

**MINUTES OF THE REGULAR BOARD MEETING  
OF THE BOARD OF DIRECTORS OF THE  
RAINBOW MUNICIPAL WATER DISTRICT  
APRIL 26, 2022**

1. **CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on April 26, 2022 was called to order by President Hamilton at 12:02 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. *(All meetings are being held with in-person attendance following County and State COVID guidelines as well as virtually.)* President Hamilton presiding.

2. **ROLL CALL**

**Present:** Director Hamilton, Director Gasca, Director Mack, Director Moss, Director Stewart.

**Also Present:** General Manager Kennedy, Legal Counsel Smith, Executive Assistant Washburn, Information Systems Specialist Espino, Project Manager Tamimi.

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

Legal Counsel Duran-Brown.

No members of the public were present in person, via teleconference or video conference before Closed Session.

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

Mr. Kennedy mentioned there will be some amendments to the agenda that will be mentioned during Open Session.

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; therefore, the instructions were not read aloud.

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).**

There were no comments.

***The meeting adjourned to Closed Session at 12:03 p.m.***

(\* ) - Asterisk indicates a report is attached.

**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)

\* TC Construction Company, Inc. v. Rainbow Municipal Water District, et al.

*The meeting reconvened at 1:03 p.m.*

**7. REPORT ON POTENTIAL ACTION FROM CLOSED SESSION**

This item was addressed under Item #12.

Time Certain: 1:00 p.m.

**8. REPEAT CALL TO ORDER**

The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on April 26, 2022 was called to order by President Hamilton at 1:05 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. *(All meetings are being held with in-person attendance following County and State COVID guidelines as well as virtually.)* President Hamilton presiding.

**9. PLEDGE OF ALLEGIANCE**

**10. REPEAT ROLL CALL**

**Present:** Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Stewart.

**Also Present:** General Manager Kennedy, Legal Counsel Smith, Executive Assistant Washburn, Information Systems Specialist Espino, Finance Manager Largent, Human Resources Manager Harp, Operations Supervisor Coffey, Customer Service and Communications Supervisor Gray, Construction and Meters Supervisor Lagunas, Human Resources Assistant Ramirez, Operations Manager Gutierrez, Senior Accountant Rubio.

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

Associate Engineer Powers, Project Manager Tamimi, Project Manager Parra, Engineering Technician Rubio, Wastewater Superintendent Zuniga, Information Technology Manager Khattab.

Thirteen members of the public were present for Open Session in person, via teleconference or video conference.

(\* ) - Asterisk indicates a report is attached.

**\*11. BOARD OF DIRECTORS CONSIDER ADOPTING RESOLUTION NO. 22-12 RENEWING STATE OF EMERGENCY FINDINGS FOR ASSEMBLY BILL 361 (AB 361)**

***Motion:***

***To approve Option 1 - Adopt the attached Resolution No. 22-12 renewing virtual meetings in accordance with Assembly Bill 361.***

***Action: Approve, Moved by Director Stewart, Seconded by Director Gasca.***

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

***Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Stewart.***

**12. REPEAT REPORT ON POTENTIAL ACTION FROM CLOSED SESSION**

Legal Counsel reported the Board met in Closed Session to discuss three items and that the Board took action to reject a bid protest claim submitted by TC Construction Company, Inc.

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

President Hamilton noted Item #29 will be deleted from the agenda.

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

President Hamilton read aloud the instructions for those attending the meeting via teleconference or video conference.

**15. 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).**

There were no comments.

**PRESENTATION**

**16. RECOGNITION OF EXTERNAL ORGANIZATIONS FOR ASSISTING RMWD WITH UNEXPECTED MAIN LINE BREAKS IN JANUARY 2022**

President Hamilton read aloud Resolution No. 22-07B adopted by the Board on February 22, 2022 recognizing the San Diego County Bonsall Road Station for the assistance they provided RMWD with multiple unexpected main line breaks the week of January 17, 2022.

Mr. Gutierrez shared a brief background on how a joint working relationship was created between RMWD and the San Diego County Bonsall Road Station. He noted being able to share resources among such small entities is very important. He presented RMWD Excellence Coins and a framed copy of Resolution No. 22-07B to the San Diego County Bonsall Road Station representative.

(\* ) - Asterisk indicates a report is attached.

