

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, March 26, 2019, 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. **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 Legal Counsel–Anticipated Litigation (Government Code §54956.9(d)(2))
 - Three Items
 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)**
 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.*

(*) - Asterisk indicates a report is attached.

***11. PUBLIC HEARING**

A. PUBLIC HEARING TO CONSIDER ADOPTING ORDINANCE 19-04 AUTHORIZING INCREASES IN THE RATES FOR RAINBOW MUNICIPAL WATER DISTRICT SERVICE FEES EFFECTIVE APRIL 1, 2019

(Board to consider adopting Ordinance 19-04 that would set the new rates starting April 1, 2019.)

***12. APPROVAL OF MINUTES**

A. February 26, 2019 - 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 (President Brazier)
- B. Representative Report (Appointed Representative)
 - 1. SDCWA
 - A. Summary of Board Meeting February 28, 2019
 - 2. CSDA
 - 3. LAFCO
 - 4. San Luis Rey Watershed Council
 - 5. Santa Margarita River Watershed Watermaster Steering Committee
- C. Meeting, Workshop, Committee, Seminar, Etc. Reports by Directors (AB1234)
 - 1. Board Seminar/Conference/Workshop Training Attendance Requests and Reports
- D. Directors Comments
- E. Legal Counsel Comments
 - 1. Attorney Report - New CEQA Guidelines (501668-0002)

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

- A. Budget and Finance Committee
 - 1. February 12, 2019 Minutes
- B. Communications and Customer Service Committee
 - 1. February 7, 2019 Minutes
- C. Engineering and Operations Committee
 - 1. February 6, 2019 Minutes

BOARD ACTION ITEMS

***15. DISCUSSION AND POSSIBLE ACTION TO AWARD A PROFESSIONAL SERVICES AGREEMENT TO PROVIDE DAM INUNDATION MAP DEVELOPMENT SERVICES FOR THE BECK DAM INUNDATION MAP DEVELOPMENT PROJECT AND APPROPRIATE \$30,000 TO THE PROJECT BUDGET**

(Rainbow Municipal Water District ("District") owns the Beck Reservoir which is currently not in operation. The Division of Safety of Dams (DSOD) released new Inundation map regulations on September 15, 2017 which requires an updated inundation map to be submitted for Beck Dam. Staff and the Engineering and Operations Committee recommends the selection of Stetson Engineers Inc. to perform the inundation map development services.)

- 16. DISCUSSION AND POSSIBLE ACTION TO APPOINT RUSSELL VERNON AND BILL SHUTE AS MEMBERS OF THE COMMUNICATIONS AND CUSTOMER SERVICE COMMITTEE**
(Both Russell Vernon and Bill Shute have expressed interest in serving on the RMWD Communications and Customer Service Committee. At their March 7, 2019, the Communications and Customer Service committee members approved a motion recommending to the Board that both Mr. Vernon and Mr. Shute be appointed to serve as members of the committee. The committee currently has member vacancies to fill.)
- 17. CONSIDER INFORMATION REGARDING THE STATUS OF FLUME WATER MONITORING SYSTEM PILOT PROJECT AND PROVIDE DIRECTION TO STAFF ON DEVELOPMENT OF A REBATE PROGRAM**
(This item is to provide guidance to staff on the development of a rebate program for the Flume Water Monitoring device.)
- *18. DISCUSSION AND POSSIBLE ACTION TO ADOPT ORDINANCE NO. 19-03 AMENDING AND UPDATING ADMINISTRATIVE CODE CHAPTER 8.13 – DISPUTED BILLS**
(An update to the policy related to bill disputes has been prepared for the Board to consider. This policy has been updated to provide clear direction to staff for handling bill disputes. The updated policy also includes clarification as to what qualifies as a bill dispute and the actions required by the customer throughout the bill dispute process.)
- *19. DISCUSSION AND POSSIBLE ACTION TO APPROVE ORDINANCE NO. 19-02 AMENDING AND UPDATING ADMINISTRATIVE CODE SECTION 3.01.020 – SPECIAL, ADJOURNED AND EMERGENCY MEETINGS**
(At their January 22, 2019 Board meeting, the Board discussed the need to elaborate on the processes and protocol for scheduling Special Board meetings. Staff was directed to bring revised proposed updates to Administrative Code Section 3.01.020 back to the Board on March 26, 2019 for consideration.)
- *20. DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 19-04 — 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 MARCH 26 THROUGH JUNE 30, 2019**
(The grade structure included in Resolution No. 19-04 is revised to merge the N5 and N6 pay grades and include the Utility Worker II – Meters position in the grade. Resolution No. 19-04 rescinds Resolution No. 19-03.)
- *21. DISCUSSION AND POSSIBLE ACTION REGARDING CSDA BOARD OF DIRECTORS CALL FOR NOMINATIONS, SEAT B**
(In February 2019 RMWD received notification the Elections and Bylaws Committee is looking for Independent Special District Board Members or their General Managers who are interested in leading the direction of the California Special Districts Association for the 2020-2022 term.)
- *22. DISCUSSION AND POSSIBLE ACTION REGARDING SPECIAL DISTRICT BALLOT FORM FROM SAN DIEGO LOCAL AGENCY COMMISSION (LAFCO) REGULAR AND ALTERNATE MEMBER**
(Election materials provided include the Nominating Committee's Report and Recommendations, Special District Election Ballot and Vote Certification Forms for Regular and Alternate Member, and Special District Summary of Nominations and Nominating Forms.)
- *23. DISCUSSION AND POSSIBLE ACTION RELATED TO REQUEST FOR CERTAIN WASTEWATER CONVEYANCE SERVICES FROM VALLEY CENTER MUNICIPAL WATER DISTRICT**
(This item is to consider a request from Valley Center MWD related to wastewater conveyance.)
- 24. AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS**

***25. 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
- D. Human Resource & Safety Comments**
 - 1. Human Resources Report
 - 2. Organizational Chart
- E. Finance Comments**
 - 1. Monthly Financial Statements
 - 2. Monthly Balance Sheets
 - 3. Treasurer Report
 - 4. Credit Card Breakdown
 - 5. Directors' Expense
 - 6. Check Register
 - 7. Water Sales Summary
 - 8. RMWD Sewer Equivalent Dwelling Units (EDU's) Status

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

27. ADJOURNMENT - To Tuesday, April 23, 2019 at 1:00 p.m.

ATTEST TO POSTING:



Carl Rindflesich
Secretary of the Board

3-15-19 @ 8:30 A.M.

Date and Time of Posting
Outside Display Cases

BOARD OF DIRECTORS

March 26, 2019

SUBJECT

PUBLIC HEARING TO CONSIDER ADOPTING ORDINANCE 19-04 AUTHORIZING INCREASES IN THE RATES FOR RAINBOW MUNICIPAL WATER DISTRICT SERVICE FEES EFFECTIVE APRIL 1, 2019

BACKGROUND

On January 22, 2019, the Rainbow MWD Board of Directors set a date for a public hearing to consider the adoption of an ordinance that will raise water and sewer rates in April 2019. The proposed increases in water rates are based on a lengthy and careful review of internal and external cost drivers that affect the District. The ratepayer-led Budget and Finance Committee spent several months reviewing possible options and recommended to the Board a package of rate changes that apportioned the increased costs as fairly and equitably as possible.

The District is a large rural district requiring over 325 miles of pipelines, 7 pump stations, 4 reservoirs, and 13 storage tanks to deliver water to its customers. As the District nears its 65th year of providing water to ratepayers, many of the original pipelines are nearing the end of their useful life and will need to be replaced. One of the more challenging aspects of managing water systems is balancing the need to keep the system well maintained while minimizing the impact to ratepayers. In finding this balance, issues that are often considered include rate stability, affordability for essential use, equity, and defensibility. The District is subject to these pressures due to many factors such as, uncertain and decreased water sales, upcoming pipeline replacement costs that will be spread over a relatively small customer base, and high fixed costs passed-through from the San Diego County Water Authority

There are two main drivers to the water rate increases. Since about 65% of total operating cost of the District is the cost of obtaining water from the San Diego County Water Authority, the cost of water supply is a significant component of our water rates. In addition to these costs, the District has embarked a comprehensive Condition Assessment Program. Our Engineering Services Committee, also comprised of ratepayers, has worked with RWMD staff and consultants to identify a way to deal with our rapidly aging infrastructure. As our newsletters have described over time, portions of our system are reaching a point where the break rate is increasing and need to be rehabilitated or replaced in order to ensure the level of service all of our customers expect.

A significant portion of the rate increase is to fund the capital improvement program to deal with pipeline rehabilitation and replacement. Funds for this program will be ramped up over a five-year span and then continue indefinitely. While this program will end up costing all ratepayers a bit more over time, it is essential to maintain the system in proper working order for day to day use. As we saw in December 2017, for those times where the water system is critical to protecting lives and property during wildfires.

There are no changes to the rates and charges for wastewater services proposed at this time.

A copy of Raftelis Financial Consultants' Final 2018 Water and Wastewater Financial Plan and Cost of Service Rates Report is attached as a reference document for the proposed rate increases. This report has been published on the District's website and available for the public's consumption since January 2018.

The preparation of the 2018 Water and Wastewater Financial Plan and Cost of Service Rates report was done in conjunction with the RMWD Budget and Finance Committee.

In addition, the Board of Directors held a publicly noticed Board Meeting on January 22, 2019 to review the proposed rate changes.

Notice of today's Public Hearing, the proposed rate changes and the protest provisions was mailed by first class mail to every property owner using the most recent list of addresses provided by the County of San Diego Assessor's office. In addition, notices were mailed to ratepayers who are not the property owners of the property where service is provided (i.e., tenants who pay for water service). These notices were mailed on or before February 10, 2019. A copy of the notification is included in this board packet.

The Board is prohibited from adopting any rate increase if a majority protest is submitted in writing before the end of today's Public Hearing. A majority protest is considered 50% plus 1 written protest by property owners of the identified parcels upon which the proposed rate increase is to be imposed, or any tenants directly liable for the payment of the parcel's charges. All written protests must be submitted to the Board before the close of today's Public Hearing.

There are approximately 8,000 parcels subject to the District's water rate increase. As of the date of this Board Action Letter, the District has received 19 written protests in response to the proposed increase in the rates. In percentage terms, these protests represent less than 0.3 percent of parcels subject to the rate increases. Copies of each of these protest letters are included with this board packet for the Board's reference.

DESCRIPTION

This agenda item is to conduct a Public Hearing to receive public comments on the proposed rate increases, to become effective April 1, 2019. This agenda item is also to adopt Ordinance 19-04 that would set the new rates starting April 1, 2019. These rates are based on a 2018 Cost of Service study that encompassed a five-year financial planning horizon with the resulting rates implemented on March 1, 2018

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Two: Asset Management
Strategic Focus Area Four: Fiscal Responsibility
Strategic Focus Area Six: Communication

BOARD OPTIONS/FISCAL IMPACTS

The Board could choose not to adopt the new rate structure and leave the current rates as they are now. This would result in the loss of revenue required to meet the budgetary needs of the District's operations.

ENVIRONMENTAL

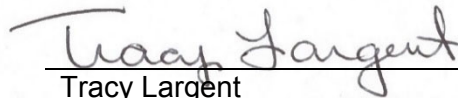
In accordance with CEQA guidelines Section 15378, the action before the Board does not constitute a "project" as defined by CEQA and further environmental review is not required at this time.

ATTACHMENTS

- Ordinance 19-04
- Exhibit 1 to Ordinance 19-04
- Public Hearing Notice
- Water Cost of Service and Rate Study

STAFF RECOMMENDATION

Staff recommends the adoption of Ordinance 19-04.



Tracy Largent
Finance Manager

03/26/2019

ORDINANCE NO. 19-04

**ORDINANCE OF THE RAINBOW MUNICIPAL WATER DISTRICT
REVISING APPENDIX A OF THE RULES AND REGULATIONS
REGARDING WATER AND WASTEWATER SERVICE CHARGES**

WHEREAS, the Rainbow Municipal Water District (“RMWD” or the “District”) Board of Directors is committed to providing reliable, high-quality water services at the most efficient costs for our ratepayers; and

WHEREAS, to meet this commitment, the District undertook an evaluation of the infrastructure needs, programs, and operations and maintenance costs of its water and wastewater services; and

WHEREAS, on or around August 2018, the District retained Raffelis Financial Consultants (“RFC”), an industry-leading third party rate and fee public finance consultant, to update the already developed financial plan and assist the district in updating rates that support and optimize a blend of various utility objectives, such as affordability for essential needs, revenue sufficiency and stability, drought conditions, and ease of implementation, as well as ensure compliance with California Constitution Article XIII D, section 6 (“Proposition 218”); and

WHEREAS, between August 2018 and January 2019, the District held a series of meetings with staff and the District Budget and Finance Committee to discuss the RFC study and details regarding the proposed water increases, which meetings were publicly noticed and open to the public; and

WHEREAS, the District Board of Directors reviewed and heard presentations on the proposed rate changes at a regular board meeting on January 26, 2019, and were presented with RFC’s updated Financial Plan, which remain available to the public on RMWD’s website; and

WHEREAS, at this point in time, based on the RFC’s recommendations and findings, together with all prior public meetings, staff reports and presentations, the Board of Directors of the RMWD hereby desires to adjust certain rates related to wastewater service for commercial with irrigation class only; and

WHEREAS, the Board of Directors is provided authority to establish rates and charges by California Water Code §71616 and §71670; and

WHEREAS, Proposition 218 requires that prior to imposing any increase to the water service rates, the District shall provide written notice (the “Notice”) by mail of: (1) the proposed increases to such rates and charges to the record owner of each parcel upon which the rates and charges are proposed for imposition and any tenant directly liable for payment of the rates and charges; (2) the amount of the rates and charges proposed to be imposed on each parcel; (3) the basis upon which the rates and charges were calculated; (4) the reason for the rates and charges; and (5) the date, time, and location of a public hearing (the “Public Hearing”) on the proposed rates and charges; and

WHEREAS, pursuant to Proposition 218, such Notice is required to be provided to the affected property owners and any tenant directly liable for the payment of the rates and charges not less than forty-five days prior to the Public Hearing on the proposed rates and charges; and

WHEREAS, the District did provide such timely Notice of the Public Hearing to the affected property owners and tenants of the proposed water service rate increases in compliance with Proposition 218 on or before February 10, 2019, and the District's Notice set forth a procedure by which property owners and tenants may submit written protests to the proposed water service fee increase; and

WHEREAS, the Public Hearing was held at the duly noticed public meeting on March 26, 2019; and

WHEREAS, at the Public Hearing the District Board of Directors heard and considered all oral testimony, written materials, and written protests concerning the establishment and imposition of the proposed rate increases for water services, and at the close of the Public Hearing the District did not receive written protests against the establishment and imposition of the proposed rate increases for water services from a majority of the affected property owners and tenants directly liable for the payment of the water service rates; and

WHEREAS, the water rates will be adjusted effective with all bills issued for service that occurs on or after April 1, 2019.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the Rainbow Municipal Water District as follows:

SECTION 1: The District Board of Directors finds and determines that the foregoing Recitals are true and correct and incorporates the Recitals herein.

SECTION 2: The District Board of Directors hereby finds that the administration, operation, maintenance, and improvements of the water system, which are to be funded by the water and wastewater service rates set forth herein, are necessary to maintain service within the District's existing service area. The District Board of Directors further finds that such water service rates are necessary and reasonable to fund the administration, operation, maintenance, and improvements of the water system. More specifically, the changes in rates and charges established by this Ordinance are for the purposes of (a) meeting operating expenses, including employee wages and benefits, (b) purchasing and leasing of supplies, equipment and materials, (c) meeting financial reserve needs and requirements as set forth in the District Budget, and (d) passing through wholesale water rates charged by the San Diego County Water Authority and the Metropolitan Water District of Southern California. Based on these findings, the District Board of Directors hereby determines that this Ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA).

SECTION 3: Based on RFC's recommendations and findings, together with all prior public meetings, staff reports, recommendations and presentations, as well as all oral testimony, written materials, and written protests concerning the establishment and imposition of the proposed rate increases for water services presented to the Board of Directors before the close of the duly noticed Public Hearing, the District Board of Directors hereby finds and determines that the proposed rates for water service comply substantively with Proposition 218 for the following reasons:

- a) The revenues derived from the service rates do not exceed the funds required to provide services;
- b) The revenues derived from the service rates will not be used for any purpose other than that for which the fee is being imposed;

- c) The service rates do not exceed the proportional cost of the services attributable to each parcel upon which they are imposed;
- d) The service rates will not be imposed on a parcel unless the services are actually used by, or immediately available to, the owner of the parcel; and
- e) The service rates will not be imposed for general governmental services, such as police, fire, ambulance, or libraries, where service is available to the public in substantially the same manner as it is to property owners and tenants.

SECTION 4: Effective April 1, 2019, the District Board of Directors hereby adopts and implements the rates for the District's water services as set forth in the "Revised Appendix A" attached hereto as **Exhibit 1**, entitled "Water and Sewer Rates and Charges – Effective April 1, 2019". Exhibit 1 hereby replaces in its entirety former Appendix A to the District Rules and Regulations. The rates and charges set forth in Exhibit 1 shall be applicable to all water use and other charges billed on or after April 1, 2019.

SECTION 5: Through this Ordinance, and as set forth in Exhibit 1, the District's Rules and Regulations are hereby being amended to include the following provisions:

PROSPECTIVE ANNUAL RATE INCREASES VIA PASS THROUGH CHARGES FOR WATER AND WASTEWATER

To avoid operational deficits, depletion of reserves, an inability to address infrastructure and water quality improvements, and to continue to provide a safe, reliable water supply, the District will pass through to its customers: (1) any increases in the rates of the SDCWA Fixed Charges imposed on the District by SDCWA (an "SDCWA Fixed Pass Through"); (2) any future charges and any rate increases to any other existing charges, including imported water charges, that are imposed on the District by SDCWA (a "SDCWA Pass Through"); and The foregoing are collectively referred to in this notice as "Pass Through Increases."

Any SDCWA Fixed Pass Through will only impact the rates of the SDCWA Fixed Charges. The District may annually implement the Pass Through Increases provided, however, that (1) any increase to the rates described above as a result of any SDCWA Pass Through, and (2) in no event shall such rates be increased by more than the cost of providing service.

SECTION 6: The District Board of Directors hereby authorizes and directs the District General Manager to (a) implement and take all actions necessary to effectuate the rates for services as set forth herein and in Exhibit 1; as of April 1, 2019, to include the Pass Through Increases set forth herein and in Exhibit 1; and (c) file a Notice of Exemption with the County Clerk for San Diego County within five (5) working days of the date of the adoption of this Ordinance.

SECTION 7: If any section, subsection, subdivision, sentence, clause, or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional or invalid, ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The District Board of Directors hereby declares that it would have adopted each section irrespective of the fact that any one or more subsections, subdivisions, sentences, clauses, or phrases be declared unconstitutional, invalid, or ineffective.

SECTION 8: This Ordinance shall supersede all other previous District Board of Directors resolutions and ordinances that may conflict with, or be contrary to, this Ordinance.

SECTION 9: This Ordinance amends Ordinance 18-04 dated February 27, 2018 as of April 1, 2019; the rates prescribed by Ordinance 18-04 shall remain in effect through March 31, 2019.

PASSED AND ADOPTED at a meeting of the Board of Directors of Rainbow Municipal Water District held on the 26th day of March 2019 by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Helene Brazier, President Board of Directors

ATTEST:

Dawn Washburn, Board Secretary

RAINBOW MUNICIPAL WATER DISTRICT

Appendix A

Water and Sewer Rates and Charges

EFFECTIVE April 1, 2019
 Adopted by Ordinance No. 19-04

WATER COMMODITY CHARGE

A. BASIC COMMODITY CHARGE

(Basic rate for all water delivered through the water meter)

1 Unit = 748 Gallons = 100 cubic feet (cf)

<u>Service Category</u>	<u>Water Rate</u>
Single Family Residential– first 10 units each month	\$3.73 / 100 cf
Single Family Residential – 11 -26 Units each month.	\$3.99 / 100 cf
Single Family Residential – Over 26 Units each month.	\$4.48 / 100 cf
Multi-Family Residential – all units	\$3.87 / 100 cf
Commercial – all units	\$4.03 / 100 cf
Agricultural w/ Residence– first 10 units each month	\$3.73 / 100 cf
Agricultural w/ Residence – 11 -26 Units each month.	\$3.99 / 100 cf
Agricultural w/ Residence – Over 26 Units each month.	\$3.63 / 100 cf
Agricultural w/o Residence – all units	\$3.63 / 100 cf
Institutional – all units	\$4.14 / 100 cf
Construction – all units	\$5.20 / 100 cf
Transitional Special Agricultural Water Rates (TSAWR)	
TSAWR Domestic - first 10 units each month	\$3.94 / 100 cf
TSAWR Domestic – 11 to 26 units each month	\$4.21 / 100 cf
TSAWR Domestic – Over 26 units each month	\$3.15 / 100 cf
TSAWR Commercial – all units	\$3.15 / 100 cf

B. PUMPING ZONE CHARGES

<u>Service Area</u>	<u>Amount</u>
Monthly fixed charge for all zones	\$9.24 per meter
1 - Rainbow Heights	\$1.03 / 100 cf
2 - Improvement District U-1	\$0.64 / 100 cf
3 - Vallecitos	\$0.36 / 100 cf
4 - Northside	\$0.13 / 100 cf
5 - Morro	\$0.19 / 100 cf
6 - Huntley	\$0.75 / 100 cf
7 - Magee	\$3.37 / 100 cf

C. WATER ALLOCATION PENALTY RATES

The Water Allocation Penalty charges shall apply only to TSAWR customers in the event that the San Diego County Water Authority (SDCWA) establishes mandatory TSAWR allocation cutbacks. During a TSAWR allocation, SDCWA will establish an allocation reduction percentage. Each TSAWR customer will be issued a baseline allocation that is calculated from a base year defined by SDCWA and this allocation will be reduced by the SDCWA defined reduction percentage.

A penalty of \$3.31 per unit will be charged to TSAWR customers who use greater than their reduced allocation but less than their baseline allocation. A penalty of \$6.62 per unit will be charged to TSAWR customers who use more than their baseline allocation.

FIXED ACCOUNT CHARGES

A. METER SERVICES CHARGES

RMWD Monthly Fixed O&M Charges for Single Family Residential, Multi-Family Residential, Commercial, and Institutional

<u>Meter Size</u>	<u>Monthly Charge</u>
5/8 "	\$ 35.14
3/4 "	\$ 35.14
1"	\$ 54.89
1 1/2"	\$ 104.22
2"	\$ 163.43
3"	\$ 350.91
4"	\$ 627.22
6"	\$1,288.35

NOTE: Locked or sealed meters are assessed a charge equal to the above monthly charge for the appropriate sized meter.

RMWD Monthly Fixed O&M Charges for Agricultural w/Residence, Agricultural w/o residence, TSAWR Domestic, and TSAWR Commercial

<u>Meter Size</u>	<u>Monthly Charge</u>
5/8 "	\$ 63.83
3/4 "	\$ 63.83
1"	\$ 102.66
1 1/2"	\$ 199.80
2"	\$ 316.37
3"	\$ 685.47
4"	\$ 1,229.43
6"	\$ 2,530.98

NOTE: Locked or sealed meters are assessed a charge equal to the above monthly charge for the appropriate sized meter.

SDCWA Fixed Pass Through Charges

Charge is assessed by the San Diego County Water Authority and passed through directly by RMWD to all meter customers. These charges are in addition to RMWD Monthly Fixed O&M Charges

Monthly SDCWA Fixed Pass Through Charge for Single Family Residential, Multi-Family Residential, Agricultural w/ residence, Agricultural w/o Residence, Commercial, and Institutional

<u>Meter Size</u>	<u>Monthly Charge</u>
5/8 "	\$ 30.42
3/4 "	\$ 30.42
1"	\$ 50.70
1 1/2"	\$ 101.40
2"	\$ 162.24
3"	\$ 354.90
4"	\$ 638.82
6"	\$ 1,318.20

Monthly SDCWA Fixed Pass Through Charge for TSAWR Domestic, and TSAWR Commercial

<u>Meter Size</u>	<u>Monthly Charge</u>
5/8 "	\$ 13.53
3/4 "	\$ 13.53
1"	\$ 22.55
1 1/2"	\$ 45.09
2"	\$ 72.15
3"	\$ 157.83
4"	\$ 284.10
6"	\$ 586.23

B. OTHER FIXED ACCOUNT CHARGES

(Additional charges added to the basic meter service charge to reflect other special service conditions.)

Backflow device annual inspection fee

<u>Meter Size</u>	<u>Monthly Charge</u>
5/8 "	\$ 4.81
3/4 "	\$ 4.81
1"	\$ 4.81
1 1/2"	\$ 4.81
2"	\$ 4.81
3"	\$ 8.14
4"	\$ 8.14
6"	\$ 8.14

<u>Service Conditions</u>	<u>Monthly Charge</u>
Bypass Meter (for detector check systems) or Fire Service Only Meters	\$10.00
Fire Standby Charge (Vista Valley Area) (Applicable to properties under the jurisdiction of the Vista Fire Department. See Resolution No. 85-24)	\$ 5.00
Fire Standby Charge (All Other Areas)	\$ 5.00

MISCELLANEOUS CHARGES

A. CONSTRUCTION METERS

Deposit	\$1,825.00
Installation Fee	\$ 115.00
Relocation Fee	\$ 50.00
Meter Service Fee (3" O & M)	\$ 243.68
Water Commodity Charge	\$5.20/100 cf

B. OTHER CHARGES

Unpaid Bills (delinquency)	5% of unpaid balance-1st mo. 1 1/2% of unpaid balance per month thereafter.
Returned Check Charge	\$30.00
Tax Roll Fee (Accounts collected through SD County Assessor's Office)	\$45.00
48-hour Lock Off Notice	\$40.00
Service Turn-on Fee	\$50.00
After hours Turn-on-Fee	\$75.00
Cut Padlock Fee	\$22.00
Meter Testing Charge	\$ 50.00 (1" or smaller)
(testing for 3" and greater is outsourced)	\$ 71.00 (1 1/2" or 2") \$225.00 (3" or 4") \$225.00 (6")

WATER CAPACITY CHARGES

The SDCWA charge is collected by RMWD forwarded quarterly to the SDCWA.

Capacity fees list are for **residential only**, all other land use types will be calculated case by case based on the number of EDUs (equivalent dwelling unit).

<u>Capacity Class</u>	<u>Reference Meter Size</u>	<u>Water Capacity Charge</u>	<u>SDWCA Fee</u>	<u>SDCWA Treatment Charge</u>
A	5/8"	\$ 6,241	\$ 5,099	\$ 141
B	3/4"	\$ 10,401	\$ 5,099	\$ 141
C	1"	\$ 16,642	\$ 8,158	\$ 226
D	1 1/2"	\$ 27,043	\$ 15,297	\$ 423
E	2"	\$ 62,406	\$ 26,515	\$ 723
F	3"	\$ 124,812	\$ 48,950	\$ 1,354
G	4"	\$ 208,020	\$ 83,624	\$ 2,312

Lot size less than 5,000 sqft (0.11 acre) with de minimis irrigation of less than 1,000 sqft may qualify for a 5/8 inch meter.

Lot size less than 21,7880 sqft (0.5 acres) may qualify for a 3/4 inch meter.

For cases where demand qualifies for a smaller capacity meter, but requires a larger meter to meet fire flow requirements only, a meter one size larger may be installed and a monthly fire standby charge will be assessed. Written confirmation from the fire department is required.

SEWER CHARGES

A.

MONTHLY SERVICE CHARGE PER EQUIVALENT DWELLING UNIT (EDU)

Single Family	\$55.07/monthly
Multi-Family	\$40.51/monthly
Sewer Only	\$54.40/monthly

VARIABLE CHARGE PER HCF OF WATER

Commercial	\$6.67/HCF
Commercial w/Irrigation	\$2.99/HCF

MONTHLY MINIMUM CHARGE

Commercial	\$40.51
------------	---------

B. EDU description and basis for Sewer Capacity Charges

Single Family Residential, Apartment, Condominium, Duplex or Mobile home, Each Unit

Square Footage

≤1,250	0.8 EDU
1,251 to 2,000	1.0 EDU
2,001 to 3,000	1.2 EDU
3,001 to 4,500	1.5 EDU
4,501 to 6,000	2.0 EDU
>6,000	Case by Case

Motel or Hotel

Each Living Unit with Kitchen	0.80 EDU
Each Living Unit without Kitchen	0.40 EDU

Commercial Business - Retail shop or Offices
Equipped with Restroom, Up to 1,000 sf.

1.20 EDU

Commercial Business – Each additional 1,000 sf.
of gross floor space or part thereof.

0.80 EDU

Automobile Service Stations

A. Providing RV holding tank disposal station	2.00 EDU
B. Four (4) or under Gas Pumps	0.80 EDU
C. Over four (4) Gas Pumps	1.00 EDU

Church, Fraternal Lodge or similar auditorium for
each unit of seating capacity for 200 persons.

1.0 EDU

Bakery

1.0 EDU

Theater - 200 seating capacity

1.40 EDU

Hospital - per bed

0.40 EDU

Convalescent Hospital - Boarding Home - per bed

0.40 EDU

Labor Camp, Per Bed

0.10 EDU

Mortuary

1.20 EDU

Car Wash

1.20 EDU

Grocery Store

1.20 EDU

Self Service Laundry - each washing machine

0.40 EDU

Swimming Pool - with restrooms

1.20 EDU

Spas - with restrooms

1.20 EDU

Country Clubs with common restroom facilities		1.20 EDU
Each additional shower unit, wash closet and/or fixture.		
Restaurant – Base (Using non-disposable tableware	2.70 EDU	
Per each seven (7) seats or part thereof	1.20 EDU	
Restaurants—Base (Using disposable tableware)	1.20 EDU	
Per each twenty-one (21) seats or part thereof	1.20 EDU	
Schools (Public or Private)		
Elementary	Per each 60 students	1.20 EDU
Junior High School	Per each 40 students	1.20 EDU
High School	Per each 30 students	1.20 EDU

D. Sewer Capacity Charge \$14,126 per EDU

PROSPECTIVE ANNUAL RATE INCREASES VIA PASS THROUGH CHARGES FOR WATER

To avoid operational deficits, depletion of reserves, an inability to address infrastructure and water quality improvements, and to continue to provide a safe, reliable water supply, the District will pass through to its customers: (1) any increases in the rates of the SDCWA Fixed Charges imposed on the District by SDCWA (an “SDCWA Fixed Pass Through”); (2) any future charges and any rate increases to any other existing charges, including imported water charges, that are imposed on the District by SDCWA (a “SDCWA Pass Through”); The foregoing are collectively referred to in this ordinance as “Pass Through Increases.”

Any SDCWA Fixed Pass Through will only impact the rates of the SDCWA Fixed Charges. The District may annually implement the Pass Through Increases commencing April 1, 2019.

END



«OWNNAME»
«Street_Address»
«City»,«State»«ZIP»

NOTICE OF PUBLIC HEARING CONCERNING PROPOSED WATER RATE INCREASES

MARCH 26, 2019 AT 1:00 pm

NOTICE IS HEREBY GIVEN THAT the Board of Directors of Rainbow Municipal Water District (the “District”) will conduct a public hearing on March 26, 2019, at 1:00 p.m. in the Boardroom of the District Headquarters at 3707 Old Highway 395, Fallbrook, CA 92028, to consider adopting increases in the rates for its water effective April 1, 2019 and an ordinance that would authorize the District to pass through increased costs in Purchased Wholesale Water, increases in the cost of energy necessary to move water, future increase needs to the District’s Cost of Operations and Maintenance and Capital Facilities, and any reduction in the allocation of ad valorem property tax revenues by the State of California (“Ad Valorem Pass Through”) pursuant to Proposition 1A.

REASONS FOR THE PROPOSED RATE INCREASES

The District’s Mission Statement is to provide our customers reliable, high quality water and water reclamation services in a fiscally sustainable manner. While the District continually strives for cost reductions and efficient utilization of the assets it holds, it also needs to keep pace with inflation and other increases in costs, including, among others, the cost to purchase water and to comply with regulations. The District purchases its water from the San Diego County Water Authority (“SDCWA”). SDCWA in turn purchases a substantial portion of its water supplies from the Metropolitan Water District of Southern California (“MWD”). MWD imports water from two sources: the Colorado River via the Colorado River Aqueduct and Northern California via the California Aqueduct. Every January, SDCWA increases the cost of wholesale water that it delivers to the District. In addition to increases in the costs of wholesale water, the District anticipates that there will be future increases in the costs of operating and maintaining the water system. Revenues collected from rates and charges are used to cover the cost of purchased water from SDCWA and costs to operate and maintain the water system and to provide ongoing repairs, replacements, and upgrades to the water system.

HOW THE WATER RATES ARE CALCULATED

The District’s rate structure for monthly water service fees is comprised of four components: (1) a SDCWA Fixed Charge (“SDCWA Fixed”), which is a fixed monthly charge established by SDCWA on the basis of the meter size of the parcel of property receiving water service; (2) a Rainbow Municipal Water District Operations and Maintenance Charge (“RMWD O&M Charge”), which also is a fixed monthly charge established on the basis of the meter size of the parcel of property receiving water service; (3) a pumping charge that consists of both a fixed monthly charge and variable charges based on the pump zone of the property; and (4) a Commodity Charge, which is determined on the basis of the amount of water served to a parcel of property in units of water (one unit of water is equivalent to approximately 748 gallons of water).

The SDCWA Fixed Charge is imposed by SDCWA on the District for the purpose of recovering certain SDCWA infrastructure costs. The IAC is a fixed charge that is established on the basis of the size of the customer’s meter and is imposed on the District by SDCWA and passed through to our customers.

The RMWD O&MC is calculated on the basis of recovering certain fixed costs of the District to operate, maintain, and deliver water to its customers. These costs include, among others, meter reading, billings and collections, customer service, water facilities repairs and maintenance, meter reading, and certain other costs imposed on the District by SDCWA.

The Commodity Charge is a variable charge and generally consists of tiers which impose different rates per unit of water as the level of consumption increases. The rates for the variable Commodity Charge are based on the number of units of water delivered to a property and the water customer classification. These rates are calculated on the basis of the cost of providing water and infrastructure, purchasing water from SDCWA, and managing the District’s water resources. The rates for all four components of the District’s water service fees are structured in such a way as to proportionately allocate the costs of providing water to each customer class and to manage the District’s water resources.

The current and proposed rate increases are described in the tables below. If approved, the proposed rate increases will be effective on and after April 1, 2019. In addition to the water service charges described to the right, the District also imposes a fixed monthly fire meter service fee on certain properties as a condition of extending or initiating water service by (1) the installation of a private fire suppression system, and (2) upon the request of the consumer or property owner for the delivery of water to the property for the purpose of fire service protection.

Proposed Water Fixed Rates

RMWD + SDCWA	Current	Proposed April 2019	Difference (\$)	Difference (%)
SFR, MFR, COM, INST				
5/8"	\$61.46	\$65.56	\$4.10	6.7%
3/4"	\$61.46	\$65.56	\$4.10	6.7%
1"	\$99.37	\$105.59	\$6.22	6.3%
1-1/2"	\$194.12	\$205.62	\$11.50	5.9%
2"	\$307.82	\$325.67	\$17.85	5.8%
3"	\$667.85	\$705.81	\$37.96	5.7%
4"	\$1,198.46	\$1,266.04	\$67.58	5.6%
6"	\$2,468.09	\$2,606.55	\$138.46	5.6%
AG				
5/8"	\$85.37	\$94.25	\$8.88	10.4%
3/4"	\$85.37	\$94.25	\$8.88	10.4%
1"	\$139.18	\$153.36	\$14.18	10.2%
1-1/2"	\$273.77	\$301.20	\$27.43	10.0%
2"	\$435.27	\$478.61	\$43.34	10.0%
3"	\$946.65	\$1,040.37	\$93.72	9.9%
4"	\$1,700.30	\$1,868.25	\$167.95	9.9%
6"	\$3,503.62	\$3,849.18	\$345.56	9.9%
TSAWR				
5/8"	\$68.01	\$77.36	\$9.35	13.7%
3/4"	\$68.01	\$77.36	\$9.35	13.7%
1"	\$110.25	\$125.21	\$14.96	13.6%
1-1/2"	\$215.89	\$244.89	\$29.00	13.4%
2"	\$342.67	\$388.52	\$45.85	13.4%
3"	\$744.10	\$843.30	\$99.20	13.3%
4"	\$1,335.70	\$1,513.53	\$177.83	13.3%
6"	\$2,751.27	\$3,117.21	\$365.94	13.3%

Proposed Water Variable Rates

RMWD + SDCWA	Current Variable	Proposed April 2019	Difference (\$)	Difference (%)
Single Family Residential				
Tier 1	\$3.64	\$3.73	\$0.10	2.6%
Tier 2	\$3.86	\$3.99	\$0.14	3.5%
Tier 3	\$4.27	\$4.48	\$0.22	5.0%
Multi-Family Residential				
	\$3.76	\$3.87	\$0.12	3.1%
Commercial				
	\$3.89	\$4.03	\$0.15	3.7%
Institutional				
	\$3.98	\$4.14	\$0.17	4.2%
Agriculture w/o Residence				
	\$3.56	\$3.63	\$0.08	2.1%
Agriculture w/ Residence				
Tier 1	\$3.64	\$3.73	\$0.10	2.6%
Tier 2	\$3.86	\$3.99	\$0.14	3.5%
Tier 3	\$3.56	\$3.63	\$0.08	2.1%
TSAWR - Domestic				
Tier 1	\$3.70	\$3.94	\$0.24	6.6%
Tier 2	\$3.92	\$4.21	\$0.29	7.5%
Tier 3	\$3.04	\$3.15	\$0.11	3.7%
TSAWR Commercial				
Construction	\$4.87	\$5.20	\$0.34	6.9%

Any property owner or any tenant directly responsible for the payment of water and or wastewater service fees may submit a written protest to the proposed water and wastewater rate increases and Pass Through Increases, provided, however, only one protest will be counted per identified parcel. To be used in determining whether there is a majority protest as set forth below, each protest must: (1) be in writing; (2) state whether the protest is submitted in opposition to the water rate increases, and/or Pass Through Increases; (3) provide the location of the identified parcel (by assessor's parcel number or service address); and (4) include the name and signature of the person submitting the written protest. Written protests may be submitted by mail to: Rainbow Municipal Water District at 3707 Old Highway 395, Fallbrook, CA 92028. Written protests may also be submitted in person at the District's office, or at the public hearing (see date, time and location above). All written protests must be received prior to the conclusion of the public input portion of the Public Hearing. Any protest submitted via e-mail or other electronic means will not be accepted as a formal written protest. Please identify on the front of the envelope for any protest, whether mailed or submitted in person, that the enclosed letter is for the Public Hearing on the Proposed Rate Increases and Pass Through Increases.

The Board of Directors will consider all written protests timely submitted and hear and consider all public comments made at the public hearing. Oral comments at the public hearing will not qualify as the written protests to be used in determining whether there is a majority protest. At the conclusion of the public hearing, the Board of Directors will determine whether to adopt the proposed water rate increases and Pass Through Increases described in this notice. If, after the close of the public hearing, written protests against the proposed rate increases and Pass Through Increases as outlined above are not presented by a majority of the owners of record and tenants directly responsible for the payment of water service fees for the identified parcels upon which the increases are proposed to be imposed, the Board of Directors will be authorized to impose the rate increases and Pass Through Increases.

