL PEST CONTROL	CHECK	05/15/2020	200.00
BRIGHTVIEW TREE CARE SERVICES, INC.	CHECK	05/15/2020	12136.00
CHRIS BROWN	ACH	05/15/2020	15000.00
CHRIS WAITE	CHECK	05/15/2020	172.09
CIVILITY PARTNERS	CHECK	05/15/2020	312.50
COLONIAL LIFE & ACCIDENT INS.	CHECK	05/15/2020	60.71
CONCORD ENVIRONMENTAL ENERGY, INC.	ACH	05/15/2020	13859.18
COUNTY OF SAN DIEGO DEPT OF PUBLIC WORKS	CHECK	05/15/2020	507.00
DAVID SEYMOUR	CHECK	05/15/2020	1815.00
DELL BUSINESS CREDIT	CHECK	05/15/2020	4616.26
DIAMOND ENVIRONMENTAL SERVICES	CHECK	05/15/2020	424.14
DION INTERNATIONAL	CHECK	05/15/2020	102.92
DUDEK	ACH	05/15/2020	845.00
EAGLE PAVING	CHECK	05/15/2020	69907.14
FALLBROOK AUTO PARTS	CHECK	05/15/2020	1463.38
FALLBROOK EQUIPMENT RENTAL	ACH	05/15/2020	2990.74
FALLBROOK WASTE AND RECYCLING	CHECK	05/15/2020	2311.59
FLYERS ENERGY LLC	ACH	05/15/2020	6304.89
FREEWAY TRAILER SALES	CHECK	05/15/2020	402.67
GLOBAL POWER GROUP INC.	CHECK	05/15/2020	1356.41
HADRONEX, INC.	ACH	05/15/2020	1881.44
HDR ENGINEERING, INC.	CHECK	05/15/2020	2265.70
HELENE BRAZIER	ACH	05/15/2020	138.53
HELIX ENVIRONMENTAL PLANNING INC	CHECK	05/15/2020	8292.50
ICONIX WATERWORKS (US) INC	ACH	05/15/2020	23818.17

Description	Bank Transaction Code	Issue Date	Amount
INFOR (US), INC.	ACH	05/15/2020	920.00
JOE'S HARDWARE	CHECK	05/15/2020	36.83
JONES, ROACH & CARINGELLA, INC.	CHECK	05/15/2020	5000.00
JOYCE SACHSE	CHECK	05/15/2020	1598.26
KDM MERIDIAN	CHECK	05/15/2020	1100.00
KNOCKOUT PEST CONTROL& TERMITE, INC.	CHECK	05/15/2020	300.00
LARRY ROBERTSON	CHECK	05/15/2020	1377.50
LIQUID ENVIRONMENTAL SOLUTIONS OF CA, LLC	ACH	05/15/2020	10132.00
MOBILE MINI, INC	CHECK	05/15/2020	1025.49
MODULAR BUILDING CONCEPTS, INC	CHECK	05/15/2020	1019.32
MUNICIPAL MAINTENANCE EQUIPMENT	ACH	05/15/2020	175.09
NBS BENEFITS-ADMINISTRATION FEES	EFT	5/15/2020	125.00
NEWMAN REPLACEMENT WINDOWS, INC	CHECK	05/15/2020	6145.00
NUTRIEN AG SOLUTIONS, INC	CHECK	05/15/2020	2348.44
OMNIS CONSULTING INC.	CHECK	05/15/2020	4710.00
PARKHOUSE TIRE, INC.	ACH	05/15/2020	3927.97
PATRIOT PORTABLE RESTROOMS-SD	ACH	05/15/2020	302.74
PETERS PAVING & GRADING, INC	ACH	05/15/2020	26500.00
PRINCIPAL LIFE INSURANCE COMPANY	ACH	05/15/2020	7162.50
QTX MOBILE ACCESSORIES, INC.	CHECK	05/15/2020	1924.00
RAIN FOR RENT RIVERSIDE	CHECK	05/15/2020	39151.00
RAMON FRANCISCO COTE	CHECK	05/15/2020	482.00
RIGHT-OF-WAY ENGINEERING SERV	CHECK	05/15/2020	270.00
ROBERT STEVENS	CHECK	05/15/2020	6428.55
RT LAWRENCE CORPORATION	CHECK	05/15/2020	627.60
SAN DIEGO COUNTY ASSESSOR/RECORDER/CLERK	CHECK	05/15/2020	20.00
SHRED-IT USA LLC	CHECK	05/15/2020	163.44
SONSRAY MACHINERY LLC.	ACH	05/15/2020	361.74
SOUTHWEST BOULDER & STONE, INC.	CHECK	05/15/2020	2262.31
SPECIALTY MOWING SERVICES, INC - W9	ACH	05/15/2020	9083.25
T S INDUSTRIAL SUPPLY	CHECK	05/15/2020	1005.89
TESCO CONTROLS, INC.	CHECK	05/15/2020	3200.00
THE WELD SHOP, INC	ACH	05/15/2020	326.00