President Hamilton read aloud Resolution No. 22-07A adopted by the Board on February 22, 2022 recognizing the City of Oceanside Water Utilities Department for the assistance they provided RMWD with multiple unexpected main line breaks the week of January 17, 2022.

Mr. Gutierrez shared details related to the how the City of Oceanside Water Utilities Department provided immediate assistance to RMWD during multiple unexpected main line breaks and how the actions of those crew members providing help were so well trained. He presented RMWD Excellence Coins and a framed copy of Resolution No. 22-07A to the City of Oceanside Water Utilities Department representative who in turn thanked the Board and noted their crews will always be available to assist RMWD.

**\*17. APPROVAL OF MINUTES**

**A.** March 22, 2022 - Regular Board Meeting

**B.** March 29, 2022 – Special Board Meeting

***Motion:***

***To approve the March 22, 2022 and March 29, 2022 minutes are read.***

***Action: Approve, Moved by Director Moss, Seconded by Director Mack.***

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

***Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Stewart.***

**\*18. 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 Hamilton)

President Hamilton announced there will be a Town Hall Meeting held on May 2, 2022 with Jim Desmond in attendance.

President Hamilton presented Renee Rubio with a plaque recognizing of her achieving all five RMWD Excellence Coins noting Ms. Rubio joined the District in 2015 as a member of the customer service team and has since been promoted to Senior Accountant. He pointed out Ms. Rubio has received a total of seven coins including two honorable mentions since the Coin Program launched in 2017. He stated Ms. Rubio is one of three employees who has received all five coins.

Ms. Rubio thanked everybody for the opportunities she has had at RMWD and how this achievement was very excited.

(\*) - Asterisk indicates a report is attached.

**B. Representative Report (Appointed Representative)**

**1. SDCWA**

**A. Summary of Board Meeting March 24, 2022**

Mr. Kennedy reported the SDCWA Board meeting will take place the following week. He also talked about a recent SDCWA public relations campaign regarding Metropolitan Water District's (MWD's) prices increasing rapidly at 9% per year; however, when MWD published their rates, it is at 5% per year which is under the CPI. He mentioned Ms. Largent has been sitting through several SDCWA meetings to gather information regarding how SDCWA was looking to adjust their rate structure going forward after receiving pushback about the manner in which their finances are structured. He stated he was unsure as what the outcome will be, but that he was confident that it will be a tough process for SDCWA to sort out their finances.

Ms. Largent stated the meetings are scheduled to conclude in February 2023.

**2. CSDA**

Director Mack announced Legislative Days will be held in May and that the Quarterly Dinner Meeting is scheduled for May 19<sup>th</sup> at a location to be announced.

**3. LAFCO**

Mr. Kennedy reported the detachment process is ongoing.

**4. Santa Margarita River Watershed Watermaster Steering Committee**

President Hamilton reported the committee met and discussed the Diamond Valley Lake water levels being down 38,000 acre feet which was partially caused by a planned shutdown for repairs on the Colorado River Canal that brings in the water. He noted Lake Skinner is also down 34,000 acre feet and the State Water Project has been informed they will receive 5% as opposed to 20% so they are looking at how they will allocate their reserves during the dry season which does not include 100,000 acre feet for health and safety. He mentioned a general report on the Colorado River stating Lake Mead is down to the minimum numbers which may result in restrictions. He also stated the conjunctive use project is basically up and running and the discussions with the Cahuilla Indian Band of Indians continue.

President Hamilton stated the next meeting will be held on July 19, 2022.

**5. ACWA**

Director Gasca reported the Spring Conference will take place May 2-5, 2022 and that he and Director Mack will be attending the JPIA meetings held prior to the start of the conference. He mentioned he will be staying until May 5<sup>th</sup> to participate on a panel related to RMWD's RAWS project being up for an innovation award.

Director Gasca announced there will be a Bay Delta Tour held on May 18<sup>th</sup> should anyone be interested in attending.

Ms. Harp announced ACWA/JPIA notified staff they were willing to accept RMWD back into their risk pool for property and liability programs which could save RMWD a couple of hundreds of thousands of dollars. Mr. Kennedy commended the entire staff for providing ACWA/JPIA with all the required information. Ms. Harp mentioned several documents had to be produced by staff

(\*) - Asterisk indicates a report is attached.

and how ACWA/JPIA had specifically commented on the professional manner in which RMWD's documents and policies are written as well as how knowledgeable and professional crew members were during their district facilities tour. She reiterated every area of the District impacted their decision and how a vote will be taken in May.