If you have any questions regarding the information provided in this notice, or the rates applicable to your property, please contact Rainbow Municipal Water District at 760-728-1178.



Rainbow Municipal Water District

Potable Water Financial Plan and Rate Study

Final Report / February 8, 2018



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Arcadia, CA 91006

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www.raftelis.com

February 8, 2018

Mr. Tom Kennedy
General Manager
Rainbow Municipal Water District
3707 Old Highway 395
Fallbrook, CA 92028

Subject: Water Financial Plan and Rate Study Report

Dear Mr. Kennedy:

Raftelis Financial Consultants, Inc. (Raftelis) is pleased to provide this Water Financial Plan and Rate Study Report to the Rainbow Municipal Water District (District). This report develops a financial plan for the District's water enterprise for fiscal years 2018 to 2022 and provides resulting rate adjustment recommendations.

This report details the updates to the financial plan that include adjustments to the capital improvement plans, operating budgets, customer account growth, and water demand assumptions for the study period. This study also summarizes the key findings and recommendations related to the development of the financial plan.

It was a pleasure working with you and we wish to express our thanks to you, Vanessa Martinez, and other staff members for support during the study. If you have any questions, please call me at (626) 583-1894.

Sincerely,

RAFTELIS FINANCIAL CONSULTANTS, INC.

A blue ink signature of Sudhir D. Pardiwala.

Sudhir D. Pardiwala, PE
Executive Vice President

A blue ink signature of Andrea Boehling.

Andrea Boehling
Senior Consultant

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1 EXECUTIVE SUMMARY

1.1 BACKGROUND

Rainbow Municipal Water District (District) provides potable water services to approximately 7,800 connections located in the unincorporated communities of Rainbow, Bonsall, and portions of Vista, Oceanside, and Fallbrook. The District serves a large area requiring over 325 miles of pipelines, 7 pump stations, 4 reservoirs, and 13 storage tanks to deliver water to its customers. As the District nears its 65th year of providing water to ratepayers, many of the original pipelines are nearing end of their useful life and will need to be replaced. One of the more challenging aspects of managing water systems is balancing the need to keep the system well maintained while minimizing the impact to ratepayers. In finding this balance, issues that are often considered include rate stability, affordability for essential use, equity, and defensibility. The District is subject to these pressures due to many factors such as, uncertain and decreased water sales, the upcoming pipeline replacement costs that will be spread over a relatively small customer base, and high fixed costs passed-through from the San Diego County Water Authority.

Raftelis Financial Consultants, Inc. (Raftelis) conducted a comprehensive cost of service water rate study in 2015, which resulted in the approval of the proposed rates for Fiscal Year (FYE) 2016 by the Board of Directors (Board) and under Proposition 218 procedures. In subsequent years, District rates were increased by the annual inflationary adjustment in the San Diego Consumer Price Index, All Items, 1982-1984=100 for All Urban Consumers (CPI-U). In addition, any increases in purchased water costs from San Diego County Water Authority (SDCWA) and energy costs from San Diego Gas and Electric (SDG&E) were automatically passed through. Due to the recent and prolonged drought and major conservation efforts, the District realized significantly lower than projected water sales over the past two FYE's which resulted in lower than expected revenues. The loss in revenues resulted in depleting the District's reserves.

The recent drought and resultant reduced sales impacted the District significantly. In mid-2017, the District contracted with Raftelis to conduct a new financial plan and rate study. With the considerations discussed above, the objectives of the Study include:

- » Develop a financial plan and propose revenue adjustments for the water enterprise to ensure financial sufficiency, adequate reserves, and funding of capital expenditures to maintain the system
- » Develop fair and equitable water rates compliant with the requirements of California Constitution Article XIII D, Section 6 (commonly referred to as Proposition 218)

1.2 PROCESS

Even with the lower sales, water purchase costs represent over 2/3rd of the operating costs of the District. Because sales and purchases are very volatile and dependent on weather, Raftelis has completely separated out the costs and revenues associated with the water purchases and these costs will be passed through to customers. The resultant financial plan projects District expenses and the revenues needed to meet operating and capital expenditures, as well as proposed debt and reserves, and recommends revenue adjustments only for District costs during the five-year study period. Raftelis presented the financial plan forecasts to District staff and the Finance Committee and received their input and direction.

During the course of the study, many rate alternatives were examined; however, it was determined the District would retain the cost of service (COS) basis from the last rate study. The 2018 study encompasses a five-year financial planning horizon with the resulting rates implemented on March 1, 2018 and each January 1 thereafter beginning in 2019. Based on direction received from District staff and the Finance Committee, the results of the study were presented to the Board.

1.3 RESULTS AND RECOMMENDATIONS

Table 1-1 shows the recommended financial plan. Although Table 1-1 shows anticipated revenue adjustments applicable to the District’s rate revenues for each year of the study period, the District will review and confirm the needed revenue adjustments on a yearly basis. These increases do not include increases in water costs which have been analyzed separately.

Table 1-1: Financial Plan

	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
District Revenue Adjustments	20%	19%	17%	17%	16%
Pass-through of SDCWA costs	Yes ¹	Yes	Yes	Yes	Yes
Water Demand Factor	100%	100%	100%	100%	100%
Proposed Debt (Proceeds)	\$0	\$0	\$0	\$0	\$0
Rate funded Capital	\$2,015,285	\$2,558,961	\$2,312,232	\$3,747,019	\$4,253,433

Table 1-2 shows the recommended reserves and the minimum target for each reserve.

Table 1-2: Recommended Reserves and Targets

Reserve	Target	FYE 2018 Min. Target	FYE 2019 Min. Target	FYE 2020 Min. Target	FYE 2021 Min. Target	FYE 2022 Min. Target
Operating Reserve	60 days of District O&M	\$1,750,656	\$1,823,260	\$1,899,150	\$1,978,229	\$2,060,878
Water Capital Projects Reserve	1 yr avg CIP	\$3,824,089	\$4,377,911	\$4,777,008	\$5,664,420	\$6,491,152
Liability Self Insurance Reserve	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
New Water Sources Reserve	No min target					
Rate Stabilization Reserve	10% of District Rate Revenues	\$919,515	\$1,145,627	\$1,366,489	\$1,611,550	\$1,891,942

Factors Affecting Revenue Adjustments

The following items affect the District’s revenue requirement (i.e. costs) and thus its water rates. The District’s expenses include operation and maintenance (O&M) expenses, debt service, and capital expenses. Not included in the financial plan adjustments are the SDCWA costs as these were separated and reflected in the SDCWA fixed charges and SDCWA variable rates.

- » **O&M expenses:** Overall, the District’s O&M expenses are expected to increase by approximately 9% from FYE 2017 to FYE 2018. Raftelis recommends that future purchased water cost increases are passed through.

¹ SDCWA Rates for FYE 2018 have been incorporated into this study. Future incremental increases in rates will be passed-through to the District’s customers at the time of the increases.

- » **Water System Capital Investment:** The District is projecting approximately \$19 million in capital expenditures during the study period. These investments will be funded partially by reserves and partially by anticipated capacity fee revenue. The average rate funded capital is approximately \$3 million (including capitalized salaries and benefits) per year during the study period.
- » **Reserve Funding:** The District plans to use reserves during the first two years of the study period to cover the costs of capital expenses and help offset rate increases. In the subsequent years the revenue adjustments will help replenish the reserves so that they reach minimum target levels by the end of FYE 2022. Section 4.7 shows the total reserve balances for the selected financial plan for each year of the study period.
- » **Reduced Water Sales:** The District experienced reduced sales in recent years due to the drought and resulting conservation efforts of its customers. Lower sales have resulted in lower revenues and depletion of reserves.

Proposed Water Rates

The proposed rate structure consists of five components: 1) a District fixed monthly operations and maintenance (O&M) charge; 2) a SDCWA fixed pass-through; 3) District commodity or volumetric rates; 4) SDCWA commodity or volumetric rates; and 5) a pumping charge comprised of a fixed and variable component. The proposed District commodity rate structures consist of a 3-tier rate structure for single-family residential (SFR), transitional special agriculture water rate (TSAWR) domestic, and agriculture customers with a domestic residence on the property. A uniform District commodity rate structure is retained for all other classes. The SDCWA commodity rate is a uniform rate for all classes with the TSAWR discount being passed on to the TSAWR customers.

The proposed RMWD O&M charge and the proposed RMWD commodity rates for the study period maintain both the current cost of service approach and the rate structure described in Section 3.5. The proposed rates are determined by increasing the current rates by the revenue adjustments shown in the financial plan. The proposed 2018 SDCWA fixed charges and variable rates are determined based on the most recently adopted charges from SDCWA (as of January 1, 2018). SDCWA rates for the out years (2019 –2022) will be calculated each year once the rates from SDCWA are known. Finally, the proposed pumping rates maintain the current cost of service approach, but are adjusted for the projected expenditures. Any increase in energy above that projected in the financial plan will be automatically passed through to District customers.

The following tables (Table 1-3 through Table 1-7) summarize the proposed rates where the total projected rates include the RMWD charge plus the SDCWA charge (for 2018). Future increases from SDCWA will be automatically passed through and will be in addition to the rates shown below (2019 through 2022).

Table 1-3: Current and Proposed RMWD Monthly O&M Charges (\$/Meter)

RMWD Monthly O&M	Current	Proposed March 2018	Proposed January 2019	Proposed January 2020	Proposed January 2021	Proposed January 2022
Non-Agriculture Classes						
5/8"	\$24.40	\$29.28	\$34.85	\$40.78	\$47.72	\$55.36
3/4"	\$24.40	\$29.28	\$34.85	\$40.78	\$47.72	\$55.36
1"	\$38.11	\$45.74	\$54.44	\$63.70	\$74.53	\$86.46
1-1/2"	\$72.37	\$86.85	\$103.36	\$120.94	\$141.50	\$164.14
2"	\$113.49	\$136.19	\$162.07	\$189.63	\$221.87	\$257.37
3"	\$243.68	\$292.42	\$347.98	\$407.14	\$476.36	\$552.58
4"	\$435.56	\$522.68	\$621.99	\$727.73	\$851.45	\$987.69
6"	\$894.68	\$1,073.62	\$1,277.61	\$1,494.81	\$1,748.93	\$2,028.76
Agriculture Classes						
5/8"	\$44.32	\$53.19	\$63.30	\$74.07	\$86.67	\$100.54
3/4"	\$44.32	\$53.19	\$63.30	\$74.07	\$86.67	\$100.54
1"	\$71.29	\$85.55	\$101.81	\$119.12	\$139.38	\$161.69
1-1/2"	\$138.75	\$166.50	\$198.14	\$231.83	\$271.25	\$314.65
2"	\$219.70	\$263.64	\$313.74	\$367.08	\$429.49	\$498.21
3"	\$476.01	\$571.22	\$679.76	\$795.32	\$930.53	\$1,079.42
4"	\$853.76	\$1,024.52	\$1,219.18	\$1,426.45	\$1,668.95	\$1,935.99
6"	\$1,757.62	\$2,109.15	\$2,509.89	\$2,936.58	\$3,435.80	\$3,985.53

Table 1-4: Current and Proposed SDCWA Monthly Fixed Charges (\$/Meter)

SDCWA Monthly Fixed	Current	Proposed March 2018 ²	Proposed January 2019	Proposed January 2020	Proposed January 2021	Proposed January 2022
All Customers except TSAWR						
5/8"	\$36.74	\$32.18	TBD	TBD	TBD	TBD
3/4"	\$36.74	\$32.18	TBD	TBD	TBD	TBD
1"	\$61.24	\$53.63	TBD	TBD	TBD	TBD
1-1/2"	\$122.48	\$107.27	TBD	TBD	TBD	TBD
2"	\$195.96	\$171.63	TBD	TBD	TBD	TBD
3"	\$428.68	\$375.43	TBD	TBD	TBD	TBD
4"	\$771.63	\$675.78	TBD	TBD	TBD	TBD
6"	\$1,592.26	\$1,394.47	TBD	TBD	TBD	TBD
TSAWR Customers						
5/8"	\$17.05	\$14.82	TBD	TBD	TBD	TBD
3/4"	\$17.05	\$14.82	TBD	TBD	TBD	TBD
1"	\$28.42	\$24.70	TBD	TBD	TBD	TBD
1-1/2"	\$56.84	\$49.39	TBD	TBD	TBD	TBD
2"	\$90.94	\$79.03	TBD	TBD	TBD	TBD
3"	\$198.93	\$172.88	TBD	TBD	TBD	TBD
4"	\$358.08	\$311.18	TBD	TBD	TBD	TBD
6"	\$738.90	\$642.12	TBD	TBD	TBD	TBD

² Decreases in SDCWA fixed meter charges are due mainly to the increased number of equivalent units when compared to the prior study. Locked meters are now being accounted for within the equivalent units (i.e. costs are being spread over more units).

Table 1-5: Current and Proposed RMWD Commodity Rates (\$/HCF)

RMWD Commodity Rates	Current	Proposed March 2018	Proposed January 2019	Proposed January 2020	Proposed January 2021	Proposed January 2022
Single Family Residential						
Tier 1	\$0.43	\$0.52	\$0.62	\$0.73	\$0.86	\$1.00
Tier 2	\$0.61	\$0.74	\$0.89	\$1.05	\$1.23	\$1.43
Tier 3	\$0.95	\$1.15	\$1.37	\$1.61	\$1.89	\$2.20
Multi-Family Residential	\$0.53	\$0.64	\$0.77	\$0.91	\$1.07	\$1.25
Commercial	\$0.64	\$0.77	\$0.92	\$1.08	\$1.27	\$1.48
Institutional	\$0.71	\$0.86	\$1.03	\$1.21	\$1.42	\$1.65
Agriculture w/o Residence	\$0.36	\$0.44	\$0.53	\$0.63	\$0.74	\$0.86
Agriculture w/ Residence						
Tier 1	\$0.43	\$0.52	\$0.62	\$0.73	\$0.86	\$1.00
Tier 2	\$0.61	\$0.74	\$0.89	\$1.05	\$1.23	\$1.43
Tier 3	\$0.36	\$0.44	\$0.53	\$0.63	\$0.74	\$0.86
TSAWR - Domestic						
Tier 1	\$0.86	\$1.04	\$1.24	\$1.46	\$1.71	\$1.99
Tier 2	\$1.04	\$1.26	\$1.50	\$1.76	\$2.06	\$2.39
Tier 3	\$0.31	\$0.38	\$0.46	\$0.54	\$0.64	\$0.75
TSAWR Commercial	\$0.31	\$0.38	\$0.46	\$0.54	\$0.64	\$0.75
Construction	\$1.45	\$1.75	\$2.09	\$2.45	\$2.87	\$3.33

Table 1-6: Current and Proposed SDCWA Variable Rates (\$/HCF)

SDCWA Variable Rates	Current	Proposed March 2018	Proposed January 2019	Proposed January 2020	Proposed January 2021	Proposed January 2022
Single Family Residential						
Tier 1	\$2.99	\$3.12	TBD	TBD	TBD	TBD
Tier 2	\$2.99	\$3.12	TBD	TBD	TBD	TBD
Tier 3	\$2.99	\$3.12	TBD	TBD	TBD	TBD
Multi-Family Residential	\$2.99	\$3.12	TBD	TBD	TBD	TBD
Commercial	\$2.99	\$3.12	TBD	TBD	TBD	TBD
Institutional	\$2.99	\$3.12	TBD	TBD	TBD	TBD
Agriculture w/o Residence	\$2.99	\$3.12	TBD	TBD	TBD	TBD
Agriculture w/ Residence						
Tier 1	\$2.99	\$3.12	TBD	TBD	TBD	TBD
Tier 2	\$2.99	\$3.12	TBD	TBD	TBD	TBD
Tier 3	\$2.99	\$3.12	TBD	TBD	TBD	TBD
TSAWR - Domestic						
Tier 1	\$2.56	\$2.66	TBD	TBD	TBD	TBD
Tier 2	\$2.56	\$2.66	TBD	TBD	TBD	TBD
Tier 3	\$2.56	\$2.66	TBD	TBD	TBD	TBD
TSAWR Commercial	\$2.56	\$2.66	TBD	TBD	TBD	TBD
Construction	\$2.99	\$3.12	TBD	TBD	TBD	TBD

Table 1-7: Current and Proposed Pumping Rates (\$/HCF)

	Current	Proposed March 2018	Proposed January 2019	Proposed January 2020	Proposed January 2021	Proposed January 2022
Fixed Pumping Charge	\$9.51	\$9.24	\$9.44	\$9.65	\$9.90	\$10.16
Variable Pumping Rate						
Pumping Zone 1	\$0.80	\$1.03	\$1.08	\$1.13	\$1.18	\$1.24
Pumping Zone 2	\$0.50	\$0.64	\$0.67	\$0.71	\$0.74	\$0.78
Pumping Zone 3	\$0.28	\$0.36	\$0.38	\$0.40	\$0.41	\$0.43
Pumping Zone 4	\$0.10	\$0.13	\$0.13	\$0.14	\$0.15	\$0.16
Pumping Zone 5	\$0.15	\$0.19	\$0.20	\$0.21	\$0.22	\$0.23
Pumping Zone 6	\$0.58	\$0.75	\$0.78	\$0.82	\$0.86	\$0.90
Pumping Zone 7	\$2.62	\$3.37	\$3.53	\$3.70	\$3.88	\$4.06

2 INTRODUCTION

2.1 STUDY BACKGROUND

Rainbow Municipal Water District (District) provides potable water services to approximately 7,800 connections located in the unincorporated communities of Rainbow, Bonsall, and portions of Vista, Oceanside, and Fallbrook. The District is a large rural district requiring over 325 miles of pipelines, 7 pump stations, 4 reservoirs, and 13 storage tanks to deliver water to its customers. As the District nears its 65th year of providing water to ratepayers, many of the original pipelines are nearing the end of their useful life and will need to be replaced. One of the more challenging aspects of managing water systems is balancing the need to keep the system well maintained while minimizing the impact to ratepayers. In finding this balance, issues that are often considered include rate stability, affordability for essential use, equity, and defensibility. The District is subject to these pressures due to many factors such as, uncertain and decreased water sales, upcoming pipeline replacement costs that will be spread over a relatively small customer base, and high fixed costs passed-through from the San Diego County Water Authority.

The District serves residential, commercial and agricultural users. While agricultural customers, some of which have residences, represent about 30% of the total accounts, they use about 71% of the total water in the District. Some of these users have significantly reduced their usage because of the drought. Any permanent reductions in usage by customers impacts the District's rate revenues and adversely impacts all customers. The District therefore faces significant challenges to balance the need for rate increases and financial stability without impacting the usage from agricultural customers. Additionally, the usage reductions due to the drought have drained District reserves which will need to be replenished for prudent operations and risk management.

In view of this background the District engaged Raftelis to develop a financial plan and rates. The objectives of the Study include:

- » Develop a financial plan and propose revenue adjustments for the water enterprise to ensure financial sufficiency, adequate reserves, and funding of capital expenditures to maintain the system
- » Develop fair and equitable water rates compliant with the requirements of California Constitution Article XIII D, Section 6 (commonly referred to as Proposition 218)

2.2 LEGAL FRAMEWORK

California Constitution - Article XIII D, Section 6 (Proposition 218)

Proposition 218, reflected in the California Constitution as Article XIII D, was enacted in 1996 to ensure that rates and fees are reasonable and proportional to the cost of providing service. The principal requirements for fairness of the fees, as they relate to public water service are as follows:

1. A property-related charge (such as water rates) imposed by a public agency on a parcel shall not exceed the costs required to provide the property related service.
2. Revenues derived by the charge shall not be used for any other purpose other than that for which the charge was imposed.
3. The amount of the charge imposed upon any parcel shall not exceed the proportional cost of service attributable to the parcel.

4. No charge may be imposed for a service unless that service is actually used or immediately available to the owner of the property.
5. No fee or charge may be imposed for general governmental services including, but not limited to, police, fire, ambulance or library services, where the service is available to the public at large in substantially the same manner as it is to property owners.
6. A written notice of the proposed charge shall be mailed to the record owner of each parcel at least 45 days prior to the public hearing, when the agency considers all written protests against the charge.

As stated in AWWA's *M1 Manual*, "water rates and charges should be recovered from classes of customers in proportion to the cost of serving those customers." Prop 218 requires that water rates cannot be "arbitrary and capricious," meaning that the rate-setting methodology must be sound and that there must be a nexus between costs and the rates charged. Raftelis followed industry standard rate setting methodologies set forth by the AWWA *M1 Manual* to ensure this study meets Proposition 218 requirements and creates rates that do not exceed the proportionate cost of providing water services.

In addition, the San Juan Capistrano decision (*Capistrano Taxpayers Assn v. City of San Juan Capistrano*, Cal.App.4 (Apr 20, 2015, 4th DCA Case No. G048969) clarifies Proposition 218 requirements so that tiered rates (as well as rates for the remaining classes) need to be based on the proportionate costs incurred to provide water to each customer class and each tier in order to achieve compliance with Proposition 218.

Tiered Rates – "Inclining" block rate structures (which are synonymous with "increasing" block rate structures and tiered rates) when properly designed and differentiated by customer class, allow a water utility to send consistent conservation price incentives to customers. Due to heightened interest in water conservation, tiered rates have gained widespread use, especially in relatively water-scarce regions, such as Southern California. Tiered rates meet the requirements of Proposition 218 as long as the tiered rates reasonably reflect the proportionate cost of providing service to users in each tier.

3 WATER SYSTEM

This section briefly describes the District’s water system as well as customer account and baseline water use data. Finally, it describes the current rates and rate structure.

3.1 WATER SOURCES AND SYSTEM FACILITIES

As mentioned earlier, the District serves the unincorporated communities of Rainbow, Bonsall, and portions of Vista, Oceanside, and Fallbrook covering approximately 51,200 acres. While the service area is rather large, the District has a relatively small customer base consisting primarily of agricultural customers and domestic residential customers. Agricultural customers, some of whom have residential use, account for over 70% of the District’s total water usage.

The District is a water retailer and currently relies entirely on water purchased from the SDCWA and Metropolitan Water District of Southern California (MWD). Wholesale water costs have more than doubled over the last ten years which has led to the District actively working to reduce dependence on imported water by developing local water supplies. Designs for a brackish desalination plant are in the works which could help the District take advantage of water rights in the Pala and Bonsall groundwater basins. In addition, part of the District’s long-term planning strategy is to beneficially reuse water collected in the wastewater system either as non-potable recycled water or as part of another reuse project. These two new sources of water could help the District deliver a significant amount of their water supply from reliable, lower cost local sources.

3.2 NUMBER OF ACCOUNTS

The District currently serves approximately 7,800 potable water accounts with meter sizes ranging between 5/8” and 6”. Table 3-1 shows the estimated number of potable water accounts by meter size for FYE 2018. Raftelis estimated the number of accounts by tabulating FYE 2017 (actual) account data provided by the District and escalating the number of accounts using growth factors provided by the District.

Table 3-1: Estimated Water Accounts by Meter Size (Projected - FYE 2018)

Meter Size	SFR	MFR	Commercial	Institutional	Ag w/o Res	Ag w/ Res	TSAWR Domestic	TSAWR Commercial	Total
5/8"	214	-	1	-	1	2	1	1	220
3/4"	2,300	4	32	3	35	91	92	13	2,570
1"	2,353	39	88	2	191	381	586	97	3,737
1-1/2"	165	7	36	4	73	55	204	96	640
2"	97	32	47	5	80	31	134	106	532
3"	8	1	7	1	10	1	6	12	46
4"	-	3	4	-	4	-	1	3	15
6"	-	-	-	-	1	-	-	-	1
Total	5,137	86	215	15	395	561	1,024	328	7,761

In addition, 1,328 of the 7,761 accounts are located in zones requiring booster pumping.

3.3 ACCOUNT AND WATER USE GROWTH ASSUMPTIONS

The revenue calculated for each of the fiscal years in the financial plan is a function of the number of accounts, account growth, water use, and existing rates. The District has realized relatively low

account growth over the past few years; however, significant residential account growth is anticipated over the next 5 – 10 years. Due to the timing and uncertainty of anticipated development projects, District staff provided the growth assumptions shown in Table 3-2 for use in the financial plan. Like most water purveyors, the District has realized reduced water sales in recent years due to conservation. Conservation is expected to continue as customer’s water usage patterns and behaviors have been altered. As shown in Table 3-2, the study does not show a rebound in water demand. The FYE 2017 water sales were used as the baseline with any increases due to account growth.

Table 3-2: Account Growth and Water Use Assumptions

	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Growth Factors					
Residential	0%	3%	3%	2%	2%
Non-Residential	0%	0%	0%	0%	0%
TSAWR	0%	0%	0%	0%	0%
Average	0%	1%	1%	1%	1%
Water Demand (%)	100%	100%	100%	100%	100%
Water Sales (AF³)	15,451 AF	15,562 AF	15,676 AF	15,755 AF	15,835 AF

Table 3-3 shows the projected residential (single family and multi-family) accounts for each year of the Study period.

Table 3-3: Projected Residential Water Accounts FYE 2018-2022

	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
SFR					
5/8"	214	220	227	232	237
3/4"	2,300	2,369	2,440	2,489	2,539
1"	2,353	2,424	2,497	2,547	2,598
1-1/2"	165	170	175	179	183
2"	97	100	103	105	107
3"	8	8	8	8	8
4"	-	-	-	-	-
6"	-	-	-	-	-
Total	5,137	5,291	5,450	5,560	5,672
MFR					
5/8"	-	-	-	-	-
3/4"	4	4	4	4	4
1"	39	40	41	42	43
1-1/2"	7	7	7	7	7
2"	32	33	34	35	36
3"	1	1	1	1	1
4"	3	3	3	3	3
6"	-	-	-	-	-
Total	86	88	90	92	94

³ AF = Acre feet

The number of accounts within a pumping zone, and the usage were increased by 1% each year beginning in FYE 2019.

3.4 WATER USE

Table 3-4 shows the projected water use by customer class and tier for each year of the Study period. Usage is measured in hundred cubic feet (HCF).

Table 3-4: FYE 2018-2022 Projected Water Use (HCF)

	Tier Description	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Single Family Residential						
Tier 1	0 - 10 HCF	459,791	473,585	487,792	497,548	507,499
Tier 2	11 - 26 HCF	382,613	394,091	405,914	414,032	422,313
Tier 3	27 + HCF	655,333	674,993	695,243	709,148	723,331
Multi-Family Residential						
	Uniform	116,156	119,641	123,230	125,694	128,208
Commercial						
	Uniform	276,704	276,704	276,704	276,704	276,704
Institutional						
	Uniform	27,199	27,199	27,199	27,199	27,199
Agriculture w/o Residence						
	Uniform	1,170,048	1,170,048	1,170,048	1,170,048	1,170,048
Agriculture w/ Residence						
Tier 1	0 - 10 HCF	50,661	50,661	50,661	50,661	50,661
Tier 2	11 - 26 HCF	55,442	55,442	55,442	55,442	55,442
Tier 3	27 + HCF	167,948	167,948	167,948	167,948	167,948
TSAWR - Domestic						
Tier 1	0 - 10 HCF	108,897	108,897	108,897	108,897	108,897
Tier 2	11 - 26 HCF	142,524	142,524	142,524	142,524	142,524
Tier 3	27 + HCF	1,724,811	1,724,811	1,724,811	1,724,811	1,724,811
TSAWR Commercial						
	Uniform	1,356,805	1,356,805	1,356,805	1,356,805	1,356,805
Construction						
	Uniform	35,345	35,345	35,345	35,345	35,345
Total Usage - HCF		6,730,278	6,778,694	6,828,564	6,862,807	6,897,736
Total Usage - AF		15,451 AF	15,562 AF	15,676 AF	15,755 AF	15,835 AF

Table 3-5 shows the projected water use by pumping zone for each year of the study period.

Table 3-5: FYE 2018-2022 Projected Pumping Usage (HCF)

Pumping Zone	Zone Description	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Pumping Zone 1	Rainbow Heights	183,772	185,610	187,466	188,716	189,974
Pumping Zone 2	Improvement District U-1	45,286	45,739	46,196	46,504	46,814
Pumping Zone 3	Vallecitos	77,442	78,216	78,999	79,525	80,055
Pumping Zone 4	Northside	418,452	422,637	426,863	429,709	432,573
Pumping Zone 5	Morro Tank	151,222	152,734	154,262	155,290	156,325
Pumping Zone 6	Huntley	183,349	185,182	187,034	188,281	189,536
Pumping Zone 7	Magee Tank	14,445	14,589	14,735	14,834	14,932
Total Usage - HCF		1,073,968	1,084,708	1,095,555	1,102,858	1,110,211
Total Usage - AF		2,465 AF	2,490 AF	2,515 AF	2,532 AF	2,549 AF

3.5 CURRENT RATES

The current rate structure consists of both fixed monthly charges based on meter size and variable commodity charges based on units of water. Additionally, the rates include a pumping charge to account for pumping, electricity, and maintenance costs that are associated with delivering potable water to 7 unique elevation zones. The District's rates include a pass-through component to account

for increases in the price of water purchased from SDCWA; therefore, for the purposes of this financial plan study, the revenues generated from the District’s rates and charges are determined separately. The District’s revenue is then evaluated for the ability to meet the enterprise’s projected revenue requirements excluding purchased water costs.

District Fixed Monthly Operations and Maintenance Charge

The District charges customers a monthly operations and maintenance (O&M) charge based on the customer’s meter size. During the prior cost of service study, a greater portion of the agriculture customers revenue requirements were spread over the fixed charge; therefore, these customers pay a higher fixed charge and a lower variable charge than the non-agriculture customer classes. The most recently approved charges are for FYE 2017 and are listed in Table 3-6.

Table 3-6: FYE 2017 Monthly District O&M Charges

Meter Size	Non-Agriculture Classes	Agriculture Classes
5/8"	\$24.40	\$44.32
3/4"	\$24.40	\$44.32
1"	\$38.11	\$71.29
1-1/2"	\$72.37	\$138.75
2"	\$113.49	\$219.70
3"	\$243.68	\$476.01
4"	\$435.56	\$853.76
6"	\$894.68	\$1,757.62

SDCWA Fixed Monthly Pass-Through Charge

The District automatically passes through increased purchased water costs from SDCWA. The monthly fixed charges (MWD Readiness-to-Serve, Infrastructure Access, Customer Service, MWD Capacity Reservation, Supply Reliability, and Emergency Storage) from SDCWA are passed-through to District customers in the form of a fixed monthly charge that varies by meter size. Transitional Special Agriculture Water Rate (TSAWR) customers receive water at a discounted rate because they have agreed to reduce usage during water shortages. Since they are required to reduce usage, they do not receive the benefit of emergency storage or the guarantee of supply reliability and, therefore, do not pay the Emergency Storage or the Supply Reliability Charges. Table 3-7 shows the most recently approved charges for FYE 2017.

Table 3-7: FYE 2017 Monthly SDCWA Charges

Meter Size	All Except TSAWR	TSAWR
5/8"	\$36.74	\$17.05
3/4"	\$36.74	\$17.05
1"	\$61.24	\$28.42
1-1/2"	\$122.48	\$56.84
2"	\$195.96	\$90.94
3"	\$428.68	\$198.93
4"	\$771.63	\$358.08
6"	\$1,592.26	\$738.90

Commodity (Volumetric) Rates

During the prior cost of service study, several cost components were added together to arrive at the final proposed commodity rate. For the purposes of this study, the commodity rates were separated into the portion related to the District’s requirements and the portion related to purchasing water from SDCWA. Table 3-8 shows the most recently adopted FYE 2017 commodity rates broken into District and SDCWA rates. The table also shows the tier breakpoints into which customer’s total usage is distributed.

Table 3-8: FYE 2017 Commodity Rates

	Tier Description	FYE 2017 District Rates	FYE 2017 SDCWA Rates	FYE 2017 Adopted Rates
Single Family Residential				
Tier 1	0 - 10 HCF	\$0.43	\$2.99	\$3.42
Tier 2	11 - 26 HCF	\$0.61	\$2.99	\$3.60
Tier 3	27 + HCF	\$0.95	\$2.99	\$3.94
Multi-Family Residential				
	Uniform	\$0.53	\$2.99	\$3.52
Commercial				
	Uniform	\$0.64	\$2.99	\$3.63
Institutional				
	Uniform	\$0.71	\$2.99	\$3.70
Agriculture w/o Residence				
	Uniform	\$0.36	\$2.99	\$3.35
Agriculture w/ Residence				
Tier 1	0 - 10 HCF	\$0.43	\$2.99	\$3.42
Tier 2	11 - 26 HCF	\$0.61	\$2.99	\$3.60
Tier 3	27 + HCF	\$0.36	\$2.99	\$3.35
TSAWR - Domestic				
Tier 1	0 - 10 HCF	\$0.86	\$2.56	\$3.42
Tier 2	11 - 26 HCF	\$1.04	\$2.56	\$3.60
Tier 3	27 + HCF	\$0.31	\$2.56	\$2.87
TSAWR Commercial				
	Uniform	\$0.31	\$2.56	\$2.87
Construction				
	Uniform	\$1.45	\$2.99	\$4.44

Pumping Charges

Pumping charges are comprised of a fixed monthly charge and a variable rate by pumping zone. These charges apply to customers who live in higher elevations and require additional energy and facilities to receive water service. The FYE 2017 pumping charges are summarized in Table 3-9.

Table 3-9: FYE 2017 Pumping Rates

	Description	Pumping Charge
Fixed Pumping Charge (\$/Month)	All Zones	\$9.51
Pumping Rate per HCF		
Zone 1	Rainbow Heights	\$0.80
Zone 2	Improvement District U-1	\$0.50
Zone 3	Vallecitos	\$0.28
Zone 4	Northside	\$0.10
Zone 5	Morro Tank	\$0.15
Zone 6	Huntley	\$0.58
Zone 7	Magee Tank	\$2.62

4 FINANCIAL PLAN

This section describes the assumptions used in projecting annual operating revenues, operations and maintenance expenses, capital expenses, as well as reserve coverage requirements that determine the overall revenue adjustments required to ensure the financial stability of the District. This financial plan excludes purchased water costs and the associated revenues since the District automatically passes through any increases from SDCWA. Additional information regarding purchased water costs can be found in Section 5.2.

4.1 REVENUES

4.1.1 REVENUES FROM CURRENT RATES

Table 4-1 projects the District revenues using the meter counts and water usage assumptions from the prior chapter at the current or existing rates. Revenues do not include the projected revenues from SDCWA rates or the pumping revenues. Projected revenues by customer class can be found in Appendix A.

Table 4-1: Projected District Revenues from Current Rates

	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
RMWD O&M Charge	\$5,505,629	\$5,570,305	\$5,636,775	\$5,683,469	\$5,730,913
RMWD Commodity	\$3,114,826	\$3,148,316	\$3,182,810	\$3,206,496	\$3,230,656
Revenue from Current Rates	\$8,620,455	\$8,718,621	\$8,819,585	\$8,889,965	\$8,961,569

4.1.2 PUMPING REVENUES

Table 4-2 shows the projected pumping revenues using the accounts and consumption projections from the prior chapter.

Table 4-2: Projected Pumping Revenues from Current Rates

	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Fixed Pumping	\$151,551	\$153,149	\$154,747	\$155,660	\$156,573
Variable Pumping					
Zone 1	\$147,018	\$148,488	\$149,973	\$150,972	\$151,979
Zone 2	\$22,643	\$22,869	\$23,098	\$23,252	\$23,407
Zone 3	\$21,684	\$21,901	\$22,120	\$22,267	\$22,416
Zone 4	\$41,845	\$42,264	\$42,686	\$42,971	\$43,257
Zone 5	\$22,683	\$22,910	\$23,139	\$23,293	\$23,449
Zone 6	\$106,342	\$107,406	\$108,480	\$109,203	\$109,931
Zone 7	\$37,846	\$38,224	\$38,607	\$38,864	\$39,123
Subtotal Variable	\$400,061	\$404,062	\$408,102	\$410,823	\$413,562
Total Pumping	\$551,613	\$557,211	\$562,849	\$566,483	\$570,135

4.1.3 OTHER OPERATING REVENUES

Other operating revenues were based on the budgeted FYE 2018 revenues and were held constant for the study period. Table 4-3 shows the projected Other Revenues.

Table 4-3: Projected Other Operating Revenues

Other Operating Revenues	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Turn On/Off Fees	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
R.P. Charges	\$287,201	\$287,201	\$287,201	\$287,201	\$287,201
Inspections	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Plans and Specs	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Install Fees, Hyd	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
Miscellaneous	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
New Meter Sales/Install Parts	\$55,000	\$55,000	\$55,000	\$55,000	\$55,000
Notice Delivery Revenue	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Interest Revenues - Water Fund	\$0	\$27,297	\$12,953	\$12,953	\$12,953
Total Other Operating Revenues	\$499,701	\$526,998	\$512,655	\$512,655	\$512,655

4.1.4 OTHER NON-OPERATING REVENUES

Non-operating revenues were based on the budgeted FYE 2018 revenues and were held constant for the study period. Table 4-4 shows the projected Non-Operating Revenues.

Table 4-4: Projected Non-Operating Revenues

Non-Operating Revenues	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
NSF Check Fees	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Miscellaneous	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Property Tax Rev. - Ad Valorem	\$315,000	\$315,000	\$315,000	\$315,000	\$315,000
Property Tax - Parcel Charge RTS	\$290,000	\$290,000	\$290,000	\$290,000	\$290,000
Total Non-Operating Revenues	\$656,500	\$656,500	\$656,500	\$656,500	\$656,500

4.2 OPERATING AND MAINTENANCE EXPENSES

4.2.1 INFLATIONARY ASSUMPTIONS

To ensure that future costs are reasonably projected, informed assumptions were made about inflationary factors. Table 4-5 shows the inflationary assumptions incorporated in the five-year financial plan.

Table 4-5: Inflationary Assumptions

Inflationary Factor	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
General	budget ⁴	3.0%	3.0%	3.0%	3.0%
Salaries	budget	5%	5%	5%	5%
Benefits	budget	3.0%	3.0%	3.0%	3.0%
Capital	budget	2.0%	2.0%	2.0%	2.0%
Energy	budget	5.0%	5.0%	5.0%	5.0%
Interest on Reserves	1.0%	1.5%	1.5%	1.5%	1.5%

4.2.2 DISTRICT OPERATIONS AND MAINTENANCE EXPENSES

Table 4-6 summarizes the District's operating and maintenance (O&M) expenditures excluding purchased water costs, based on FYE 2018 budget and projected for the study period by

⁴ Costs for FYE 2018 were provided in the budget, no escalation needed.

incorporating the inflation factors defined in Table 4-5. A detailed listing of the O&M and inflationary factors utilized can be found in Appendix B.