Description	Bank Transaction Code	Issue Date	Amount
TNG SECURITY INC. DBA CALIFORNIA COMMERCIAL SECURITY	CHECK	05/15/2020	368.04
TRAFFIC SAFETY SOLUTIONS, LLC	ACH	05/15/2020	13037.50
UNDERGROUND SERVICE ALERT	ACH	05/15/2020	244.42
UTILITY SERVICE CO.	ACH	05/15/2020	198214.83
WATERLINE TECHNOLOGIES INC.	CHECK	05/15/2020	1288.69
WINZER CORP	CHECK	05/15/2020	580.57
ACTIVE AUTO COLLISION	CHECK	05/29/2020	1736.12
AIRGAS USA, LLC	ACH	05/29/2020	1117.44
APPLEONE EMPLOYMENT SERVICES	CHECK	05/29/2020	138.10
ARAMARK UNIFORM SERVICES	CHECK	05/29/2020	1121.82
ART DOHERTY	CHECK	05/29/2020	300.00
ART'S TRENCH PLATE & KRAIL SERVICE CO, INC.	ACH	05/29/2020	486.10
ASTRA INDUSTRIAL SERV.INC	ACH	05/29/2020	4167.11
AT&T	CHECK	05/29/2020	166.28
AT&T	CHECK	05/29/2020	502.51
AT&T MOBILITY	CHECK	05/29/2020	2000.48
AZUGA, INC.	CHECK	05/29/2020	1136.95
BP BATTERY INC.	ACH	05/29/2020	398.35
CALIFORNIA STATE UNIVERSITY SAN MARCOS	CHECK	05/29/2020	1500.00
CDW GOVERNMENT, INC.	CHECK	05/29/2020	2691.00
COLONIAL LIFE & ACCIDENT INS.	CHECK	05/29/2020	60.71
CONCORD ENVIRONMENTAL ENERGY, INC.	ACH	05/29/2020	10740.41
CORRPRO COMPANIES, INC.	CHECK	05/29/2020	4001.35
CRACKS & CORNERS CLEANING SERVICE	ACH	05/29/2020	1532.00
CUSTOM TRUCK BODY & EQUIPMENT, INC.	ACH	05/29/2020	4069.83
DESIGN SPACE MODULAR BUILDINGS	ACH	05/29/2020	6363.37
DIAMOND ENVIRONMENTAL SERVICES	CHECK	05/29/2020	297.64
DION INTERNATIONAL	CHECK	05/29/2020	3766.40
FALLBROOK AUTO PARTS	CHECK	05/29/2020	171.60
FALLBROOK EQUIPMENT RENTAL	ACH	05/29/2020	451.70
FEDEX	CHECK	05/29/2020	445.66
FERGUSON WATERWORKS #1083	CHECK	05/29/2020	58153.86
FLYERS ENERGY LLC	ACH	05/29/2020	4917.11