Director Stewart inquired as to when RMWD lost its ability to participate in their programs. Ms. Harp stated they invited RMWD to find alternative programs in 2006.

Discussion ensued.

- C. Meeting, Workshop, Committee, Seminar, Etc. Reports by Directors (AB1234)
  - 1. Board Seminar/Conference/Workshop Training Attendance Reports
    - A. Board Conference Report – Director Moss

Director Moss reported on the Special District Leadership Academy she attended in April and how she found it valuable and interesting in terms of communicating effectively with the public and staff as well as her role as a director. She encouraged other Directors and key staff members attend this academy. She stated she would be seeking approval to attend the second session scheduled for September.

Director Gasca reported on the AWWA Conference he recently attended. He shared information he received from AIS Communications related to wireless communications facilities as well as another related to hydroelectric capabilities where a turbine is installed that generates power that can offset costs. He noted they will provide RMWD with a free assessment to evaluate all sites where there may be a potential for this to work. Discussion ensued.

Ms. Washburn pointed out all the attachments Director Gasca provided from the AWWA Conference have been posted to the website under this meeting date.

***Director Stewart excused himself from the meeting at 1:40 p.m.***

- D. Directors Comments

There were no comments.

- E. Legal Counsel Comments
  - 1. Attorney Report: CEQA and Water Supply Projects

Legal Counsel summarized the information contained in the written report. He mentioned this decision was very helpful and that this was the first CEQA decision to specifically say that water rights do not need to be quantified for an EIR.

***Director Stewart rejoined the meeting at 1:44 p.m.***

Discussion ensued.

President Hamilton inquired as to why the initial trial court did not rule in the same manner. Legal Counsel explained the process that took place involving both the trial and appellate courts.

(\* ) - Asterisk indicates a report is attached.

Mr. Kennedy pointed out the Board may be presented with a proposed contract in June for a firm to conduct just these types of analyzes to support of the water rights RMWD may pursue using this case as a foundation.

## 19. COMMITTEE REPORTS

### A. Budget and Finance Committee

Mr. Nelson reported the committee met on April 12<sup>th</sup>, noting Julie Johnson was reappointed as Vice Chairperson, the committee started the process of reviewing the budget that will be adopted in late June as well as were informed of the favorable decision that debt financing was obtained for the Whole Water Efficiency Projects with the funds already deposited in the bank. He reported the committee has recommended the Board accept the staff's recommendation to deny the request under Item #28 based on the reasons specified in the staff report.

### B. Communications and Customer Service Committee

President Hamilton reported the committee met on April 7<sup>th</sup> at which time the committee members discussed the Heli-Hydrant was up for an innovation award at ACWA, the Bonsall schools being recognized with Purple Star awards related to supporting military families, backflow device activities, a City of Oceanside waterline leakage, FPUD repairs on Olive Hill, WSUP completion celebration, May 2<sup>nd</sup> Town Hall meeting, consideration of a public relations campaign to recruit more committee members, the recent SDCWA shutdown, Avocado Festival training, interagency cooperation related to the two presentations given today, cross-connection outreach, call volume trends, as well as local media articles.

### C. Engineering and Operations Committee

Mr. Nelson reported the committee met and reviewed several items that are before the Board today and recommends the Board adopt Items #20, #21, #22, #23, #24, #26, and #27. He noted Item #25 did not come before the committee.

## CONSENT CALENDAR ITEMS

### 20. NOTICE OF COMPLETION AND ACCEPTANCE OF THE WATER SERVICE UPGRADE PROJECT CONTRACT WITH CONCORD, ALL DIVISIONS

This item was pulled for discussion purposes (see Item #20A.).

Discussion went to Item #20A.

### \*21. NOTICE OF COMPLETION FOR RAINBOW HEIGHTS PUMP STATION

***Motion:***

***To approve Item #21 of the Consent Calendar.***

***Action: Approve, Moved by Director Mack, Seconded by Director Moss.***

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

***Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Stewart.***

(\* ) - Asterisk indicates a report is attached.

Discussion went to Item #22.