Table 4-6: Projected District O&M Expenses

Line No.	Operating Expenses (1)	Budgeted FYE 2018 (2)	Projected FYE 2019 (3)	Projected FYE 2020 (4)	Projected FYE 2021 (5)	Projected FYE 2022 (6)
1	Administration and General	\$2,295,669	\$2,410,452	\$2,530,975	\$2,657,523	\$2,790,400
2	Capital	\$715,327	\$751,093	\$788,648	\$828,080	\$869,484
3	Customer Service	\$358,399	\$376,319	\$395,135	\$414,892	\$435,636
4	Distribution	\$2,650,388	\$2,757,377	\$2,868,966	\$2,985,363	\$3,106,786
5	Meter Services	\$1,241,087	\$1,285,869	\$1,332,414	\$1,380,795	\$1,431,092
6	Operations	\$2,580,818	\$2,661,841	\$2,745,812	\$2,832,851	\$2,923,084
7	Pumping - Operations	\$147,247	\$151,971	\$156,870	\$161,953	\$167,226
8	Pumping - Energy	\$515,000	\$544,640	\$576,079	\$607,917	\$641,561
9	Total District O&M Expenses	\$10,503,934	\$10,939,562	\$11,394,899	\$11,869,374	\$12,365,270

4.3 CAPITAL IMPROVEMENT PLAN

Table 4-7 shows the District’s detailed five-year Capital Improvement Plan (CIP) along with the anticipated funding sources. Line 27 represents phasing in the pipeline replacement costs as a significant portion of the District’s pipelines is reaching the end of the design useful life. Line 32 represents the anticipated capacity fee revenues that will be generated from several residential developments coming online in FYE 2018 and FYE 2019. The anticipated capacity fee revenues from these developments will be available to help fund CIP. Line 33 shows the anticipated rate and/or reserve (cash) funded CIP after taking into consideration the capacity fee revenues offset.

Table 4-7: Detailed Capital Improvement Plan

Line No.	CIP Description	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
1	Existing Water					
2	Grid to Monserate Hill Water Line	\$1,125,027				
3	San Luis Rey Imported Return Flow Recovery	\$300,000	\$272,903			
4	On Going Water Projects					
5	Isolation Valve Installation Program	\$150,000	\$150,000	\$150,000	\$150,000	
6	Pressure Reducing Station Replacement Pgm	\$160,000	\$160,000	\$160,000	\$160,000	
7	Proposed Water Projects (Phase 1)					
8	Vallecitos PS Replacement				\$1,030,000	
9	Wrightwood to Cottontail PRS		\$100,000			
10	Knottwood Road Loop and PRS	\$180,000				
11	Northside Zone Supply Redundancy		\$40,000	\$477,000		
12	Rainbow Heights Upgrades	\$800,000	\$1,000,000			
13	Water System Condition Assessment Pgm	\$145,508				
14	New Pressure Reducing Stations	\$240,000	\$310,000			
15	SDCWA Shutdown Pump Stations	\$100,000	\$900,000			
16	Capital Meter Replacement	\$300,000				
17	Systemwide AMI Conversion	\$250,000				
18	Water System Monitoring Program	\$300,000	\$575,000			
19	Weese WTP Perm Emergency Interconnect	\$240,000	\$620,000			
20	Morro Tank Zone Perm FPUD Interconnect	\$150,000				
21	Proposed Water Projects (Phase 2)					
22	Pressure Reducing Stations (Phase 2)					\$464,000
23	Northside Emergency Pump Station					\$200,000
24	Rice Canyon Tank Transmission					\$450,000
25	Loop Pipelines-Via Ararat Dr to West Lilac Rd					\$89,000
26	Loop Pipelines in Magee Lane to Disney Lane					\$30,000
27	Pipeline Replacement	\$0	\$750,000	\$1,250,000	\$2,000,000	\$2,500,000
28	Total CIP	\$4,440,535	\$4,877,903	\$2,037,000	\$3,340,000	\$3,733,000
29	Inflated Total CIP⁵	\$4,440,535	\$4,975,461	\$2,119,295	\$3,544,435	\$4,040,719
30						
31	Funding Sources:					
32	Capacity/Connection Fee Revenue	\$2,600,250	\$2,600,250	\$0	\$0	\$0
33	Rate / Reserve Funded Capital	\$1,840,285	\$2,375,211	\$2,119,295	\$3,544,435	\$4,040,719

4.4 EXISTING DEBT SERVICE

Table 4-8 shows the District’s existing debt service payments. Existing debt consists of two “State of California – State Water Resources Control Board, Drinking Water State Revolving Fund” (SRF) loans.

⁵ Assumes 2% Escalation Factor for Projected CIP (FYE 2019 and beyond).

Table 4-8: Existing Debt Service

Debt Service	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
SRF Loan C106	\$475,171	\$475,171	\$475,171	\$475,171	\$475,171
SRF Loan C107	\$629,718	\$629,718	\$629,718	\$629,718	\$629,718
Total Existing Debt Service	\$1,104,889	\$1,104,889	\$1,104,889	\$1,104,889	\$1,104,889

4.5 RESERVE POLICY

A reserve policy establishes reserve targets and provides guidelines for sound financial management. The overall long-term aim is to maintain financial solvency and mitigate financial risks associated with working capital requirements, revenue instability, sudden or significant capital costs, and emergencies. Additionally, adopting and adhering to a sustainable reserve policy helps to achieve and maintain a favorable credit rating for future debt issues.

The appropriate amount of reserves and reserve types are determined by a variety of factors, such as size of the operating budget, planned capital improvements, amount of debt, type of rate structure, frequency of customer billing, and risk of natural disaster. Typically, reserves for water utilities fall into the following categories: O&M, capital, rate stabilization, debt service, and emergency. Reserves can offset unanticipated reductions in revenues, fluctuations in costs of providing services, and fiscal emergencies such as revenue shortfalls, asset failures, and natural disasters. Capital reserves set funds aside for replacement of capital assets as they age, as well as for new capital projects.

The District’s existing water reserve policies are summarized in Table 4-9. Additional information can be found in the District’s Cash Reserve Policy (Chapter 5.03.220).

Table 4-9: Existing Reserve Policies

Reserves	Policy
Operating Reserve	2 Months minimum of O&M (excluding water purchases) target 3 months of O&M
Water Capital Projects Fund	1 Year – Average CIP
Debt Service Reserve	1-Year of principal and interest payments
Rate Stabilization	10% of District water rate revenues
New Water Sources	Funded by the Water Services portion of the Standby Charge
Liability Self Insurance	Maintain \$100,000 to pay self-insurance deductibles

4.6 CURRENT FINANCIAL PLAN

Table 4-10 shows the current financial plan without any revenue adjustments based on the projected O&M, CIP, and debt service expenses, with no change to the current rates. Under the current rates, the District does not generate sufficient revenues to meet its obligations, will not meet minimum reserve targets, and will completely deplete reserves by FYE 2020. Once reserves are depleted, the District will be unable to maintain the system.

Table 4-10: Current Financial Plan without Revenue Adjustments

Line No.	Source	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
1	District Revenues					
2	Revenue from Existing Rates	Table 4-1 \$8,620,455	\$8,718,621	\$8,819,585	\$8,889,965	\$8,961,569
3	Pumping Revenues	Table 4-2 \$551,613	\$557,211	\$562,849	\$566,483	\$570,135
4	Other Operating Revenues	Table 4-3 \$499,701	\$526,445	\$512,655	\$512,655	\$512,655
5	Non-Operating Revenues	Table 4-4 \$656,500	\$656,500	\$656,500	\$656,500	\$656,500
6	Total District Revenues	\$10,328,269	\$10,458,777	\$10,551,589	\$10,625,603	\$10,700,858
7						
8	District Expenses					
9	District O&M	Table 4-6 \$10,503,934	\$10,939,562	\$11,394,899	\$11,869,374	\$12,365,270
10	Debt Service	Table 4-8 \$1,104,889	\$1,104,889	\$1,104,889	\$1,104,889	\$1,104,889
11	Total O&M Expenses	\$11,608,823	\$12,044,451	\$12,499,787	\$12,974,263	\$13,470,158
12						
13	Revenues Less O&M Expenses	(\$1,280,554)	(\$1,585,674)	(\$1,948,198)	(\$2,348,660)	(\$2,769,300)
14						
15	CIP Expenses					
16	Rate Funded CIP	Table 4-7 \$1,840,285	\$2,375,211	\$2,119,295	\$3,544,435	\$4,040,719
17	Capitalized Salaries and Benefits	Budget \$175,000	\$183,750	\$192,938	\$202,584	\$212,714
18	Total CIP Expenses	\$2,015,285	\$2,558,961	\$2,312,232	\$3,747,019	\$4,253,433
19						
20	Net Cash Change	(\$3,295,839)	(\$4,144,635)	(\$4,260,431)	(\$6,095,679)	(\$7,022,733)
21						
22	Total Beginning Reserve Balance	\$8,966,419	\$5,670,580	\$1,572,386	(\$2,652,341)	(\$8,748,020)
23	Total Ending Reserve Balance	\$5,670,580	\$1,572,386	(\$2,652,341)	(\$8,748,020)	(\$15,770,753)
24	<i>Minimum Target</i>	\$6,536,790	\$7,173,034	\$7,658,117	\$8,631,646	\$9,548,187

4.7 PROPOSED FINANCIAL PLAN AND REVENUE ADJUSTMENTS

Raftelis worked closely with the District to develop a sound financial plan. In order for the enterprise to meet operational expenses, fund capital projects, and maintain healthy reserves while mitigating the impact to rate payers, the following revenue adjustments⁶ were required.

Table 4-11 shows the proposed revenue adjustments selected by the Board. Although Table 4-11 shows anticipated revenue adjustments for each year of the Study period, the District will review and confirm the needed revenue adjustments on a yearly basis. The rates presented in Section 5 are based on this financial plan.

Table 4-11: Proposed Revenue Adjustments

	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Revenue Adjustments	20%	19%	17%	17%	16%

Applying these adjustments results in the proposed financial plan in Table 4-12. While FYE 2018 and FYE 2019 still require drawing down reserves, the District now sees healthy positive cash balances in the out years and meets minimum reserve targets by FYE 2022. Line number 3 shows the additional revenue from the revenue adjustments assuming they become effective March 1, 2018 and

⁶ Revenue adjustments are applicable to District Rate Revenues only (excludes SDCWA rate components and pumping components)

January 1 of each year thereafter. Under this financial plan, the pumping revenues are set equal to the projected pumping expenditures. Similar to the pass-through to account for increases in SDCWA purchased water costs, increases in energy costs beyond those projected in the financial plan will be automatically passed through to District customers.

Table 4-12: Proposed Financial Plan

Line No.	Source	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	
1	District Revenues						
2	Revenue from Existing Rates	Table 4-1	\$8,620,455	\$8,718,621	\$8,819,585	\$8,889,965	\$8,961,569
3	Total Revenue Adjustments	Calc.	\$574,697	\$2,737,647	\$4,845,304	\$7,225,538	\$9,957,848
4	Pumping Revenues	Calc.	\$662,247	\$696,611	\$732,950	\$769,869	\$808,787
5	Other Operating Revenues ⁷	Table 4-3	\$499,701	\$529,346	\$539,459	\$540,573	\$541,735
6	Non-Operating Revenues	Table 4-4	\$656,500	\$656,500	\$656,500	\$656,500	\$656,500
7	Total District Revenues		\$11,013,600	\$13,338,724	\$15,593,797	\$18,082,445	\$20,926,438
8							
9	District Expenses						
10	District O&M	Table 4-6	\$10,503,934	\$10,939,562	\$11,394,899	\$11,869,374	\$12,365,270
11	Debt Service	Table 4-8	\$1,104,889	\$1,104,889	\$1,104,889	\$1,104,889	\$1,104,889
12	Total O&M Expenses		\$11,608,823	\$12,044,451	\$12,499,787	\$12,974,263	\$13,470,158
13							
14	Revenues Less O&M Expenses		(\$595,223)	\$1,294,273	\$3,094,010	\$5,108,182	\$7,456,280
15							
16	CIP Expenses						
17	Rate Funded CIP	Table 4-7	\$1,840,285	\$2,375,211	\$2,119,295	\$3,544,435	\$4,040,719
18	Capitalized Salaries and Benefits	Budget	\$175,000	\$183,750	\$192,938	\$202,584	\$212,714
19	Total CIP Expenses		\$2,015,285	\$2,558,961	\$2,312,232	\$3,747,019	\$4,253,433
20							
21	Net Cash Change		(\$2,610,508)	(\$1,264,688)	\$781,778	\$1,361,163	\$3,202,847
22							
23	Total Beginning Reserve Balance		\$8,966,419	\$6,355,911	\$5,138,191	\$5,966,417	\$7,369,993
24	Total Ending Reserve Balance		\$6,355,911	\$5,138,191	\$5,966,417	\$7,369,993	\$10,630,830
25	<i>Minimum Target</i>		\$6,594,260	\$7,446,799	\$8,142,647	\$9,354,199	\$10,543,972

Figure 4-1 through Figure 4-4 display the FYE 2018 through FYE 2022 financial plan in graphical format. Figure 4-1 graphically illustrates the operating financial plan – it compares existing and proposed revenues with projected expenses. The expenses include O&M, debt service, rate funded capital projects, and reserve funding and are shown by the stacked bars. The total revenues at existing and proposed rates are shown by the horizontal orange and black lines, respectively. Current revenue from existing rates does not meet future total expenses and shows the need for revenue adjustments.

⁷ The difference in Other Operating Revenues is due to the projected increases in reserves which results in slightly higher projected interest revenues. See Appendix C for detailed projected financial plan.

Figure 4-1: Proposed Operating Financial Plan

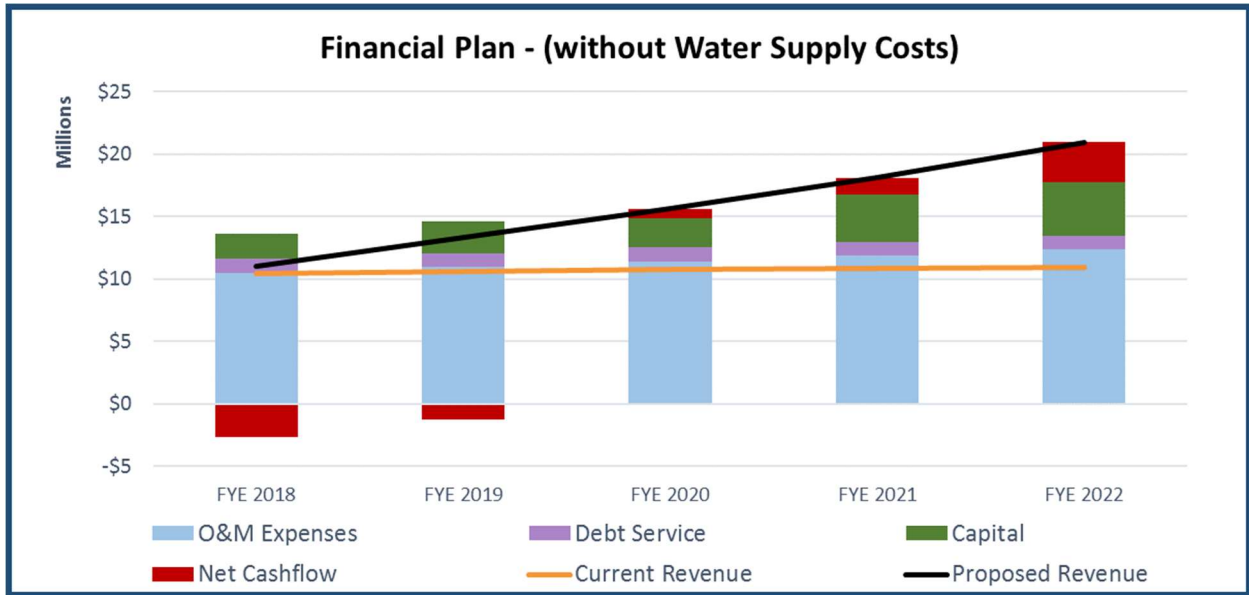


Figure 4-2 summarizes the projected CIP and the projected funding sources – capacity fees or rate funded. As shown, the District plans to have higher than average capital expenditures in FYE 2018 and FYE 2019. Funding for the pipeline replacement begins in FYE 2019 at \$750,000 and steadily increases, reaching the targeted \$3M by FYE 2023. The anticipated capacity fee revenue from residential developments will help fund a portion of the planned CIP. The District is not planning any additional debt issuance at this time; therefore, none of the CIP is proposed to be funded through debt during the study period.

Figure 4-2: Projected CIP and Funding Sources

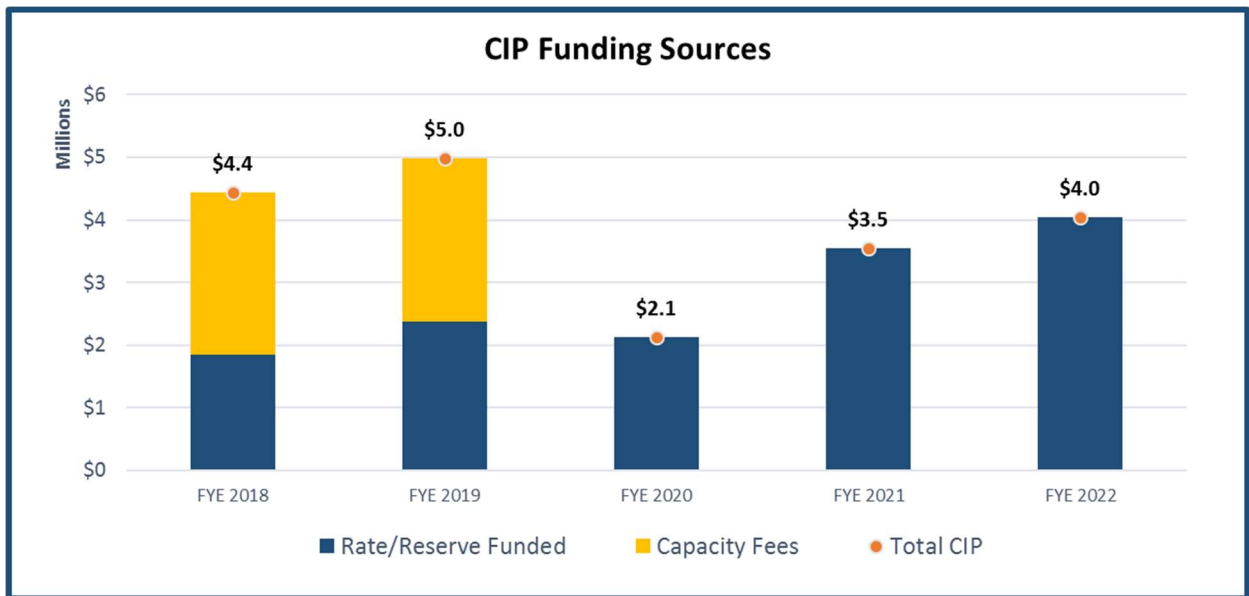
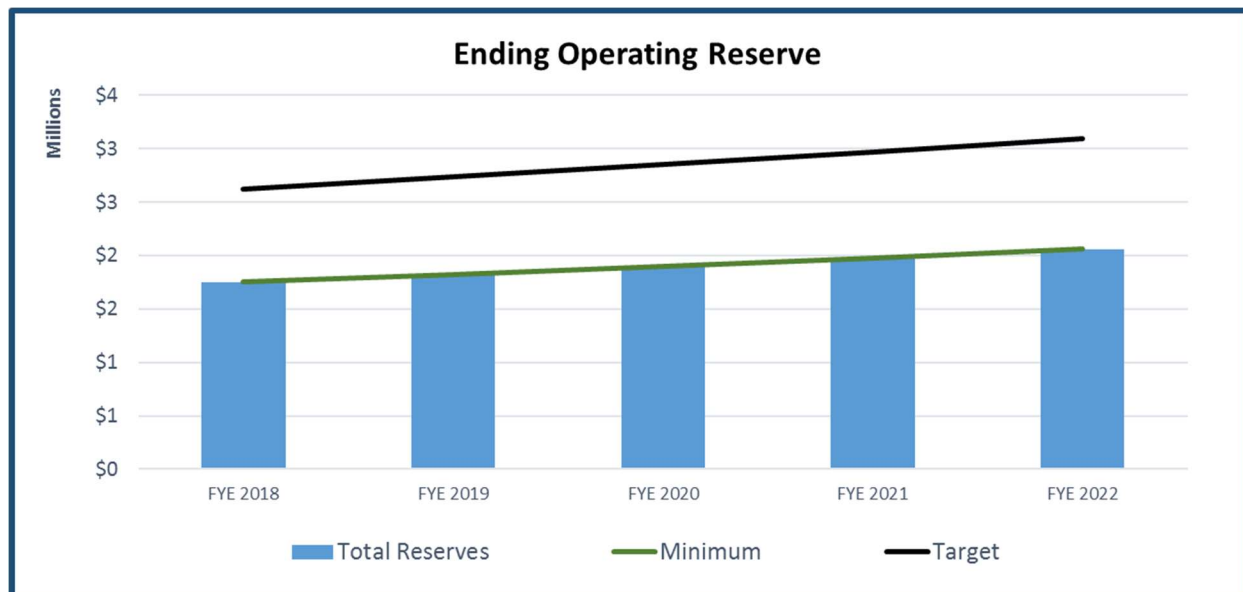


Figure 4-3 displays the operating fund yearly ending balance (blue bars). The green horizontal line is the operating fund minimum target balance which is two months of O&M expenses⁸ based on current Board policy. The target is three months of O&M expenses shown by the black line. As shown,

⁸ Excludes the cost of purchased water and depreciation.

the operating fund is anticipated to meet the minimum target for each year during the study period. Operating reserves are used to meet annual working capital requirements and any unexpected increase to operating expenses that may occur during the year.

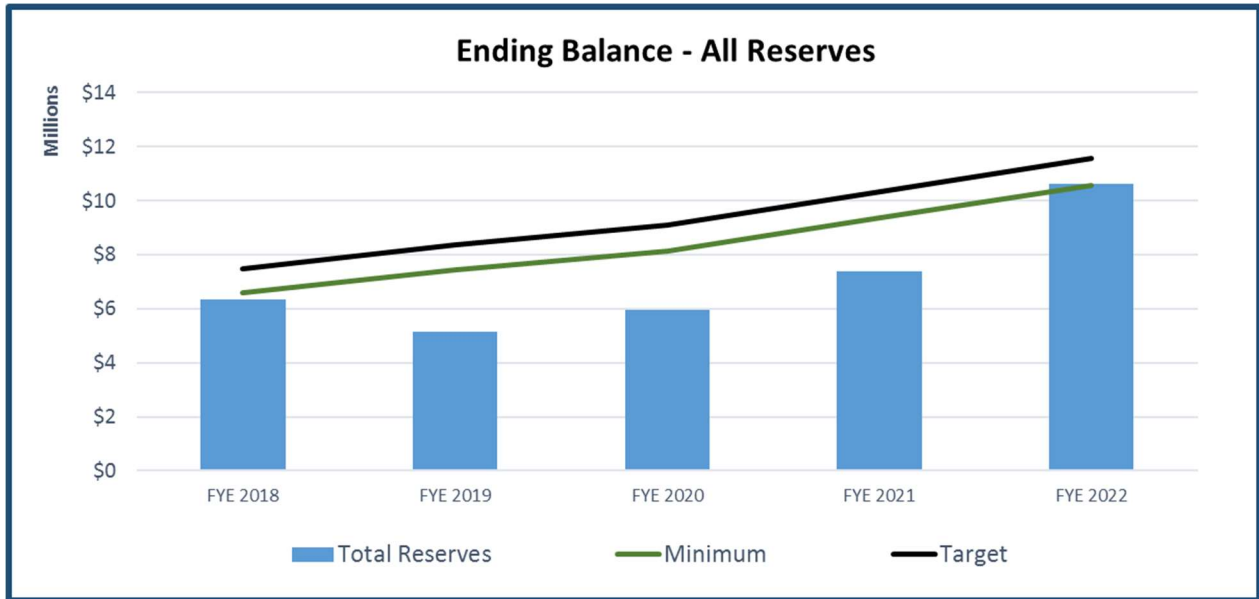
Figure 4-3: Projected Operating Fund Ending Balances



The remaining reserves are the Water Capital Projects Reserve (Capital Reserve), Liability Self Insurance Reserve, New Water Sources Reserve, and the Rate Stabilization Reserve. The target for the Capital Reserve is the annual average expense for the following five years. It provides funds for meeting capital expenses and any unexpected increases in the budgeted costs. The Liability Self Insurance Reserve target of \$100K covers the Districts insurance deductibles. The New Water Sources Reserve will maintain its current balance of approximately \$763K and will be utilized to help fund projects to develop new sources of water supply. The Rate Stabilization Reserve target is set at 10% of the District rate revenue and allows the District to mitigate the need for rate adjustments if revenues drop off because of weather or water shortages.

Figure 4-4 shows the ending yearly balance for the sum of all the District’s reserves and the total reserve target. As shown, the sum of all reserves is below the minimum target for FYE 2018 through FYE 2021, largely due to the funding needs for capital expenditures. The Rate Stabilization Reserve will begin to be funded in FYE 2022. See Appendix C– Cash Flow Detail, which shows the flow of funds for all the District’s reserves as well as the ending balances for each reserve in graphical format.

Figure 4-4: Total Funds Balance



5 CHARGES AND RATES

The proposed RMWD O&M charge and the proposed RMWD commodity rates for the study period maintain both the current cost of service approach and the rate structure described in Section 3.5. The proposed rates are determined by increasing the current rates by the revenue adjustments shown in the financial plan. The proposed 2018 SDCWA fixed charges and variable rates are determined based on the most recently adopted charges from SDCWA (as of January 1, 2018). SDCWA rates for the out years (2019 –2022) will be calculated each year once the rates from SDCWA are known. Finally, the proposed pumping rates maintain the current cost of service approach, but are adjusted for the projected expenditures. Any increase in energy above that projected in the financial plan will be automatically passed through to District customers.

5.1 PROPOSED DISTRICT RATES

5.1.1 PROPOSED RMWD O&M CHARGES

Proposed RMWD monthly O&M charges were determined by applying “across-the-board” adjustments (see Table 4-11). Table 5-1 shows the proposed RMWD Fixed Monthly O&M Charge for the study period. Proposed charges were rounded up to the nearest whole penny.

Table 5-1: Proposed RMWD O&M Charge

RMWD Monthly O&M	Current	Proposed March 2018	Proposed January 2019	Proposed January 2020	Proposed January 2021	Proposed January 2022
Non-Agriculture Classes						
5/8"	\$24.40	\$29.28	\$34.85	\$40.78	\$47.72	\$55.36
3/4"	\$24.40	\$29.28	\$34.85	\$40.78	\$47.72	\$55.36
1"	\$38.11	\$45.74	\$54.44	\$63.70	\$74.53	\$86.46
1-1/2"	\$72.37	\$86.85	\$103.36	\$120.94	\$141.50	\$164.14
2"	\$113.49	\$136.19	\$162.07	\$189.63	\$221.87	\$257.37
3"	\$243.68	\$292.42	\$347.98	\$407.14	\$476.36	\$552.58
4"	\$435.56	\$522.68	\$621.99	\$727.73	\$851.45	\$987.69
6"	\$894.68	\$1,073.62	\$1,277.61	\$1,494.81	\$1,748.93	\$2,028.76
Agriculture Classes						
5/8"	\$44.32	\$53.19	\$63.30	\$74.07	\$86.67	\$100.54
3/4"	\$44.32	\$53.19	\$63.30	\$74.07	\$86.67	\$100.54
1"	\$71.29	\$85.55	\$101.81	\$119.12	\$139.38	\$161.69
1-1/2"	\$138.75	\$166.50	\$198.14	\$231.83	\$271.25	\$314.65
2"	\$219.70	\$263.64	\$313.74	\$367.08	\$429.49	\$498.21
3"	\$476.01	\$571.22	\$679.76	\$795.32	\$930.53	\$1,079.42
4"	\$853.76	\$1,024.52	\$1,219.18	\$1,426.45	\$1,668.95	\$1,935.99
6"	\$1,757.62	\$2,109.15	\$2,509.89	\$2,936.58	\$3,435.80	\$3,985.53

5.1.2 PROPOSED RMWD COMMODITY RATES

Proposed RMWD commodity rates were determined by applying “across-the-board” adjustments (see Table 4-11). Table 5-2 shows the proposed RWMD Commodity Rates for the study period. Proposed rates were rounded up to the nearest whole penny.

Table 5-2: Proposed RMWD Commodity Rates

RMWD Commodity Rates	Current	Proposed March 2018	Proposed January 2019	Proposed January 2020	Proposed January 2021	Proposed January 2022
Single Family Residential						
Tier 1	\$0.43	\$0.52	\$0.62	\$0.73	\$0.86	\$1.00
Tier 2	\$0.61	\$0.74	\$0.89	\$1.05	\$1.23	\$1.43
Tier 3	\$0.95	\$1.15	\$1.37	\$1.61	\$1.89	\$2.20
Multi-Family Residential	\$0.53	\$0.64	\$0.77	\$0.91	\$1.07	\$1.25
Commercial	\$0.64	\$0.77	\$0.92	\$1.08	\$1.27	\$1.48
Institutional	\$0.71	\$0.86	\$1.03	\$1.21	\$1.42	\$1.65
Agriculture w/o Residence	\$0.36	\$0.44	\$0.53	\$0.63	\$0.74	\$0.86
Agriculture w/ Residence						
Tier 1	\$0.43	\$0.52	\$0.62	\$0.73	\$0.86	\$1.00
Tier 2	\$0.61	\$0.74	\$0.89	\$1.05	\$1.23	\$1.43
Tier 3	\$0.36	\$0.44	\$0.53	\$0.63	\$0.74	\$0.86
TSAWR - Domestic						
Tier 1	\$0.86	\$1.04	\$1.24	\$1.46	\$1.71	\$1.99
Tier 2	\$1.04	\$1.26	\$1.50	\$1.76	\$2.06	\$2.39
Tier 3	\$0.31	\$0.38	\$0.46	\$0.54	\$0.64	\$0.75
TSAWR Commercial	\$0.31	\$0.38	\$0.46	\$0.54	\$0.64	\$0.75
Construction	\$1.45	\$1.75	\$2.09	\$2.45	\$2.87	\$3.33

5.2 PROPOSED SDCWA RATES

5.2.1 PROPOSED SDCWA FIXED CHARGES

Raftelis recommends continuing to pass-through the monthly fixed charges from SDCWA and MWD as a separate fixed charge. The District relies entirely on purchased water from SDCWA and the District has no control on these costs of purchasing water. Continuing the separate fixed charge provides clear transparency between the costs that are controlled by the District versus costs from other agencies over which the District has no control.

Table 5-3 shows the annual fixed charges from SDCWA for 2018. Lines 1 through 4 are charges applicable to every customer in the District. Lines 5 and 6 are applicable to every customer except the TSAWR Domestic and TSAWR Commercial customers. TSAWR customers receive water at a discounted rate because they have agreed to reduce usage during water shortages. Since they are required to reduce usage, they do not receive the benefit of emergency storage or the guarantee of supply reliability and, therefore, do not pay the Emergency Storage Charge or the Supply Reliability Charge.

Table 5-3: CY 2018 SDCWA Fixed Charges

Line No.	SDCWA Fixed Charges	2018
1	MWD Readiness-to-Serve Charge ⁹	\$502,332
2	MWD Capacity Charge	\$512,220
3	Customer Service Charge	\$1,122,504
4	Infrastructure Access Charge	\$509,580
5	Supply Reliability Charge	\$739,008
6	Emergency Storage Charge	\$1,565,712
7	Total SDCWA Fixed Charges	\$4,951,356

Raftelis recommends recovering the charges based on the equivalent meters subject to the charges. Table 5-4 shows the derivation of the unit cost.

Table 5-4: SDCWA Unit Cost Derivation

Line No.		Revenue Requirement (1)	Equivalent Meters (2)	Monthly Unit Cost (3)
1	Emergency Storage & Supply Reliability	\$2,304,720	132,776	\$17.36
2	All other SDCWA Fixed Charges	\$2,646,636	178,608	\$14.82
3	Total SDCWA Fixed Charges	\$4,951,356		

The Revenue Requirement represents the yearly requirement or fixed costs from SDCWA. The Equivalent Meters¹⁰ (column 2) represents the total equivalent meters in a year. The monthly unit cost was determined by dividing the annual requirement (column 1) by the annual equivalent meters (column 2).

Table 5-5 shows the proposed SDCWA fixed charges. As shown in the table, the fixed charges increase as the size of the meter increases. This is determined by multiplying the unit costs (Table 5-4) by the appropriate capacity ratio (See Appendix D). SDCWA fixed charges will be determined on an annual basis and increases from SDCWA will be passed-through to customers at the time of the increase.

⁹ Since the SDCWA rates are effective January of each year and the District is proposing to implement rates effective March of 2018 and each January 1 thereafter, purchased water costs assume a full year at the new SDCWA rates. MWD Readiness-to-Serve-Charge is a FY charge as opposed to calendar year; therefore, the annualized charge takes into consideration half the year at the prior rate and half the year at the new rate.

¹⁰ Also discussed further in Appendix D.

Table 5-5: Proposed SDCWA Fixed Charge

SDCWA Monthly Fixed	Current	Proposed March 2018 ¹¹	Proposed January 2019	Proposed January 2020	Proposed January 2021	Proposed January 2022
All Customers except TSAWR						
5/8"	\$36.74	\$32.18	TBD	TBD	TBD	TBD
3/4"	\$36.74	\$32.18	TBD	TBD	TBD	TBD
1"	\$61.24	\$53.63	TBD	TBD	TBD	TBD
1-1/2"	\$122.48	\$107.27	TBD	TBD	TBD	TBD
2"	\$195.96	\$171.63	TBD	TBD	TBD	TBD
3"	\$428.68	\$375.43	TBD	TBD	TBD	TBD
4"	\$771.63	\$675.78	TBD	TBD	TBD	TBD
6"	\$1,592.26	\$1,394.47	TBD	TBD	TBD	TBD
TSAWR Customers						
5/8"	\$17.05	\$14.82	TBD	TBD	TBD	TBD
3/4"	\$17.05	\$14.82	TBD	TBD	TBD	TBD
1"	\$28.42	\$24.70	TBD	TBD	TBD	TBD
1-1/2"	\$56.84	\$49.39	TBD	TBD	TBD	TBD
2"	\$90.94	\$79.03	TBD	TBD	TBD	TBD
3"	\$198.93	\$172.88	TBD	TBD	TBD	TBD
4"	\$358.08	\$311.18	TBD	TBD	TBD	TBD
6"	\$738.90	\$642.12	TBD	TBD	TBD	TBD

5.2.2 PROPOSED SDCWA VARIABLE RATES

Similar to the SDCWA fixed charge, Raftelis recommends passing through the variable costs from SDCWA. Table 5-6 shows the SDCWA usage rates (\$/AF) effective January 2018.

Table 5-6: 2018 SDCWA Usage Rates

SDCWA Usage Rates (\$/AF)	2018
SDCWA M&I Melded Untreated Rate	\$894
SDCWA Treatment Costs	\$300
Transportation Charge	\$115
TSAWR Discount	-\$199

As shown in the table, TSAWR customers receive water from SDCWA at a discounted rate and the District is required to pass this discount on directly to TSAWR customers. The first step in determining the SDCWA variable rates is to determine the amount of projected usage for General customers and TSAWR customers.

Purchased Water Supply

Line 1 of Table 5-7 shows the total water demand estimated for 2018. Water is typically lost in treatment, transmission, and distribution of potable water due to a variety of factors, such as leaks in the distribution system and evaporation. The District must account for this loss in estimating the

¹¹ Decreases in SDCWA fixed meter charges are due mainly to the increased number of equivalent units when compared to the prior study. Locked meters are now being accounted for within the equivalent units (i.e. costs are being spread over more units).

supply needed to meet its customers' demand. The District assumes a 7% annual water loss. Table 5-7 shows the projected demand in acre feet (Line 1). In order to project the supply required (Line 3), this demand is increased by the 7% water loss (Line 2).

Table 5-7: Projected Required Water Supply (AF)

Line No.		Source	2018
1	Total Demand	FYE 2017 Usage Data	15,451 AF
2	Water Loss	Provided by District	7%
3	Total Supply	Line 1 ÷ (1 - Line 2)	16,614 AF

The demand (sales to District customers) and purchases (from SDCWA) has been summarized in Table 5-8.

Table 5-8: 2018 Projected Demand & Purchases

	2018 Usage (AF)
Water Demand	
General	7,799
TSAWR	7,652
Total Demand	15,451 AF
Purchases	
General	8,386
TSAWR	8,228
Total Purchases	16,614 AF

Next the total water purchases can be determined using the rates (Table 5-6) and the demand and purchases (Table 5-8). Table 5-9 summarizes the variable costs from SDCWA.

Table 5-9: 2018 Purchased Water Costs

	Calculation	2018 Costs
Water Purchases	(\$894 x 16,614 AF)	\$14,852,504
SDCWA Treatment Costs	(\$300 x 16,614 AF)	\$4,984,062
Transportation Costs	(\$115 x (16,614 AF – 6,645 AF)) ¹²	\$1,146,334
TSAWR Discount	(\$199 x 7,652 AF) ¹³	-\$1,522,669
Total Variable Costs		\$19,460,231

The Water Purchases, SDCWA Treatment, and Transportation costs are divided by the projected demand (converted into HCF) to determine the unit rate. The TSAWR discount is divided by the projected TSAWR demand (converted into HCF) to determine the TSAWR discount unit rate. Table 5-10 summarizes the proposed 2018 SDCWA unit rates.

¹² The District purchases a portion of their water directly from MWD, thereby foregoing the transportation charge. Approximately 6,645 AF is anticipated to come from direct purchases.

¹³ SDCWA provides the TSAWR discounts based on the verified billed usage (i.e. District sales) not purchased water; therefore, the District must purchase additional water at the full costs to account for any water loss.

Table 5-10: SDCWA Variable Unit Rates

	Calculation	2018 Unit Rates (\$/HCF)
General Rate	$(\$20,982,900 \div (15,451 \times 435.6))$	\$3.12
TSAWR Rate	General rate + $(-\$1,522,669 \div (7,652 \times 435.6))$	\$2.66

Table 5-11 summarizes the proposed SDCWA variable rates by customer class.

Table 5-11: Proposed SDCWA Variable Rates

SDCWA Variable Rates	Current	Proposed March 2018	Proposed January 2019	Proposed January 2020	Proposed January 2021	Proposed January 2022
Single Family Residential						
Tier 1	\$2.99	\$3.12	TBD	TBD	TBD	TBD
Tier 2	\$2.99	\$3.12	TBD	TBD	TBD	TBD
Tier 3	\$2.99	\$3.12	TBD	TBD	TBD	TBD
Multi-Family Residential	\$2.99	\$3.12	TBD	TBD	TBD	TBD
Commercial	\$2.99	\$3.12	TBD	TBD	TBD	TBD
Institutional	\$2.99	\$3.12	TBD	TBD	TBD	TBD
Agriculture w/o Residence	\$2.99	\$3.12	TBD	TBD	TBD	TBD
Agriculture w/ Residence						
Tier 1	\$2.99	\$3.12	TBD	TBD	TBD	TBD
Tier 2	\$2.99	\$3.12	TBD	TBD	TBD	TBD
Tier 3	\$2.99	\$3.12	TBD	TBD	TBD	TBD
TSAWR - Domestic						
Tier 1	\$2.56	\$2.66	TBD	TBD	TBD	TBD
Tier 2	\$2.56	\$2.66	TBD	TBD	TBD	TBD
Tier 3	\$2.56	\$2.66	TBD	TBD	TBD	TBD
TSAWR Commercial	\$2.56	\$2.66	TBD	TBD	TBD	TBD
Construction	\$2.99	\$3.12	TBD	TBD	TBD	TBD

SDCWA variable rates will be determined on an annual basis and increases from SDCWA will be passed-through to customers at the time of the increase.

5.3 PROPOSED PUMPING CHARGES

The pumping charges consist of a fixed component designed to recover the general maintenance and salary costs related to the pumping facilities and a commodity component designed to recover the electricity costs associated with pumping water to higher elevations.