Description	Bank Transaction Code	Issue Date	Amount
FREEWAY TRAILER SALES	CHECK	05/29/2020	183.62
GERARDO CANCINO	CHECK	05/29/2020	105.00
GIL FRANCO, TIRE HAULER	CHECK	05/29/2020	293.00
GLOBAL POWER GROUP INC.	CHECK	05/29/2020	986.48
GOLDEN STATE INDUSTRIAL COATINGS, INC.	CHECK	05/29/2020	3992.00
GOSCH FORD ESCONDIDO	CHECK	05/29/2020	469.86
HADRONEX, INC.	ACH	05/29/2020	4286.82
HARRIS & ASSOCIATES, INC.	ACH	05/29/2020	5280.00
HOCH CONSULTING	CHECK	05/29/2020	17977.50
HOUSTON AND HARRIS	CHECK	05/29/2020	1465.00
ICONIX WATERWORKS (US) INC	ACH	05/29/2020	215.38
IMPACT DESIGN	CHECK	05/29/2020	101.71
INFOR (US), INC.	ACH	05/29/2020	1130.00
INFOSEND, INC.	CHECK	05/29/2020	2114.44
JOE'S HARDWARE	CHECK	05/29/2020	44.47
KEVIN MILLER	ACH	05/29/2020	726.00
KNIGHT SECURITY & FIRE SYSTEMS	ACH	05/29/2020	143.00
KNOCKOUT PEST CONTROL& TERMITE, INC.	CHECK	05/29/2020	225.00
LINCOLN NATIONAL LIFE INSURANCE COMPANY	CHECK	05/29/2020	4406.39
MOBILE MINI, INC	CHECK	05/29/2020	168.01
NEXTDOOR, INC.	CHECK	05/29/2020	1235.00
PALA MESA VILLAS HOA	CHECK	05/29/2020	17172.23
PERRAULT CORPORATION	CHECK	05/29/2020	3038.44
PROFESSIONAL IMAGE ADVERTISING, INC.	CHECK	05/29/2020	104.00
PUBLIC POLICY STRATEGIES, INC.	CHECK	05/29/2020	15000.00
QTX MOBILE ACCESSORIES, INC.	CHECK	05/29/2020	2065.07
QUALITY CHEVROLET	ACH	05/29/2020	237.93
RAMON FRANCISCO COTE	CHECK	05/29/2020	442.00
RBC SERVICES, LLC	CHECK	05/29/2020	1826.24
RENE BUSH	ACH	05/29/2020	726.00
ROBCAR CORPORATION	CHECK	05/29/2020	1404.00
RON HALL	CHECK	05/29/2020	809.00
SAN DIEGO COUNTY ASSESSOR/RECORDER/CLERK	CHECK	05/29/2020	40.00

Description	Bank Transaction Code	Issue Date	Amount
SAN DIEGO FRICTION PRODUCTS, INC.	CHECK	05/29/2020	938.36
SAN DIEGO GAS & ELECTRIC	CHECK	05/29/2020	119.85
SOFTCHOICE CORPORATION	CHECK	05/29/2020	4374.50
SOUTHERN CONTRACTING COMPANY	CHECK	05/29/2020	3700.00
SOUTHWEST ANSWERING SERVICE, INC.	CHECK	05/29/2020	822.48
SPECIAL DISTRICT RISK	CHECK	05/29/2020	158510.33
SPECIALTY MOWING SERVICES, INC - W9	ACH	05/29/2020	8759.52
STETSON ENGINEERS INC.	CHECK	05/29/2020	617.40
STREAMLINE	ACH	05/29/2020	300.00
SUPERIOR READY MIX	CHECK	05/29/2020	901.65
T S INDUSTRIAL SUPPLY	CHECK	05/29/2020	4860.99
TIAA COMMERCIAL FINANCE, INC.	CHECK	05/29/2020	5419.33
TRAFFIC SAFETY SOLUTIONS, LLC	ACH	05/29/2020	4162.50
ULINE	CHECK	05/29/2020	366.70
VERIZON WIRELESS	CHECK	05/29/2020	4402.15
VILLAGE NEWS	CHECK	05/29/2020	100.00
VISTA FENCE INCORPORATED	ACH	05/29/2020	4921.00
WALTERS WHOLESALE	CHECK	05/29/2020	560.61
WATERLINE TECHNOLOGIES INC.	CHECK	05/29/2020	2094.12
WINZER CORP	CHECK	05/29/2020	134.21
		Total:	2,494,075.14

