

Notice is hereby given that the Rainbow Municipal Water District Board of Directors will hold Closed Session at 11:00 a.m. and Open Session at 1:00 p.m. Tuesday, December 6, 2016, 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____ Mack____ Stewart____**
 3. **ADDITIONS/DELETIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)**
 4. **ORAL/WRITTEN COMMUNICATIONS FROM THE PUBLIC
OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD REGARDING
CLOSED SESSION AGENDA ITEMS (Government Code § 54954.2).**
Under Oral Communications, any person wishing to address the Board on matters regarding the Closed Session agenda should indicate their desire to speak by filling out and submitting a "Speaker's Slip" to the Board Secretary before the meeting begins. *Speaking time shall generally be limited to three minutes, unless a longer period is permitted by the Board President.*
 5. **CLOSED SESSION**
 - A. **Conference with Labor Negotiators (Government Code §54957.6 and §54957)**

Agency Designated Representatives
Tom Kennedy
Karleen Harp

Discussions regarding labor negotiations for:

Rainbow Employee Association
Rainbow Association of Supervisor and Confidential Employees
Rainbow Exempt Employees
 - B. **Conference with Legal Counsel—Anticipated Litigation (Government Code §54956.9(d)(2))**
 - One Matter
 6. **REPORT ON POTENTIAL ACTION FROM CLOSED SESSION**
- Time Certain: 1:00 p.m.
7. **PLEDGE OF ALLEGIANCE**
 8. **REPEAT REPORT ON POTENTIAL ACTION FROM CLOSED SESSION**
 9. **REPEAT ADDITIONS/DELETIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)**

(*) - Asterisk indicates a report is attached.

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

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

11. ANNIVERSARY ACKNOWLEDGEMENT

A. Wayne Nault (10 Years)

***12. APPROVAL OF MINUTES**

A. January 24, 2017 - Regular Board Meeting

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

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

A. President's Report (Director Brazier)

B. Representative Report (Appointed Representative)

1. SDCWA

A. Summary of Board Meeting January 26, 2017

2. CSDA

3. LAFCO

4. San Luis Rey Watershed Council

5. Santa Margarita Watershed Council

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

D. Directors Comments

E. Legal Counsel Comments

1. Attorney Report: Brown Act Update (150152-0005)

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

A. Budget and Finance Committee

1. January 10, 2017 Minutes

B. Communications Committee

1. January 9, 2017 Minutes

C. Engineering Committee

1. January 4, 2017 Minutes

(*) - Asterisk indicates a report is attached.

BOARD ACTION ITEMS

- *15. DISCUSSION AND POSSIBLE SELECTION OF DIVISION THREE DIRECTOR AND APPROVAL OF RESOLUTION NO. 17-05, A RESOLUTION APPOINTING _____ AS DIRECTOR OF DIVISION THREE OF THE RAINBOW MUNICIPAL WATER DISTRICT**
(On December 31, 2016 Director Tory Walker resigned from the Board of Directors thereby leaving the Board seat for Division Three vacant. Staff advised the Registrar of Voters office of the vacancy and posted the notice of vacancy in the Division Three area as well as on the District website on December 7, 2016. In addition, the vacancy was announced in our RMWD newsletter as well as in an article in The Village News newspaper.)
- *16. ADOPT RESOLUTION NO. 17-07 FIXING THE TIME AND PLACE OF HEARING AND MEETING ON PROPOSED WATER AVAILABILITY CHARGES FOR IMPROVEMENT DISTRICT NO. 1**
(As part of the annual process for setting the water availability charges for Improvement District No. 1, it is necessary to hold a public hearing on proposed charges. Proposed date is May 23, 2017 at the RMWD regular Board meeting.)
- *17. DISCUSSION AND POSSIBLE ACTION TO CHANGE THE STATUS OF INACTIVE SERVICE ACCOUNTS TO ACTIVE TO BE IN COMPLIANCE WITH PROPOSITION 218**
(At present, there are 29 identified inactive accounts connected to the District's water distribution system that have not been assessed the monthly operations and maintenance fixed fees. There are different scenarios on how these accounts have acquired the inactive status. This item is to provide the Board of Directors the opportunity to consider courses of action, if any, to pursue.)
- *18. DISCUSSION AND POSSIBLE ACTION TO APPROVE APPRAISAL OF THE WATER AND WASTEWATER SYSTEMS OWNED BY RAINBOW MUNICIPAL WATER DISTRICT**
(At the March 22, 2016 Board meeting, the Board of Directors approved a contract with Willdan Financial Services to review and analyze the District's capacity fees. The purpose of this appraisal is to provide District the fair market value of the real and tangible personal property owned by the District. This document will be used to calculate our capacity fees and for financial reporting purposes. A copy of the proposal has been provided under separate cover.)
- *19. DISCUSSION AND POSSIBLE ACTION TO APPROVE PURCHASE OF PROPERTY FOR THE POTENTIAL LIFT STATION 1A SITE**
(Staff is requesting the Board consider purchasing APN 126-452-01, a 1.36-acre vacant lot adjacent to the Bonsall Village Center on Thoroughbred Lane, for the purchase price of \$740,000 as the potential lift station site to eliminate the sewer siphon under the San Luis Rey River and pump wastewater through a pipeline attached to the Camino Del Rey Bridge.)
- *20. DISCUSSION AND POSSIBLE ACTION TO APPROVE CONTRACT CHANGE ORDER FOR INSPECTION SERVICES FOR THE HORSE CREEK RIDGE DEVELOPMENT**
(The Horse Creek Ridge Development, which consists of 751 homes and a sports complex, has started construction which will include water and sewer pipelines, a sewer lift station and a pressure reducing station. These facilities are constructed by the Developer's contractor and ultimately owned, operated and maintained by the District. Staff is requesting the Board consider a contract change order with Hoch Consulting in the amount of \$279,220.50 for As-Needed Inspection Services which is paid for by the Developer.)
- *21. FISCAL YEAR 2016-17 MID-YEAR BUDGET REVIEW AND BUDGET ADJUSTMENTS**
(The District approves an annual budget each June that sets forth revenue and expenditure objectives. It is a good time to review the District's budget in January shortly after reaching the mid-year point, to evaluate revenues and expenditures to date, and to make adjustments as necessary in a prompt manner.)