Table 5-12 shows the derivation of the monthly pumping fixed charge. Raftelis worked closely with the District to breakout the annual fixed costs related to pumping water to higher elevations. The costs categorized as “Pumping – Operations” within the financial plan are considered the annual fixed cost related to pumping water to higher elevations. The annual fixed pumping costs are then divided by the annual number of bills (total number of meters located in the pumping zones x # of billing periods) to determine the monthly fixed charge per meter.

Table 5-12: Proposed Monthly Fixed Pumping Charge

	Current	2018	2019	2020	2021	2022
Pumping - Operations		\$147,247	\$151,971	\$156,870	\$161,953	\$167,226
# of bills		15,936	16,104	16,272	16,368	16,464
Monthly Charge	\$9.51	\$9.24	\$9.44	\$9.65	\$9.90	\$10.16

Next, the variable pumping costs (electricity costs) identified in the budget were allocated to each of the pumping zones in proportion to the existing rates. Table 5-13 shows the proposed pumping rates by zone. Increases in energy costs above those projected in the financial plan will be automatically passed through to District customers.

Table 5-13: Proposed Pumping Commodity Rates

	Current	2018	2019	2020	2021	2022
Pumping - Energy	\$400,061	\$515,000	\$544,640	\$576,079	\$607,917	\$641,561
% increase		28.7%	5.76%	5.77%	5.53%	5.53%
Pumping Zone						
Pumping Zone 1	\$0.80	\$1.03	\$1.08	\$1.13	\$1.18	\$1.24
Pumping Zone 2	\$0.50	\$0.64	\$0.67	\$0.71	\$0.74	\$0.78
Pumping Zone 3	\$0.28	\$0.36	\$0.38	\$0.40	\$0.41	\$0.43
Pumping Zone 4	\$0.10	\$0.13	\$0.13	\$0.14	\$0.15	\$0.16
Pumping Zone 5	\$0.15	\$0.19	\$0.20	\$0.21	\$0.22	\$0.23
Pumping Zone 6	\$0.58	\$0.75	\$0.78	\$0.82	\$0.86	\$0.90
Pumping Zone 7	\$2.62	\$3.37	\$3.53	\$3.70	\$3.88	\$4.06

6 CUSTOMER IMPACTS

The following figures provide sample impacts to customers at various levels of usage. The grey bars represent the projected bills at current rates and the blue bars represent projected bills at proposed 2018 rates.

6.1 SINGLE FAMILY RESIDENTIAL BILL IMPACTS

Figure 6-1 reflects the single family residential bill impacts at various usage levels for customers with a 1" meter not located within a pumping zone and Figure 6-2 reflects the single family residential bill impacts at various usage levels for customers with a 1" meter within pumping zone 4.

Figure 6-1: SFR Bill Impact – No Pumping Zone

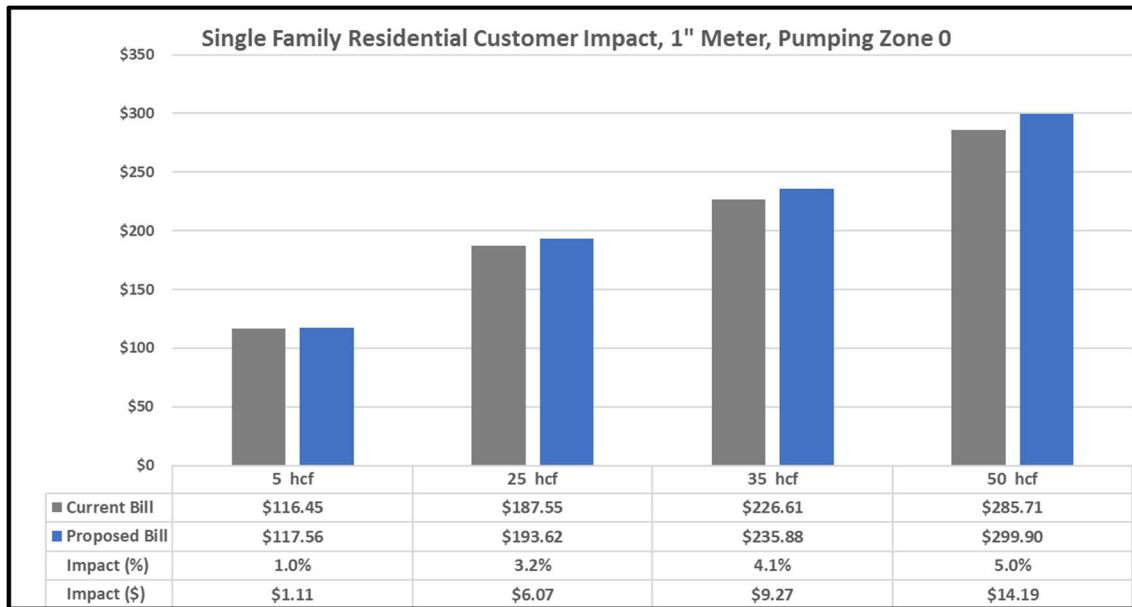
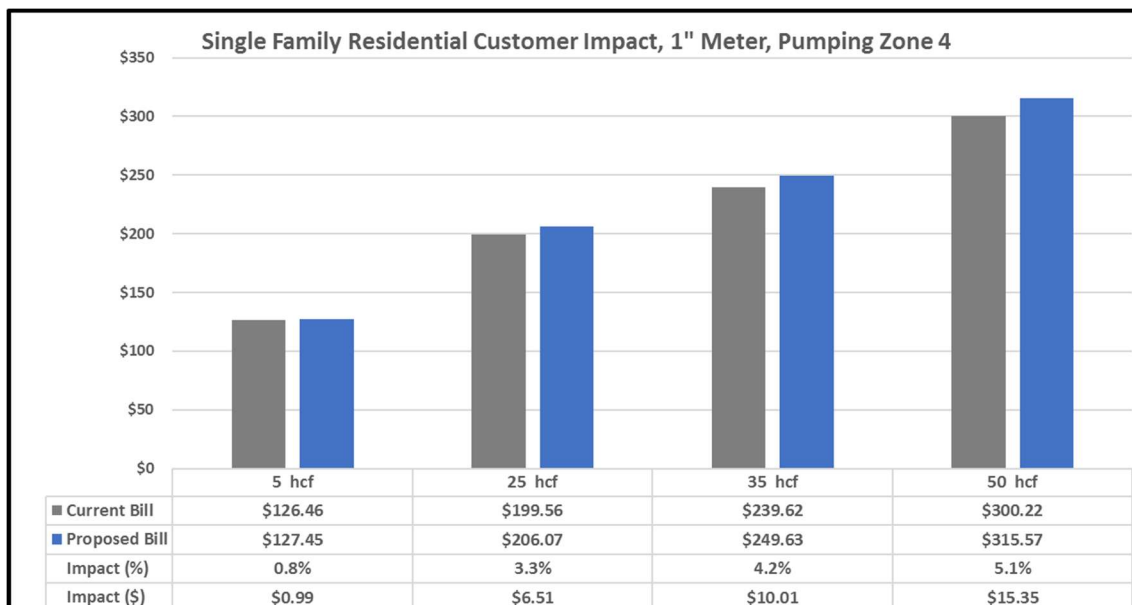


Figure 6-2: SFR Bill Impact – Pumping Zone 4



6.2 MULTI-FAMILY RESIDENTIAL BILL IMPACTS

Figure 6-3 reflects the multi-family residential bill impacts at various usage levels for customers with a 1" meter not located within a pumping zone and Figure 6-4 reflects the multi-family residential bill impacts at various usage levels for customers with a 1" meter within pumping zone 4.

Figure 6-3: MFR Bill Impact - No Pumping Zone

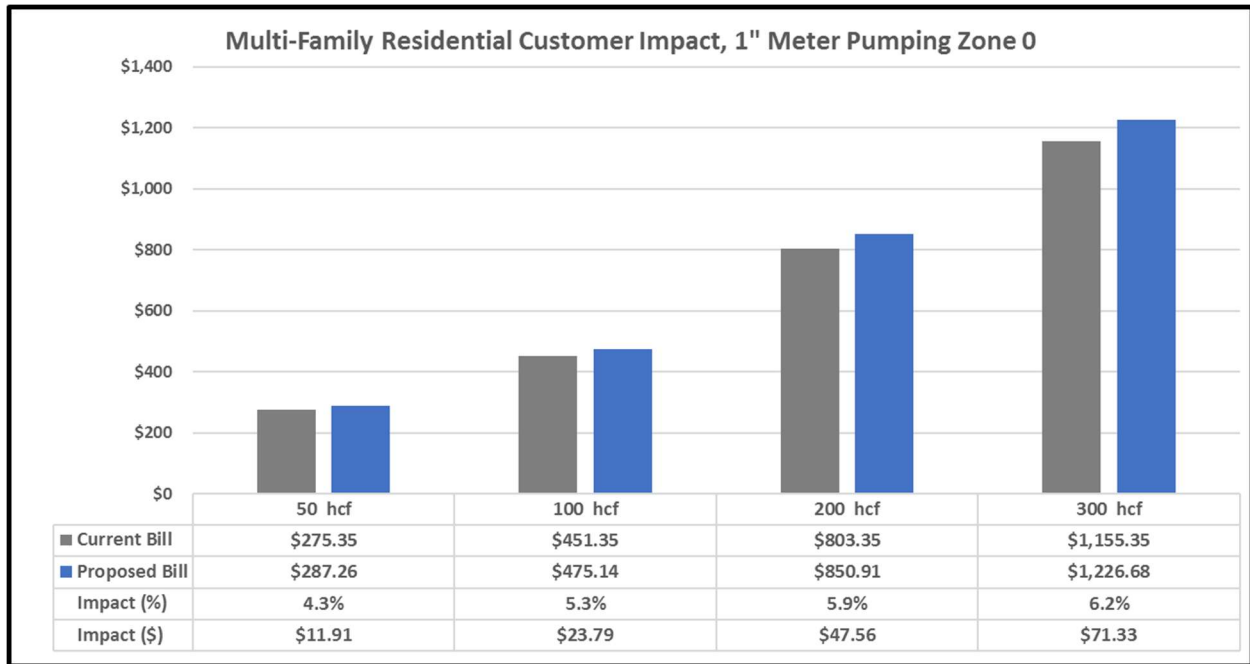
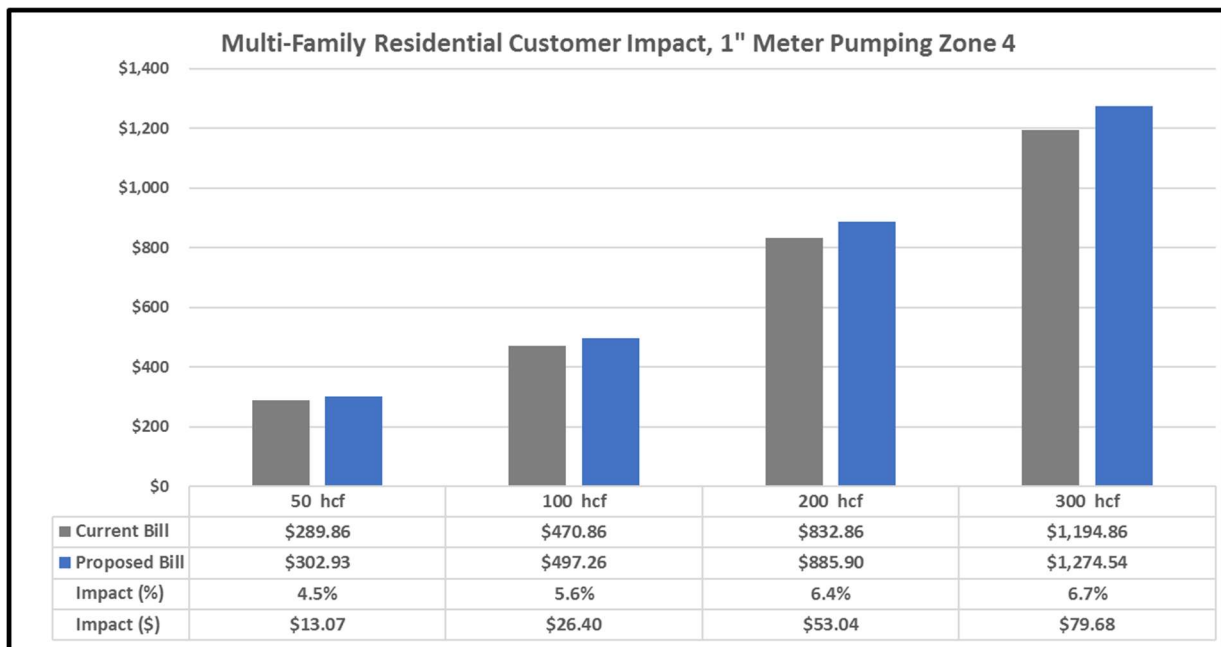


Figure 6-4: MFR Bill Impact - Pumping Zone 4



6.3 COMMERCIAL BILL IMPACTS

Figure 6-5 reflects the commercial impacts at various usage levels for customers with a 1" meter not located within a pumping zone and Figure 6-6 reflects the commercial impacts at various usage levels for customers with a 1" meter within pumping zone 4.

Figure 6-5: Commercial Bill Impact – No Pumping Zone

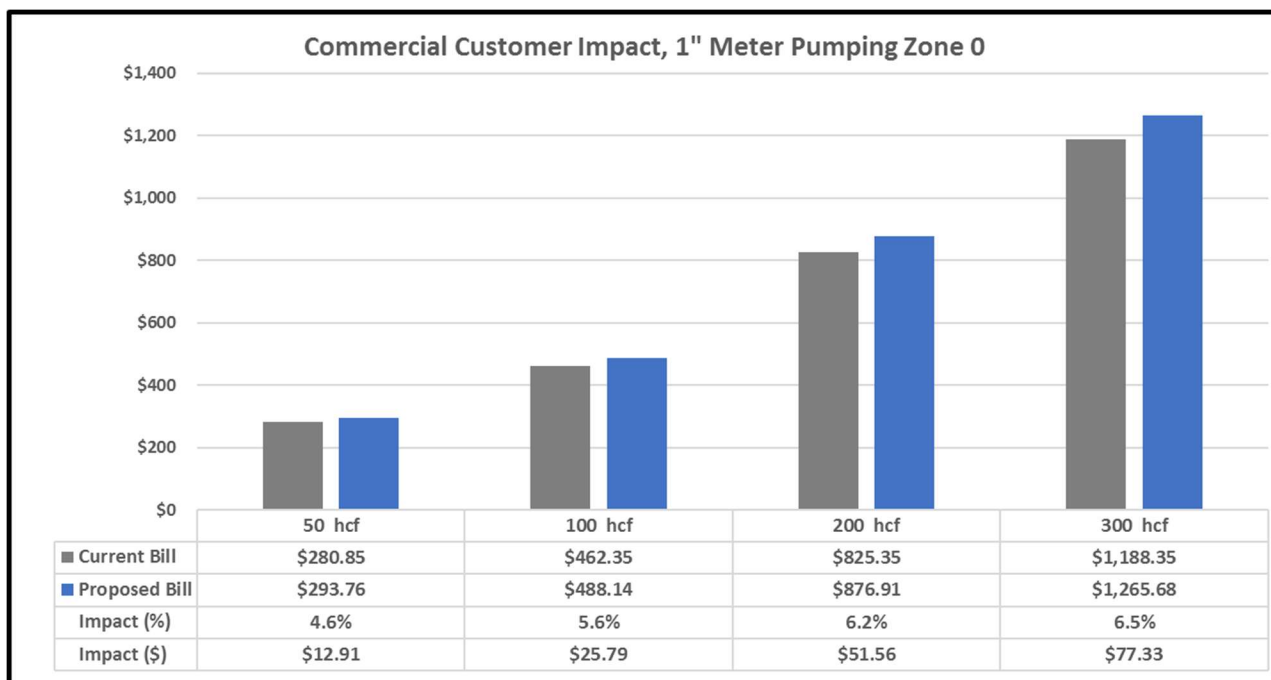
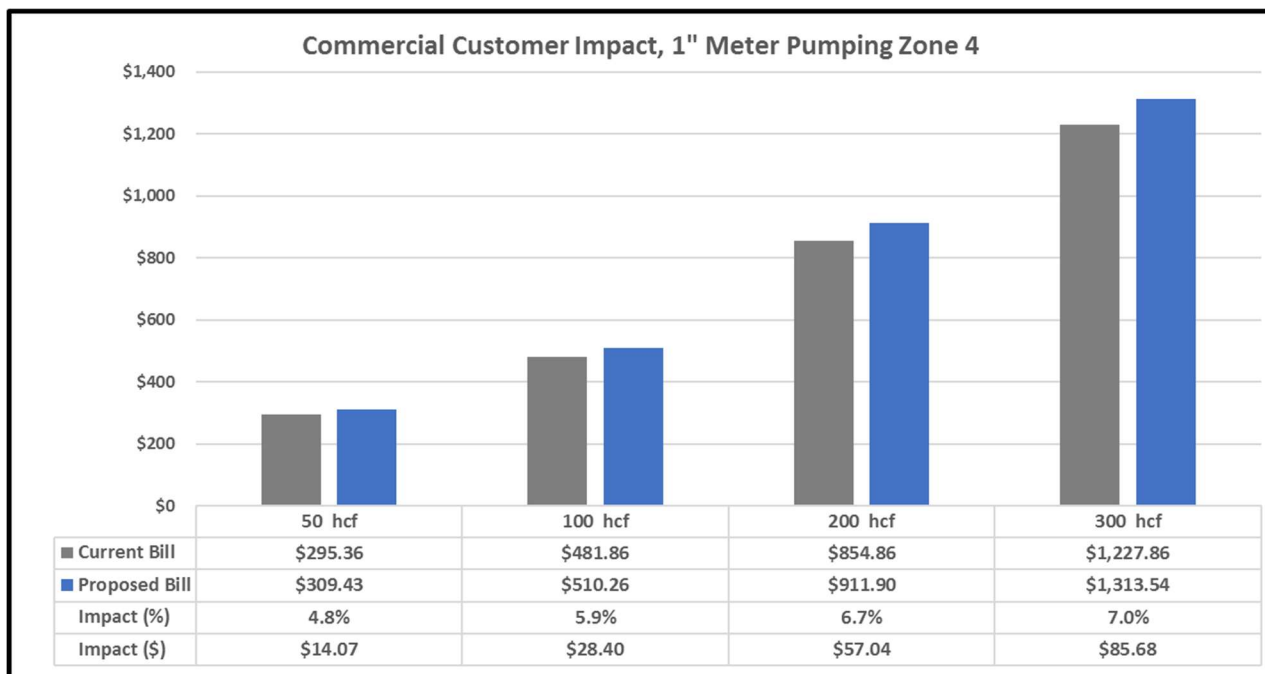


Figure 6-6: Commercial Bill Impact – Pumping Zone 4



6.4 INSTITUTIONAL BILL IMPACTS

Figure 6-7 reflects the institutional impacts at various usage levels for customers with a 1" meter not located within a pumping zone and Figure 6-8 reflects the institutional impacts at various usage levels for customers with a 1" meter within pumping zone 4.

Figure 6-7: Institutional Bill Impact – No Pumping Zone

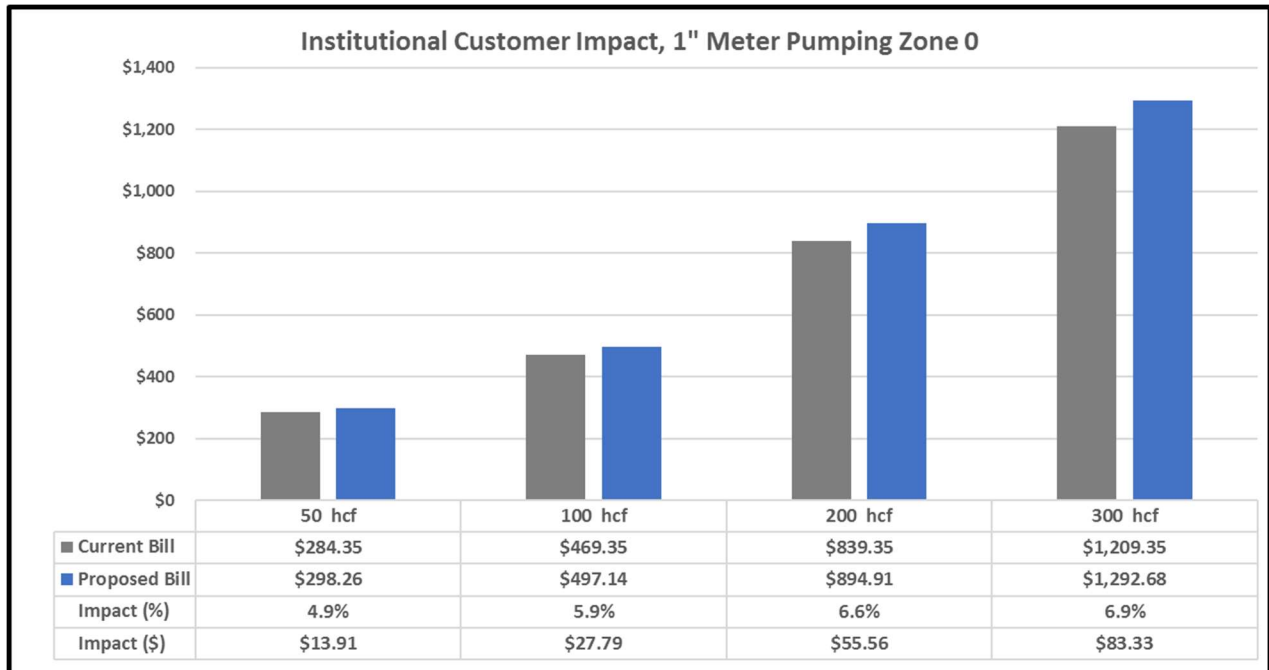
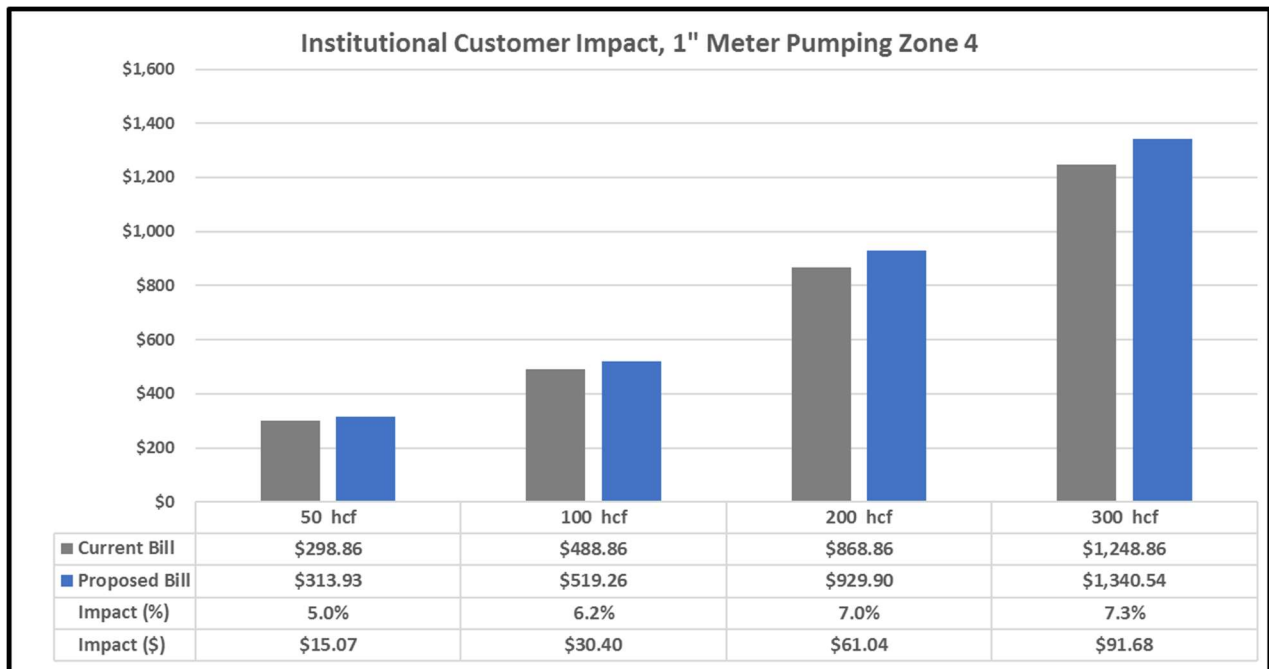


Figure 6-8: Institutional Bill Impact – Pumping Zone 4



6.5 AGRICULTURE (WITHOUT RESIDENCE) BILL IMPACTS

Figure 6-9 reflects the agriculture without residence impacts at various usage levels for customers with a 1 1/2" meter not located within a pumping zone and Figure 6-10 reflects the agriculture without residence impacts at various usage levels for customers with a 1 1/2" meter within pumping zone 4.

Figure 6-9: Agriculture without Residence Bill Impact - No Pumping Zone

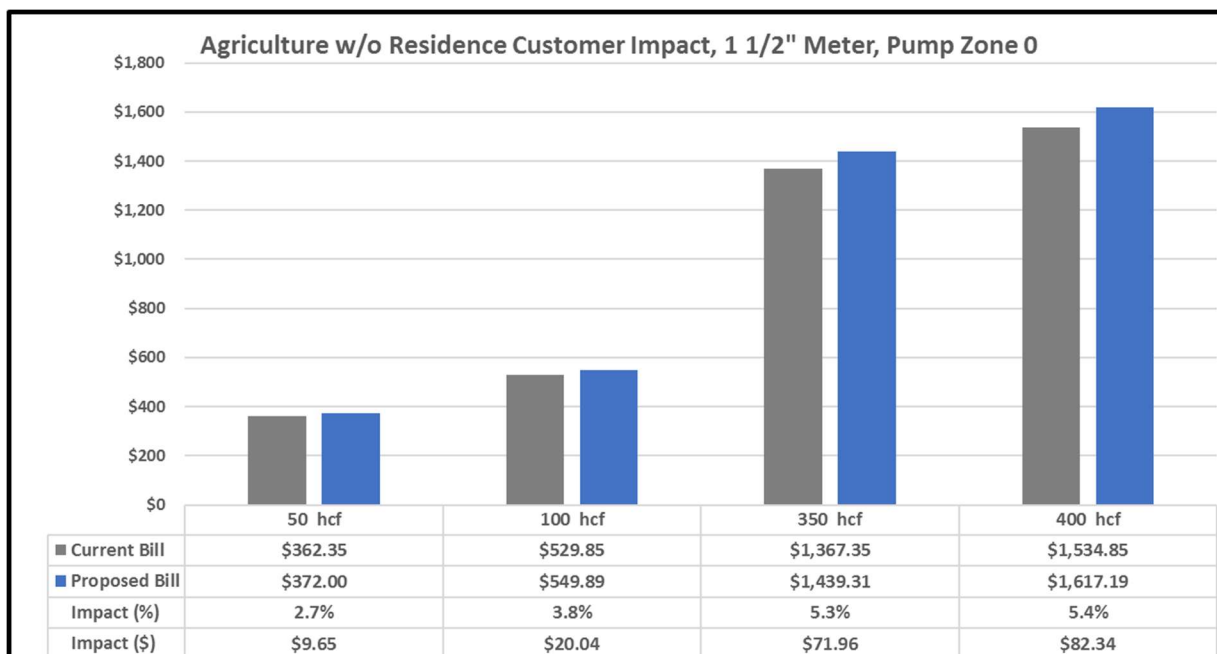
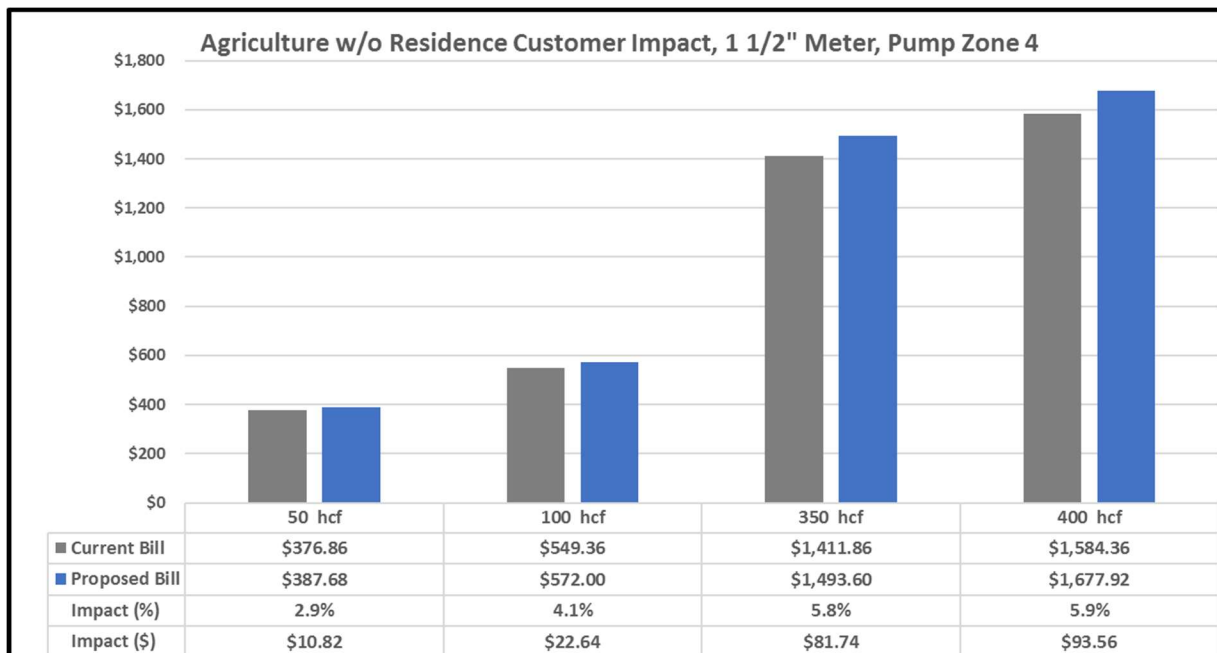


Figure 6-10: Agriculture without Residence Impact - Pumping Zone 4



6.6 AGRICULTURE (WITH RESIDENCE) BILL IMPACTS

Figure 6-11 reflects the agriculture with residence impacts at various usage levels for customers with a 1 1/2" meter not located within a pumping zone and Figure 6-12 reflects the agriculture with residence impacts at various usage levels for customers with a 1 1/2" meter within pumping zone 4.

Figure 6-11: Agriculture with Residence Bill Impact – No Pumping Zone

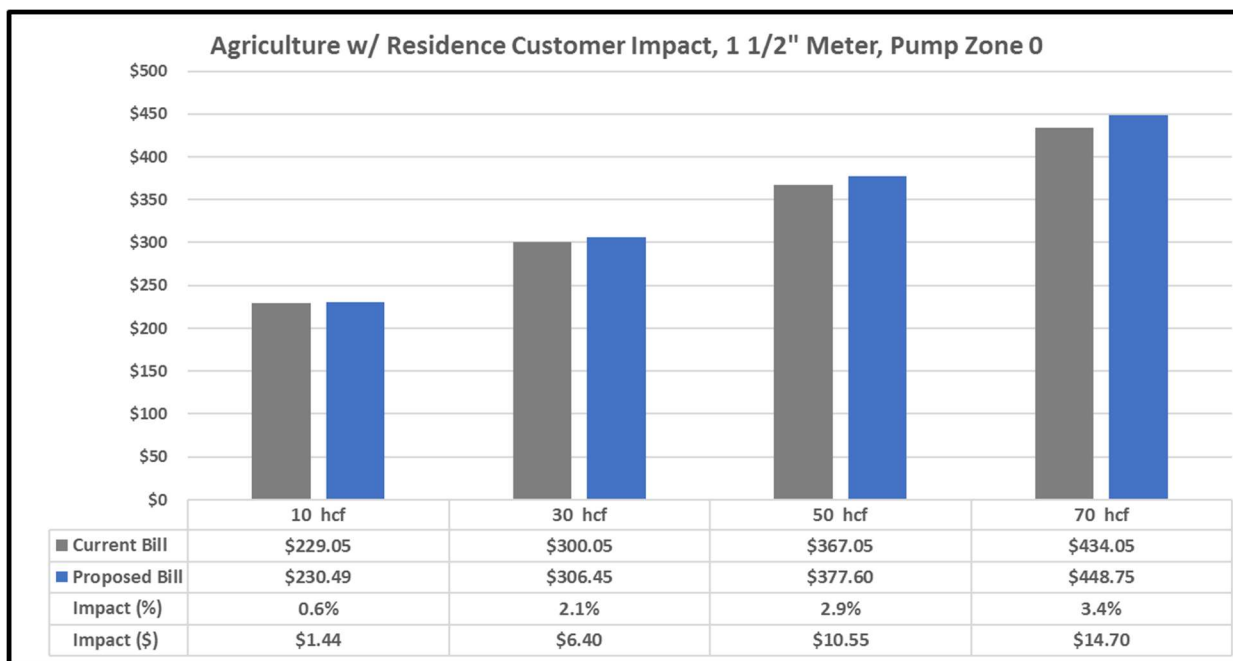
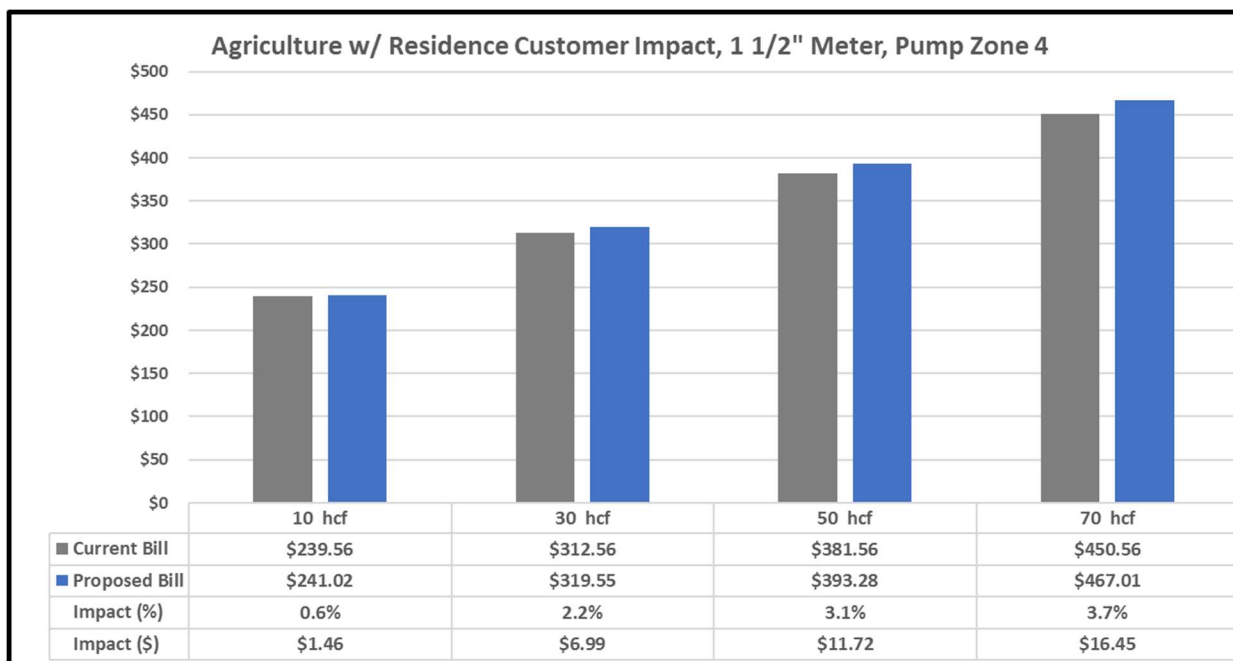


Figure 6-12: Agriculture with Residence Impact – Pumping Zone 4



6.7 TSAWR DOMESTIC BILL IMPACTS

Figure 6-13 reflects the TSAWR Domestic impacts at various usage levels for customers with a 1 1/2" meter not located within a pumping zone and Figure 6-14 reflects the TSAWR Domestic impacts at various usage levels for customers with a 1 1/2" meter within pumping zone 4.

Figure 6-13: TSAWR Domestic Bill Impact - No Pumping Zone

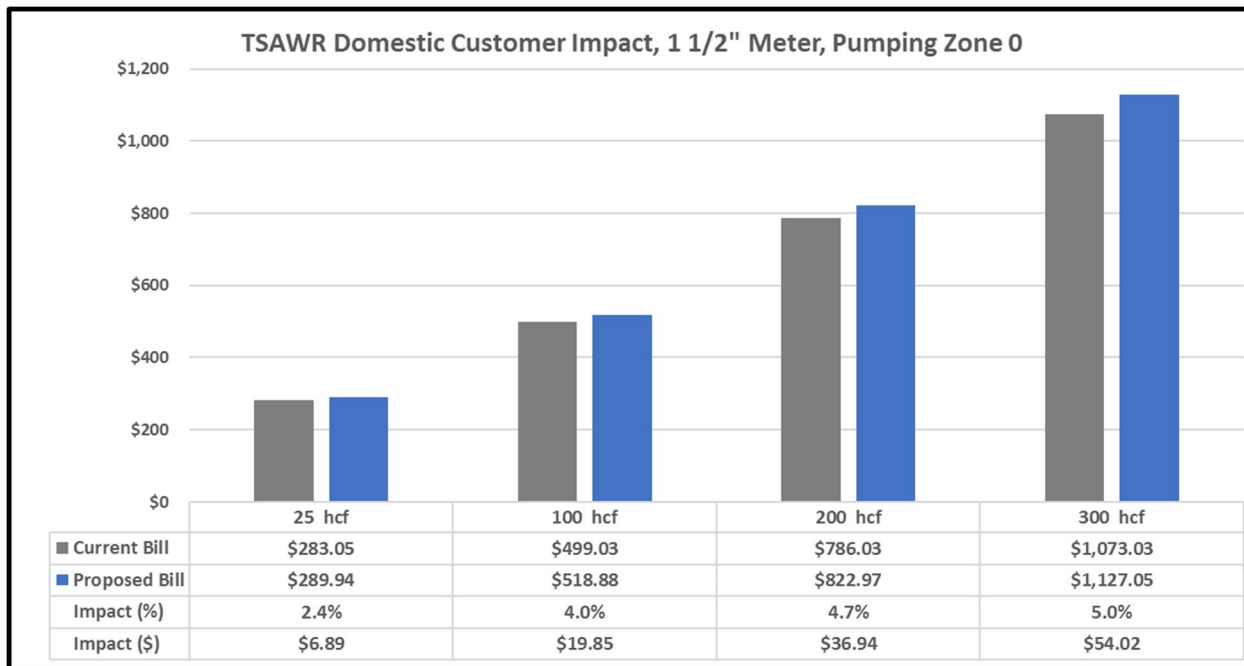
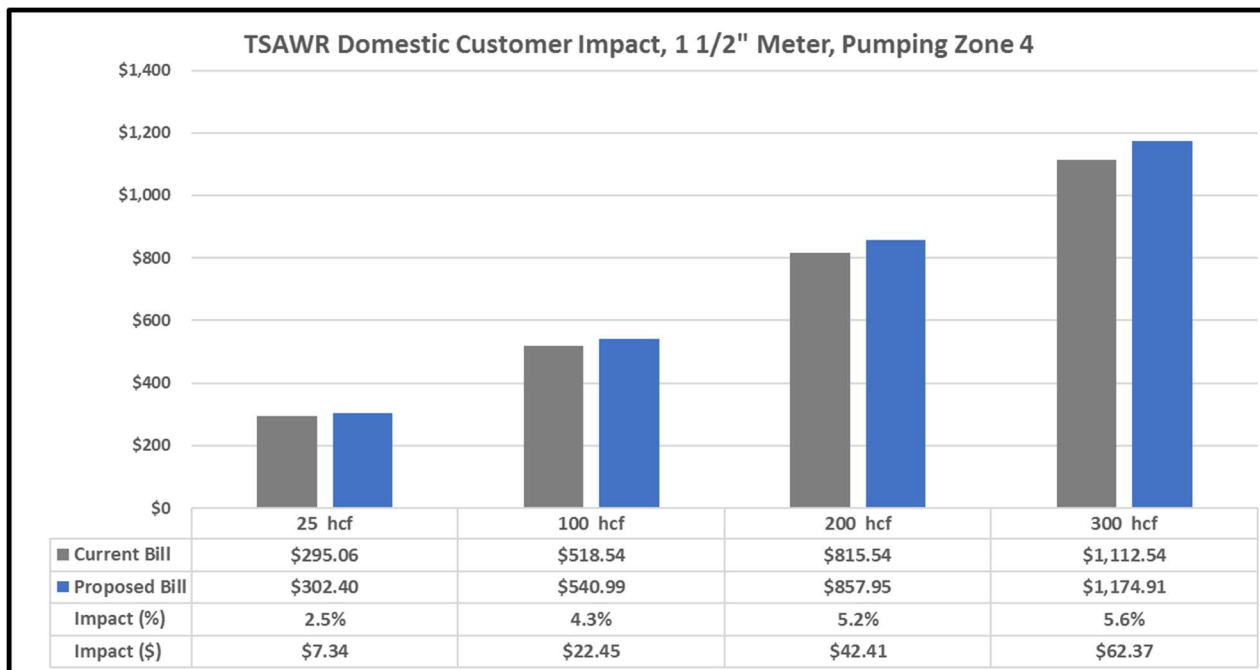


Figure 6-14: TSAWR Domestic Impact - Pumping Zone 4



6.8 TSAWR COMMERCIAL BILL IMPACTS

Figure 6-15 reflects the TSAWR Commercial impacts at various usage levels for customers with a 1 ½” meter not located within a pumping zone and Figure 6-16 reflects the TSAWR Commercial impacts at various usage levels for customers with a 1 ½” meter within pumping zone 4.