**Director's Expenses
FY 2019-2020**

Disbursement Date	Description	Helene Brazier	Miguel Gasca	Claude Hamilton	Michael Mack	Carl Rindfleisch
07/31/19	CAL PERS - HEALTH INS. WATER AGENCIES ASSOC OF S.D. CSDA,SAN DIEGO CHAPTER CONFERENCES (CSDA, ACWA, etc.) TRAINING COUNCIL OF WATER UTILITIES DIRECTORS' PER DIEMS	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00
	TRAVEL EXPENSES MILEAGE EXPENSE			\$ 25.52	\$ 69.60	\$ 109.62
	REIMBURSEMENT FROM DIRECTORS					
	Monthly Totals	<u>\$ 300.00</u>	<u>\$ 300.00</u>	<u>\$ 325.52</u>	<u>\$ 369.60</u>	<u>\$ 409.62</u>
08/31/19	CAL PERS - HEALTH INS. WATER AGENCIES ASSOC OF S.D. CSDA,SAN DIEGO CHAPTER CONFERENCES (CSDA, ACWA, etc.) TRAINING COUNCIL OF WATER UTILITIES DIRECTORS' PER DIEMS	\$ 150.00		\$ 150.00	\$ 300.00	\$ 300.00
	TRAVEL EXPENSES MILEAGE EXPENSE				\$ 48.72	\$ 85.26
	REIMBURSEMENT FROM DIRECTORS					
	Monthly Totals	<u>\$ 150.00</u>	<u>\$ -</u>	<u>\$ 150.00</u>	<u>\$ 348.72</u>	<u>\$ 385.26</u>

**Director's Expenses
FY 2019-2020**

Disbursement Date	Description	Helene Brazier	Miguel Gasca	Claude Hamilton	Michael Mack	Carl Rindfleisch
09/30/19	WATER AGENCIES ASSOC OF S.D. CSDA,SAN DIEGO CHAPTER CONFERENCES (CSDA, ACWA, etc.) TRAINING COUNCIL OF WATER UTILITIES DIRECTORS' PER DIEMS	\$ 150.00	\$ 625.00	\$ 625.00	\$ 625.00	\$ 625.00
	TRAVEL EXPENSES		\$ 444.53	\$ 59.72	\$ 443.36	\$ 831.88
	MILEAGE AND EXPENSES		\$ 87.00	\$ 164.72	\$ 85.84	\$ 198.94
	REIMBURSEMENT FROM DIRECTORS					
	Monthly Totals	<u>\$ 150.00</u>	<u>\$ 1,306.53</u>	<u>\$ 1,299.44</u>	<u>\$ 1,454.20</u>	<u>\$ 2,555.82</u>
10/31/19	WATER AGENCIES ASSOC OF S.D. CSDA,SAN DIEGO CHAPTER CONFERENCES (CSDA, ACWA, etc.) TRAINING COUNCIL OF WATER UTILITIES DIRECTORS' PER DIEMS	\$ 150.00	\$ 450.00	\$ 150.00	\$ 150.00	\$ 300.00
	TRAVEL EXPENSES				\$ 1,235.89	
	MILEAGE AND EXPENSES			\$ 82.36	\$ 66.12	\$ 30.74
	REIMBURSEMENT FROM DIRECTORS					
	Monthly Totals	<u>\$ 150.00</u>	<u>\$ 450.00</u>	<u>\$ 232.36</u>	<u>\$ 1,452.01</u>	<u>\$ 330.74</u>

**Director's Expenses
FY 2019-2020**

Disbursement Date	Description	Helene Brazier	Miguel Gasca	Claude Hamilton	Michael Mack	Carl Rindfleisch
11/30/19	WATER AGENCIES ASSOC OF S.D. CSDA,SAN DIEGO CHAPTER CONFERENCES (CSDA, ACWA, etc.) TRAINING COUNCIL OF WATER UTILITIES DIRECTORS' PER DIEMS TRAVEL EXPENSES MILEAGE EXPENSE					\$ 28.18
	REIMBURSEMENT FROM DIRECTORS					
	Monthly Totals	\$ -	\$ -	\$ -	\$ -	\$ 28.18
12/31/19	WATER AGENCIES ASSOC OF S.D. CSDA,SAN DIEGO CHAPTER CONFERENCES (CSDA, ACWA, etc.) TRAINING COUNCIL OF WATER UTILITIES DIRECTORS' PER DIEMS TRAVEL EXPENSES MILEAGE EXPENSE	\$ 725.00	\$ 725.00	\$ 725.00		
	REIMBURSEMENT FROM DIRECTORS					
	Monthly Totals	\$ 875.00	\$ 1,827.34	\$ 1,371.00	\$ -	\$ 475.30

