

**MINUTES OF THE ENGINEERING AND OPERATIONS COMMITTEE MEETING  
OF THE RAINBOW MUNICIPAL WATER DISTRICT  
JUNE 7, 2023**

1. **CALL TO ORDER** – The Engineering and Operations Committee Meeting of the Rainbow Municipal Water District on June 7, 2023, was called to order by Chairperson Nelson at 3:30 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. Chairperson Nelson, presiding.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL:**

**Present:** Member Brazier (*via teleconference*), Member Gasca, Member Marnett, Member McKesson, Member Nelson.

**Also Present:** General Manager Kennedy, Executive Assistant Washburn, Information Technology Manager Khattab, Operations Manager Gutierrez, Engineering and CIP Program Manager Williams.

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

Alternate Largent, Human Resources Manager Harp, Construction and Meters Supervisor Lagunas, Administrative Analyst Rubio.

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

Mr. Nelson noted for the record Michael Ayers, one of the Division 1 Board vacancy candidates, was present in the audience to observe today's committee meeting.

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

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

5. **SEATING OF ALTERNATES**

No alternates were seated.

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

There were no amendments to the agenda.

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

Julie Johnson thanked the members for all this committee has done starting with first allowing her to serve as a member because it provided her with an opportunity to learn so much from doing so through phenomenal committee and staff members. She noted she will now be in a new role as a member of the Directors and Board Secretary through which she hopes to continue to do her community part for the importance of the District. She reiterated her appreciation for the committee members, noting they are volunteers as well as the voice on which many depend. She

concluded with stating she will no longer be serving on this committee; thus, she wanted to come today to thank everyone and how much she will miss everyone.

Mr. Nelson mentioned Ms. Johnson was a very faithful and loyal member of this committee who did not have a great deal of background but took the initiative to learn and make valuable contributions.

**\*8. APPROVAL OF MINUTES**

**A.** May 3, 2023

Mr. Gasca pointed out “on-needed” should be “as-needed” and a “0” needs to be added to 100 on Page 7. Mr. Nelson mentioned he had contacted Ms. Washburn regarding the word “weary” needing to be changed to “wary”.

***Motion:***

***To approve the minutes as amended.***

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

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

***Ayes: Member Brazier, Member Gasca, Member Marnett, Member McKesson, Member Nelson.***

**9. GENERAL MANAGER COMMENTS**

Mr. Kennedy reported preparations are being made for SDCWA’s budget and rate increase hearing which will take place later this month. He talked about the steps taken to get the proposed rate increases reduced to under 10% as well as details related to SDCWA’s rate calculating processes. Discussion ensued.

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

Mr. Williams stated after monitoring and having geotechnical services contractors look into it further, it has been confirmed the Morro Tank is moving. He noted staff will continue to monitor the tank for the next 9-12 months at which time it will be determined whether the tank needed to be emptied or taken offline. He pointed out this tank does provide operational flexibility to have it online, even at 50%. He confirmed the tank is in Division 2.

Mr. McKesson inquired as to how the movement was first recognized. Mr. Williams stated it was through visual inspection, staff’s suspicion, and setting equipment to determine what was taking place.

Mr. Gasca asked whether the movement was soil related. Mr. Kennedy explained the tank is cut into the side of slope. Mr. Gasca inquired as to how the soil samples were taken as well as what was found. Mr. Williams noted the report will be provided in the future; however, he wanted to make the committee aware of the situation now.

Mr. Nelson inquired as to whether taking remedial action based on potential costs, should RMWD permanently fix the problem or continue to temporarily fix the problem. Mr. Kennedy pointed out there may be other operational strategies to consider that meet the flow needs and serve the zone without a tank.

Mr. Gasca asked whether the steel tank provides redundancy for anything aside from anything or only services the one zone. Mr. Gutierrez clarified it only serves the one zone and how having it in serves allows RMWD to get more water into Morro Reservoir from the Metropolitan Water District connection.

Mr. Williams mentioned staff was working with the Bonsall Oaks development to enter into a Joint Use Agreement between RMWD and SDG&E which was in the process of being finalized. Mr. Kennedy pointed out the challenge is that the developer was trying to get this done as soon as possible; therefore, it will most likely not be presented to this committee for Board recommendation. Discussion followed.

## **11. OPERATIONS MANAGER COMMENTS**

Mr. Gutierrez provided an update on the Rice Canyon 18" waterline project which is now feeding both Meadowood and Citro which allows the demand taken from Pala Mesa to be redirected to Morro. Mr. Kennedy added this also provided redundancy in the event of pipeline shutdowns.

Mr. Gutierrez noted crews will be conducting warranty inspections on the 15" clay pipe on North River Road from Highway 76 to Stallion. He explained it was time to clean the line and run the camera through. He pointed out it was a joint project with the company that installed the liners; therefore, they will pay for the cleaning and videoing of the pipe. He concluded with noting RMWD crews will be conducting internal operations to hold flows on a modified work shift of 3:00-11:30 a.m. to avoid accruing overtime.