Figure 6-15: TSAWR Commercial Bill Impact – No Pumping Zone

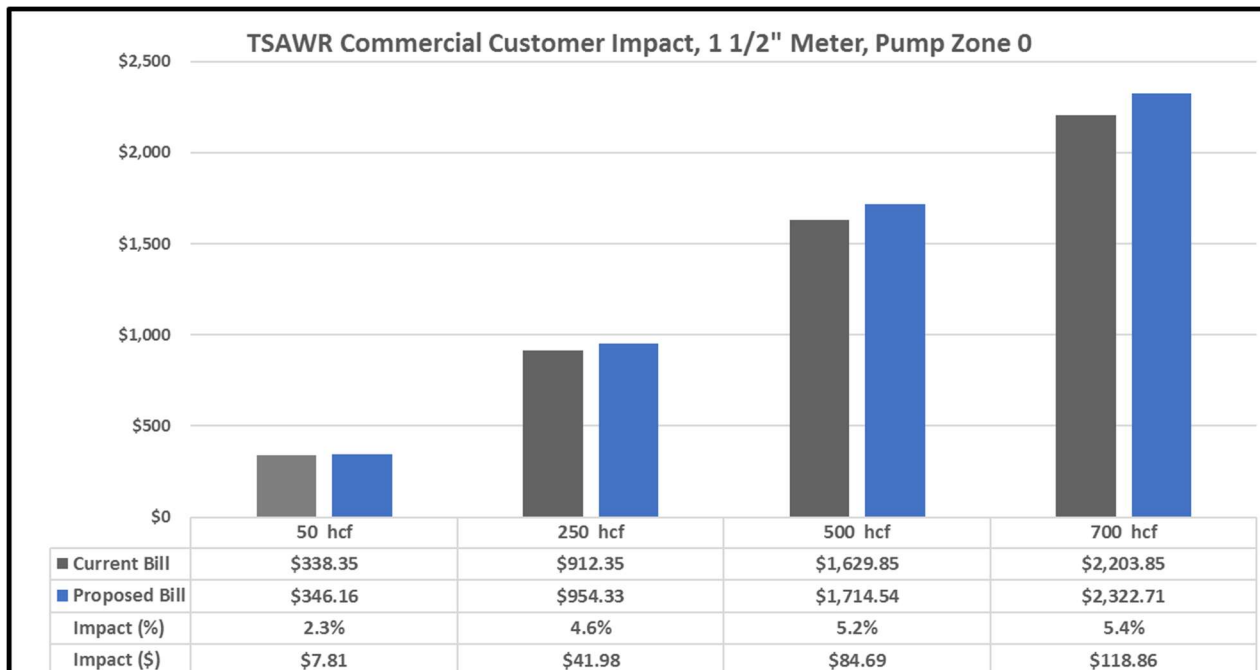
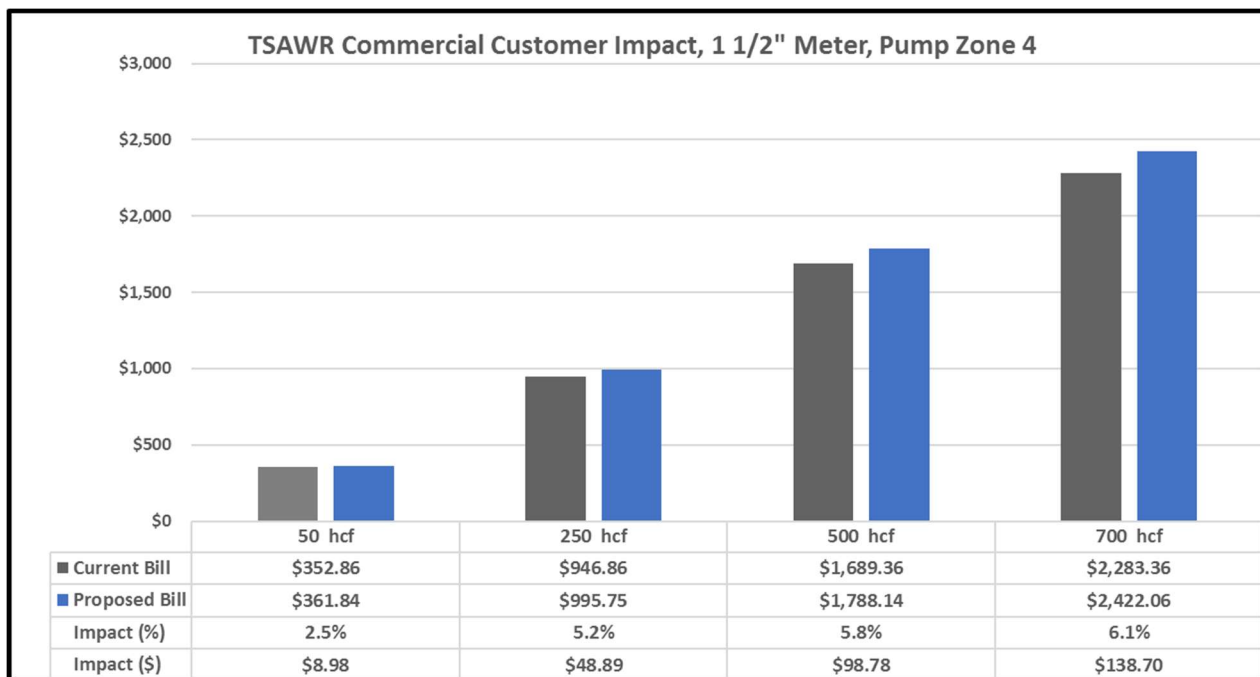


Figure 6-16: TSAWR Commercial Impact – Pumping Zone 4



APPENDIX A: DETAILED REVENUE PROJECTIONS

Revenue Detail

Fixed Revenues					
	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
RMWD O&M Charge					
SFR	\$2,110,961	\$2,173,819	\$2,238,470	\$2,283,344	\$2,328,969
MFR	\$87,270	\$89,089	\$90,909	\$92,728	\$94,547
Commercial	\$186,555	\$186,555	\$186,555	\$186,555	\$186,555
Institutional	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Agricultural w/o Residence	\$634,193	\$634,193	\$634,193	\$634,193	\$634,193
Agricultural with Residence	\$554,415	\$554,415	\$554,415	\$554,415	\$554,415
TSAWR Domestic	\$1,288,228	\$1,288,228	\$1,288,228	\$1,288,228	\$1,288,228
TSAWR Commercial	\$629,007	\$629,007	\$629,007	\$629,007	\$629,007
Total - RMWD O&M Charge	\$5,505,629	\$5,570,305	\$5,636,775	\$5,683,469	\$5,730,913
Variable Revenues					
	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Usage Revenues					
Single Family Residential					
Tier 1	\$198,020	\$203,960	\$210,079	\$214,281	\$218,567
Tier 2	\$233,652	\$240,661	\$247,881	\$252,839	\$257,895
Tier 3	\$623,008	\$641,698	\$660,949	\$674,168	\$687,651
Multi-Family Residential	\$61,641	\$63,490	\$65,395	\$66,703	\$68,037
Commercial	\$177,277	\$177,277	\$177,277	\$177,277	\$177,277
Institutional	\$19,330	\$19,330	\$19,330	\$19,330	\$19,330
Agriculture w/o Residence	\$422,006	\$422,006	\$422,006	\$422,006	\$422,006
Agriculture w/ Residence					
Tier 1	\$21,818	\$21,818	\$21,818	\$21,818	\$21,818
Tier 2	\$33,857	\$33,857	\$33,857	\$33,857	\$33,857
Tier 3	\$60,574	\$60,574	\$60,574	\$60,574	\$60,574
TSAWR - Domestic					
Tier 1	\$94,148	\$94,148	\$94,148	\$94,148	\$94,148
Tier 2	\$148,875	\$148,875	\$148,875	\$148,875	\$148,875
Tier 3	\$542,553	\$542,553	\$542,553	\$542,553	\$542,553
TSAWR Commercial	\$426,794	\$426,794	\$426,794	\$426,794	\$426,794
Construction	\$51,274	\$51,274	\$51,274	\$51,274	\$51,274
Total - Usage Revenues	\$3,114,826	\$3,148,316	\$3,182,810	\$3,206,496	\$3,230,656

APPENDIX B: OPERATING AND MAINTENANCE DETAILS

O&M Detail

Expense Detail						
	Inflate by	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Cost Allocation						
Board	Salaries	\$26,535	\$27,862	\$29,255	\$30,718	\$32,254
Garage	Capital	\$473,903	\$483,381	\$493,048	\$502,909	\$512,967
Admin	Salaries	\$1,381,407	\$1,450,477	\$1,523,001	\$1,599,151	\$1,679,109
HR	Salaries	\$267,445	\$280,818	\$294,858	\$309,601	\$325,081
Safety	Salaries	\$139,408	\$146,378	\$153,697	\$161,382	\$169,451
Finance	Salaries	\$480,874	\$504,917	\$530,163	\$556,671	\$584,505
Customer Srv.	Salaries	\$358,399	\$376,319	\$395,135	\$414,892	\$435,636
Engineering	Salaries	\$715,327	\$751,093	\$788,648	\$828,080	\$869,484
Subtotal Cost Allocation		\$3,843,297	\$4,021,245	\$4,207,806	\$4,403,405	\$4,608,488
Pumping - Payroll & Employee Expenses						
Regular Salaries	Salaries	\$45,838	\$48,130	\$50,536	\$53,063	\$55,716
Overtime Paid, Comptime Earn.	Salaries	\$250	\$263	\$276	\$289	\$304
Employer'S Share Fica Ssi	Benefits	\$2,842	\$2,927	\$3,015	\$3,106	\$3,199
Employer'S Share Fica Medicare	Benefits	\$665	\$684	\$705	\$726	\$748
Medical Ins Acwa Health Ben	Benefits	\$9,603	\$9,891	\$10,188	\$10,493	\$10,808
Dental Insurance	Benefits	\$915	\$942	\$971	\$1,000	\$1,030
Vision Ins Acwa	Benefits	\$118	\$122	\$125	\$129	\$133
Life, S/T,L/T Disability Ins	Benefits	\$696	\$717	\$738	\$761	\$783
Retirement-Calpers	Benefits	\$7,655	\$7,885	\$8,121	\$8,365	\$8,616
Worker'S Compensation Ins	Benefits	\$1,739	\$1,791	\$1,845	\$1,900	\$1,957
State Unemployment Ins, E.T.T.	Benefits	\$126	\$130	\$134	\$138	\$142
Deferred Comp-Employer Contrib	Benefits	\$1,300	\$1,339	\$1,379	\$1,421	\$1,463
Subtotal Pumping - Payroll & Employee Expenses		\$71,747	\$74,821	\$78,033	\$81,390	\$84,899
Pumping - Operating Expenses						
Equipment Maintenance/Repair	Capital	\$59,000	\$60,180	\$61,384	\$62,611	\$63,863
Building Maintenance	Capital	\$1,500	\$1,530	\$1,561	\$1,592	\$1,624
Supplies & Services	General	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255
Regulatory Permits	General	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502
Small Tools And Equipment	Capital	\$1,000	\$1,020	\$1,040	\$1,061	\$1,082
Utilities - Electricity	Energy	\$515,000	\$544,640	\$576,079	\$607,917	\$641,561
Subtotal Pumping - Operating Expenses		\$590,500	\$621,790	\$654,916	\$688,479	\$723,888
Operations - Payroll & Employee Expenses						
Regular Salaries	Salaries	\$677,548	\$711,425	\$746,997	\$784,347	\$823,564
Overtime Paid, Comptime Earn.	Salaries	\$50,250	\$52,763	\$55,401	\$58,171	\$61,079
Employer'S Share Fica Ssi	Benefits	\$42,008	\$43,268	\$44,566	\$45,903	\$47,280
Employer'S Share Fica Medicare	Benefits	\$9,825	\$10,119	\$10,423	\$10,735	\$11,058
Medical Ins Acwa Health Ben	Benefits	\$137,551	\$141,678	\$145,928	\$150,306	\$154,815
Dental Insurance	Benefits	\$12,809	\$13,193	\$13,589	\$13,997	\$14,417
Vision Ins Acwa	Benefits	\$1,653	\$1,703	\$1,754	\$1,806	\$1,860
Life, S/T,L/T Disability Ins	Benefits	\$9,954	\$10,253	\$10,560	\$10,877	\$11,203
Retirement-Calpers	Benefits	\$113,151	\$116,546	\$120,042	\$123,643	\$127,352
Employee Training/Tuition Reim	Benefits	\$13,000	\$13,390	\$13,792	\$14,205	\$14,632
Worker'S Compensation Ins	Benefits	\$25,706	\$26,477	\$27,271	\$28,090	\$28,932
State Unemployment Ins, E.T.T.	Benefits	\$1,764	\$1,817	\$1,871	\$1,928	\$1,985
Duty Pay	Benefits	\$13,000	\$13,390	\$13,792	\$14,205	\$14,632
Deferred Comp-Employer Contrib	Benefits	\$15,340	\$15,800	\$16,274	\$16,762	\$17,265
Subtotal Operations - Payroll & Employee Expenses		\$1,123,559	\$1,171,821	\$1,222,260	\$1,274,975	\$1,330,075

Expense Detail (continued)

	Inflate by	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Operations - Operating Expenses						
Electronics	Capital	\$8,500	\$8,670	\$8,843	\$9,020	\$9,201
Equipment Maintenance/Repairs	Capital	\$17,800	\$18,156	\$18,519	\$18,890	\$19,267
Equipment Maintenance Contract	General	\$48,000	\$49,440	\$50,923	\$52,451	\$54,024
Building Maintenance	Capital	\$1,000	\$1,020	\$1,040	\$1,061	\$1,082
Supplies And Services	General	\$222,000	\$228,660	\$235,520	\$242,585	\$249,863
Tank Maintenance	Capital	\$599,043	\$611,024	\$623,244	\$635,709	\$648,423
Regulatory Permits	General	\$43,000	\$44,290	\$45,619	\$46,987	\$48,397
Printing & Reproductions	General	\$6,000	\$6,180	\$6,365	\$6,556	\$6,753
Small Tools And Equipment	Capital	\$7,500	\$7,650	\$7,803	\$7,959	\$8,118
Travel/Conf/Training	General	\$2,000	\$2,060	\$2,122	\$2,185	\$2,251
Utilities	Energy	\$13,500	\$14,175	\$14,884	\$15,628	\$16,409
Capital Equipment	Capital	\$15,000	\$15,300	\$15,606	\$15,918	\$16,236
Subtotal Operations - Operating Expenses		\$983,343	\$1,006,625	\$1,030,489	\$1,054,951	\$1,080,026
Valve Maintenance - Payroll & Employee Expenses						
Regular Salaries	Salaries	\$317,813	\$333,704	\$350,389	\$367,908	\$386,304
Overtime Paid, Comptime Earn.	Salaries	\$5,000	\$5,250	\$5,513	\$5,788	\$6,078
Employer'S Share Fica Ssi	Benefits	\$19,704	\$20,295	\$20,904	\$21,531	\$22,177
Employer'S Share Fica Medicare	Benefits	\$4,608	\$4,746	\$4,889	\$5,035	\$5,186
Medical Ins Acwa Health Ben	Benefits	\$79,241	\$81,618	\$84,067	\$86,589	\$89,186
Dental Insurance	Benefits	\$7,319	\$7,539	\$7,765	\$7,998	\$8,238
Vision Ins Acwa	Benefits	\$944	\$972	\$1,001	\$1,032	\$1,062
Life, S/T,L/T Disability Ins	Benefits	\$4,808	\$4,952	\$5,101	\$5,254	\$5,411
Retirement-Calpers	Benefits	\$53,075	\$54,667	\$56,307	\$57,996	\$59,736
Employee Training/Tuition Reim	Benefits	\$2,000	\$2,060	\$2,122	\$2,185	\$2,251
Worker'S Compensation Ins	Benefits	\$12,058	\$12,420	\$12,792	\$13,176	\$13,571
State Unemployment Ins, E.T.T.	Benefits	\$1,008	\$1,038	\$1,069	\$1,101	\$1,135
Deferred Comp-Employer Contrib	Benefits	\$8,450	\$8,704	\$8,965	\$9,234	\$9,511
Subtotal Valve Maintenance - Payroll & Employee Expense		\$516,028	\$537,965	\$560,883	\$584,828	\$609,846
Valve Maintenance - Operating Expenses						
Supplies And Services	General	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275
Small Tools And Equipment	Capital	\$1,500	\$1,530	\$1,561	\$1,592	\$1,624
Travel/Conferences/Training	General	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126
Shop And Field Equipment	Capital	\$50,000	\$51,000	\$52,020	\$53,060	\$54,122
Subtotal Valve Maintenance - Operating Expenses		\$102,500	\$105,060	\$107,687	\$110,381	\$113,146
Water Distribution - Payroll & Employee Expenses						
Regular Salaries	Salaries	\$938,806	\$985,746	\$1,035,034	\$1,086,785	\$1,141,125
Overtime Paid, Comptime Earn.	Salaries	\$140,000	\$147,000	\$154,350	\$162,068	\$170,171
Employer'S Share Fica Ssi	Benefits	\$58,206	\$59,952	\$61,751	\$63,603	\$65,511
Employer'S Share Fica Medicare	Benefits	\$13,613	\$14,021	\$14,442	\$14,875	\$15,322
Medical Ins Acwa Health Ben	Benefits	\$195,337	\$201,197	\$207,233	\$213,450	\$219,854
Dental Insurance	Benefits	\$17,991	\$18,531	\$19,087	\$19,659	\$20,249
Vision Ins Acwa	Benefits	\$2,479	\$2,553	\$2,630	\$2,709	\$2,790
Life, S/T,L/T Disability Ins	Benefits	\$13,551	\$13,958	\$14,376	\$14,808	\$15,252
Retirement-Calpers	Benefits	\$156,781	\$161,484	\$166,329	\$171,319	\$176,458
Employee Training/Tuition Reim	Benefits	\$7,000	\$7,210	\$7,426	\$7,649	\$7,879
Worker'S Compensation Ins	Benefits	\$36,490	\$37,585	\$38,712	\$39,874	\$41,070
State Unemployment Ins, E.T.T.	Benefits	\$2,646	\$2,725	\$2,807	\$2,891	\$2,978
Duty Pay	Benefits	\$13,000	\$13,390	\$13,792	\$14,205	\$14,632
Deferred Comp-Employer Contrib	Benefits	\$24,960	\$25,709	\$26,480	\$27,274	\$28,093
Subtotal Water Distribution - Payroll & Employee Expense		\$1,620,860	\$1,691,062	\$1,764,449	\$1,841,170	\$1,921,382

Expense Detail (continued)						
	Inflate by	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Water Distribution - Operations Expenses						
Supplies And Services	General	\$403,000	\$415,090	\$427,543	\$440,369	\$453,580
Small Tools And Equipment	Capital	\$4,000	\$4,080	\$4,162	\$4,245	\$4,330
Travel/Conferences/Meetings	General	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502
Subtotal Water Distribution - Operations Expenses		\$411,000	\$423,290	\$435,948	\$448,985	\$462,412
Meter Services - Payroll & Employee Expenses						
Regular Salaries	Salaries	\$443,481	\$465,655	\$488,938	\$513,385	\$539,054
Overtime Paid, Comptime Earn.	Salaries	\$3,000	\$3,150	\$3,308	\$3,473	\$3,647
Employer'S Share Fica Ssi	Benefits	\$27,496	\$28,321	\$29,171	\$30,046	\$30,947
Employer'S Share Fica Medicare	Benefits	\$6,430	\$6,623	\$6,822	\$7,026	\$7,237
Medical Ins Acwa Health Ben	Benefits	\$88,794	\$91,458	\$94,202	\$97,028	\$99,938
Dental Insurance	Benefits	\$10,064	\$10,366	\$10,677	\$10,997	\$11,327
Vision Ins Acwa Serv Corp	Benefits	\$1,298	\$1,337	\$1,377	\$1,418	\$1,461
Life, S/T, L/T Disability Ins	Benefits	\$6,720	\$6,922	\$7,129	\$7,343	\$7,563
Retirement - Calpers	Benefits	\$74,061	\$76,283	\$78,571	\$80,928	\$83,356
Employee Training/Tuition Reim	Benefits	\$2,000	\$2,060	\$2,122	\$2,185	\$2,251
Worker'S Compensation Ins	Benefits	\$19,357	\$19,938	\$20,536	\$21,152	\$21,786
State Unemployment Ins, E.T.T.	Benefits	\$1,386	\$1,428	\$1,470	\$1,515	\$1,560
Deferred Comp-Employer Contrib	Benefits	\$13,000	\$13,390	\$13,792	\$14,205	\$14,632
Subtotal Meter Services - Payroll & Employee Expenses		\$697,087	\$726,929	\$758,113	\$790,702	\$824,760
Meter Services - Operations Expenses						
Backflow Expenses	General	\$280,000	\$288,400	\$297,052	\$305,964	\$315,142
Supplies & Services	General	\$125,000	\$128,750	\$132,613	\$136,591	\$140,689
Small Tools And Equipment	Capital	\$3,000	\$3,060	\$3,121	\$3,184	\$3,247
Replacement Reserve-Oceanside	General	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126
Shop And Field Equipment	Capital	\$135,000	\$137,700	\$140,454	\$143,263	\$146,128
Subtotal Meter Services - Operations Expenses		\$544,000	\$558,940	\$574,301	\$590,094	\$606,332
Admin/HR - Water Operations						
Supplies and Services	General	\$14	\$14	\$15	\$15	\$16
Subtotal Admin/HR - Water Operations		\$14	\$14	\$15	\$15	\$16
O&M Costs		\$10,503,934	\$10,939,562	\$11,394,899	\$11,869,374	\$12,365,270

APPENDIX C: CASH FLOW DETAIL

Cash Flow

Revenue			FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Revenue from Rates							
	RMWD O&M Charge		\$5,505,629	\$5,570,305	\$5,636,775	\$5,683,469	\$5,730,913
	Usage Revenues		\$3,114,826	\$3,148,316	\$3,182,810	\$3,206,496	\$3,230,656
	Total Base Rate Revenue		\$8,620,455	\$8,718,621	\$8,819,585	\$8,889,965	\$8,961,569
Additional Revenue:							
	Revenue	Effective					
Fiscal Year	Adjustments	Month					
2018	20.0%	March	\$574,697	\$1,743,724	\$1,763,917	\$1,777,993	\$1,792,314
2019	19.0%	January		\$993,923	\$2,010,865	\$2,026,912	\$2,043,238
2020	17.0%	January			\$1,070,521	\$2,158,128	\$2,175,510
2021	17.0%	January				\$1,262,505	\$2,545,347
2022	16.0%	January					\$1,401,438
	Total Additional Revenue		\$574,697	\$2,737,647	\$4,845,304	\$7,225,538	\$9,957,848
	Total Rate Revenues		\$9,195,152	\$11,456,268	\$13,664,889	\$16,115,503	\$18,919,417
Other Operating Revenues							
	Pumping		\$662,247	\$696,611	\$732,950	\$769,869	\$808,787
	Turn On/Off Fees		\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
	R.P. Charges		\$287,201	\$287,201	\$287,201	\$287,201	\$287,201
	Inspections		\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
	Plans And Specs		\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
	Install Fees,Hyd		\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
	Miscellaneous		\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
	New Meter Sales/Install Parts		\$55,000	\$55,000	\$55,000	\$55,000	\$55,000
	Notice Delivery Revenue		\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
	Subtotal Other Operating Revenues		\$1,161,948	\$1,196,312	\$1,232,651	\$1,269,571	\$1,308,488
Interest Income							
	Interest Revenues - Water Fund		\$0	\$29,644	\$39,758	\$40,871	\$42,034
	Subtotal Interest Income		\$0	\$29,644	\$39,758	\$40,871	\$42,034
Non-Operating Revenues							
	Nsf Check Fees		\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
	Miscellaneous		\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
	Property Tax Rev. - Ad Valorem		\$315,000	\$315,000	\$315,000	\$315,000	\$315,000
	Property Tax - Parcel Charge RTS		\$290,000	\$290,000	\$290,000	\$290,000	\$290,000
	Subtotal Non-Operating Revenues		\$656,500	\$656,500	\$656,500	\$656,500	\$656,500
	Total Revenues		\$11,013,600	\$13,338,724	\$15,593,797	\$18,082,445	\$20,926,438

Cash Flow (continued)

O&M Expenses					
	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Other O&M					
Administration and General	\$2,295,669	\$2,410,452	\$2,530,975	\$2,657,523	\$2,790,400
Capital	\$715,327	\$751,093	\$788,648	\$828,080	\$869,484
Customer Service	\$358,399	\$376,319	\$395,135	\$414,892	\$435,636
Distribution	\$2,650,388	\$2,757,377	\$2,868,966	\$2,985,363	\$3,106,786
Meter Services	\$1,241,087	\$1,285,869	\$1,332,414	\$1,380,795	\$1,431,092
Operations	\$2,580,818	\$2,661,841	\$2,745,812	\$2,832,851	\$2,923,084
Pumping - Operations	\$147,247	\$151,971	\$156,870	\$161,953	\$167,226
Pumping - Energy	\$515,000	\$544,640	\$576,079	\$607,917	\$641,561
Total Operating Expenses	\$10,503,934	\$10,939,562	\$11,394,899	\$11,869,374	\$12,365,270
Debt Service					
SRF Loan C106	\$475,171	\$475,171	\$475,171	\$475,171	\$475,171
SRF Loan C107	\$629,718	\$629,718	\$629,718	\$629,718	\$629,718
Total Debt	\$1,104,889	\$1,104,889	\$1,104,889	\$1,104,889	\$1,104,889
Total Expenses	\$11,608,823	\$12,044,451	\$12,499,787	\$12,974,263	\$13,470,158
Revenues Less Operating Expenses	(\$595,223)	\$1,294,273	\$3,094,010	\$5,108,182	\$7,456,280
Capital Project Expenses					
Rate Funded	\$1,840,285	\$2,375,211	\$2,119,295	\$3,544,435	\$4,040,719
Capitalized Salaries and Benefits	\$175,000	\$183,750	\$192,938	\$202,584	\$212,714
Total Capital Project Expenses	\$2,015,285	\$2,558,961	\$2,312,232	\$3,747,019	\$4,253,433
Net Cash Change	(\$2,610,508)	(\$1,264,688)	\$781,778	\$1,361,163	\$3,202,847
Total Fund Balances					
	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Total Beginning Balance	\$8,966,419	\$6,355,911	\$5,138,191	\$5,966,417	\$7,369,993
Total Ending Balance	\$6,355,911	\$5,138,191	\$5,966,417	\$7,369,993	\$10,630,830
Total Min Target	\$6,594,260	\$7,446,799	\$8,142,647	\$9,354,199	\$10,543,972

Reserve Balances

Operating Fund				FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Beginning Balance				\$2,510,977	\$1,750,656	\$1,823,260	\$1,899,150	\$1,978,229
Transfers to (from) Reserves				(\$595,223)	\$1,294,273	\$3,094,010	\$5,108,182	\$7,456,280
Intermediate Balance				\$1,915,754	\$3,044,929	\$4,917,271	\$7,007,332	\$9,434,509
Transfers In/ (Out) - Liability Self Insurance Reserve				(\$59,895)	\$0	\$0	\$0	\$0
Transfers In/ (Out) - Water Capital Reserve				(\$105,203)	(\$1,221,669)	(\$3,018,121)	(\$5,029,103)	(\$6,158,383)
Transfers In/ (Out) - Rate Stabilization Reserve				\$0	\$0	\$0	(\$0)	(\$1,215,248)
Transfers In/ (Out) - New Water Resources Reserve				\$0	\$0	\$0	\$0	\$0
Ending Balance				\$1,750,656	\$1,823,260	\$1,899,150	\$1,978,229	\$2,060,878
Target	Min	60 days of Operating		\$1,750,656	\$1,823,260	\$1,899,150	\$1,978,229	\$2,060,878
	Max	90 days of Operating		\$2,625,984	\$2,734,891	\$2,848,725	\$2,967,344	\$3,091,317

Water Capital Projects Reserve				FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Beginning Balance				\$5,651,786	\$3,741,704	\$2,451,379	\$3,203,716	\$4,528,213
<u>Plus:</u>								
Transfers from Operating				\$105,203	\$1,221,669	\$3,018,121	\$5,029,103	\$6,158,383
Capacity Fee Revenues				\$2,600,250	\$2,600,250	\$0	\$0	\$0
New Debt Issue				\$0	\$0	\$0	\$0	\$0
Interest Income				\$0	\$46,967	\$46,448	\$42,413	\$57,989
Transfers from Rate Stabilization Reserve				\$0	\$0	\$0	\$0	\$0
<u>Less:</u>								
Capital Projects				(\$4,440,535)	(\$4,975,461)	(\$2,119,295)	(\$3,544,435)	(\$4,040,719)
Capitalized Salaries & Benefits				(\$175,000)	(\$183,750)	(\$192,938)	(\$202,584)	(\$212,714)
Ending Balance				\$3,741,704	\$2,451,379	\$3,203,716	\$4,528,213	\$6,491,152
Target		1.0 Year(s) Avg CIP		\$3,824,089	\$4,377,911	\$4,777,008	\$5,664,420	\$6,491,152

Liability Self Insurance Reserve				FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Beginning Balance				\$40,105	\$100,000	\$100,000	\$100,000	\$100,000
Transfers from Operations				\$59,895	\$0	\$0	\$0	\$0
Transfers Out - Expenditure				\$0	\$0	\$0	\$0	\$0
Ending Balance				\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Target		\$100,000		\$100,000	\$100,000	\$100,000	\$100,000	\$100,000

Rate Stabilization Reserve				FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Beginning Balance				\$0	\$0	\$0	\$0	\$0
Transfers from Operating Reserve				\$0	\$0	\$0	\$0	\$1,215,248
Transfers Out - Capital Reserve				\$0	\$0	\$0	\$0	\$0
Ending Balance				\$0	\$0	\$0	\$0	\$1,215,248
Target Balance		10% of Rate Revenues		\$919,515	\$1,145,627	\$1,366,489	\$1,611,550	\$1,891,942

New Water Sources Reserve				FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Beginning Balance				\$763,551	\$763,551	\$763,551	\$763,551	\$763,551
Transfers from Operating Reserve				\$0	\$0	\$0	\$0	\$0
Transfers Out - Expenditure				\$0	\$0	\$0	\$0	\$0
Ending Balance				\$763,551	\$763,551	\$763,551	\$763,551	\$763,551

Figure C-1 shows the Water Capital Projects Reserve ending balances for each fiscal year in the study period. As shown in the figure, the District will be utilizing reserves during the study period to help fund capital projects and to help mitigate the impact to rate payers. However, the reserves will meet the minimum target by FYE 2020.

Figure C-1: Water Capital Reserve

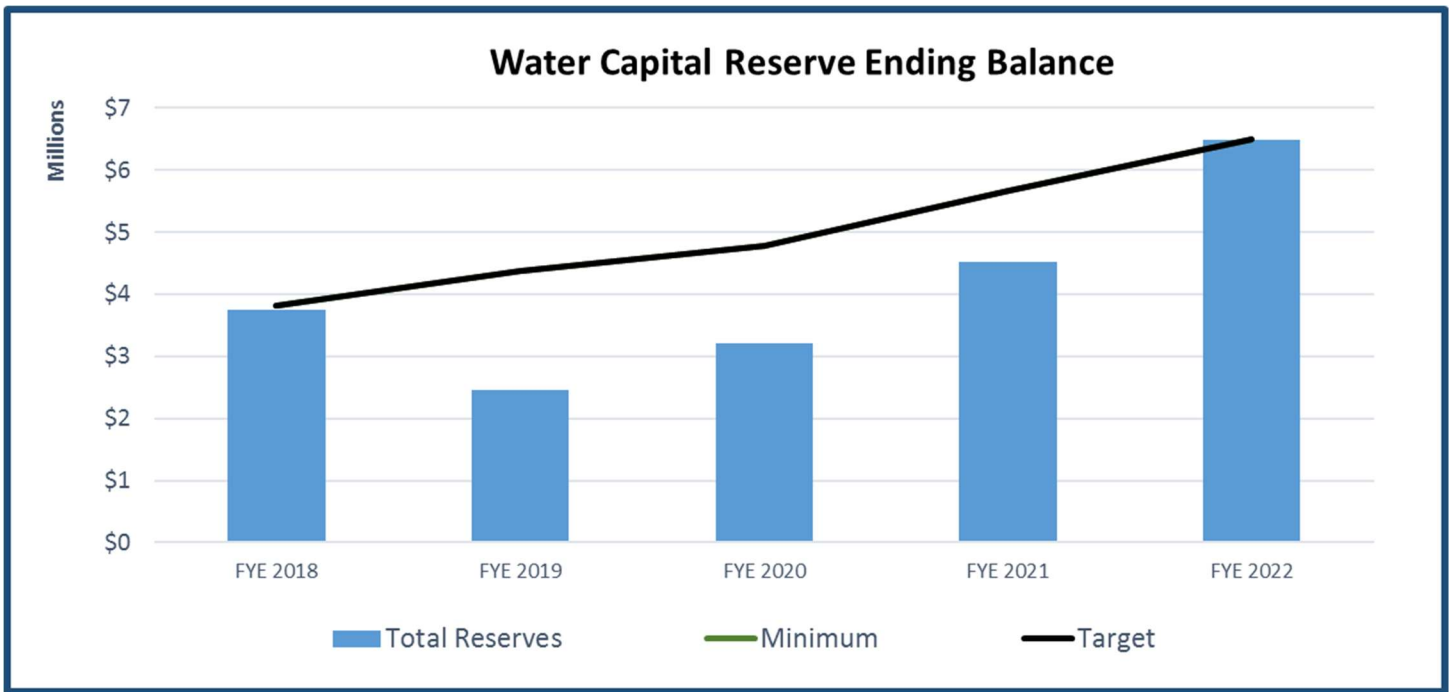


Figure C-2 shows the Liability Self Insurance Reserve. Based on the financial plan selected by the Board, this reserve will be funded at the targeted level of \$100,000 for each year during the study period.

Figure C-2: Liability Self Insurance Reserve

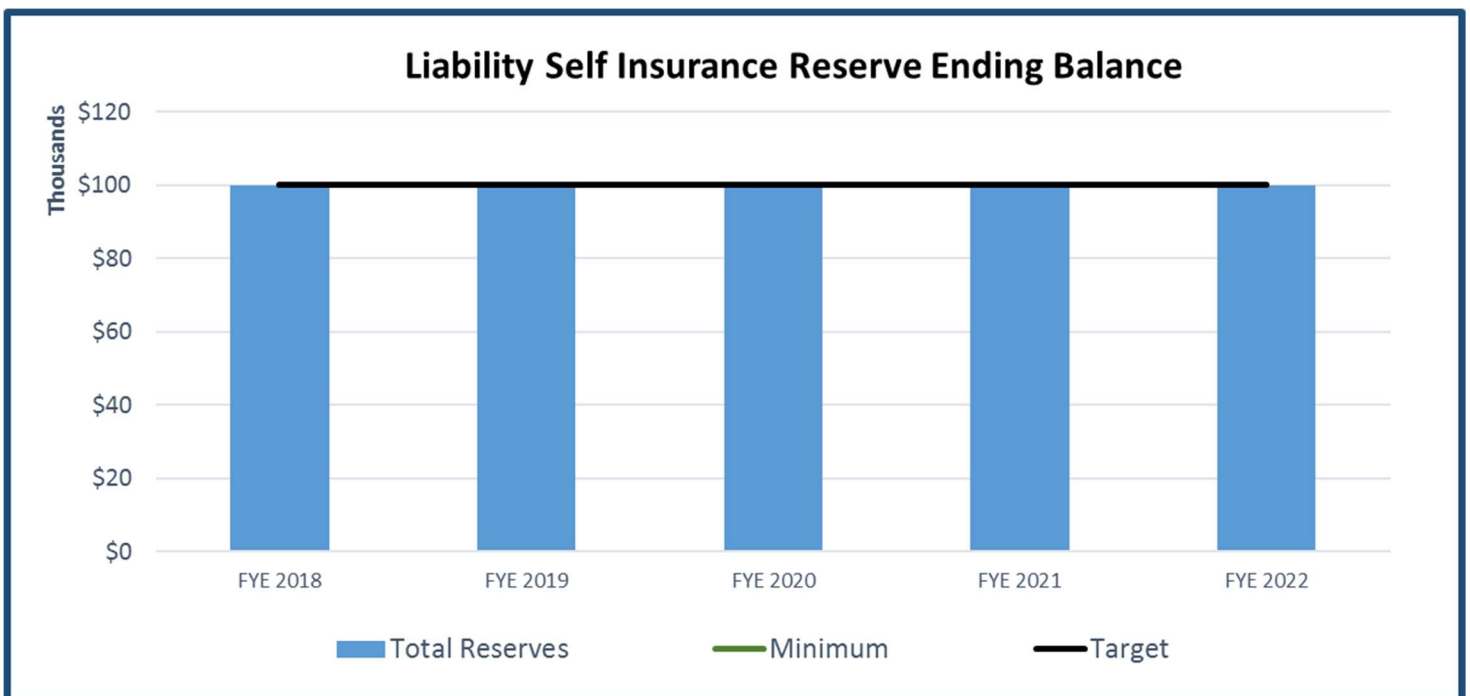


Figure C-3 shows the New Water Resource Reserve. This reserve is intended to fund new projects for developing new sources of water supply. During the study period, no additional funds were transferred in or out of the reserve.