Director's Expenses FY 2019-2020

Disbursement Date	Description	Helene Brazier	Miguel Gasca	Claude Hamilton	Michael Mack	Carl Rindfleisch
01/31/20	WATER AGENCIES ASSOC OF S.D. CSDA,SAN DIEGO CHAPTER CONFERENCES (CSDA, ACWA, etc.) TRAINING					
	COUNCIL OF WATER UTILITIES DIRECTORS' PER DIEMS		\$ 40.00			\$ 40.00
	TRAVEL EXPENSES		\$ 150.00	\$ 150.00	\$ 150.00	\$ 300.00
	MILEAGE EXPENSE			\$ 25.30		\$ 55.78
	REIMBURSEMENT FROM DIRECTORS					
	Monthly Totals	\$ -	\$ 190.00	\$ 175.30	\$ 150.00	\$ 395.78
02/29/20	WATER AGENCIES ASSOC OF S.D. CSDA,SAN DIEGO CHAPTER CONFERENCES (CSDA, ACWA, etc.) TRAINING					
	COUNCIL OF WATER UTILITIES DIRECTORS' PER DIEMS		\$ 40.00			
	TRAVEL EXPENSES	\$ 150.00	\$ 15.00	\$ 150.00	\$ 150.00	\$ 450.00
	MILEAGE EXPENSE		\$ 47.15			\$ 109.83
	REIMBURSEMENT FROM DIRECTORS					
	Monthly Totals	\$ 150.00	\$ 102.15	\$ 150.00	\$ 150.00	\$ 606.41

**Director's Expenses
FY 2019-2020**

Disbursement Date	Description	Helene Brazier	Miguel Gasca	Claude Hamilton	Michael Mack	Carl Rindfleisch
03/31/20	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	\$ 150.00
	TRAVEL EXPENSES MILEAGE EXPENSE					
	REIMBURSEMENT FROM DIRECTORS					
	Monthly Totals	<u>\$ 150.00</u>	<u>\$ 150.00</u>	<u>\$ 150.00</u>	<u>\$ 150.00</u>	<u>\$ 150.00</u>
04/30/20	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
	TRAVEL EXPENSES MILEAGE EXPENSE					
	REIMBURSEMENT FROM DIRECTORS					
	Monthly Totals	<u>\$ -</u>	<u>\$ 150.00</u>	<u>\$ 150.00</u>	<u>\$ -</u>	<u>\$ 150.00</u>

**Director's Expenses
FY 2019-2020**

Disbursement Date	Description	Helene Brazier	Miguel Gasca	Claude Hamilton	Michael Mack	Carl Rindfleisch
05/31/20	WATER AGENCIES ASSOC OF S.D. CSDA-SAN DIEGO CHAPTER CONFERENCES (CSDA, ACWA, etc.) TRAINING		\$ 150.00			
	COUNCIL OF WATER UTILITIES DIRECTORS' PER DIEMS TRAVEL EXPENSES MILEAGE EXPENSE		\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00
	REIMBURSEMENT FROM DIRECTORS					
	Monthly Totals	\$ -	\$ 300.00	\$ 150.00	\$ 150.00	\$ 150.00
	REPORT TOTAL:	\$ 1,925.00	\$ 4,776.02	\$ 4,153.62	\$ 4,224.53	\$ 5,637.10