## **BOARD ACTION ITEMS**

### **20A. NOTICE OF COMPLETION AND ACCEPTANCE OF THE WATER SERVICE UPGRADE PROJECT CONTRACT WITH CONCORD, ALL DIVISIONS**

Ms. Harp talked about the recent employee luncheon celebration for which a RMWD crew member volunteered to barbeque food for the luncheon.

Mr. Gutierrez explained after updating the Board on the project for approximately eighteen months, the project was complete. He noted this at times had 4-8 staff members involved to keep it going while facing many challenges along the way such as the pandemic outbreak. He pointed out customer service and finance gained a great deal of work during this project with increased customer inquiries and call volume. He reported there are only 53 meters remaining to be completed that were not part of Concord's original contract which will take approximately a couple more months to finish.

Mr. Kennedy recognized Mr. Lagunas, Mr. Gutierrez, and the entire team for their flexibility and creativity while working on and completing this project. Mr. Gutierrez also commended Mr. Lagunas for running the meter shop through the WSUP project while overseeing the construction crews at the same time.

Director Stewart noted when the boxes were replaced in the subdivision in which he resides as part of this project, the care taken with the landscaping has made the subdivision much more attractive than it was previously.

#### ***Motion:***

***To approve Option 1 - Determine that the action defined herein does not constitute a "project" as specified by CEQA, accept the Water Service Upgrade Project, approve Filing the Notice of Completion, and add installation costs to the District's total valuation.***

***Action: Approve, Moved by Director Gasca, Seconded by Director Stewart.***

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

***Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Stewart.***

Discussion returned to Item #21.

### **\*22. CONSIDER APPROVAL OF A CONTRACT CHANGE ORDER FOR THE CASS ARRIETA CONTRACT WITH TRI-POINTE HOMES FOR \$402,373, AND AN AMENDMENT TO THE PARTICIPATION AGREEMENT FOR THE RICE CANYON PIPELINE AND RELATED FACILITIES (DIVISION 5)**

Mr. Tamimi noted staff was recommending approving an amendment to the Participation Agreement for the design, construction, and funding of portions of the Rice Canyon Pipeline and related facilities to increase the total project to costs to \$5,502,373.00 with authorizing a Change Order in the amount of \$402,373. He pointed out staff's recommendation also includes the General Manager be authorized to execute the amendment on behalf of the District.

(\*) - Asterisk indicates a report is attached.



Mr. Tamimi noted the amendment to this Participation Agreement will increase the total maximum costs of the construction project from \$5.1 million to \$5.502 million which is an approximate 8% cost increase from the current construction cost total. He noted the cost increase is a result of a District-initiated Change Order for modifications to the pressure reducing station, hard rock excavation, and the presence of a California gnatcatcher.

Mr. Tamimi pointed out the Change Order amount was originally \$700,000; however, through close coordination with Cass Arrieta and Tri-Pointe Homes, staff was able to save almost \$300,000 by removing export handling fees for the specifications performing exploratory borings down to the full length of the alignment to determine areas of hard rock and modifying the geotechnical monitoring approach. He mentioned ongoing progress meetings continue to occur on a bi-weekly basis to closely track extra work orders for the hard rock excavation and discuss the California gnatcatcher activities. He concluded with noting from the start of excavation to date, a total of eleven Time and Material Extra Work Reports have been generated totaling \$91,354, a projection of additional time required to remove hard rock with was added to the contract installation with an estimated impact of \$140,598, and that the Engineering and Operations Committee recommended the Board approve this amendment.

Mr. Kennedy pointed out the Change Order was not only due to the presence of the gnatcatcher sound wall, but also the hard rock excavation. He mentioned staff was closely monitoring this project and how this Change Order would carry through the remainder of the project.

***Motion:***

***To approve Option 1- Approve an Amendment to the Participation Agreement for the Design, Construction and Funding of Portions of the Rice Canyon Pipeline and Related Facilities to increase the total project cost to \$5,502,373, thus authorizing a change order in the amount of \$402,373 and authorize the General Manager to execute the Amendment on behalf of the District.***

***Action: Approve, Moved by Director Hamilton, Seconded by Director Moss.***

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

***Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Stewart.***

**\*23. CONSIDER APPROVAL OF AN AMENDMENT TO THE ACQUISITION AGREEMENT BY AND AMONG CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY, RAINBOW MUNICIPAL WATER DISTRICT AND TRI POINT HOMES FOR THE CITRO DEVELOPMENT IN DIVISION 4**

Mr. Tamimi pointed out staff was recommending the Board approve recommendation Option 1. He noted after the execution of the original agreement, changes were made to the number and location of the pressure reducing stations to be constructed for the Citro Development; therefore, the amendment updates the language in Exhibit A of the Acquisition Agreement to include the number and locations accordingly. He noted the E&O Committee recommended the Board approve this item.