Figure C-3: New Water Resource Reserve

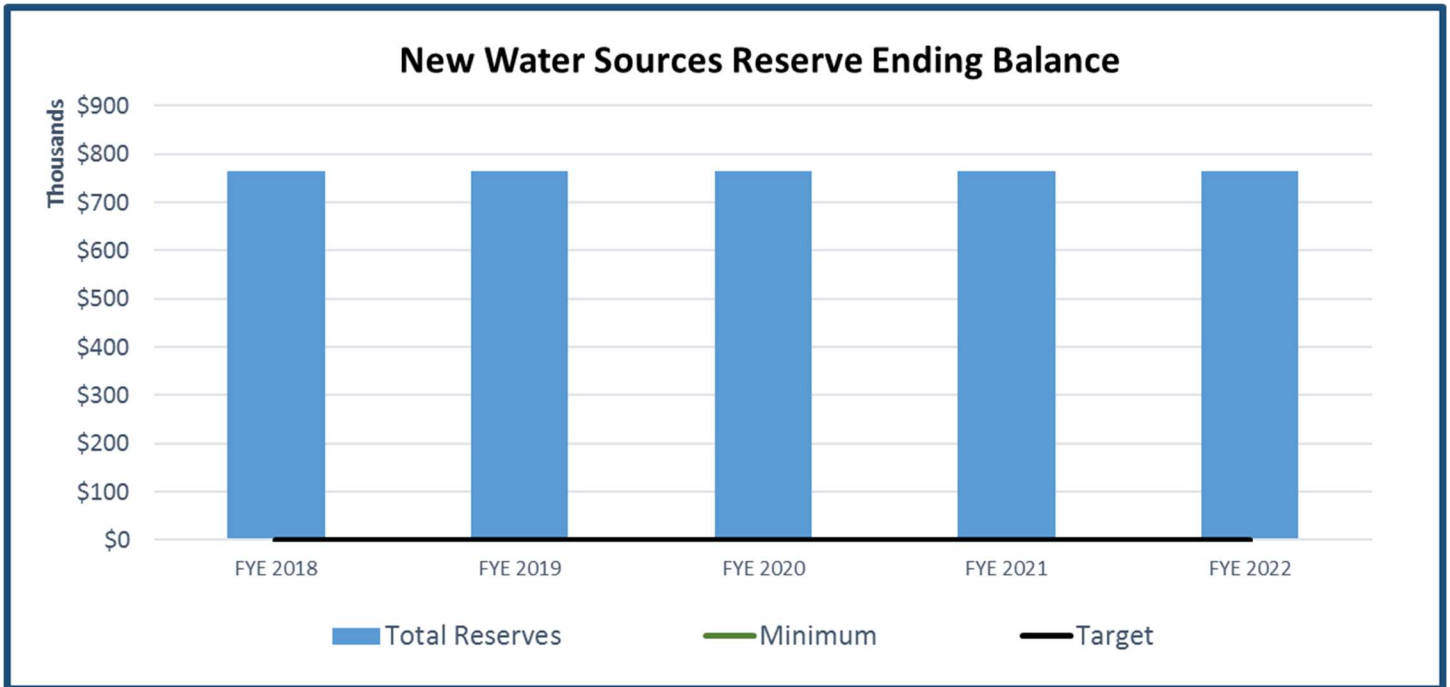
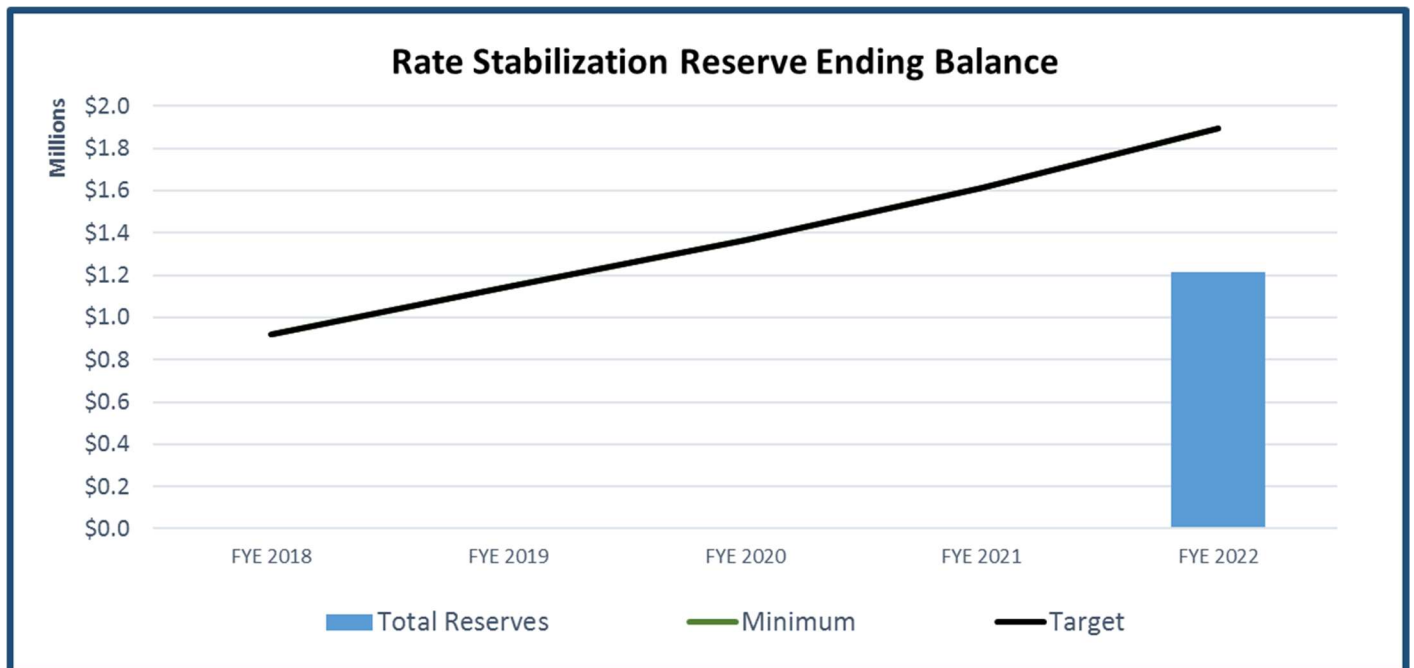


Figure C-4 shows the Rate Stabilization Reserve. Raftelis recommends establishing a rate stabilization reserve with a target reserve level of 10% of District rate revenues. A Rate Stabilization Reserve is used in the event of any unforeseen circumstances or critical asset failures to help mitigate the impact to the District and ultimately the District’s customers.

Figure C-4: Rate Stabilization Reserve



APPENDIX D: EQUIVALENT METERS

Equivalent Meters

To allocate meter-related costs appropriately, the concept of “equivalent meters” is utilized. Most rate studies calculate equivalent meters based on meter hydraulic capacity. The ratio of hydraulic capacity is calculated by dividing large meter capacities by the base meter capacity. The actual number of meters by size is multiplied by the corresponding capacity ratio to calculate equivalent meters. By using equivalent meters instead of a straight meter count, the analysis reflects the fact that larger meters impose larger demands, are more expensive to install, maintain, and replace than smaller meters and commit a greater capacity in the system.

Table D-1 shows the District’s customers by class and by meter size. Equivalent meters are used in calculating meter service costs. The equivalent meter ratios used for this study are shown in Table D-2 and were based on AWWA Safe Maximum Operating Capacity (gallons per minute) by meter type. The ¾” meter is the base capacity against which all other meter ratios are scaled. For the purposes of both the RMWD O&M monthly charge and the SDCWA monthly charge, the ⅝” and ¾” meters are assumed to be equivalent.

Table D-1: Meter Counts by Class

Meter Size	Single Family Residential		Multi-Family Residential	Commercial	Institutional	Agriculture		TSAWR - Domestic	TSAWR Commercial	Total
	Residential	Residential				w/o Residence	w/ Residence			
5/8"	214	0	1	0	1	2	1	1	220	
3/4"	2,300	4	32	3	35	91	92	13	2,570	
1"	2,353	39	88	2	191	381	586	97	3,737	
1-1/2"	165	7	36	4	73	55	204	96	640	
2"	97	32	47	5	80	31	134	106	532	
3"	8	1	7	1	10	1	6	12	46	
4"	0	3	4	0	4	0	1	3	15	
6"	0	0	0	0	1	0	0	0	1	
Totals	5,137	86	215	15	395	561	1,024	328	7,761	

Table D-2: AWWA Meter Capacity Ratios

AWWA		
Meter Size	Capacity (gpm)	AWWA Ratio
5/8"	20	1.00
3/4"	30	1.00
1"	50	1.67
1-1/2"	100	3.33
2"	160	5.33
3"	350	11.67
4"	630	21.00
6"	1300	43.33

Table D-3 shows the equivalent meters by customer class. The equivalent meters were determined by multiplying the number of meters from Table D-1 by the corresponding capacity ratio from Table D-2. The equivalent meters can be multiplied by the number of billing periods in a year to determine the annual equivalent units.

Table D-3: Equivalent Meters

Meter Size	AWWA Ratio	Agriculture									Total
		Single Family Residential	Multi-Family Residential	Commercial	Institutional	Agriculture w/o Residence	Agriculture w/ Residence	TSAWR - Domestic	TSAWR Commercial		
5/8"	1.00	214	-	1	-	1	2	1	1	220	
3/4"	1.00	2,300	4	32	3	35	91	92	13	2,570	
1"	1.67	3,922	65	147	3	318	635	977	162	6,228	
1-1/2"	3.33	550	23	120	13	243	183	680	320	2,133	
2"	5.33	517	171	251	27	427	165	715	565	2,837	
3"	11.67	93	12	82	12	117	12	70	140	537	
4"	21.00	-	63	84	-	84	-	21	63	315	
6"	43.33	-	-	-	-	43	-	-	-	43	
Totals		7,596	338	716	58	1,268	1,088	2,555	1,264	14,884	

**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
RAINBOW MUNICIPAL WATER DISTRICT
FEBRUARY 26, 2019**

1. **CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on February 26, 2019 was called to order by President Brazier at 12:31 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. President Brazier presiding.

2. **ROLL CALL**

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

Also Present: General Manager Kennedy, Legal Counsel Smith, Executive Assistant Washburn, District Engineer Strapac, Operations Manager Gutierrez, Finance Manager Largent, Human Resources Manager Harp, Associate Engineer Powers, Administrative Analyst Gray.

No members of the public were present before for Open Session. Five members of the public were present for Open Session.

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

There were no changes to the agenda.

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).**

Mr. Kennedy noted there was an email received by RMWD requesting the rate public hearing be changed to a later date so those member of the public that work could attend.

The meeting adjourned to Closed Session at 12:34 p.m.

5. **CLOSED SESSION**

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

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

This item was discussed under Item #8.

The meeting reconvened at 1:12 p.m.

Time Certain: 1:00 p.m.

7. **PLEDGE OF ALLEGIANCE**

(*) - Asterisk indicates a report is attached.

8. REPEAT REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

Legal Counsel reported the Board met in Closed Session conference with Legal Counsel regarding anticipated litigation pursuant to Government Code Section 54956.9(d)(2) for one item. He noted the item was discussed and there was no reportable action.

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

President Brazier noted there were no amendments to the agenda.

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).

There were no comments.

***11. APPROVAL OF MINUTES**

A. January 22, 2019 - Regular Board Meeting

Motion:

To approve the minutes as written.

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

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

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

12. 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 (President Brazier)

President Brazier noted the upcoming year will be extremely busy for the District including, but not limited to, the proposed Drinking Water Tax, possible changes in SDCWA's leadership, etc.

(*) - Asterisk indicates a report is attached.

B. Representative Report (Appointed Representative)**1. SDCWA****A. Summary of Board Meeting January 24, 2019**

Mr. Kennedy reported the SDCWA Board will meet on Thursday. He noted General Manager Stapleton has announced her retirement; however, a date was not specified. He mentioned he hoped the SDCWA Board will be select a new general manager in a transparent and open manner.

2. CSDA

Director Rindfleisch reported the meeting was very interesting to hear from the potential LAFCO candidates and how they all appear to be well versed in some of the challenges faced in RMWD. Mr. Kennedy briefed the Board on each of the candidates noting the ballot will be brought before the RMWD Board at their March meeting.

Director Hamilton suggested the Board support AB510 related to records retention. Mr. Kennedy asked Ms. Gray to prepare the letter of support on behalf of RMWD.

3. LAFCO

Mr. Kennedy commented on the upcoming election candidates.

4. San Luis Rey Watershed Council

Director Gasca said there was nothing to report. President Brazier offered to forward any meeting notifications she receives to Director Gasca.

5. Santa Margarita River Watershed Watermaster Steering Committee

Director Hamilton noted the next meeting will be April 16, 2019.

C. Meeting, Workshop, Committee, Seminar, Etc. Reports by Directors (AB1234)**1. Board Seminar/Conference/Workshop Training Attendance Requests and Reports**

Director Rindfleisch referenced his report on the Board Member Best Practices Workshop held on February 14, 2019 that was provided as handout. He recommended this course to any newly elected or re-elected RMWD Board Member.

D. Directors Comments

There were no comments.

E. Legal Counsel Comments**1. Attorney Report - Public Records Act (501668-0002)**

Legal Counsel referenced his written report provided in the agenda packet with an update on a recent appellate court decision under the Public Records Act request in which the court ruled in favor of the agency in that the agency would not have to produce consultant or vendor records not in the agency's possession. Director Hamilton stressed the importance of the last sentence in the Legal Counsel report.

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

- A. Budget and Finance Committee**
 - 1. January 8, 2019 Minutes**

Mr. Stitle reported the accounting conversion was moving forward for full implementation to take place on July 1, 2019.

- B. Communications and Customer Service Committee**
 - 1. January 9, 2019 Minutes**

Director Hamilton noted the committee received an update on Flume device upgrades, reviewed the Water Service Upgrade Program proposed materials, discussed updating the language on RMWD’s door hangers, and were briefed on the District videos .

- C. Engineering and Operations Committee**
 - 1. January 2, 2019 Minutes**

Mr. Nelson reported the committee met in February at which time a review of the current projects was discussed including the variance before the Board today for consideration.

CONSENT CALENDAR ITEMS

***14. DISCUSSION AND POSSIBLE ACTION TO APPOINT WILLIAM “BILL” STEWART AS A MEMBER OF THE COMMUNICATIONS AND CUSTOMER SERVICE COMMITTEE**

Motion:

To approve the Consent Calendar.

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

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

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

BOARD ACTION ITEMS

***15. ADOPT RESOLUTION NO. 19-02 FIXING THE TIME AND PLACE OF HEARING AND MEETING ON PROPOSED WATER AVAILABILITY CHARGES FOR IMPROVEMENT DISTRICT NO. 1**

Mr. Kennedy explained Roxanne Shepherd would be retiring; therefore, Wildan representatives were present to answer any questions. It was noted the Board could change the meeting date if necessary; however, it would need to be prior to August 1, 2019. Discussion ensued regarding the process for changing the availability charges in the future.

Motion:

To approve the adoption of Resolution No. 19-02.

(*) - Asterisk indicates a report is attached.

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

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

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

16. DISCUSSION AND POSSIBLE ACTION FOR CUSTOMERS WHO CLAIM CONTINUED IMPACT FROM THE 2018 LILAC FIRE

Ms. Largent explained RMWD received a letter from a customer claiming further hardship due to the 2017 Lilac Fire noting they were unable to rebuild their home and were therefore requesting further waiver of fees. Mr. Kennedy pointed out last year RMWD extended the waiver through the end of 2018.

Director Hamilton inquired as to if there was a legitimate reason for not being able to rebuild. Ms. Largent noted the property was a rental when the fire occurred, and it was the owners attempting to rebuild the home. Mr. Kennedy solicited the Board for input in terms of creating a policy, authorize staff to address these particular matters, or bring the matters to the Board for consideration.

Discussion ensued regarding the location of the property.

Director Mack asked if shutting off sewer service were an option. Mr. Kennedy explained there was a court case in which if services are readily available, used or not, the cost for services must be paid such as in this case.

Ms. Largent referenced the letter from the customer noting the location of the property as well as the timeframe in which the rebuilding could begin.

Motion:

To approve Option 1.

Action: Approve, Moved by Director Hamilton.

Director Hamilton amended his original motion.

Motion:

To approve Option 1- Extend Ordinance No. 18-03 for twelve months (one calendar year).

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

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

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

(*) - Asterisk indicates a report is attached.

***17. DISCUSSION AND POSSIBLE ACTION TO APPROVE A VARIANCE FROM ORDINANCE 18-15 TO ALLOW A LOT, LARGER THAN 0.5 ACRES, TO QUALIFY FOR CAPACITY CLASS B AND APPROVE THE CAPACITY CLASS WATER USE AGREEMENT**

Mr. Powers referenced the presentation noting the location of the parcel. He mentioned there has not been more than seven units of water used per month on this parcel since July 2016. He explained the restrictions and stipulations to be attached to the parcel. He concluded with mentioning this matter has been presented to the Engineering and Operations Committee members who in turn approved making a recommendation to the Board that the variance be approved.

Mr. Strapac added a great deal of the parcel was vertical and unable to be developed. President Brazier noted three acres were usable according to the information provided.

Mr. Prince appreciated the Board and their consideration on his request. He confirmed a dwelling does not exist on the property now. He explained the current low water usage was for landscaping only. He added when he first requested the installation of a 1" meter 10-12 years ago, it was due to the fire department requiring 1" meters at the time. He explained since the requirement has been changed to 3/4" meters for sprinkler systems, this was another reason for his request to downsize.

President Brazier asked when it was anticipated to have a dwelling on the property. Mr. Prince stated within the next five years; however, he would not be using more water than the requirement allows.

President Brazier stated based on the title of Ordinance No. 18-15, she needed to know how it applies to this variance request. Mr. Kennedy stated each time there is a change to RMWD's rates, the previous ordinance is updated to reflect the changes with the previous ordinance being repealed which has been the same practice for many years. He explained each time the rate structure is replaced a new appendix is created. Discussion ensued.

Mr. Kennedy explained any changes to the rates and charges have historically been carried in an Ordinance as opposed to be included in the Administrative Code. He noted the title for Ordinance No. 18-15 was specific to only the changes being made to the rates and charges at the time it was presented to the Board for consideration. He agreed to improve the titling of future ordinances related the changes in water and wastewater rates and charges contained in the appendix going forward to assist with avoiding further confusion. He clarified the appendix attached to Ordinance No. 18-15 does apply to this variance request.

President Brazier inquired as to why do RMWD's requirements state .5 acres if the District were going to allow fifteen times as much. Director Hamilton suggested rephrasing the requirement to be in terms of water usage.

President Brazier stated she would most likely vote in opposition of the variance request; however, it was only due to the Ordinance title.

Director Hamilton pointed out there was some personal information not redacted in the backup documentation in the variance request. Mr. Kennedy agreed the email address and telephone number should have been redacted, but the property address was a matter of public record.

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Director Mack inquired as to when ordinance and Administrative Code changes would be brought to the Board for consideration. Mr. Kennedy explained these would come to the Board the next time rates are adopted. Director Hamilton added any Administrative Code changes would be independent of the ordinance. President Brazier stated the only reference for downsizing meters was under Section 8.11.030.03. Mr. Kennedy agreed to investigate this further.

Motion:

To approve Option 1 - Approve the variance to Ordinance 18-15 to allow a property larger than 0.5 acres to qualify for capacity class B and approve the New Water Service Agreement.

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

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

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

Noes: Director Brazier

***18. FISCAL YEAR 2018-19 MID-YEAR BUDGET REVIEW AND BUDGET ADJUSTMENTS**

Ms. Largent gave a presentation on the mid-year budget adjustments noting the three main areas that would be impacted totaling \$200,000 in operating budget reductions.

Director Hamilton asked if RMWD was anticipating a shortfall in revenues; therefore, cost adjustments in terms of reducing expenses to compensate for such. Mr. Kennedy clarified the entire budget would be decreased due to the impact of the recent weather conditions.

Director Rindfleisch asked for a rough estimate for annual total expenses in water purchases, pumping operations, and maintenance fees. Ms. Largent stated the total expenses would be \$40 Million for the operating budget. Discussion followed.

Director Hamilton inquired about the adjustment information contained in the first line in Fund 3. Ms. Largent explained RMWD received unanticipated additional revenue. Mr. Kennedy noted this was for development activity. Discussion ensued.

Motion:

To approve Option 1 - Approve Amended Budget FY 2018-19 as provided in Exhibit A with a Net Budget Decrease of \$200,133

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

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

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

(*) - Asterisk indicates a report is attached.

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***19. DISCUSSION AND POSSIBLE ACTION TO APPROVE ORDINANCE NO. 19-02 AMENDING AND UPDATING ADMINISTRATIVE CODE SECTION 3.01.020 – SPECIAL, ADJOURNED AND EMERGENCY MEETINGS**

Mr. Kennedy recalled the Board asked Legal Counsel to provide updates to the language contained in this section of the Administrative Code for clarification purposes.

Direction Hamilton asked for clarification related to calling an emergency meeting without violating The Brown Act. It was explained should there be cause for an emergency meeting, the Board President could contact the other Board Members to check availability for an emergency meeting without violation; however, it would be best to have District staff check Board Member availability if possible.

President Brazier asked for clarification regarding the sentence provided in the updated language related to the committees calling an additional meeting since they serve only to offer recommendation to the Board. Mr. Kennedy explained the main idea would be to notify the committee in the event it would like to hold an additional meeting, Brown Act requirements must be followed. Discussion ensued.

Motion:

To table this item to the March Board meeting for further discussion. Action: Approve, Moved by Director Hamilton, Seconded by Director Gasca.

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

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

Noes: Director Mack.

20. DISCUSSION AND POSSIBLE ACTION TO CHANGE THE REGULAR BOARD MEETING SCHEDULED FOR JUNE 25, 2019

Director Rindfleisch stated he would not be available to attend the June 25, 2019 Board meeting. Director Mack announced he would be absent for the June 25, 2019 meeting as well. President Brazier noted she would only date she would be available in June is the 25th. Discussion ensued.

No action taken.

***21. DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 19-03 — 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 DECEMBER 4, 2018 THROUGH JUNE 30, 2019**

Mr. Kennedy mentioned in working with the Engineering and Operations Committee, a need to hire a senior inspector was identified; however, after soliciting twice for candidates, it has been realized it will be difficult to fill this position at the rate RMWD was offering considering the job market. Ms. Harp explained RMWD's Senior Inspector position was unique in the marketplace and how the proposed revision to the classification and salary range could assist with the recruitment process. Discussion ensued.

(*) - Asterisk indicates a report is attached.

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Motion:

To approve Option 1 - Approve Resolution No. 19-03 as presented.

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

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

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

President Brazier called for a break at 2:50 a.m.

The meeting reconvened at 3:00 p.m.

22. AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS

President Brazier reported she made an executive decision to approve Director Rindfleisch's attendance at a training workshop on February 14, 2019 for which he was submitting a request today.

Motion:

To retroactively approve Director Rindfleisch's attendance at the workshop on February 14, 2019.

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

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

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

President Brazier noted Director Mack has remitted a request to attend the 2019 ACWA Spring Conference on May 6-9, 2019. Director Mack mentioned he would be learning a great deal about the water industry, especially with networking with the other agencies. President Brazier pointed out Director Mack was RMWD's appointed representative at ACWA.

Motion:

To approve Director Mack's attendance at the 2019 ACWA Spring Conference.

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

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

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

(*) - Asterisk indicates a report is attached.

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President Brazier noted Director Rindfleisch has remitted a request to attend the upcoming Special Districts Leadership Academy in April 2019 in San Diego. Director Rindfleisch stated several individuals including the RMWD Board have recommended he attend this academy as a means of continually train himself on how to operate as a Board Member. Mr. Kennedy pointed out Director Rindfleisch's attendance would assist RMWD in receiving the District of Distinction award.

Discussion ensued regarding the District of Distinction training and audit requirements.

Motion:

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

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

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

INFORMATION ITEMS

23. DISCUSSION REGARDING RAINBOW MUNICIPAL BRANDING AND LOGO CHANGES

President Brazier inquired as to the reason for utilizing the Excellence Coin as a branding tool in addition to RMWD's logo. Mr. Kennedy noted there was no specific direction provided regarding the use of the Excellence Coin; however, this matter could be reviewed by the Communications and Customer Service Committee for input.

Director Rindfleisch mentioned the Excellence Coin branding has also become a talking point showing the community that although the rates may be high, the staff was working committed to providing excellent service.

Ms. Gray suggested determining how and when the Excellence Coin branding should be utilized so that it is not perceived to be a logo or replacement of the RMWD logo including understanding what the actual coin represents so the customers know what the program means to the District as a whole.

***24. RECEIVE AND FILE INFORMATION AND FINANCIAL ITEMS**

- A. General Manager Comments**
 - 1. Meetings, Conferences and Seminar Calendar
- B. Communications**
 - 1. Staff Training Reports
- C. Operations Comments**
 - 1. Operations Report
- D. Engineering Comments**
 - 1. Engineering Report
- E. Human Resource & Safety Comments**
 - 1. Human Resources Report
 - 2. Organizational Chart
- F. Finance Comments**
 - 1. Monthly Financial Statements
 - 2. Treasurer Report

(*) - Asterisk indicates a report is attached.

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

Mr. Gutierrez provided an oral report on staff's responses to the recent heavy rains. He noted there were no sewer spill occurrences during this time. He mentioned there were a few main line breaks that took place. He also mentioned the assistance staff provided to other agencies working within the District boundaries. Director Mack recommended there be a write-up in the RMWD newsletter related to staff working in conjunction with other agencies during the Atmospheric River rains.

Mr. Strapac mentioned RMWD was currently pursuing an easement currently at the entrance to the lift station on Old River Road.

President Brazier stated she appreciated the attention given to adding the ratepayers and Board Members back to the top of the organizational chart. She recommended some minor revisions to simplify the information provided that could reduce the chart to two pages.

Ms. Largent mentioned the Finance Department had a very productive kick-off week to the finance software implementation over the past week.

Motion:

To receive and file information and financial items.

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

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

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

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

It was noted the rate hearing, sewer service agreement with Valley Center Municipal Water District, amending Administrative Code Section 3.01.020, Inundation Map for Beck Reservoir contract, and a Flume update need to be on the March meeting agenda.

26. ADJOURNMENT - To Tuesday, March 26, 2019 at 1:00 p.m.

The meeting was adjourned by Director Brazier to a regular meeting on March 26, 2019 at 1:00 p.m.

The meeting was adjourned at 3:37 p.m.

Helene Brazier, Board President

Dawn M. Washburn, Board Secretary

(*) - Asterisk indicates a report is attached.



SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING February 28, 2019

- 9-1. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed the Treasurer's report.
- 9-2. Federal Legislative Priorities for 2019.
The Board adopted federal legislative priorities for 2019.
- 9-3. Resolution setting preliminary, informal terms and conditions for the Yuima Municipal Water District's Proposed Shadow Run Ranch Annexation.
The Board adopted Resolution No. 2019-04, establishing preliminary, informal terms and conditions for the Yuima Municipal Water District's proposed Shadow Run Ranch Annexation, and requesting that the Metropolitan Water District of Southern California set formal terms and conditions.
- 9-4. Biennial Review of the Representatives to the Metropolitan Water District of Southern California.
The Board approved the appointment of S. Gail Goldberg to the Metropolitan Water District of Southern California Board of Directors and confirmed Delegates Jerry Butkiewicz, Mike Hogan and Tim Smith.
- 9-5. Closed Sessions
The Board approved the Water Authority contract on MWD matters with the Brownstein law firm be increased by \$850,000 through June 30, 2019.

The Board authorized the Board Chair to sign an employment contract amendment with General Manager Maureen Stapleton and appointed Sandy Kerl as Acting General Manager effective March 1, 2019.



TO: Rainbow Municipal Water District
FROM: Alfred Smith
DATE: March 26, 2019
RE: Attorney Report: New CEQA Guidelines
501668-0002

I. INTRODUCTION.

This attorney report provides an update on new California Environmental Quality Act (“CEQA”) guidelines that recently took effect on December 28, 2018. The new CEQA Guidelines are a response to recent court decisions and changes required by new legislation. According to the Governor’s Office of Planning and Research, the stated goals of the revised guidelines are to help lead agencies be more proactive in their analysis of greenhouse gas (“GHG”) emissions, energy use, wildfire risk, and water supply assessments.

The Guidelines included nuanced changes to CEQA’s traditional baseline analysis as required by new case law. For example, water supply assessments must now address (1) water supply sources over the lifetime of a project; (2) the environmental impacts of supplying that water to a project, and (3) uncertainties in the water supply and alternatives to address identified uncertainties.

The Guidelines also have new wildfire requirements that emphasize the need for an analysis of when a project exacerbates an environmental impact, such as projects involving new housing developments in areas with high wildfire risk.

The new guidelines also include significant changes in the traffic impacts associated with projects. The Guidelines reflect a long-awaited shift from the analysis of transportation impacts from Level of Service (LOS) to Vehicle Miles Traveled (VMT), which more closely aligns with efforts to reduce GHG emissions and more accurately measure impact on the environment in accordance with SB 743 (Steinberg, 2013). SB 743 mandates that local agencies can no longer use automobile delay – commonly measured by Level of Service (LOS) – in transportation analysis under CEQA. This is to align with recent guidelines issued by the State calling for a broader use of VMT, which instead measures the total amount of driving over a given area. The Governor’s Office stated that the intent in making this switch is to promote:

- The reduction of greenhouse gas emissions;

- The development of multimodal transportation networks (i.e., networks that serve a variety of users including pedestrians, bicyclists, transit riders and drivers); and
- A diversity of land uses (i.e., neighborhoods and cities with housing, jobs, shops and services in close proximity to each other).

II. Effective Date.

The revised CEQA Guidelines are in effect as of December 28, 2018. According to the Governor's Office, the new requirements will apply to steps in the CEQA process not yet undertaken by the effective date of the revisions. (California Code of Regulations "CCR" § 1500 (b).) For example, the revised Guidelines will apply to a CEQA document only if the revised Guidelines are in effect when the document is sent out for public review. (CEQA Guidelines, § 15007 (c)). The timeline for VMT adoption is extended. Lead agencies have until July 1, 2020, to comply with the new VMT metric for analyzing traffic and transportation impacts, although they may voluntarily comply earlier. (CCR Section 15064.3 (c))

III. Categories of Changes to the CEQA Guidelines.

A. Efficiency Improvements.

These improvements include changing existing exemptions, modifying the relationship between thresholds of significance and regulatory standards, clarifying the rules of tiering CEQA documents, and updating Appendix G—the sample form for initial studies—by eliminating and clarifying existing questions as well as adding questions on oft-neglected topics.

Changes to the initial study checklist (Appendix G) include:

- Promotion of use of existing regulatory standards as thresholds of significance;
- Identification of factors for a within the scope analysis for Program EIRs, including consistency with land use, density, geographic area, and infrastructure;
- New transportation questions focused on evaluation of VMT impacts;
- New wildfire environmental impact criteria emphasizing the need for greater scrutiny on projects increasing risk in areas designated high wildfire risk;
- Addition of energy as an impact category for mitigated negative declarations, and new questions that require analysis of a project's energy use and compliance with state and local energy goals;
- Clarification that a project's prior use can be considered in a determination of an existing facilities exemption, and application of the existing facilities exemption to infill and transit-oriented development;
- Clarification that both state and federal wetland impacts must be evaluated; and
- Clarification that view impact analysis is for public rather than private views.

B. Substantive Changes.

- **Energy Impacts.** The energy analysis in an EIR must address transportation, equipment use, location, and renewable energy features that could be incorporated into the project, as well as building design and compliance with Title 24 of the green building code.
- **Water Supply Impacts.** Water supply assessments must address water supply sources over the lifetime of a project and the environmental impacts of supplying that water to the project, as well as uncertainties in supply and alternatives.
- **Climate Change.** Clarifies that lead agencies must analyze whether a project's contribution to GHG emissions would have a cumulatively considerable effect on climate change, taking into account projects with long implementation timelines, evolution of scientific knowledge, and changing regulations. Lead agencies relying on consistency with State goals and policies to determine significance must explain how the project's emissions are consistent with the State's regulatory goals and policies, and use substantial evidence to support that determination.
- **Traffic, Transportation and VMT.** The Guidelines shift from LOS to VMT as a measure of a project's transportation-related impacts associated with GHG emissions. This change is intended to promote infill and transit-oriented development. Lead agencies can still use their discretion when selecting alternative methodologies for determining transportation impacts for projects to increase roadway capacity.

C. Technical Changes.

- **Baseline.** Clarifies that lead agencies may use projected future conditions or representative past conditions as the environmental baseline when use of existing conditions would be misleading. Requires lead agencies to support a decision not to use existing conditions with substantial evidence. Allows a lead agency to describe both existing and future conditions.
- **General Responses to Data Dumping.** Clarifies that a general response to a general comment may be appropriate when a commenter submits voluminous data and information without explaining its relevance to the project ("data dumping"). A lead agency may also provide proposed responses to public agency comments in electronic form.
- **Discretionary versus Ministerial.** Incorporates recent case law to clarify the definition of "discretionary" versus "ministerial". Notes that a discretionary project is one in which a lead agency can shape the project to respond to concerns raised in an EIR. Clarifies that review of projects in areas with "by right" zoning cannot be discretionary.¹

¹ "By-right zoning" is an evaluation tool often used in the affordable housing context. A zoning code is considered "by-right" if the approvals process is streamlined so that projects complying with existing zoning standards may bypass certain discretionary reviews.

- Lead Agency Determination. Clarifies that when more than one agency meets the criteria for being “lead agency,” the agencies can agree which agency to designate as the lead agency.
- Deferred Mitigation. Permits “deferred mitigation” when the lead agency: “(1) commits itself to the mitigation; (2) adopts specific performance standards the mitigation will achieve; and (3) identifies the type(s) of potential action(s) that can feasibly achieve that performance standard, and that will [be] considered, analyzed, and potentially incorporated in the mitigation measure.” Commitment to a performance standard is required; however, the lead agency does not have to commit to a menu of measures from which the implemented mitigation measure must be selected. The menu of options may be a non-exclusive list of examples.
- Pre-Commitment Activities. Clarifies that pre-CEQA actions fall on a continuum between interest in a project and a commitment to a definite course of action, and that circumstances surrounding the activity are relevant to the determination of whether an agency has, as a practical matter, committed to a project. Permits approval of agreements that do not foreclose mitigation measures or project alternatives; and are conditioned on completion of CEQA review. Provides guidance on how to draft a pre-commitment agreement to not preclude mitigation measures and alternatives.
- Notice of Preparation. Clarifies the requirement to post the Notice of Preparation in the office of the County Clerk of each county in which the project will be located.

AES/AES

**MINUTES OF THE BUDGET AND FINANCE COMMITTEE MEETING
OF THE RAINBOW MUNICIPAL WATER DISTRICT
FEBRUARY 12, 2019**

1. **CALL TO ORDER:** The Budget & Finance Committee meeting of the Rainbow Municipal Water District was called to order on February 12, 2019 by Chairperson Stitle in the Board Room of the District Office at 3707 Old Highway 395, Fallbrook, CA 92028 at 1:04 p.m. Chairperson Stitle presiding.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL:**

Present: Member Stitle, Member Ross, Member Hensley, Member Gasca, Alternate Nelson.

Also Present: General Manager Kennedy, Executive Assistant Washburn, Finance Manager Largent.

Absent: Member Moss, Customer Service Supervisor Rubio.

No members of the public were present.

4. **SEATING OF ALTERNATES**

Mr. Stitle noted Mr. Nelson would serve as an alternate for this meeting.

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

There were no changes to the agenda.

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

There were no comments.

COMMITTEE ACTION ITEMS

7. **COMMITTEE MEMBER COMMENTS**

There were no comments.

*8. **APPROVAL OF MINUTES**

A. January 8, 2019

Mr. Stitle noted "AMB" should be ABM on Page 3.

Mr. Gasca noted on Item #9, word "developed" should be after "has been" and the word "is" should be removed before the word "rates. He added the word "bad" in Item #12 should be "negative".

Motion:

To approve the minutes as revised.

Action: Approve, Moved by Member Gasca, Seconded by Member Hensley.

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

Ayes: Member Stitle, Member Ross, Member Hensley, Member Gasca, Alternate Nelson.

9. ABM PROJECT UPDATE

Mr. Kennedy referenced his recent letter to ABM addressing the Partnership Agreement with RMWD. He talked about the contents of the letter addressing the District's serious concerns related to the deficiencies in ABM's invoices. He mentioned some of the possible outcomes related to this matter. Discussions followed.

10. REVIEW OF RESERVE ALLOCATIONS

Ms. Largent referenced the current RMWD Cash Reserve Policy she provided for the committee review as well as provide input on reserve allocations. She noted staff went through and set up each of the reserve accounts as the policy dictates them to be done to create a base starting point. She explained the amounts for the water rate stabilization reserves that should have been put in reserves have been added to meet where the District should have been effective January 1, 2019.

Mr. Ross clarified the request from the last meeting was for a prioritization in terms of what funds get filled up first and to what extent. Ms. Largent stated she believes the policy now adequately addresses this concern and how the operating reserve would always be filled first, followed by capital, and then rate stabilization. She confirmed it is listed in this order within the policy. Discussion followed.

Ms. Largent pointed out "Water Replacement Reserve" should be "New Water Sources". Mr. Kennedy noted staff will make the edits and then come to the next committee meeting with another section for the committee to review.

Discussion ensued.

11. REVIEW THE FOLLOWING:

- A.** Income Statement
- B.** Balance Sheet
- C.** Treasurer's Report

Ms. Largent reviewed the information provided in the handouts.

Mr. Nelson inquired as to why the amount of water revenue collected was significantly more than half the budget amount. Mr. Kennedy explained this was due to the largest sales months being July, August, and September; however, once January and February are added into the equation the revenue amount will decrease.

Mr. Nelson asked about Debt Services and whether this was something that could be approved monthly. Ms. Largent stated it could be approved monthly. Discussion followed.

12. LIST OF SUGGESTED AGENDA ITEMS FOR THE NEXT SCHEDULED BUDGET AND FINANCE COMMITTEE MEETING

It was noted updates on the CloudSuite implementation, ABM, and Flume projects should be on the next agenda as well as a budget calendar review, rate concepts, and capital reserve policy update.

13. ADJOURNMENT

The meeting was adjourned by Chairperson Stitle.

The meeting adjourned at 2:42 p.m.

Harry Stitle, Committee Chairperson

Dawn M. Washburn, Board Secretary

**MINUTES OF THE COMMUNICATIONS AND CUSTOMER SERVICE
COMMITTEE MEETING
OF THE RAINBOW MUNICIPAL WATER DISTRICT
FEBRUARY 7, 2019**

1. **CALL TO ORDER** – The Communications and Customer Service Committee Meeting of the Rainbow Municipal Water District on February 7, 2019 was called to order by Vice Chairperson Kirby at 3:35 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. Chairperson Kirby, presiding.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL:**

Present: Member Kirby, Member Hamilton, Alternate Gray.

Also Present: General Manager Kennedy, Executive Assistant Washburn, Customer Service Supervisor Rubio, Project Manager Johnson.