AMERICAN EXPRESS

May 2020

GL Finance Code	GL Transaction Amount	Description
GL 01 35 63404	5000.00	1ST CHOICE BACKFLOW #5642
GL 03 43 72500 800013	231.86	4IMPRINT #19806966
GL 03 20 75300	-725.00	ACWA #35700001
GL 01 35 73000	169.11	AMAZON #112-0918720-4599430/PO# 10623
GL 01 35 73000	612.46	AMAZON #112-1075732-1575410
GL 02 61 73000	159.44	AMAZON #112-4669427-2390666/PO #10628
GL 02 61 73000	216.00	AMAZON #112-4669427-2390666/PO# 10628
GL 01 35 73000	127.41	AMAZON #112-5553811-5457824/PO# 10623
GL 03 43 72000	221.90	AMAZON #112-7427881-5449830/PO# 10630
GL 01 34 72000	6.36	AMAZON #112-8654544-1379457
GL 01 35 73000	370.40	AMAZON #112-9299176-0382642/PO #10623
GL 03 41 60100	-41.51	AMAZON #114-0174081-7309860
GL 03 41 60100	313.92	AMAZON #114-2248493-0901048
GL 03 41 60100	387.75	AMAZON #114-2729664-0718656
GL 03 41 60100	118.49	AMAZON #114-2823520-1566627
GL 03 41 63401	232.78	AMAZON #114-3566874-1485824
GL 03 41 60100	219.12	AMAZON #114-4711254-3150629
GL 03 41 60100	11.33	AMAZON #114-4977057-3652260
GL 03 41 60100	377.11	AMAZON #114-6975627-0793010
GL 03 41 60100	-71.10	AMAZON #114-8178088-2822622
GL 03 41 60100	0.19	AMAZON #1HL7LGXET8C
GL 03 43 72500	332.12	AMERICAN SCREENING #156994
GL 03 43 72000	2.99	APPLE.COM #MK9WTY454K
GL 03 41 60100	10.00	ATLISSIAN #AT-10108673
GL 03 41 60100	236.20	AUTHORIZE.NET, 5-1-20

GL Finance Code	GL Transaction Amount	Description
GL 01 34 56512	108.50	AWWA #84456617
GL 03 41 60100	236.01	AZURE #E0300B1Y4Q
GL 03 41 63401	57.65	COMPLIANCE SIGN #891424
GL 03 41 60100	192.50	CORELOGIC #81996001
GL 03 41 60100	192.50	CORELOGIC #82021342
GL 03 41 60100	192.50	CORELOGIC #82021342
GL 03 41 63401	78.79	CULLIGAN #043020
GL 03 43 72500	20.21	CVS #828459
GL 03 43 72500	16.30	CVS #887803
GL 03 41 60100	39.99	DIRECTTV #10DA5674
GL 01 34 63200	984.36	ENTERPRISE #7500-4036-4403
GL 01 34 63200	984.36	ENTERPRISE #7500-4036-4574
GL 01 34 63200	808.51	ENTERPRISE #7500-4048-7921
GL 01 34 63200	808.51	ENTERPRISE #7500-4048-8089
GL 03 41 63400	38.25	FRUIT GUYS #5507043
GL 03 41 63400	76.50	FRUIT GUYS #5509934
GL 03 41 63400	38.25	FRUIT GUYS #5512423
GL 03 41 63400	76.50	FRUIT GUYS #5514296
GL 03 41 63400	38.25	FRUIT GUYS #5516296
GL 03 43 72500	93.86	GRAINGER #9500289229/PO# 10559
GL 03 43 72500	147.73	GRAINGER #9504013286/PO# 10526
GL 03 43 72500	-199.80	GRAINGER #9506599803/PO# 10542
GL 03 43 72500	11.44	GRAINGER #9508957777/PO# 10542
GL 03 43 72500	235.06	GRAINGER #9509189156/PO# 10542
GL 01 32 72000	223.50	GRAINGER #9509189164/PO# 10582
GL 01 34 72000	37.50	GRAINGER #9516184166/PO# 10602
GL 01 99 15260	49.30	GRAINGER #9516184166/PO# 10602
GL 03 43 72500	264.58	GRAINGER #9516775823/PO# 10526
GL 60 99 15566 600028	82.32	GRAINGER #9521951526/WSUP
GL 03 43 72500	116.37	GRAINGER #9522531764
GL 03 41 74100	938.82	JIVE #NT_HFYRARQ6
GL 03 91 56512	1770.00	LEARNSOFT #163796