(\* ) - Asterisk indicates a report is attached.

**Motion:**

**To approve Option 1 – Make a determination that the action defined herein does not involve any conditions described in Public Resources Code section 21166 and CEQA Guidelines section 15162, and is not subject to CEQA, approve the First Amendment to the Acquisition Agreement by and among California Statewide Communities Development Authority, Rainbow Municipal Water District, and Tri Point Homes for the Citro development, and authorize the General Manager to execute the Amendment on the District's behalf.**

**Action: Approve, Moved by Director Mack, Seconded by Director Stewart.**

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

**Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Stewart.**

**\*24. CONSIDER AWARD OF CONSTRUCTION CONTRACT IN THE AMOUNT OF \$507,700 WITH HAZARD CONSTRUCTION FOR THE LIVE OAK PARK ROAD BRIDGE WATER MAIN IMPROVEMENT PROJECT IN DIVISION 5**

Mr. Tamimi noted staff was recommending the Board approve recommendation Option 1 as presented. He explained the District Live Oak Park Road Bridge Water Main Improvement Project is occurring in response to the County's Live Oak Park Road Bridge Project. He stated the County's new bridge will raise the road elevation 3'-4' as well as remove the existing corrugated metal pipe currently located under the roadway. He pointed out the County's improvement will result in utility conflicts with SDG&E, AT&T, and RMWD's 8" and 16" water main.

Mr. Tamimi stated the County awarded the construction contract to Hazard Construction in December 2021 following a competitive bid procurement process and just recently issued the Notice to Proceed to begin construction. He pointed out the County of San Diego refused to include a construction window in their contract to allow for RMWD to relocate facilities during construction and was not agreeable to issuing a Change Order under their contract to allow Hazard to perform the work; therefore, in an attempt to promote a cost savings opportunity for RMWD ratepayers and County taxpayers, the District is proposing to contract directly with Hazard Construction. He explained under these circumstances where the County already competitively bid the major portion of the project, it was determined that the close coordination between the County, RMWD, and a single contractor was essential for the entire project to be timely completed and fully functional by the start of the next rainy season and within the Federal Grants Performance period. He mentioned the added benefits for contracting with the same contractor and how the Engineering and Operations Committee recommended the Board approve this item.

**Motion:**

**To approve Option 1 – Acting as a responsible agency for the Live Oak Park Road Bridge Replacement Project, consider the Mitigated Negative Declaration prepared and dated December 22, 2017 and certified by the County of San Diego as lead agency for the project on April 4, 2018 (State Clearinghouse #20171201061); certify that the Board has independently reviewed and considered the information contained in the Mitigated Negative Declaration and reached its own conclusions regarding the environmental effects of the County's approvals related to the project as shown in the Mitigated Negative Declaration; adopt the mitigation and monitoring program of the County as applicable, finding that the mitigation monitoring program is adequately designed to ensure compliance with the mitigation measures during project implementation; and determine**

(\*) - Asterisk indicates a report is attached.

**that the significant adverse impacts of the project have either been reduced to an acceptable level or are outweighed by the specific considerations of the project, as outlined in the Mitigated Negative Declaration, which findings and statement are adopted and incorporated herein by reference as applicable, authorize the filing of a Notice of Determination with the San Diego County Clerk in accordance with Section 21152 of the California Public Resources Code, approve additional budget in the amount of \$550,000 to fully fund the Live Oak Park Road Bridge Water Main Improvement Project to the original project cost of \$600,000, approve the Construction Agreement with Hazard Construction in the amount of \$507,7000, and authorize the General Manager to execute the construction contract.**

**Action: Approve, Moved by Director Moss, Seconded by Director Mack.**

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

**Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Stewart.**

**\*25. DISCUSSION AND POSSIBLE ACTION TO APPROVE A CONTRACT CHANGE ORDER FOR DEXTER WILSON ENGINEERING CONTRACT FOR ADDITIONAL DESIGN SERVICES FOR THE RICE CANYON PIPELINE PROJECT IN THE AMOUNT OF \$12,600 (DIVISION 4 & 5)**