Absent: Member Johnson.

Two members of the public was present.

4. **SEATING OF ALTERNATES**

Ms. Kirby noted Ms. Gray would be seated as an alternate at this meeting.

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

There were no changes to the agenda.

6. **PUBLIC COMMENT RELATING TO ITEMS NOT ON THE AGENDA**

Russel Vernon introduced himself as a ten-year resident of the District who has always appreciated the work RMWD does and wanted to get involved. He noted he was a PC Chemist who worked for the University of California.

Ms. Gray introduced Ashanti McMillon as a RMWD temporary staff member assisting the District with both human resources and public relations projects.

Bill Shute introduced himself as a new resident in the Bonsall area who works as a technology executive specializing in marketing and communications. He stated he was interested in volunteering his time help the RMWD organization.

Discussion returned from Item #9.

Staff and committee members introduced themselves to the new public attendees.

Discussion went to Item #10.

7. REVIEW OF COMMITTEE CHAIRPERSON ROLES AND RESPONSIBILITIES

This item was deferred to the next meeting.

COMMITTEE ACTION ITEMS

***8. APPROVAL OF MINUTES**

A. January 9, 2019

Motion:

To approve the minutes as written.

Action: Approve, Moved by Alternate Gray, Seconded by Member Hamilton.

Vote: Motion carried by unanimous vote (summary: Ayes = 3).

Ayes: Member Kirby, Member Hamilton, Alternate Gray.

9. FLUME PILOT STUDY UPDATE

Mr. Kennedy reported the pilot program was still going well. He mentioned Flume released a web-based portal from which data can be downloaded. He briefed the audience on the Flume Device and the benefits it provides as well as the pilot program the District implemented. Discussion ensued.

Ms. Kirby inquired about the life of the batteries. It was noted they were regular batteries easily replaceable by the customer.

Discussion ensued.

Discussion returned to Item #6.

10. WATER SERVICE UPGRADE PROJECT UPDATE

Ms. Johnson presented an example of the street sign to be displayed in the residential areas prior to work starting in the neighborhoods. Mr. Kennedy added there will be a four-page newsletter sent out prior to the project begins followed with continuous communications.

Ms. Johnson pointed out the phone line extension and email address provided on the door hanger are both active.

Mr. Vernon asked how RWMD would address concerns customers might have with regards to the last reading on their last bill compared to the new one. Mr. Kennedy explained every time one is replaced a photograph will be taken of both the old and new meter for recording purposes.

Ms. Kirby inquired about the toll-free number on the street sign. Ms. Johnson explained it was for the subcontractor performing the work since they will have all the warranty on the meters installed. Mr. Kennedy added the subcontractor was in Murrieta.

Ms. Rubio asked if "Water Service Upgrade Project Coming Soon to Your Neighborhood". Discussion ensued.

Discussion took place regarding suggested revisions for the logos on the street sign.

Mr. Kennedy referenced his recent letter to ABM addressing the Partnership Agreement with RMWD. He talked about the contents of the letter addressing the District's serious concerns related to the deficiencies in ABM's invoices. He noted the funding RMWD received through the lease agreement and debt the District took on has nothing to do with ABM although they were very helpful in facilitating working with the bank to get the District the best financing deal available.

11. DOOR HANGER REVIEW

This item was covered under Item #10.

12. DISCUSSION REGARDING "LEAK" VERSUS "HIGH USAGE" LANGUAGE

Ms. Kirby explained there are sometimes situations where customers call plumbers because her agency staff has told them they had a possible leak when in fact they did not. She stated when the customers found they do not actually have a leak, they have sought reimbursement from her district. She said her district acted by replacing the term "leak" with "high usage" on their door hangers as well as instructed staff to use this terminology when speaking with the customers.

Ms. Rubio stated RMWD does not have official door hangers for leaks, but rather take a door hanger and make notes on the back of it. She said this was why staff wanted to discuss the language to include on any door hanger being established. She pointed out she tries to have customer service staff encourage customers to use Mission Resource Conservation District for free site audits.

Ms. Kirby offered to provide a sample door hanger for reference purposes.

13. VIDEO BRIEFING

Ms. Gray mentioned she and Ms. McMillon have partnered with the contractor preparing the history of the district video. She stated they will also be working on videos for FAQ's, recruitment, as well as S.T.E.M.

Ms. McMillon provided an update on the history video noting she and Ms. Gray will be meeting with the videographer in mid-March to interview with those who will be part of the video. She said they will remain in contact with the videographer each week until the project is complete. She mentioned she would be editing the story board along the way and how it was anticipated to have two short videos available to the public as soon as possible.

14. PUBLIC COMMUNICATIONS AND OUTREACH ITEMS

- A. Topics
- B. Strategic Plan Objectives
- C. Calendar
- D. Snipes Calendar
- E. Updates from Other Committees
- F. Customer Relations

Ms. Gray reported she confirmed the Fallbrook Parade would be held on December 7, 2019; however, applications will not be available until October. She stated whatever the District wants to present in the parade will need to be decorated for Christmas. Discussion ensued.

Ms. Gray pointed out the newsletter has been updated with a new look. Discussion ensued regarding adding the customer's division number to the billing statements. It was confirmed the divisions would be provided with the new billing software.

Discussion ensued regarding how the space in the newsletter will be utilized going forward.

Mr. Kennedy reported the Budget and Finance Committee discussed the rates and how the Prop 218 notices have been sent.

15. REVIEW AND ANALYSIS OF RMWD RELATED MEDIA STORIES

There were no articles discussed.

16. COMMITTEE MEMBER COMMENTS

There were no comments.

17. LIST OF SUGGESTED AGENDA ITEMS FOR THE NEXT SCHEDULED COMMUNICATIONS AND CUSTOMER SERVICE COMMITTEE MEETING

It was noted the door hangers, water service upgrade project, video briefing, a Flume update, and new committee member appointments will be on the next committee agenda.

18. ADJOURNMENT

The meeting was adjourned by Member Kirby.

The meeting adjourned at 4:55 p.m.

Jeanna Kirby, Committee Chairperson

Dawn M. Washburn, Board Secretary

**MINUTES OF THE ENGINEERING AND OPERATIONS COMMITTEE MEETING
OF THE RAINBOW MUNICIPAL WATER DISTRICT
FEBRUARY 6, 2019**

1. **CALL TO ORDER** – The Engineering and Operations Committee Meeting of the Rainbow Municipal Water District on February 6, 2019 was called to order by Chairperson Nelson at 3:00 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 Nelson, Member Prince, Member Stitle, Member Brazier, Member Taufer, Member Ratican, Member Marnett.

Also Present: General Manager Kennedy, District Engineer Strapac, Associate Engineer Powers, Right of Way/Facilities Coordinator Brown, Operations Manager Gutierrez, Meter Services Supervisor Chandler, Engineering Technician Rubio.

There was one public member present: Mr. Work.

4. **SEATING OF ALTERNATES**

None.

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

None.

6. **PUBLIC COMMENT RELATING TO ITEMS ON THE AGENDA**

None.

COMMITTEE ACTION ITEMS

7. **APPROVAL OF MINUTES**

A. January 2, 2019

Motion: Approve the minutes as written.

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

Vote: Motion passed (summary: Ayes = 7, Noes = 0).

Ayes: Member Nelson, Member Prince, Member Stitle, Member Brazier, Member Taufer, Member Ratican, Member Marnett.

8. DISCUSSION AND POSSIBLE ACTION REGARDING JADE WORK'S REQUEST FOR VARIANCE FROM ENCROACHMENT POLICY

Ms. Brown said this action item had to do with the Monserrate Winery Project on Gird Road, which involved several District easements. She introduced Mr. Work and mentioned that he has been developing the winery for the past few years and worked with previous District staff regarding keeping clear of one easement. She said over the last several months staff have been working with Mr. Work regarding concerns with encroachments on several other District easements. She mentioned most have been cleared, although there was one planted area with mature grapevines on a District easement. She said Mr. Work has submitted a variance application request to allow the planted area with the mature grapevines to remain on the District Easement.

Mr. Work stated prior to planting the vineyard District staff reviewed the area for access and agreed there was no issue. Mr. Work stated District staff did not have access to the facilities in that area due to the river bed. He pointed out that he built the access roads to the District facilities and has allowed District staff to use them, otherwise the District would not have access.

Mr. Kennedy stated the Admin Code does not allow encroachments on District easements, although staff would review the depth of the pipe line and determine if there would not be any major issues with the grapevines. He said with a proper encroachment permit and an understanding that if there was a major facility issue, the grapevines would be removed at no cost to the District. He apologized for the incorrect information that previous staff provided and had approved. He stated they did not possess the authority to grant the use of the District's easement. Discussion ensued.

Mr. Strapac said a couple of cons with this issue would be having to remove part of the vineyard during pipeline relining causing disturbance. He said another concern was that grapevine roots can become attached to the pipelines depending on the depth of the pipeline. Mr. Prince asked for clarification regarding bearing the costs for replacing the grapevines. Mr. Strapac stated the owner would be responsible. Ms. Brazier stated it would cost the District in delays and disturbances. Discussion ensued.

Mr. Nelson said in his understanding the proposal at hand was to grant the variance with an encroachment permit that delineates sufficient items necessary to hold the District harmless. He said it appears to him that District staff and the property owner were in agreement of what was currently being proposed. Discussion ensued.

Ms. Brown requested clarification regarding whether the property owner would be allowed to replace the encroachment in kind after it was removed. Mr. Kennedy responded yes, as long as it doesn't expand the use of the encroachment.

Mr. Kennedy asked Mr. Gutierrez about how long it would take to access the encroachment area during emergency operations. Mr. Gutierrez responded the grapevines would cause minimal access delays. He added this variance request would not be an issue with emergency operations. Discussion ensued.

Ms. Brown announced that there was a sewer line on the south side of Mr. Work's property, which did not appear to be in an easement. She stated the District would like to request an easement, although she was still researching the title report in order to make that determination. Mr. Kennedy stated this item had to be postponed until more information was provided.

Mr. Nelson stated this item would be postponed for next month.

9. DISCUSSION AND POSSIBLE ACTION REGARDING VARIANCE REQUEST FROM TIMOTHY PRINCE

Mr. Prince was recused from the meeting for this agenda item.

Mr. Powers said Mr. Prince submitted a variance application to allow a downsize from his current 1-inch meter to a 3/4-inch for his 13.49-acre lot. He pointed out District ordinance states capacity class B (or 3/4-inch) allows for a property less than .5-acre lot. He said due to this ordinance Mr. Prince would not qualify for a capacity class B (or 3/4-inch) meter without a variance. He said in the application Mr. Prince stated he would not be using more than the 50 units maximum allowed per month. He explained if the Engineering Committee recommended approval to the Board and the Board approved this variance, then an Agreement would be prepared with detailed restrictions. Mr. Kennedy pointed out that Mr. Prince was forecasting not going over the 50 units, since the house was not built yet. Discussion ensued.

Mr. Nelson asked for staff's recommendation. Mr. Strapac responded staff's recommendation was to grant the variance. Mr. Radican said he had concerns downsizing a meter with a lot that big. Mr. Stitle said he would be charged if he went over the 50 units maximum allowed. Discussion ensued.

Ms. Brazier inquired as to the track rate for customers overusing their meters. Mr. Powers said the District does not have a mechanism in place. Mr. Kennedy said the District has been trying to find a legal mechanism to create a monthly adjustable service charge based on average use over time.

Ms. Brazier stated she shares Mr. Radican's concerns regarding large lot sizes with smaller meters. Mr. Radican stated if a property owner has a 2-inch meter and is requesting to downsize to a 1-inch he has no problem with it, although if the request is to go down to a 3/4-inch it would underserve the property. He suggested revisiting the policy regarding requests for 3/4-inch meters. Discussion ensued.

Motion: Recommend the variance request to the Board for approval.

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

Vote: Motion passed (summary: Ayes = 4, Noes = 0, Abstain = 2).

Ayes: Member Stitle, Member Taufer, Member Nelson. Member Marnett.

Abstain: Member Ratican, Member Brazier.

Recused: Member Prince.

10. CORROSION PROTECTION UPDATE

Mr. Strapac said staff recently mailed out the contract to the HDR Engineering, Inc. for signature. He anticipates the notice to proceed to be issued by the end of the month.

11. VIA ARARAT PIPE DESIGN

Mr. Strapac said he was directed to design a pipeline for inter-connectivity north and south of the District along Via Ararat. He stated the base map was created by the surveyor and the design would be completed in house. He described how the surveyor used a drone to take the aerial pictures and the measurable photographs that would be used to prepare the easements. Discussion ensued.

Mr. Nelson asked if there were specification being written for this design. Mr. Strapac responded yes. Discussion ensued.

12. RECORD OF SURVEY UPDATE

Mr. Strapac said the aerial and topo of the District Headquarters (four parcels) was completed. Mr. Kennedy stated he was looking into contracting with Sunwood Ventures to discuss the land use planning/changes with the County of San Diego for commercial/government use. He said currently the land was coded as agriculture. Mr. Strapac stated monuments would be placed on all the corners of the four parcels. Discussion ensued.

13. ABM PROJECT UPDATE

Mr. Kennedy provided a copy of the letter sent to ABM regarding their performance. He said staff has been trying to obtain appropriate invoices for the work being billed. He pointed out the billings have been moving line items and costs around, in addition to inflating and manipulating costs. He mentioned in the letter to ABM that the project was intended to be a public-private partnership, and as such may not have included a full range of bid item detail that the more routine public contracts would contain. He said the flexibility provided in the contract also introduced other variables that created challenges. Discussion ensued.

Mr. Kennedy stated the letter was not a breach, although a breach notice with a 30-day notice to cure would be issued if the corrections were not made. Discussion ensued.

14. OPERATIONS PRESENTATION

Mr. Gutierrez provided a presentation on the Meter Services. He introduced Mr. Chandler the Meter Services Supervisor. He stated the main function of the Meter Shop was to work in the meter boxes. He provided the following information:

- 8,200 meters in the system
- Range in size from 5/8" to 6"
- Total of 7 staff
- Responsible for all maintenance at the meter service. He noted other District staff were cross trained to assist during staff shortages.

Mr. Gutierrez said some of the other services conducted by the Meter Services staff included:

- Automatic Meter Read (AMR) system and Manual Read - Currently there are 5,740 meters read via AMR, there is a mobile collector in the truck as the meter reader drives the routes meter data is collected electronically. He pointed out the balance of the 8,200 meters in the system must be read manually and inputted in a hand-held device to be downloaded at the end of the day.
- ABM Project -Total cost not to exceed \$10M, anticipated replacement of all District meters, increase AMR reading to 100%, currently all the meters are read in 7 days and the intent is to reduce it down to 3 days, pilot project 300 meters.

- Customer Complaints - A large part of meter services is handling customer service calls. Calls vary from pressure issues, leaks, check reads-per customer request. Face to face contact with customers. Handle approximately 500 customer services requests per month.
- Flume - Pilot Device alerts rate payer of possible leak, nearly 60 devices deployed.
- Backflow Program - A standalone staff member providing water quality and backflow services left the District. The duties were split Water Quality was moved under Operations and the Backflow Program was moved under the Meter Services. The District backflows are being tested by a District Backflow Cross Connection Technician certified by the State of California.

Mr. Kennedy provided an update on the possibility of making the flume available for District customers. He stated based on the direction from the Board through the Strategic Plan the District would find ways to provide customers more information on their water use. He said making flume available to the customers through a special program could be useful. Discussion ensued.

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

- Jade Work Variance
- Record of Survey Update
- ABM Update
- Via Ararat Update - Staff vs. Consultant Costs
- Flume Update
- Operations Waste Water
- Misc. Pipeline Relocation

16. ADJOURNMENT

The meeting adjourned at 5:10 p.m. to March 6, 2019.

Flint Nelson, Committee Chairperson

Dawn M. Washburn, Board Secretary

BOARD OF DIRECTORS

March 26, 2019

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO AWARD A PROFESSIONAL SERVICES AGREEMENT TO PROVIDE DAM INUNDATION MAP DEVELOPMENT SERVICES FOR THE BECK DAM INUNDATION MAP DEVELOPMENT PROJECT AND APPROPRIATE \$30,000 TO THE PROJECT BUDGET

BACKGROUND

Rainbow Municipal Water District ("District") owns the Beck Reservoir which is currently not in operation. The reservoir is impounded by Beck Dam, which is registered with the California Division of Safety of Dams (DSOD) under dam number 2048. DSOD released new Inundation map regulations on September 15, 2017, in response to the recent emergency at the Oroville Dam in northern California. These new regulations require an updated inundation map, with specific analysis requirements to be submitted to DSOD. There is currently no water impounded by Beck Dam, nor is the District planning to impound water in Beck Reservoir in the foreseeable future. However, after discussions with the State, because the Dam could still theoretically impound water, the latest DSOD regulations apply.

The District prepared an RFP to solicit proposals, and select the most qualified firm with expertise in inundation map development. The scope of services includes the following key elements:

- Development of a new inundation map and associated technical study and report for Beck Dam, DSOD registered dam #2048.
- Development of inundation map, technical study report and associated materials will be developed per "Draft DSOD Inundation Map Regulations – Draft 13.2 (23 CCR et seq (Inundation Maps) – Draft 13.2)" released by DSOD on September 15, 2017.
- Deliverables shall incorporate all requirements of DSOD Inundation Map Regulations – Draft 13.2 as required for submittal, review and approval by DSOD.

DESCRIPTION

The District issued a Request for Proposals on January 23, 2019. Eight firms submitted proposals in response to the RFP by the deadline of February 26, 2019.

- | | |
|------------------------|----------------------|
| 1. DUDEK | 5. Q3 Consultants |
| 2. GEI Consultants | 6. Shaaf & Wheeler |
| 3. HDR | 7. Stetson Engineers |
| 4. Kasraie Consultants | 8. West Consultants |

Staff reviewed the proposals and evaluated them based on the executive summary, project description, identification of the consultant, project organization and experience, past performance, the firm's local experience and creative alternatives. The staff evaluation found that several firms demonstrated competence and the professional qualifications necessary for the satisfactory performance of the services required, including Stetson Engineers. The "Mini Brooks Act" states that the services should be engaged

at "...fair and reasonable prices to the public agencies...". Stetson Engineers proposal indicated competence and a reasonable price to provide these services required by the State, for an empty reservoir. Therefore, staff recommends the selection of Stetson Engineers for the project.

The proposal was presented to the Engineering and Operations Committee which recommended that the Board approve the professional services agreement with Stetson Engineers, pending a legal review of the decision.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Two: Asset Management. The District has the responsibility to not only maintain the physical condition and operability of existing infrastructure, but also to ensure that all regulatory requirements are met.

BOARD OPTIONS/FISCAL IMPACTS

This project was not included in the District's CIP budget. The proposed fee for the Engineering services contract is \$24,081. In order to pay for this project if approved, the board must appropriate the total expected budget for this project, \$30,000, which will include costs of staff time and resources. These funds are available in the Capital Reserves.

- 1) Authorize staff to award a professional services contract to Stetson Engineers to provide Inundation Map Development services for the Beck Dam Inundation Map Development Project and appropriate \$30,000 to the project budget.
- 2) Provide other direction to staff.

ENVIRONMENTAL

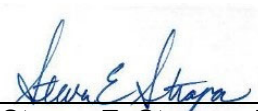
In accordance with CEQA guidelines Section 15378, the action before the Board does not constitute a "project" as defined by CEQA and further environmental review is not required at this time.

STAFF RECOMMENDATION

Staff recommends Option 1.

ATTACHMENTS

- Attachment 1 - PSA
- Attachment 2 - Stetson Proposal
- Attachment 3 - Stetson Fee Estimate



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

3/26/2019



**RAINBOW MUNICIPAL WATER DISTRICT
3707 S HIGHWAY 395
FALLBROOK CA 92028
(760) 728-1178**

PROFESSIONAL SERVICES AGREEMENT

PROJECT: TITLE
Project No. 000000, Contract No. 19-00

THIS AGREEMENT ("Agreement") is made and entered into this _____ day of **March, 2019** by and between the **RAINBOW MUNICIPAL WATER DISTRICT**, a municipal water district, hereinafter designated as "**DISTRICT**", and **Stetson Engineers Inc., a California Corporation**, hereinafter designated as "**CONSULTANT**."

RECITALS

- A.** DISTRICT desires to obtain Professional Consulting Services from an independent contractor for the above named Project.
- B.** CONSULTANT has submitted a proposal to provide professional services for DISTRICT in accordance with the terms set forth in this Agreement.
- C.** DISTRICT desires to contract with CONSULTANT as an independent contractor and CONSULTANT desires to provide services to DISTRICT as an independent contractor.
- D.** CONSULTANT has demonstrated its competence and professional qualifications necessary for the satisfactory performance of the services designated herein by virtue of its experience, training, education, and expertise.

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

- 1. PROFESSIONAL SERVICES PROVIDED BY CONSULTANT.**
 - 1.1** The professional services to be performed by CONSULTANT shall consist of the following: **Engineering services to Develop an Inundation Map for the Beck Dam.** The scope of services is more particularly defined in the proposal in Exhibit "A", attached and made a part hereof. Any additional engineering services will be requested in writing as set forth in Section 19.
 - 1.2** In performing the services set forth in Exhibit "A", CONSULTANT shall work closely with DISTRICT'S General Manager and staff in performing services in accordance with this

Agreement in order to receive clarification as to the result that DISTRICT expects to be accomplished by CONSULTANT. The General Manager, shall be DISTRICT'S authorized representative in the interpretation and enforcement of all services performed in connection with this Agreement.

1.3 CONSULTANT represents that its employees have the qualifications and skills necessary to perform the services under this Agreement in a competent, professional manner, without the advice or direction of DISTRICT. This means CONSULTANT is able to fulfill the requirements of this Agreement. Failure to perform all services required under this Agreement constitutes a material breach of the Agreement.

2. TERM AND TIMING REQUIREMENTS.

2.1 This Agreement will become effective on the date stated above, and will continue in effect until the earlier of the completion of services provided for in this Agreement or until terminated as provided under Section 14 of this Agreement.

2.2 CONSULTANT'S performance of services under this Agreement shall be in accordance with the schedule outlined below unless otherwise modified in writing as set forth in Section 19. Failure by CONSULTANT to strictly adhere to these timing requirements may result in termination of this Agreement by DISTRICT.

Task	Due Date
Notice to Proceed	March 28, 2019
Administrative Draft Submittal	May 30, 2019
DSOD First Submittal	June 13, 2019
DSOD Final Submittal	1 Week After DSOD Comments Received

2.3 CONSULTANT shall submit all requests for extensions of time for performance in writing to the General Manager no later than two (2) business days after the commencement of the cause of any unforeseeable delay beyond CONSULTANT'S control and in all cases prior the date on which performance is due if possible. The General Manager shall review all such requests and may grant reasonable time extensions for unforeseeable delays which are beyond CONSULTANT'S control.

2.4 For all time periods not specifically set forth herein, CONSULTANT shall respond in the most expedient and appropriate manner under the circumstances, by telephone, fax, hand delivery, e-mail or mail.

3. STUDY CRITERIA AND STANDARDS.

- 3.1 All services shall be performed in accordance with applicable DISTRICT, county, state and federal Codes and criteria. In the performance of its professional services, CONSULTANT shall use the degree of care and skill ordinarily exercised by consultants performing the same or similar work under similar conditions.

4. INDEPENDENT CONTRACTOR.

- 4.1 CONSULTANT'S relationship to DISTRICT shall be that of an independent contractor in performing all services hereunder. DISTRICT shall not exercise any control or direction over the methods by which CONSULTANT shall perform its services and functions. DISTRICT'S sole interest and responsibility is to ensure that the services covered in this Agreement are performed in a competent, satisfactory and legal manner. The parties agree that no services, act, commission or omission of CONSULTANT or its employee(s) pursuant to this Agreement shall be construed to make CONSULTANT or its employee(s) the agent, employee or servant of DISTRICT. CONSULTANT and its employee(s) are not entitled to receive from DISTRICT vacation pay, sick leave, retirement benefits, Social Security, workers' compensation, disability benefits, unemployment benefits or any other employee benefit of any kind.

- 4.2 CONSULTANT shall be solely responsible for paying all federal and state employment and income taxes, for carrying workers' compensation insurance and for otherwise complying with all other employment requirements with respect to CONSULTANT or its employee(s). CONSULTANT agrees to indemnify, defend and hold DISTRICT harmless from any and all liability, damages or losses (including attorney's fees, costs, penalties and fines) DISTRICT suffers as a result of CONSULTANT'S failure comply with the foregoing.

- 4.3 CONSULTANT shall be solely responsible for the performance of any of its employees, agents, or subcontractors under this Agreement. CONSULTANT represents and warrants that CONSULTANT customarily engages in the independently established trade and business of the same nature as the work to be performed under this Agreement.

- 4.4 CONSULTANT shall have no authority, express or implied, to act on behalf of as an agent, or to bind DISTRICT to any obligation whatsoever, unless specifically authorized in writing by the General Manager. If CONSULTANT'S services relate to an existing or future DISTRICT construction contract, CONSULTANT shall not communicate directly with, nor in any way direct the actions of, any bidder for that construction contract without the prior written authorization by the General Manager.

5. WORKERS' COMPENSATION INSURANCE.

- 5.1 By CONSULTANT'S signature hereunder, CONSULTANT certifies that CONSULTANT is aware of the provisions of Section 3700 of the California Labor Code that require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and CONSULTANT will comply with such provisions before commencing the performance of the services of this Agreement.

6. INDEMNIFICATION, HOLD HARMLESS AND DEFENSE.

- 6.1** All officers, agents, employees and subcontractors, and their agents, who are employed by CONSULTANT to perform services under this Agreement, shall be deemed officers, agents and employees of CONSULTANT. To the extent and in any manner permitted by law, CONSULTANT shall defend, indemnify, and hold DISTRICT, its directors, officers, employees, authorized volunteers and agents, and each of them free and harmless from any claims, demands, liability from loss, damage, or injury to property or persons, including wrongful death, that arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of CONSULTANT, including CONSULTANT'S officers, employees and agents, in connection with the services required by this Agreement, including without limitation, the payment of reasonable attorneys' fees and costs. In no event shall the cost to defend charged to the CONSULTAN exceed the CONSULTANT'S proportionate percentage of fault, as determined by a court of law. The foregoing indemnity, hold harmless and defense obligation of CONSULTANT shall apply except to the extent the loss, damage or injury is caused by the sole negligence or willful misconduct of an indemnified party.
- 6.2** To the extent and in any matter permitted by law, CONSULTANT shall defend, indemnify and hold DISTRICT, its directors, officers, employees, authorized volunteers and agents, and each of them free and harmless from and against any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, related to or incident to a breach of any governmental law or regulations, compliance with which is the responsibility of CONSULTANT, except any violation of law due to the DISTRICT'S negligence or willful misconduct.
- 6.3** CONSULTANT shall defend, at CONSULTANT'S own cost, expense and risk, any and all such aforesaid claims, suits, actions or other legal proceedings of every kind that may be brought or instituted against DISTRICT or DISTRICT'S directors, officers, employees, authorized volunteers and agents, and each of them. DISTRICT shall be consulted regarding and approve of the selection of defense counsel.
- 6.4** CONSULTANT shall pay and satisfy any judgment, award or decree that may be rendered against DISTRICT or its directors, officers, employees, authorized volunteers and agents, and each of them, in any and all such aforesaid claims, suits, action or other legal proceeding. CONSULTANT shall not agree without DISTRICT'S prior written consent, to any settlement which would require DISTRICT to pay any money or perform some affirmative act, including in the case of intellectual property infringement any payment of money or performance of some affirmative act to continue using CONSULTANT Products.
- 6.5** CONSULTANT'S indemnification, hold harmless and defense obligation shall survive the termination or expiration of this Agreement.

7. LAWS, REGULATIONS AND PERMITS.

- 7.1** CONSULTANT shall give all notices required by law and comply with all laws, ordinances, rules and regulations pertaining to the conduct of the services required by this Agreement. CONSULTANT shall be liable for, and bear all costs resulting from, any violations of the law in connection with services furnished by CONSULTANT, except any violation of the law due to the DISTRICT'S negligence or willful misconduct.

7.2 CONSULTANT shall comply with all of the following requirements with respect to any services as a Building/Construction Inspector, Field Soils and Material Tester, or Land Surveyor, as those trades are defined by the California Department of Industrial Relations (“DIR”).

- a) CONSULTANT agrees to comply with and require its subcontractors to comply with the requirements of California Labor Code sections 1720 *et seq.* and 1770 *et seq.*, and California Code of Regulations, title 8, section 16000 *et seq.* (collectively, “Prevailing Wage Laws”) and any additional applicable California Labor Code provisions related to such work including, without limitation, payroll recordkeeping requirements. CONSULTANT and its subcontractors shall pay not less than the prevailing rate of per diem wages as determined by the Director of the DIR for all services described in this Section 7.2 of the Agreement and as required by law. The general prevailing wage determinations can be found on the DIR website at: [www://dir.ca.gov/dslr](http://www.dir.ca.gov/dslr). Copies of the prevailing rate of per diem wages may be accessed at the DISTRICT’S administrative office, and shall be made available upon request. CONSULTANT shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the services described in this Section 7.2 of the Agreement available to interested parties upon request, and shall post and maintain copies at CONSULTANT’S principal place of business and at all site(s) where services are performed. Penalties for violation of Prevailing Wage Laws may be assessed in accordance with such laws. For example, CONSULTANT shall forfeit, as a penalty to the DISTRICT, Two Hundred Dollars (\$200) for each calendar day, or portion thereof, for each workman paid less than stipulated prevailing rates for services performed under this Agreement by CONSULTANT, or any subcontractor under CONSULTANT, in violation of Prevailing Wage Laws.
- b) CONSULTANT and each of its subcontractors shall keep accurate payroll records showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker or other employee employed by CONSULTANT or subcontractor in connection with the services performed pursuant to this Agreement. Each payroll shall be certified, available for inspection, and copies thereof furnished as prescribed in California Labor Code sections 1771.4(a)(3)(A) and 1776, including any required redactions. CONSULTANT shall keep the DISTRICT informed as to the location of the records and shall be responsible for the compliance with these requirements by all subcontractors. CONSULTANT shall inform the DISTRICT of the location of the payroll records, including the street address, city and county and shall, within five (5) working days, provide a notice of a change of location and address. Penalties for noncompliance include a forfeiture of One Hundred Dollars (\$100) per calendar day, or portion thereof, for each worker until strict compliance is effectuated, which may be deducted from any moneys due to CONSULTANT.
- c) Eight (8) hours of work shall constitute a legal day’s work. CONSULTANT and any subcontractors shall forfeit, as a penalty to the DISTRICT, Twenty-Five Dollars (\$25) for each worker employed in the execution of services pursuant to this Agreement by CONSULTANT or any subcontractor under him for each calendar day during which such worker is required or permitted to work more

than eight (8) hours in any one (1) calendar day and forty (40) hours in any calendar week in violation of the provisions of the California Labor Code, in particular, sections 1810 to 1815, thereof, inclusive, except services performed by employees of CONSULTANT and its subcontractors in excess of eight (8) hours per day at not less than the rates published by the California Department of Industrial Relations.

- d) CONSULTANT'S attention is directed to the provisions of California Labor Code sections 1777.5, 1777.6 and 1777.7 concerning employment of apprentices by CONSULTANT or any of its subcontractors. If applicable to the services performed under the Agreement, CONSULTANT shall comply with such apprenticeship requirements and submit apprentice information to the DISTRICT. Information relative to apprenticeship standards, wage schedules and other requirements may be obtained from the DIR or the Division of Apprenticeship Standards. Knowing violations of section 1777.5 will result in forfeiture not to exceed One Hundred Dollars (\$100) or Three Hundred Dollars (\$300), depending on the circumstances, for each calendar day of non-compliance pursuant to section 1777.7.
- e) CONSULTANT shall require any subcontractors performing services described in this Section 7.2 of the Agreement to comply with all the above.
- f) CONSULTANT must be, and must require all subcontractors performing services described in this Section 7.2 to be, registered with and have paid the annual fee to the DIR prior to execution of this Agreement pursuant to Labor Code Section 1725.5. No contractor or subcontractor may be listed on a bid proposal for a public works project, or perform services described in this Section 7.2, unless registered with the DIR pursuant to Labor Code Section 1725.5. No contractor or subcontractor may be awarded a contract for public work on a public works project, or perform services described in this Section 7.2, unless registered with the DIR pursuant to Labor Code Section 1725.5. The performance of services described in this Section 7.2 is subject to compliance monitoring and enforcement by the DIR

8. SAFETY.

In carrying out CONSULTANT'S services, CONSULTANT shall at all times, exercise all necessary precautions for the safety of employees appropriate to the nature of the services and the conditions under which the services are to be performed, and be in compliance with all federal, state and local statutory and regulatory requirements including State of California, Division of Industrial Safety (Cal/OSHA) regulations, and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act (as applicable). Safety precautions as applicable shall include instructions in accident prevention for all employees such as safe walkways, scaffolds, fall protection, ladders, bridges, gang planks, confined space procedures, trenching & shoring, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries.

9. INSURANCE.

9.1 INSURANCE COVERAGE AND LIMITS.

CONSULTANT shall provide and maintain at all times during the performance of this Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the services hereunder by CONSULTANT, its agents, representatives, employees or subcontractors. Claims made policies shall not satisfy these insurance requirements unless CONSULTANT notifies DISTRICT and obtains DISTRICT'S prior written consent to the use of such claims made policies.

Coverage – CONSULTANT shall maintain coverage at least as broad as the following:

- a) Coverage for Professional Liability appropriate to CONSULTANT'S profession covering CONSULTANT'S wrongful acts, negligent actions, errors or omissions. The retroactive date (if any) is to be no later than the effective date of this Agreement.
- b) Insurance Services Office Commercial General Liability Coverage (Occurrence Form CG 0001).
- c) Insurance Services Office Automobile Liability Coverage (Form CA 0001), covering Symbol 1 (any auto).
- d) Workers' Compensation insurance as required by the State of California and Employers Liability insurance.

Limits - CONSULTANT shall maintain limits no less than the following:

- a) Professional Liability - One million dollars (\$1,000,000) per claim and two million dollars (\$2,000,000) annual aggregate.
- b) General Liability - One million dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit or products-completed operations aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to DISTRICT) or the general aggregate limit and products-completed operations aggregate limit shall be twice the required occurrence limit.
- c) Automobile Liability - One million dollars (\$1,000,000) for bodily injury and property damage each accident limit.
- d) Workers' Compensation insurance with statutory limits as required by California law and Employer's Liability insurance with a limit of no less than One Million Dollars (\$1,000,000) per accident for bodily injury or disease.

9.2 REQUIRED PROVISIONS. The insurance policies are to contain, or be endorsed to contain the following provisions:

- a) DISTRICT, its directors, officers, or employees are to be covered as insureds on the CGL and auto policies with respect to liability arising out of automobiles owned, leased, hired, or borrowed by on or behalf of

CONSULTANT; and with respect to liability arising out of services or operations performed by or on behalf of CONSULTANT including materials, parts, or equipment furnished in connection with such services or operations. General liability coverage can be provided in the form of an endorsement to CONSULTANT'S insurance (at least as broad as ISO Form CG 20 10, 11 85 or both CG 20 10 and CG 20 37 forms if later revisions used). The coverage shall contain no special limitations on the scope of protection afforded to DISTRICT, its directors, officers, employees, or authorized volunteers. The Project Name shall also be included.

- b) For any claims related to the services provided hereunder, CONSULTANT'S insurance shall be primary insurance as respects DISTRICT, its directors, officers, employees, and authorized volunteers. Any insurance, self-insurance, or other coverage maintained by DISTRICT, its directors, officers, or employees shall not contribute to it.
- c) Each insurance policy specified above are to state or be endorsed to state that coverage shall not be canceled except after thirty (30) days prior written notice (ten (10) days for non-payment of premium) by U.S. mail has been provided to DISTRICT.
- d) In the event any change is made in the insurance carrier, scope of coverage or retroactive date of professional liability coverage required under this Agreement (if applicable), CONSULTANT shall notify DISTRICT prior to any changes.

9.3 WAIVER OF SUBROGATION. CONSULTANT hereby agrees to waive rights of subrogation which any insurer of CONSULTANT may acquire from CONSULTANT by virtue of the payment of any loss. CONSULTANT agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of DISTRICT for all services performed by CONSULTANT, its employees, agents and subcontractors.

9.4 DEDUCTIBLES AND SELF-INSURED RETENTIONS. Any deductible or self-insured retention must be declared to and approved by DISTRICT. At the option of DISTRICT, the insurer shall either reduce or eliminate such deductibles or self-insured retention.

9.5 ACCEPTABILITY OF INSURERS. Insurance is to be placed with insurers having a current A.M. Best rating of no less than A:VII or equivalent or as otherwise acceptable to DISTRICT.

9.6 EVIDENCES OF INSURANCE. Prior to execution of this Agreement, CONSULTANT shall furnish DISTRICT with original certificates and amendatory endorsements, or copies of the applicable insurance language, effecting coverage required by this Agreement. All certificates and endorsements are to be received and approved by DISTRICT before services commence. However, failure to obtain the required documents prior the services beginning shall not waive CONSULTANT'S obligation to provide them.

CONSULTANT shall, upon demand of DISTRICT at any time, deliver to DISTRICT complete, certified copies or all required insurance policies, including endorsements, required by this Agreement.

9.7 SUBCONTRACTORS. In the event that CONSULTANT employs subcontractors as part of the services covered by this Agreement, it shall be the CONSULTANT'S responsibility to require and verify that each subcontractor meets the minimum insurance requirements specified in this Agreement.

10. NO CONFLICT OF INTEREST.

If CONSULTANT is providing services related to a DISTRICT project, CONSULTANT shall not be financially interested in any other contract necessary for the undertaking of the project. For the limited purposes of interpreting this section, CONSULTANT shall be deemed a "district officer or employee", and this section shall be interpreted in accordance with California Government Code Section 1090. In the event that CONSULTANT becomes financially interested in any other contract necessary for the undertaking of the project, this Agreement shall be null and void and DISTRICT shall be relieved of any responsibility whatsoever to provide compensation under the terms and conditions of any such contract for those services performed by CONSULTANT.

11. OWNERSHIP OF DOCUMENTS.

All documents and specifications, including details, computations, and other documents, prepared or provided by CONSULTANT under this Agreement shall be the property of DISTRICT. DISTRICT agrees to hold CONSULTANT free and harmless from any claim arising from any use, other than the purpose intended, of the documents and all preliminary sketches, schematics, preliminary plans, architectural perspective renderings, working drawings, including details, computations, and other documents, prepared or provided by CONSULTANT. CONSULTANT may retain a copy of all material produced under this Agreement for the purpose of documenting their participation in this Project.

12. CONFIDENTIAL INFORMATION.

Any written, printed, graphic, or electronically or magnetically recorded information furnished by DISTRICT for CONSULTANT'S use are the sole property of DISTRICT. CONSULTANT and its employee(s) shall keep this information in the strictest confidence, and will not disclose it by any means to any person except with DISTRICT'S prior written approval, and only to the extent necessary to perform the services under this Agreement. This prohibition also applies to CONSULTANT'S employees, agents and subcontractors. On termination or expiration of this Agreement, CONSULTANT shall promptly return any such confidential information in its possession to DISTRICT.