GL Finance Code	GL Transaction Amount	Description
GL 03 41 63400	750.00	NATUREBOX #10386
GL 03 41 70300	7787.79	NOSSAMAN #507668
GL 03 41 70300	9206.56	NOSSAMAN #507669
GL 03 41 70300	70.50	NOSSAMAN #507672
GL 03 41 70300	773.00	NOSSAMAN #507673
GL 03 41 70300	17599.23	NOSSAMAN #507674
GL 60 99 15566 600007	3078.00	NOSSAMAN #507675
GL 03 41 70300 700027	37840.10	NOSSAMAN #507676
GL 03 41 70300	16774.30	NOSSAMAN #507677
GL 03 41 72900	353.53	OFFICE DEPOT #482047920001
GL 03 41 72900	9.24	OFFICE DEPOT #482052012001
GL 03 41 72900	50.20	OFFICE DEPOT #489830371001
GL 03 41 72900	10.86	OFFICE DEPOT #489830856001
GL 01 35 63404	5000.00	PALOMAR BACKFLOW #6320
GL 03 43 72500	374.93	PATRIOT OUTFITTERS #15457573
GL 03 41 75300	17.65	PREPASS #0303526M200430
GL 03 43 72500	643.85	SAFETY DEPOT #8770
GL 03 41 72702	69.95	VILLAGE NEWS #INV-2333
GL 03 43 72000	1.35	WALMART #53333117
GL 03 41 60100	7.01	WASABI #
GL 03 41 63401	197.80	WAXIE #
GL 03 41 63401	323.25	WAXIE #79137621
GL 03 41 63401	83.31	WAXIE #79155414
GL 03 36 63422	373.41	WEATHER TECH #1898173393
GL 01 99 15260	5228.03	WESTERN WATER #568428-00
GL 01 35 72000	35.00	ZOHO #65939528
GL 03 41 60100	2.00	ZOOM #INV21294242
GL 03 41 60100	84.97	ZOOM #INV22081877
	124,024.27	American Express (May Statement)

Rainbow MWD Developer Projections - Water

Installations

Development Name (Active) (Inactive)	Purchased	Anticipated Sales						Water LF	PRS	Timing
		FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23+	Total			
Horse Ridge Creek	362	14	161	170			345	34407	1	In Progress
Horse Ridge Creek (RAH)	77	40					40			In Progress
Campus Park West							0			
Lilac Del Cielo			76				76	2247	1	Recent Activity
Golf Green Estates	57	13	37				50	5475		In Progress
Pala Mesa Highlands	78	46					46	10089	1	In Progress
Bonsall Oaks							0	21531	3	
Ocean Breeze (Vessels)					50	200	250			
							0			
Rancho Viejo Phase 3					47		47			
Campus Park							0			
Meadowood*			501				501		1	In Progress
Single Service Laterals		18	18	18	18	18	90			See Notes**
TOTAL WATER METERS		131	793	188	115	218	1,445			

Revenue Projections

Meter Size (in)	Revenue Per Meter (Existing)	Purchased	Anticipated Sales					Total
			FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23+	
5/8	6,241			101				101
3/4	10,401	530	113	649	170	115	218	1,265
1	16,642	13	18	25	18			61
1 1/2	27,043	26		13				13
2	62,406	5		1	(4)			(3)
3	124,812			4	4			8
4	208,020							-
Total			131	793	188	115	218	1,445
Total Revenue			\$1,474,869	\$8,709,853	\$2,317,350	\$1,196,115	\$2,267,418	\$15,965,605

Notes:

*Actual amount will vary depending on final agreements.

**Average from last 10 years.

Rainbow MWD Developer Projections - Sewer

Installations

Development Name (Active) (Inactive)	Purchased (EDUs)	Anticipated Sales (EDUs)						Sewer LF	S	Timing
		FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23+	Total			
Horse Ridge Creek	782						782	29916	1	In Progress
Horse Ridge Creek (RAH)	69						69			
Campus Park West							0			
Lilac Del Cielo		38.9	38.9				78	1382		Recent
Golf Green Estates	51.3						51	4318		In Progress
Pala Mesa Highlands	59.98	43.7					104	11501		In Progress
Bonsall Oaks	59.85				96.2		156	21027		Recent
Ocean Breeze (Vessels)					100	300	400			Recent
Rancho Viejo Phase 3					47		47			Recent
							0	2251		
Campus Park							0			
Meadowood*			844				844			
Misc. SFR										
TOTAL EDUs		83	883	-	243	300	2,531			

Revenue Projections

		Purchased (EDUs)	Anticipated Sales					
			FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23+	Total
Existing Fee	\$ 14,126	171.13	96	39	-	243	300	678
Meadowood		883						
Total			96	39	-	243	300	678
Total Revenue			\$1,356,096	\$11,049,501	\$0	\$3,435,443	\$4,237,800	\$20,078,841 **

Notes:

*Actual amount will vary depending on final agreements.

** Actual amounts will vary depending on final exchange agreements.

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