Mr. Tamimi stated staff was recommend the Board approve Option 1. He explained just after further review of the tank site photovoltaic system plans and building plans, the District initiated a request for design modifications to improve operations and maintenance of the facility by reconfiguring the placement of the panels to improve accessibility and modifying placement of electrical equipment to establish a centralized location within the proposed building; therefore, a Change Order in the amount of \$12,600 to Dexter Wilson Engineering is needed to issue an assignment letter to perform additional engineering design service on the project. He noted the change would result in increasing the total design contract value to \$219,650, increasing the cumulative Change Order amount to \$28,700 and would not change the date of contract expiration.

President Hamilton asked as to whether this was an engineering change order to amend a proposed structure. Mr. Tamimi confirmed it was a change order for design services to redesign a post structure.

**Motion:**

**To approve Option 1 – Approve the change order request for Dexter Wilson Engineering Contract No. 20-13 and authorize the General Manager to execute the change order on behalf of the District and make a finding that the Project was adequately evaluated under the 2020 Addendum to the Pardee Final Environmental Impact Report.**

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

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

**Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Stewart.**

(\*) - Asterisk indicates a report is attached.

**\*26. DISCUSSION AND POSSIBLE ACTION REGARDING APPROVAL OF ORDINANCE NO. 22-11 TO REVISE AND ESTABLISH ENGINEERING SERVICE FEES AND DEPOSITS**

Mr. Tamimi stated staff was recommending Board approval of Option 1. He explained when several portions of the Administrative Code were updated on March 22, 2022, it prompted staff to revisit the Ordinance which revises the Engineering Services Fees and Plan Check and Inspection Deposits. He noted many of the changes in the Ordinance and Appendix A were administrative and how the updated ordinance clarifies the remaining deposit balances less administrative costs shall be refunded at the completion of the project. He reviewed the proposed changes to Appendix A. He concluded with noting the Engineering and Operations Committee recommended Board approval.

***Motion:***

***To approve Option 1 approving Ordinance No. 22-11 and make a determination that the action defined herein does not constitute a “project” as defined by CEQA.***

***Action: Approve, Moved by Director Gasca, Seconded by Director Stewart.***

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

***Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Stewart.***

**\*27. DISCUSSION AND POSSIBLE ACTION TO APPROVE A LETTER OF AUTHORIZATION FROM RMWD TO QUALTEK WIRELESS FOR SUBMISSION OF WIRELESS FACILITY MINOR USE PERMIT APPLICATION WITH SAN DIEGO COUNTY PLANNING DIVISION (DIV 1)**

Mr. Gutierrez reported Qualtek approached RMWD several months ago regarding their interest in siting some cellular antennas on District’s property. He explained RMWD’s field staff met with Qualtek’s field staff to search for a mutually agreeable sites at which a wireless facility could be located. He stated everyone involved was agreeable on the locations presented and how the matter before the Board today was solely to provide Qualtek with authorization to apply for a minor use permit with the San Diego County Planning Division.

Mr. Gutierrez talked about the lively discussions regarding this matter took place during the April Engineering and Operations Committee meeting and how many questions raised by Committee Member Bob Marnett when he and staff met with Qualtek recently. He also noted the information Director Gasca obtained at the AWWA conference would be helpful as well.

Mr. Kennedy pointed out the Board would not be approving anything today except for a Letter of Authorization so Qualtek can start the permit process with the County.

Discussion ensued.

***Motion:***

***To approve Option 1 – Approve Letter of Authorization for Qualtek to submit permit applications to the County of San Diego.***

***Action: Approve, Moved by Director Gasca, Seconded by Director Moss.***

(\*) - Asterisk indicates a report is attached.

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

***Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Stewart.***

**\*28. DISCUSSION AND POSSIBLE ACTION TO APPROVE A VARIANCE FROM ORDINANCE 21-03 TO ALLOW A LOT, LARGER THAN 0.5 ACRES, TO QUALIFY FOR CAPACITY CLASS B 3/4" METER AND APPROVE THE NEW WATER SERVICE APPLICATION (Division 2)**

Ms. Largent explained this was the first time RMWD received this type of variance. She stated this was for new service on a 2.17 acre parcel where the customers were requesting to come in at a size for which RMWD only allows one-half acres or smaller to use which is a departure from the District's recommendations of the capacity class study and rate structure. She pointed out since RMWD does not have a history of doing something like this before, staff believes this may set a precedence; therefore, staff was recommending the Board deny this request.