Mr. Gasca asked how much of a decrease of water purchase off SDCWA will be realized with Rice Canyon feeding both Meadowood and Citro. Mr. Kennedy explained why RMWD would not experience any cost savings, but how the Rice Canyon does provide other more useful benefits.

Mr. Gutierrez reported there was a recent main line break on Rainbow Glen, crews just finished installing a PRV station EFI shelter out at Via Miraposa which was now active, and there are still four EFI shelters remaining to be installed this year. He mentioned the contractor was finishing up the weed abatement and mowing at the Pala Mesa site as well as how the heli-hydrant has been reactivated but was not used for two recent small fires that appeared to have been started due to weed abatement. He concluded with noting he met with North County Fire at the Pala Mesa regarding utilizing gentle slopes in that area at which ten local fire agencies can participate in rope rescue training later this year.

Mr. Marnett asked whether RMWD has any liability associated with the rope rescue training should anyone get hurt. Mr. Gutierrez stated he would speak with Ms. Harp to confirm. Mr. Ayers asked whether the site was subject to damage. Mr. Gutierrez stated it was not.

## **12. COMMITTEE MEMBER COMMENTS**

Ms. Brazier passed along a ratepayer's comment applicable to the detachment efforts regarding how they and their neighbors do not understand the part about RMWD paying for an emergency supply that it does not have. She mentioned the ratepayer thought they would have their questions answered as part of the public meetings and materials regarding detachment, but that was not the case. Mr. Kennedy suggested Ms. Brazier have the ratepayer contact him directly so that their questions could be answered.

## **13. BOARD ACTION UPDATES**

Mr. Williams reported the Board approved three agreements for on-call construction and maintenance services and inspection services, two agreements for on-call environmental services, and the Notice of Completion for the Sumac Communication Tower PV and Back-Up Battery project.

## **14. METERS UPDATE (OPERATIONS)**

Mr. Gutierrez provided an update on the replacement of some underperforming meters due to a decoupling effect nobody had anticipated. He mentioned the steps taken as part of the replacement process including bench testing. He noted orders have been placed for new E-Coders which were found to be more effective; however, due to a delay in receiving these, a different manufacturer will provide a few different meters. He stated 72 meters of the approximately 500 have already been changed out, 70 more will be replaced shortly, and the remaining meters will be installed upon delivery in August.

Mr. Gasca asked whether customers were purchasing replacement meters when they burn theirs up. Mr. Kennedy explained they were not due to there not being any language in the Administrative Code. Mr. Gasca stated if customers are abusing the equipment, they need to replace it. Mr. Nelson agreed with Mr. Gasca; however, he wanted to know why RMWD did not address the matter and replace the smaller meter with a larger one once it was realized those customers were pushing too much water through their smaller meter. Mr. Kennedy stated when a customer has a specific size meter installed based on their request, the customer then owns the capacity. He pointed out RMWD has changed the rate structures based on capacity as opposed to meter sizes; therefore, RMWD reserves the right to change out the smaller meter with a larger one without increasing the customer's capacity rights at no charge to the customer.

Mr. Nelson stated Mr. Gasca was exactly right in that something ought to be done to get pipe sizes and meter sizes hooked up with flow rates. Mr. Gasca pointed out when considering the costs associated with manpower and penalties for continually burning up smaller meters, these customers may be more inclined to install a larger meter. Mr. Kennedy said he would need to speak to Legal Counsel regarding what RMWD can do to address these types of situations without legal ramifications. Discussion followed.

Mr. Gasca stated if RMWD is replacing meters without charging the customers, then those customers are taking advantage of the rest of other ratepayers, which is something that needs to stop. Ms. Brazier agreed that all the ratepayers are paying for the misuse.

Mr. Kennedy offered to research this further and bring some options back to the committee for consideration. Discussion ensued.

Mr. Gasca inquired as to whether the 70 meters currently in stock would be slated to go to the highest priority. Mr. Gutierrez confirmed this is correct noting staff has a list of over 500 meters that have been identified as needing to be replaced of various sizes and that the 70 currently on hand are all 1” meters. Mr. Gasca inquired as to the estimated income recovery. Mr. Kennedy stated over \$1M once all the meters have been replaced. Mr. Gutierrez added now that it’s known how much water was being lost, immediate action will be taken to capture it.

**\*15. NOC FAIRVIEW DEVELOPMENT (ENGINEERING)**

Mr. Williams explained staff was seeking a recommendation from the committee for the Board to approve this Notice of Completion at their June meeting. He noted this development is in Division 1 and is comprised of seventy-three detached condominiums for which all water and sewer facilities have been installed and accepted by the inspector.