(*) - Asterisk indicates a report is attached.

- *22. CONSIDER ADOPTION OF RESOLUTION NO. 17-09 (1) AUTHORIZING THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY (THE "AUTHORITY") TO FORM A COMMUNITY FACILITIES DISTRICT WITHIN THE TERRITORIAL LIMITS OF THE RAINBOW MUNICIPAL WATER DISTRICT TO FINANCE CERTAIN PUBLIC IMPROVEMENTS AND DEVELOPMENT IMPACT FEES; (2) EMBODYING A JOINT COMMUNITY FACILITIES AGREEMENT SETTING FORTH THE TERMS AND CONDITIONS OF THE COMMUNITY FACILITIES DISTRICT FINANCING; (3) APPROVING AN ACQUISITION AGREEMENT BETWEEN THE DISTRICT AND THE DEVELOPER; AND (4) AUTHORIZING STAFF TO COOPERATE WITH THE AUTHORITY AND ITS CONSULTANTS IN CONNECTION THEREWITH**
(In December 2016, the RMWD Board approved Resolution 16-21 that authorized the District to join the California Statewide Community Development Authority (CSCDA). At the time of that approval, the Board was informed that there would be a subsequent action at a future Board meeting to approve a series of agreements that would facilitate the formation of a CFD for the DR Horton (Developer) in order to finance certain infrastructure and capacity fees.)
- *22A. DISCUSSION AND POSSIBLE ACTION REGARDING EXECUTION OF THE SECOND AMENDMENT TO AMENDED AND RESTATED SEWER SERVICE AGREEMENT BETWEEN RAINBOW MUNICIPAL WATER DISTRICT, PASSERELLE AND D.R. HORTON**
(This agenda item is for the approval of a revised sewer service agreement where D.R. Horton agrees to the increased capacity fee payment contingent upon the approval of the CFD and the successful issuance of bonds. If the CFD is not approved or the bonds are not sold, the increased capacity fee payment will not be paid.)
- *23. DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 17-06 NOMINATING CANDIDATE(S) TO THE ACWA JPIA EXECUTIVE COMMITTEE**
(RMWD received an Election Notice for the 2017 ACWA JPIA Executive Committee election which will be held during the JPIA's Board of Directors' meeting on May 8, 2017, at the spring conference in Monterey, California. The Board may choose to support other agencies by concurring their nominee.)
- *24. DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 17-08 NOMINATING CANDIDATE(S) TO THE SPECIAL RISK MANAGEMENT AUTHORITY (SDRMA) BOARD OF DIRECTORS**
(In accordance with SDRMA Sixth Amendment and Restated Joint Powers Agreement, RMWD received a Notice of Nominations for the SDRMA Board of Directors 2017 Election. Four seats are up for election. A complete packet of information and a draft Resolution No. 17-08 are being provided for Board consideration.)
- 25. DISCUSSION AND POSSIBLE ACTION TO APPROVE AN RMWD AWARD PROGRAM FOR THE 2017 SAN DIEGO CHAPTER CALIFORNIA SPECIAL DISTRICTS ASSOCIATION PUBLIC OUTREACH PROGRAM**
(San Diego Chapter of the California Special Districts Association (CSDA) has put together a Video Contest public outreach program for high school students. In order to encourage more participation from our local high school students and teachers in their education about Special Districts, staff proposes to add an additional prize to be offered to high school students who reside within the RMWD service area.)
- *26. RECEIVE AND FILE INFORMATION AND FINANCIAL ITEMS FOR NOVEMBER/DECEMBER 2016 AND JANUARY 2017**
- A. General Manager Comments**
 - 1. Meetings, Conferences and Seminar Calendar
 - B. Operations Comments**
 - 1. Operations Report
 - C. Engineering Comments**
 - 1. Engineering Report
 - D. Human Resource & Safety Comments**
 - 1. Human Resources Report
 - E. Customer Service Comments**
 - 1. Customer Service Report

(*) - Asterisk indicates a report is attached.

F. Finance Manager Comments

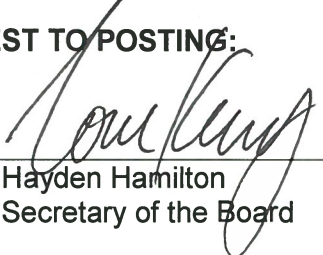
1. Credit Card Breakdown
2. Directors' Expense
3. Check Register
4. Water Sales Summary
5. RMWD Sewer Equivalent Dwelling Units (EDU's) Status

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

28. ADJOURNMENT - To Tuesday, March 28, 2017 at 1:00 p.m.

ATTEST TO POSTING:

FOR



Hayden Hamilton
Secretary of the Board

2-23-17 @ 8:00 A.M.

Date and Time of Posting
Outside Display Cases