Director Moss expressed concern that any 3/4" meter would not be efficient for any type of maintenance on a 2-acre parcel.

Mr. Kennedy explained once the meter is installed and after one year there is a history of low usage, the customer could remit for a meter downsize. President Hamilton and Director Moss agreed that this would be more appropriate.

Discussion ensued.

***Motion:***

***To approve Option 2 – Deny the variance request.***

***Action: Approve, Moved by Director Stewart, Seconded by Director Gasca.***

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

***Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Stewart.***

**\*29. DISCUSSION AND POSSIBLE ACTION TO APPROVE A VARIANCE FROM MAXIMUM CAPACITY AND 12 MONTH ROLLING AVERAGE REQUIREMENTS IN ORDER TO DOWNSIZE FROM A 1 1/2" TO A 1" METER (Division 1)**

This item was deleted per Item #13.

**30. DISCUSSION AND POSSIBLE ACTION TO APPROVE BILL ADJUSTMENT AND THREE-YEAR EXTENDED PAYMENT PLAN FOR DIAMANTE MAINTENANCE ACCT. NO. 007334-000 ONE OF THEIR FOUR ACCOUNTS NOT SENT TO NEW BILLING ADDRESS AFTER AN OWNERSHIP CHANGE (DIVISION 1)**

Ms. Largent explained this was a master meter account that has not been paid in a couple of years that has been concerning due to the balance reaching approximately \$80,000. She noted the customer had not answered any letters or past due reports from RMWD and that staff was unable to find the correct APN information to file a tax lien resulting in the balance sitting on the account until the water arrearages program issued a credit of approximately \$35,000, leaving a past due balance of approximately \$50,000 when shutoffs recommenced. She stated after researching this account further, she was finally able to get in contact with someone who in turn

(\*) - Asterisk indicates a report is attached.

told staff they were not receiving this bill and how the former HOA manager passed away suddenly quickly followed by his spouse which resulted in them only able to get three of their accounts switched over to the new HOA manager's name.

Ms. Largent reported after discussing this matter further, the one thing they requested was a payment plan over three years to spread out the past due amount. She pointed out the customer did not dispute owing the past due amount, but rather requested the HOA owner be able to pay off the past due amount over three years while paying the current amounts.

President Hamilton asked if the members are paying into the HOA, then the monies should be available; therefore, he was confused by this request. Ms. Largent explained the amount being paid into the HOA was based on the amounts of the other bills they had received; however, she could not explain why the drop in expenses were not discovered following the HOA manager's passing.

Director Mack inquired as to whether the payment plan would be interest free. Ms. Largent stated penalties would be waived and there would not be interest generated.

Director Moss recommended the Communications Committee generate a letter regarding submeters and management so that people are made aware of their water use as well as what their HOA may be doing related to water use. Director Gasca called for point of order noting this was more administrative as opposed to addressing the matter at hand.

Director Mack asked for clarification as to whether this was for a two- or three-year payment plan. Ms. Largent stated it would be for three years. Director Mack agreed the HOA should have money allocated every year for water use. Ms. Largent agreed; however, this HOA does not seem to have any excess funds due to insurance premium increases.

Director Gasca inquired as to whether California requires HOA's to have contingency funds. Director Stewart stated California does not require a contingency or enforce such.

Director Stewart asked for more detail regarding the property. Ms. Largent pointed out this property has twenty units. Director Stewart stated the amount per unit would equate to \$2,500 per unit which would be a lot for those living in that type of housing and how he believes RMWD was being reasonable spreading it out of three years.

***Motion:***

***To approve Option 1 – Approve a three-year payment plan for account 007334-000 and an adjustment for \$2,844.52 for penalty fees as well as make a determination that the action defined herein does not constitute a “project” as defined by CEQA.***

***Action: Approve, Moved by Director Moss, Seconded by Director Gasca.***

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

***Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Stewart.***

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

Director Moss stated she would like to attend the SDLA returning attendees session scheduled for September 2022 in Napa, California.