***Motion:***

***To recommend the Board approve Option 1 – Accept the Fairview Development improvements as complete and as shown on the approved plans, approve Filing the Notice of Completion, add installation costs of \$1,223,873 to the District’s valuation, and make a finding that the action herein does not constitute a “project” as defined by CEQA.***

***Action: Approve, Moved by Member Brazier, Seconded by Member McKesson.***

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

***Ayes: Member Brazier, Member Gasca, Member Marnett, Member McKesson, Member Nelson.***

**16. DETACHMENT UPDATE (GENERAL MANAGER)**

Mr. Kennedy updated the committee on what took place at the June 5, 2023 LAFCO public hearing regarding the detachment. He mentioned although the pace was much slower than anticipated, LAFCO staff were solid in their analysis and did a great job presenting the information to the Commission very clearly.

Discussion ensued.

Mr. Kennedy mentioned the amount of time allotted for each entity to present information to the Commission. He stated for the record there were a number of misstatements of facts made by SDCWA that have been disproven repeatedly of which the most egregious that others were going to detach such as Valley Center Municipal Water District (VCMWD) regardless of how many times VCMWD has stated otherwise. He mentioned another SDCWA misstatement is that if RMWD was a part of Eastern Municipal Water District, it would be subject to the State Water Project Only Area cutbacks even though it was known to be untrue.

Mr. Gutierrez shared he heard SDCWA state that RMWD has not taken any State Project Water in the last five years; however, his old office used to be located at a water treatment facility to where SDCWA would send notices out to all member agencies regarding what percentage of State Water Project was coming down south to Lake Skinner.

Mr. Kennedy added early that morning the Chair at Metropolitan Water District (MWD) sent an email to LAFCO to put on the record to question whether RMWD and FPUD would have to reannex into MWD as part of this process. He said he would be writing a response letter showing there is no Board interaction required when the agencies are already members of MWD and that something like this would be handled through the normal reorganization process.

Mr. Kennedy pointed out after SDCWA concluded making their comments, one of the arguments was that part of the detachment fee, RMWD would be credited approximately \$40M for the pump stations for which it paid but never received even though SDCWA has admitted in their documents they will save \$40M should RMWD and FPUD detach. He also noted in the draft agreements sent before the detachment process started, the concept SDCWA used for the North County pump stations was that SDCWA pay for the stations, but the ownership be transferred to the member agency to own and operate going forward to which RMWD and FPUD did not agree.

Mr. Gasca mentioned SDCWA stated repeatedly the detachment would impact the delta. Mr. Kennedy explained why this was untrue. Discussion ensued.

Mr. Kennedy following the lunch break, public testimony was heard from the room full of individuals who wanted to make their points. Mr. Gasca noted he believed the Avocado Commission showing up to comment in support of Option 1 impressed many of the LAFCO Commissioners.

Mr. Gasca stated he, too, addressed the Commissioners, starting with thanking their staff for their detailed and comprehensive report.

Mr. Kennedy pointed out following the commentary, the Commission Chair made a motion to accept Option #2, detachment with an exit fee. He reported which commissioners supported or opposed the detachment. He mentioned Commissioner MacKenzie was confused about some of details related to the exit fees; therefore, the Commissioners voted to continue the matter to August 7, 2023.

Mr. Marnett inquired as to whether an opportunity was presented to rebut all of the misstatements. Mr. Kennedy explained under the LAFCO processes of the law, once the public hearing is closed, no more public comment is allowed. Discussion followed.

Mr. Kennedy concluded with talking about potential changes to AB530 that were being sought; however, after speaking with Legal Counsel, it appears these changes would not impact the District. Mr. Gasca pointed out the report has been accepted; therefore, a decision will need to be made in a timely manner.

Mr. Gutierrez stated he liked the tone Mr. Kennedy and Mr. Bebee utilized when addressing the Commission. He said he found the tone to be very informative, factual, and appreciative of LAFCO's staff and time as opposed to the more accusatory tone used by others. Discussion followed.

**\*17. AS-NEEDED EXPENDITURE REPORT**

Mr. Williams confirmed there were no new tasks issued and that some no longer applicable tasks have been hidden in the spreadsheet provided but were not removed.

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

Mr. Nelson asked Mr. Williams to share with the committee as to why it may not be appropriate for this committee to meet in July. Mr. Williams noted although there may be a few Notices of Completions for this committee and Board to consider, these were project-dependent and may not be ready until August. He also mentioned the Groundwater Study work has been postponed due to a number of conflicting schedules for all parties involved. The committee members unanimously agreed to cancel the July committee meeting.

**19. ADJOURNMENT**

*The meeting was adjourned by Chairperson Nelson.*

The meeting was adjourned at 5:04 p.m.

---

**Flint Nelson, Committee Chairperson**

---

**Dawn M. Washburn, Board Secretary**