Director Stewart inquired as to whether only those who completed the SDLA first session would be permitted to attend this second session. Ms. Washburn clarified only those who have completed the first session would be allowed to attend and how this was the first time CSDA has separated the tracks.

***Motion:***

***To approve Director Moss' attendance at the SDLA returning attendees session in September 2022.***

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

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

***Ayes: Director Gasca, Director Hamilton, Director Mack, Director Moss, Director Stewart.***

**BOARD INFORMATION ITEMS**

**\*32. 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. Board Information Report
    - A.** Budget vs. Actuals
    - B.** Fund Balance & Developer Projections
    - C.** Treasury Report
    - D.** Five Year Water Purchases Demand Chart
    - E.** Water Sales Summary
    - F.** Check Register
    - G.** Directors' Expenses Report
    - H.** Credit Card Breakdown
    - I.** RMWD Properties

Mr. Kennedy pointed out the location for the CSDA Quarterly Dinner meeting needs to be changed on the Meetings, Conferences, and Seminar Calendar needs to be updated since the Aero Squadron is no longer available. Ms. Washburn acknowledged this request.

(\*) - Asterisk indicates a report is attached.

Ms. Largent shared a presentation titled “Fiscal Year 2022-23 Rainbow MWD Operating Budget & Capital Improvement Plan Assumptions”. She reviewed operating budget assumptions in terms of the water demand budget, variable rate revenue, fixed rate revenue, and rate increases.

Ms. Largent pointed out staff will be tracking the five associated Wholesale Water Efficiency Projects in Fund 62, specifically the \$10 million loan, separately in addition to the Water and Wastewater Capital Improvement Plans.

Ms. Largent noted as part of the budget review, there are some staffing changes in terms of the current staffing situations as well as what staff would like to recommend so that these projects can be completed. She turned the presentation over to Ms. Harp.

Ms. Harp shared a preview of the staffing analysis currently being prepared noting this was preliminary information including the overtime trend analysis by department, average per hourly employee, as well as some of the observed drivers and sources. Mr. Kennedy pointed out staff was seeking initial feedback from the Board as the larger report is prepared. Ms. Harp mentioned things known to be true will also be presented such as retirement eligibility, staffing continuity plans, as well as future staffing needs based on anticipated retirements and capital projects that need to be executed.

Ms. Harp talked about the current overtime averages including the primary overtime drivers as well as reviewed retirement eligibility, Staffing Continuity Plan Critical Position Inventory noting the Engineering Technician and Technical Services Lead positions, respectively, are of high priority knowledge transfer positions. She mentioned the 2020 Employee Survey showed overtime impacts to employees and well as explained the recommendations for a temporary addition to the IT department as well as an analysis position to the Engineering Department.

Director Mack inquired as to how long time is being estimated for the overlap of these two positions. Ms. Harp stated approximately one year.

Ms. Harp pointed out the anticipated need for additional headcount in the construction department to be able to execute some of the inhouse capital projects. She stated one person would be bringing the department back to its previous headcount before merging the supervisor with the meters department and the other would help insource some of the capital projects related the Wholesale Water Efficiency Project, pressure reducing stations, as well as mitigate the need to stop CIP projects when emergencies occur.

Ms. Largent stated this presentation was provide the Board with the assumptions being used and that staff was accepting any general feedback.

Director Gasca requested a copy of this presentation. Ms. Largent explained staff was bringing this to the Board a little early this year rather than after the entire budget packet has been built. Mr. Kennedy agreed to have a copy of the presentation provided to all the Board Members; however, it was very preliminary.

Ms. Harp pointed out staff believes it will take a year to do adequate knowledge transfer, but that year would also provide good data at the end of that point to determine what was charged to capital and development versus operations budget for the department before recommending that the extra headcount become permanent (referring to Engineering Technician position). Discussion ensued.

Director Moss noted knowledge transfer is key.

(\*) - Asterisk indicates a report is attached.



Discussion ensued regarding the overtime levels and possibilities for addressing the main drivers.

The information and financial items were received and filed.

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

President Hamilton requested a chart be provided for the actuals versus budget reports.

**34. ADJOURNMENT**

*The meeting was adjourned by President Hamilton to the Rainbow Public Facilities Corporation meeting.*

The meeting was adjourned at 3:30 p.m.

---

**Hayden Hamilton, Board President**

---

**Dawn M. Washburn, Board Secretary**