13. COMPENSATION.

13.1 For services performed by CONSULTANT in accordance with this Agreement, DISTRICT shall pay CONSULTANT in accordance with the schedule of billing rates set forth in Exhibit "A", attached hereto and incorporated herein by reference. . This is a time and materials contract. Overtime work must be authorized by the DISTRICT. No hourly rate changes shall be made during the term of this Agreement. **CONSULTANT'S compensation for all services performed in accordance with this Agreement shall**

not exceed the total contract price of \$24,081. No services shall be performed by CONSULTANT in excess of the total contract price without prior written approval of the General Manager. CONSULTANT shall obtain approval from the General Manager prior to performing any services that result in incidental expenses to the DISTRICT.

13.2 CONSULTANT shall maintain accounting records including the following information:

- a) Names and titles of employees or agents, types of services performed, and times and dates of all services performed in connection with Agreement that is billed on an hourly basis.
- b) All incidental expenses including reproductions, computer printing, postage, mileage billed at current Internal Revenue Service ("IRS") Rate, and subsistence.

13.3 CONSULTANT'S accounting records shall be made available to DISTRICT Accounting Manager, for verification of billings, within a reasonable time of the Accounting Manager's request for inspection.

13.4 CONSULTANT shall submit monthly invoices to DISTRICT. DISTRICT shall make partial payments to CONSULTANT not to exceed the total contract price within thirty (30) days of receipt of invoice, subject to the approval of the General Manager. ***Each application for partial payment shall be accompanied with a Progress Report summarizing the status of the services performed.***

13.5 CONSULTANT shall ensure that any report generated under this Agreement shall comply with Government Code Section 7550.

14. TERMINATION OF AGREEMENT.

14.1 If DISTRICT ("demanding party") has a good faith belief that CONSULTANT is not complying with the terms of this Agreement, DISTRICT shall give written notice of the default (with reasonable specificity) to CONSULTANT and demand the default to be cured within ten (10) calendar days of the notice.

14.2 If CONSULTANT fails to cure the default within ten (10) calendar days of the notice, or if more than ten (10) calendar days are reasonably required to cure the default, and CONSULTANT fails to give adequate assurance and due performance within ten (10) calendar days of the notice, DISTRICT may terminate this Agreement upon written notice to CONSULTANT.

14.3 In the event of a material breach of any representation or term of this Agreement by CONSULTANT that is not curable or results in a threat to health or safety, DISTRICT may immediately terminate this Agreement by providing written notice and without a cure period.

14.4 Upon termination, DISTRICT shall pay CONSULTANT for any services completed up to and including the date of termination of this Agreement, in accordance with the compensation Section 13. DISTRICT shall be required to compensate CONSULTANT only for services performed in accordance with the Agreement up to and including the date of termination.

15. ASSIGNMENT AND DELEGATION.

- 15.1** This Agreement and any portion thereof shall not be assigned or transferred, nor shall any of CONSULTANT'S duties be delegated or subcontracted, without the express written consent of DISTRICT. Any attempt to assign or delegate this Agreement without the express written consent of DISTRICT shall be void and of no force or effect. Consent by DISTRICT to one assignment shall not be deemed to be consent to any subsequent assignment.
- 15.2** This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

16. AUDIT DISCLOSURE.

Pursuant to Government Code section 8546.7, if the Agreement is over ten thousand dollars (\$10,000), it is subject to examination and audit of the State Auditor, at the request of DISTRICT or as part of any audit of DISTRICT, for a period of three (3) years after final payment under the Agreement. CONSULTANT shall cooperate with any such examination or audit at no cost to DISTRICT.

17. ENTIRE AGREEMENT.

This Agreement, and the attached Exhibit "A", comprise the entire integrated understanding between DISTRICT and CONSULTANT concerning the services to be performed pursuant to this Agreement and supersedes all prior negotiations, representations, or agreements whether express or implied, oral or written. The express terms hereof control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms herein. In the event of any conflict between the provisions of the Agreement and the Exhibit(s), the terms of the Agreement shall prevail.

18. INTERPRETATION OF THE AGREEMENT.

- 18.1** The interpretation, validity, and enforcement (including, without limitation, provisions concerning limitations of actions) of the Agreement shall be governed by and construed under the laws of the State of California, notwithstanding any conflict-of-laws doctrines of such state or other jurisdiction to the contrary and without the aid of any canon, custom or rule requiring construction against the draftsman. The Agreement does not limit any other rights or remedies available to DISTRICT.
- 18.2** CONSULTANT shall be responsible for complying with all applicable local, state, and federal laws whether or not said laws are expressly stated or referred to herein.
- 18.3** Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not containing such provision, and all other provisions which are otherwise lawful shall remain in full force and effect, and to this end the provisions of this Agreement are severable.
- 18.4** Each and every provision of law and clause required by law to be inserted in this Agreement shall be deemed to be inserted herein, and the Agreement shall be read and enforced as though they were included herein. If through mistake of otherwise any such

provision is not inserted, or is not correctly inserted, then upon application of either party, the Agreement shall forthwith be physically amended to make such insertion.

19. AGREEMENT MODIFICATION.

This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto.

20. DISPUTE RESOLUTION.

Upon the written demand of either party, any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, shall be first submitted to mediation the cost of which shall be borne equally by the parties, if not resolved pursuant to the Government Claims Act, Government Code section 900 *et seq.* if applicable, and prior the commencement of any legal action or other proceeding. Any mediation shall take place in the State of California, County of San Diego, and shall be concluded within sixty (60) days of the written demand, unless such time is extended by mutual written consent of the parties. Nothing herein waives or excuses compliance with the California Government Claims Act.

In the event that mediation has not been successfully concluded within the time allowed, any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, shall be determined by arbitration in the State of California, County of San Diego, before one arbitrator. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures if the amount in controversy is equal or greater than Two Hundred Fifty Thousand Dollars (\$250,000), or pursuant to its Streamlined Arbitration Rules and Procedures if the amount in controversy is less than Two Hundred Fifty Thousand Dollars (\$250,000). The use of arbitration shall allow full discovery by all parties associated with the dispute or claim. Judgment on the award may be entered in any court having jurisdiction. This clause shall not preclude the parties from seeking provisional remedies in aid of arbitration from a court of competent jurisdiction. The arbitrator may, in the award, allocate all or a part of the costs of the arbitration, including the fees of the arbitrator and the reasonable attorneys' fees of the prevailing party. If either party petitions to confirm, correct or vacate the award as provided by Chapter 4, of Title 9 of the California Code of Civil Procedure (commencing with Section 1285), the prevailing party shall be entitled as part of his or its costs to reasonable attorneys' fees to be fixed by the Court.

21. JURISDICTION, FORUM AND VENUE.

Except as otherwise required by Section 20 of this Agreement concerning dispute resolution, the proper jurisdiction, forum and venue for any claims, causes of action or other proceedings concerning this Agreement shall be in the state and federal courts located in the State of California, northern district of the County of San Diego. DISTRICT and CONSULTANT agree not to bring any action or proceeding arising out of or relating to this Agreement in any other jurisdiction, forum or venue. DISTRICT and CONSULTANT hereby submit to personal jurisdiction in the State of California for the enforcement of this Agreement and hereby waive any and all personal rights under the law of any state to object to jurisdiction within the State of California for the purposes of any legal action or

proceeding to enforce this Agreement whether on grounds of inconvenient forum or otherwise.

22. MAILING ADDRESSES.

Notices given pursuant to this Agreement shall be deemed communicated as of the earlier of the day of receipt or the fifth (5th) calendar day after deposit in the United States mail, postage prepaid, and addressed to the following:

DISTRICT: **Rainbow Municipal Water District**
3707 Old Hwy 395
Fallbrook, CA 92028
Phone: (760) 728-1178

CONSULTANT: **Stetson Engineers Inc.**
785 Grand Ave; Suite 202
Carlsbad, CA 94901
Phone: (760) 730-0701

Notices delivered personally will be deemed communicated as of actual receipt.

23. SIGNATURES.

Each party represents that the individual executing this Agreement on its behalf has the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of such party.

24. COUNTERPARTS.

This Agreement may be executed in counterparts, each of which shall constitute an original, but all of which together shall constitute one and the same agreement, and the signature of any party to any counterpart shall be deemed to be a signature to, and may be appended to, any other counterpart.

25. ATTORNEY'S FEES.

In the event of a dispute arising under terms of this Agreement, it is agreed that the prevailing party may be awarded reasonable attorneys' fees and actual costs.

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Agreement to be executed.

CONSULTANT _____

RAINBOW MUNICIPAL WATER DISTRICT _____

By _____
CONSULTANT

By _____
GENERAL MANAGER

Stephen B. Reich
PRINT NAME

Date: _____

Date: _____

Attest: Executive Secretary

Federal Employee ID #

Approved as to Form:
General Counsel

NOTARY ACKNOWLEDGEMENT OF CONSULTANT MUST ACCOMPANY THIS DOCUMENT

**PROPOSAL OF STETSON ENGINEERS INC.
FOR
PROFESSIONAL INUNDATION MAP DEVELOPMENT SERVICES
FOR
BECK DAM INUNDATION MAP PROJECT**

**PREPARED FOR:
RAINBOW MUNICIPAL WATER DISTRICT**



FEBRUARY 25, 2019





February 25, 2019

Attn: Delia Rubio
Rainbow Municipal Water District
Engineering Department
3707 Old Highway 395
Fallbrook, CA 92028

Subject: Proposal to Provide Professional Inundation Map Development Services for Beck Dam

Dear Ms. Rubio:

Stetson Engineers Inc. (Stetson) is pleased to present the attached proposal to provide engineering services to the Rainbow Municipal Water District (District) for a dam failure study and inundation mapping for Beck Dam.

Stetson mobilized a team of experts in October 2017 to assist our clients in meeting the Department of Water Resources' new regulations for dam owners. Since then, we have prepared eight dam failure technical studies and inundation maps, all on fast-paced schedules. Through this effort, we have developed relationships with the Division of Safety of Dams (DSOD) staff, and we have been successful at obtaining approval of new inundation maps for our clients.

We have completed two inundation maps for nearby dams in the San Luis Rey River Watershed: Fallbrook Public Utility District's Red Mountain Reservoir and Vista Irrigation District's Henshaw Dam. We also have experience preparing a dam failure study at a City of Brea reservoir, which, like Beck Dam, is a perimeter embankment dam. We are experienced with the local terrain and hydrology, as well as with the type of dam located at Beck Dam.

Thank you for the opportunity to propose on this important project. If you have any questions, please contact me using the above contact information, or contact Molly Palmer, the project manager at mollyp@stetsonengineers.com.

Sincerely,

Stephen B. Reich, PE
Principal

Enclosures: 1 original proposal
3 copies of proposal
electronic PDF on USB drive

CONTENTS

Contents follow the item numbering outlined in pages 3 and 4 of the Request for Proposals (RFP) prepared by Rainbow Municipal Water District, dated January 23, 2019.

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1. AND 2. INCORPORATION OF RFP INTO PROPOSAL AND AGREEMENT

Stetson Engineers Inc. (Stetson) hereby states that the Rainbow Municipal Water District (District or RMWD) request for proposal (RFP) dated January 23, 2019 is incorporated in its entirety as a part of the Stetson proposal.

Additionally, RMWD's RFP and the proposal submitted here will jointly become part of the Agreement for Professional Consultant Services for this project when said Agreement is fully executed by Stetson and the President of the Board of Directors of the RMWD.

3. EXECUTIVE SUMMARY

Stetson Engineers Inc. (Stetson) is an established water resources firm in business for over 60 years, with more than 30 years' experience working in San Diego County.

Stetson has an experienced team of technical professionals who have worked together repeatedly and successfully to prepare dam failure studies and inundation maps which were approved by the Division of Safety of Dams (DSOD). Stetson is uniquely qualified to provide inundation mapping services to Rainbow Municipal Water District (District) for Beck Dam for several reasons:

- Recent experience with two nearby dams in the watershed: Stetson completed the dam failure studies and inundation maps for Red Mountain Reservoir and Henshaw Dam, both located in the San Luis Rey River watershed. Our team already has an expert understanding of the topography, hydrology, and critical facilities located near Beck Dam.
- Experience with perimeter embankment dams: Beck Dam is an embankment around the perimeter of Beck Reservoir. Failure analysis at this type of dam is unique because multiple failure points must be tested and multiple flood waves should be mapped on a composite map. Stetson has completed this type of analysis before at a reservoir in the City of Brea.
- Established relationships with DSOD staff: the Stetson team proposed for this project has submitted eight dam failure studies to DSOD, four of which have been approved to-date. Four have not yet been reviewed by DSOD staff. Throughout this process, the Stetson team has repeatedly engaged with DSOD staff to better understand their regulations and expectations for inundation maps.
- A deep understanding of the regulations and steps necessary to obtain approval of an inundation map: the Stetson team was one of the first firms to obtain approval of an inundation map under the new regulations. The Red Mountain Reservoir inundation map was approved in January 2018, only three months after the first set of DSOD emergency regulations were published. Stetson has been engaged with DSOD as its regulations have evolved over the last two years, making us uniquely knowledgeable about the inundation map review and approval process.
- An experienced project team: the staff proposed to work on this project have previously completed eight dam failure inundation studies together.

Stetson proposes to complete the Beck Dam Inundation Map study in three tasks:

- Task 1 – Document Review, Field Assessment, and Data Collection
- Task 2 – Modeling, Inundation Mapping and Technical Study
- Task 3 – Project Management and QA/QC

Stetson will work efficiently to submit the Administrative Draft Technical Memorandum and Inundation Map to the District within nine (9) weeks of a notice to proceed. The study and maps would be submitted to DSOD within twelve (12) weeks of a notice to proceed.

4. PROJECT DESCRIPTION

Stetson Engineers Inc. (Stetson) has prepared this project description in response to the Rainbow Municipal Water District (District) request for proposals (RFP) dated January 23, 2019. The project description here is based on the scope of services in the RFP and Stetson’s experience with similar projects.

4.1 Project Objective

Senate Bill 92 added Sections 6160 and 6161 to the California Water Code that became effective on June 27, 2017, requiring owners of State-regulated dams to prepare Emergency Action Plans (EAPs) containing inundation maps for emergency preparedness. The Department of Water Resources (DWR) published regulations governing the preparation of inundation maps within Title 23, Division 2, Chapter 1, Article 6 of the California Code of Regulations. Emergency regulations were initially adopted on October 19, 2017, and subsequently modified and re-adopted in April 2018 and again in July 2018. Final regulations went into effect on November 29, 2018.

The new regulations defined four risk categories for downstream hazards of dams: Low Hazard, Significant Hazard, High Hazard, and Extremely High Hazard. Section 6161 of the Water Code requires that owners of Significant Hazard, High Hazard, and Extremely High Hazard potential dams prepare or update inundation maps. EAPs for dams in the High Hazard Potential category are due to California Office of Emergency Services (Cal-OES) by January 1, 2019. Inundation maps must first be submitted to DSOD for review and approval, and only approved inundation maps should be contained within the EAPs that are submitted to Cal-OES.

Listed below is the jurisdictional dam owned by the District that is included in this proposal and subject to the new regulations:

State ID/ National ID	Dam Name	Downstream Hazard Risk	Reservoir Capacity (acre-feet)	Dam Height (feet)	EAP Due Date
2048.000 CA01551	Beck	High	625	95	January 1, 2019

The objective of this project is to prepare a dam failure analysis, technical study, and inundation map for Beck Dam to meet the DSOD regulations. The next section outlines the tasks necessary to prepare an inundation map for approval by DSOD.

4.2 Services to be Provided

Stetson has organized the proposed project into three tasks as described below.

Task 1 – Document Review, Field Assessment, and Data Collection

Stetson will perform an on-site field assessment of the reservoir that will occur on the same day as the kickoff meeting. The field assessment will confirm information from the record drawings and any significant drainage or structures in the immediate vicinity.

Stetson will submit a request for information (RFI) to the District requesting as-built drawings of Beck Dam and Reservoir, the elevation-storage curve, operations information, and other relevant engineering information.

The development of a HEC-RAS hydraulic model requires an accurate representation of the terrain in the model floodplain. Stetson's GIS analysts will prepare a Digital Elevation Model (DEM) using LiDAR elevation data from San Diego County. The elevation-storage curve of the reservoir will be incorporated into the model to properly simulate the breach of the full volume of the reservoir, as required in the DWR/DSOD regulations. All GIS data will be utilized in the projection required by the state regulations (NAD 1983 Teale California Albers). Special care will be taken to ensure that all elevations are reported in the National Vertical Datum of 1988 (NAVD88). Hydro-enforcement of the LiDAR data will be accomplished by ensuring that large openings (e.g. overpasses, bridges, flood control channels) properly convey water in the model.

Task 2 – Modeling, Inundation Mapping and Technical Study

The technical study will be conducted in accordance with FEMA P-946¹ guidance and the general information requirements stipulated in the DWR/DSOD regulations².

Stetson will conduct a land use analysis of the floodplain to ensure the appropriate model parameters for terrain roughness and downstream hydraulic structures are used. Significant downstream hydraulic structures will be built into the model for increased accuracy. This detailed preparatory work will increase model accuracy. No survey work is included or expected as part of this proposal.

The model grid will be constructed and refined using the DEM. The model grid size will be selected to optimize model resolution and computing time. Typically, a 50 to 100-foot grid size is used. Stetson will analyze the flow area and refine the grid sizes around smaller terrain and drainage features. This refinement produces a more accurate representation of drainage structures and patterns, and improves the accuracy of the model. Figure 3 shows an example of a refined flow grid along a flood control channel from a previous project.

¹ Federal Guidelines for Inundation Mapping of Flood Risks Associated with Dam Incidents and Failures (FEMA P-946): <https://www.fema.gov/media-library/assets/documents/34193>

² Title 23, Division 2, Chapter 1, Section 335 of the California Code of Regulations: [https://govt.westlaw.com/calregs/Browse/Home/California/CaliforniaCodeofRegulations?guid=I9DCEFE5356AC4CA1946F2F51C1856DEF&originationContext=documenttoc&transitionType=Default&contextData=\(sc.Default\)](https://govt.westlaw.com/calregs/Browse/Home/California/CaliforniaCodeofRegulations?guid=I9DCEFE5356AC4CA1946F2F51C1856DEF&originationContext=documenttoc&transitionType=Default&contextData=(sc.Default))

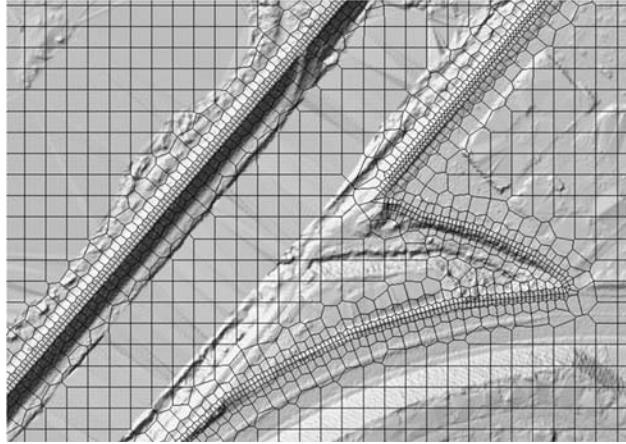


FIGURE 3: EXAMPLE OF REFINED FLOW GRID

Once the model is constructed, several sunny day failure scenarios will be modeled to account for different failure modes and durations of failure. An iterative process may be utilized to determine the downstream extent of the model. The breach parameters and downstream extent will be determined per FEMA P-946 procedures. The breach failure will consider multiple breach locations since the dam surrounds the reservoir. Results of the HEC-RAS model will be post-processed to create the mapping layers.

Before the model is finalized, the spatial extent of the model will be exported to a GIS database so that Stetson's GIS staff can prepare the layout of the inundation maps. Depending on the modeling results, the appropriate map scale will be selected in accordance with the recommendations in FEMA P-946. Multiple panels may be used. Raster layers for maximum depth and maximum velocity will be represented by different color bands corresponding to different magnitudes. The inundation map will be certified and signed by the licensed civil engineer responsible for its preparation.

Inundation maps will be prepared for each breach location in accordance with §335.14 of the regulations. A composite map will also be prepared that depicts the inundation area of multiple failure scenarios on a single map. Separate inundation maps for each of the breach areas will be prepared in accordance with the regulations and referenced on the composite map. DSOD also requires that any critical facilities³, such as fire stations, schools, hospitals, etc., be identified on the inundation maps.

Stetson will prepare an Administrative Draft Technical Memorandum and Inundation Maps in accordance with §335.8 and §335.10, respectively, of the regulations. The study will include a description of the analytical methods used, the collection of input data for the reservoir, the application of the computer model, calculation of the breach hydrograph, and model sensitivity.

Stetson will submit the Administrative Draft Technical Memorandum and Inundation Maps to the District for review, with a seven (7) calendar day review period. Within fourteen (14) calendar days of receiving the District's comments, Stetson will prepare and submit two (2) hard copies (color) of the Final Draft Technical Memorandum and Inundation Maps, each with a CD

³ Per section 335.10(d)(5). Critical facilities are defined in the regulations in section 335.2(a)(4).

containing the electronic files required for the DSOD submission: color PDF of the inundation maps and geospatial files for the inundation boundary, flood wave arrival time, maximum depth, and maximum velocity. The geospatial file format of the flood wave arrival time, maximum depth, and maximum velocity will be raster files, in accordance with §335.14 of the regulations.

During regulatory review, DSOD will interact with the District and Stetson Engineers to discuss any comments or questions. Following regulatory review, two (2) hard copies of a Final Technical Memorandum and Maps will be provided no later than twenty-one (21) calendar days after receipt of DSOD comments.

Deliverables:

- Administrative Draft Technical Memorandum and Inundation Maps: 1 electronic copy in PDF and Word formats
- Final Draft Technical Memorandum and Inundation Maps: 2 hard copies of the Technical Memorandum (color), each with a CD containing electronic files for DSOD submission: color PDF of the inundation maps and geospatial files for the inundation boundary, flood wave arrival time, maximum depth, and maximum velocity
- Final (As-Approved) Technical Memorandum and Inundation Maps: 2 hard copies of the Technical Memorandum (color), each with a CD containing electronic files: color PDF of the inundation maps and geospatial files for the inundation boundary, flood wave arrival time, maximum depth, and maximum velocity

Task 3 – Project Management and QA/QC

This task includes one kickoff meeting at District offices or at the dam site. Two conference calls have been included to discuss the draft deliverables and any responses to regulatory review comments. Stetson will prepare agendas and meeting minutes for each meeting or conference call. Stetson personnel are available through emails and telephone calls at any time and will work with the District to develop an appropriate method for tracking the status of each task. Project due dates and milestones will be managed electronically in Microsoft Project.

Project management and coordination services will be performed concurrent with each task. The services include scheduling, coordination of project staff as the work proceeds, as well as the administrative effort needed to prepare invoices and to address contractual items.

4.3 Unique Qualifications

Stetson is uniquely qualified to perform this work due to our recent experience with multiple dam failure studies in southern California. Stetson has recent local experience preparing inundation maps for two dams located in the San Luis Rey River watershed: because of this, the Stetson team understands the hydrology, topography, critical facilities, and flood corridors in this watershed.

Stetson has prepared inundation maps for reservoirs ranging in size from 100 acre-feet up to 50,000 acre-feet, and has addressed complex scenarios such as sequential dam failures, saddle dam failures, and critical appurtenant structure failures. Especially relevant to Beck Dam is that

Stetson previously completed a dam failure analysis on a reservoir which has a perimeter embankment (30 MG Central Reservoir in Brea, CA). Stetson’s experience with this perimeter embankment dam makes us uniquely qualified to assess the perimeter dam failure scenarios at Beck Reservoir.

Since 2017, Stetson has worked with DSOD to understand their evolving regulations. Stetson staff have a deep knowledge of the regulations, requirements and best practices needed to obtain approval of an inundation map.

5. IDENTIFICATION OF PRIME CONSULTANT

The legal name of the company is Stetson Engineers Inc. and the address is 2171 E. Francisco Blvd, Suite K, San Rafael, California, 94901. The company is a corporation.

Stetson has been in business since 1957 and has an established record as a provider of water and environmental resources consulting services. The company employs over 40 technical professionals in offices located in Carlsbad, San Rafael, and Covina, CA. Stetson is a registered California small business (#26650).

Mr. Stephen B. Reich, P.E., a Principal and shareholder at Stetson, will lead the team out of Stetson’s Carlsbad, California office and will be responsible for all technical and administrative tasks. Mr. Reich is available anytime at:

Mr. Stephen B. Reich	Business: (760) 730-0701
Stetson Engineers Inc.	Mobile: (415) 203-4178
785 Grand Ave; Suite 202	steve@stetsonengineers.com
Carlsbad, CA 94901	Website: www.stetsonengineers.com

Company-wide, Stetson employs 52 people, including 44 technical professionals. A summary of the staff type, discipline, and number of each staff type is as follows:

Staff Type	Discipline	Number of Employees
Principal	Civil Engineer/Geologist/Scientist	7
Supervising Technical Staff	Civil Engineer/Geologist/Scientist	9
Senior Technical Staff	Civil Engineer/Geologist/Scientist	9
Associate Technical Staff	Civil Engineer/Geologist/Scientist	11
Assistant Technical Staff	Civil Engineer/Geologist/Scientist	6
GIS Staff	Geographic Information Specialists	2
Technical Illustrator	Administrative Support	1
IT Manager	Administrative Support	1
Administrative Staff	Administrative Support	6
Total:		52

6. IDENTIFICATION OF SUB CONSULTANTS

No sub consultants are proposed for this project.

7. PROJECT ORGANIZATION AND EXPERIENCE OF THE PROJECT TEAM

7.1 Project organization and key personnel

The project will be managed out of Stetson’s Carlsbad, California location. Technical work and modeling will be conducted in both the Carlsbad office and at the San Rafael, California headquarters.

The organization of the proposed project team is shown in Figure 4. The team is overseen by Mr. Steve Reich, a Principal with Stetson with over 26 years of experience. Ms. Molly Palmer, P.E., an engineer with more than a decade of experience, will serve as project manager and oversee the technical study. She will coordinate the technical work and will also be the lead contact with the District and DSOD. She will oversee development of the HEC-RAS model, and will be responsible for directing the preparation of the inundation maps and technical memorandum. Ms. Palmer will be the engineer that signs and stamps the inundation maps. Dr. Guoyuan Li, P.E, a senior modeler with Stetson, will prepare the HEC-RAS model. The team will be supported by geographic information system (GIS) staff with experience creating inundation maps.

All reports and products are reviewed by a technical editor, the project manager, and the principal in charge for Quality Control and Quality Assurance purposes (QA/QC)

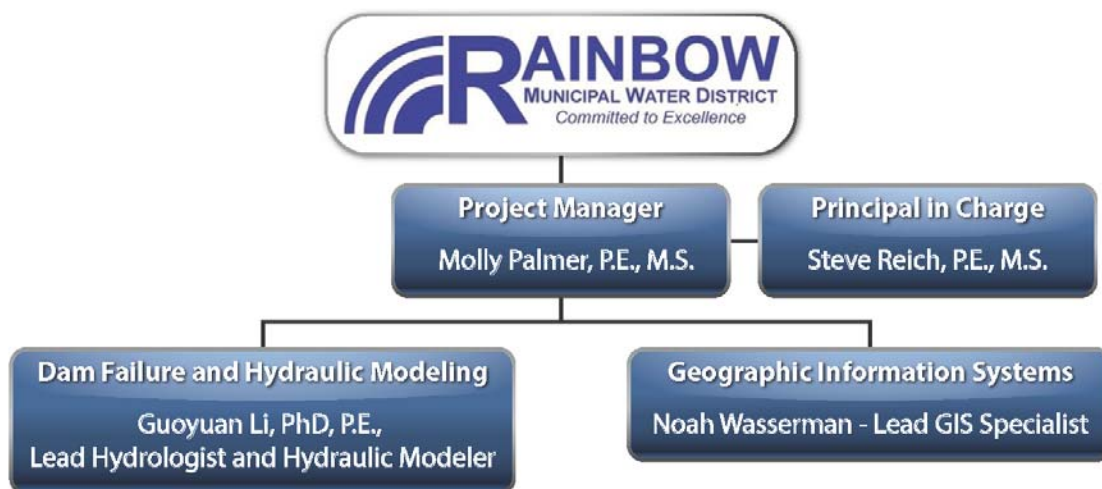


FIGURE 1: STAFF ORGANIZATIONAL CHART

7.2 Staff Resumes

Brief staff summaries are given below for the personnel listed in Figure 1. Complete résumés for these staff members are provided in Appendix A.



Stephen Reich, P.E., Principal

Years of Experience with Firm: 27

Years of Experience with Other Firms: 2

Education: Degree(s) / Year / Specialization:

M.S. / 1989 / Geophysical Engineering, Colorado School of Mines, Golden, Colorado

B.S. / 1985 / Geophysical Engineering, Colorado School of Mines, Golden, Colorado

Registrations / Certifications:

Civil Engineer, No. 58713

Experience Record:

Mr. Reich provides technical and administrative expertise required to manage multi-faceted water resource projects that require in-depth knowledge of water rights, environmental requirements, regulatory issues, and civil engineering solutions. Mr. Reich has led technical teams for both litigation and settlement purposes for issues related to water supply, water quality, wastewater, and water rights disputes. Mr. Reich led a team of engineers and biologists to determine in-stream flow requirements for southern Steelhead in a basin in San Diego County; the result of which will be used as a basis of designing and operating a federal water project. His expertise in hydrology, water quality, geomorphology, civil engineering, geophysics, economics, state and federal water supply issues, and environmental concerns provides a wide range of experience for the successful completion of both small- and large-scale water development projects.

Mr. Reich has extensive knowledge of developing and managing large water projects in California. Working with federal and local water agencies, he has participated in developing large water supply projects. Mr. Reich also brings experience in working with regulators and federal agencies in developing water supply projects that satisfy U.S. Fish and Game, the U.S. Environmental Protection Agency, State Water Resources Control Board (SWRCB) and Regional Water Quality Control Board (RWQCB) basin management requirements.



Molly Palmer, P.E., Project Manager

Years of Experience with Firm: 14

Years of Experience with Other Firms: 0

Education: Degree(s) / Year / Specialization:

M.S. / 2003 / Civil & Environmental Engineering, MIT, Cambridge, MA

B.S. / 2001 / Civil & Environmental Engineering, Georgia Tech, Atlanta, GA

Registrations / Certifications:
Civil Engineer, No. 71788

Experience Record:

Ms. Palmer has broad technical expertise in water resources, engineering, and hydrology. She has worked for state agencies, water districts, cities, and other municipalities to provide water resource solutions. She was the lead engineer on a project for the State Water Resources Control Board, evaluating instream flow needs for anadromous salmonids in North Coast streams. She has also provided engineering and hydrologic support for Camp Pendleton in San Diego County, working to manage the hydrology and support flow augmentation on the Santa Margarita River. This support has included flood frequency analysis and floodplain mapping. Most recently, Ms. Palmer has overseen several dam failure and inundation mapping studies in California. She has prepared new dam failure inundation maps for clients, and has completed the technical studies required by DSOD.



Guoyuan Li, Ph.D., P.E., Lead Hydrologist and Hydraulic Modeler

Years of Experience with Firm: 13
Years of Experience with Other Firms: 0

Education: Degree(s) / Year / Specialization:

Ph.D. / 2006 / Water Resources, University of Georgia
M.S. / 2005 / Statistics, University of Georgia
M.S. / 2001 / Hydrology, Beijing Forestry University
B.S. / 1998 / Soil and Water Conservation, Beijing Forestry University

Registrations / Certifications:
Civil Engineer, No. 81337

Certified Professional Hydrologist, No. 14-H-6008

Experience Record:

Dr. Li joined Stetson in 2006 to support the firm's surface and ground water team for a wide range of projects. He serves as a modeler in hydrology, hydraulics, water quality, and sediment transport for a wide range of multidisciplinary water resources and environmental engineering projects. His areas of expertise include hydraulic modeling, hydrodynamic modeling, sediment transport modeling, and water quality modeling and statistical analysis for rivers, lakes, reservoirs, and estuaries. He is specialized in solving real-world problems using a variety of computerized mathematical models and programming techniques commonly used in water resources engineering. He regularly creates, evaluates and calibrates sophisticated hydraulic models in HEC-RAS, Mike Flood 2D, and HEC-HMS. Most recently, he has been using HEC-RAS to perform 2D floodplain modeling for flood control studies and dam failure analyses.



Noah Wasserman, GISP, Lead GIS Specialist

Years of Experience with Firm: 12

Years of Experience with Other Firms: 3

Education: Degree(s) / Year / Specialization:

M.A./ 2009 / Geography / San Francisco State University

B.A. / 2001 / Urban Studies and Planning / University of California, San Diego

Registrations / Certifications:

Geographic Information Systems Professional (GISP) / May 2015, GISP No. 90657

Experience Record:

Mr. Wasserman has been working with GIS since 2000. At Stetson Engineers, Mr. Wasserman has focused on GIS mapping and spatial analysis. Typical tasks include map/figure production and layout, analysis of vector and raster data, data management, online mapping and data applications. Mr. Wasserman is highly skilled with Esri software and complex map layouts. He prepared eight dam failure inundation map sets for submittal to DSOD. One map set included over 140 sheets.

7.3 Experience of Project Manager

Ms. Molly Palmer is a licensed civil engineer with 14 years' experience in water resources, hydrology and hydraulics. Most recently, Ms. Palmer prepared the following dam failure studies and inundation maps:

- Red Mountain Reservoir (Fallbrook Public Utility District, Fallbrook, California)
- Henshaw Dam (Vista Irrigation District, Vista, California)
- 30 MG Central Reservoir (City of Brea, California)
- Irvine Lake/Santiago Dam (Irvine Ranch Water District, Irvine, CA)
- Rattlesnake Canyon Dam (Irvine Ranch Water District, Irvine, CA)
- Syphon Canyon Dam (Irvine Ranch Water District, Irvine, CA)
- Sand Canyon Dam (Irvine Ranch Water District, Irvine, CA)
- San Joaquin Reservoir (Irvine Ranch Water District, Irvine, CA)

Ms. Palmer has a deep understanding of the state's inundation map regulatory requirements and has been working closely with DSOD staff since the first set of regulations were published in 2017.

7.4 Project Management Approach to Work

Our project management approach is to plan, organize, lead, and monitor resources in a proactive and clear manner. The project should start with a kick-off meeting and site visit to open lines of communication; understand the project objectives and any constraints upon the project; ensure Stetson understands the District's needs and expectations; communicate the initial approach for the work; and gather preliminary data and information for the required work. Early in the project,

Stetson will refine the project timeline, identify milestones, and establish deadlines for deliverables in coordination with the District.

Stetson’s proposed method to accomplish the work is based on consistent communication and transparency between Stetson’s staff and the District’s staff. Stetson follows its Core Principles (Figure 2) to ensure the successful completion of each job, including: Technical Expertise, Responsiveness, Availability, Fiscal Discipline, Technical Support through Regulatory Approval, and Communication.

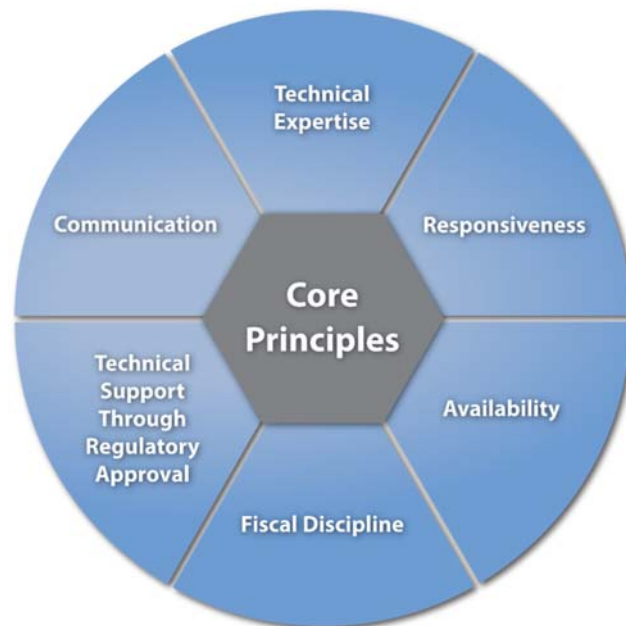


FIGURE 2 STETSON CORE PRINCIPLES

7.5 Proposed Project Schedule

The proposed project schedule is shown in Figure 3 below. An Administrative Draft Technical Memorandum and Inundation Maps will be submitted to for District review nine (9) weeks after receiving a notice to proceed. A one-week review period is assumed. A final draft of the study and maps will be submitted to DSOD within twelve (12) weeks after receiving a notice to proceed. A 30-day DSOD review period is assumed in the schedule, though DSOD staff may take longer to respond. Stetson will provide regulatory support to the District through final acceptance by DSOD if it takes longer than the 30-day period. The schedule will be managed in Microsoft Project, with specific dates and milestones identified once a notice to proceed is received.

Actions/Tasks	Week #:	Weeks From Notice to Proceed																
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Task 1 - Document Review, Field Assessment and Data Collection																		
Receive and review project data from District		■																
Conduct field assessment		■																
Develop Digital Elevation Model (DEM) for inundation model			■	■														
Task 2 - Modeling, Inundation Mapping and Technical Study																		
Analyze dam failure mode and construct model				■	■	■												
Conduct model runs and sensitivity analysis						■												
Process model results, prepare map template							■											
Prepare Administrative Draft Inundation Technical Memorandum and maps								■	■									
One-week review period (7 calendar days)										■								
Prepare Final Draft Inundation Technical Memorandum and maps											■							
Submit Inundation Technical Memorandum and maps to DSOD												■						
DSOD review and comment (30 days assumed)													■	■	■	■	■	■
Prepare Final Inundation Technical Memorandum and maps																		■
Task 3 - Project Management and QA/QC																		
Kickoff meeting		■																
Conference call: draft inundation maps											■							
Conference call: regulatory review																		■
General project management and oversight		■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■

Note: Stetson will provide regulatory review support to the District through final acceptance by DWR/DSOD if it occurs beyond the 17-week project period

FIGURE 3 PROPOSED PROJECT SCHEDULE

7.6 Firm Capacity and Staff Workload

The Stetson team proposed here has availability to conduct the proposed work in 2019. Because of the short deadlines imposed by DSOD upon some dam owners, Stetson staff are experienced at working on fast-paced schedules to prepared inundation maps. The Stetson team has the availability and time to complete the project per the proposed schedule in section 7.5 and Figure 3.

8. STATEMENT OF QUALIFICATIONS

Staff proposed for this project have worked together repeated and successfully on the recent dam failure inundation studies listed below.

8.1 Red Mountain Reservoir Dam Failure Study and Inundation Maps, San Diego County *Fallbrook Public Utility District (FPUD), Fallbrook, CA*

Reference: Jeff Marchand, Engineering Supervisor, FPUD; (760) 728-1125 x1118, Jeff@fpud.com

Dates of Service: October 2017 to December 2018

Principal-in-Charge: Steve Reich

Key personnel: Molly Palmer, Guoyuan Li, Noah Wasserman

The proposed project team prepared a dam failure study and inundation maps for FPUD's Red Mountain Reservoir, an extremely high-risk jurisdictional dam subject to new dam regulations. The work included a dam failure analysis, 2D inundation modeling in HEC-RAS, inundation mapping, and preparation of an EAP. Stetson and FPUD submitted new inundation maps to DSOD in December 2017, and received approval of the maps from DSOD in January 2018. An EAP has been completed. The project schedule was modified to account for delayed DSOD review and adhered to the proposed budget. Figure 4 is an excerpt of the DSOD-approved map prepared for the 1,350-acre-foot Red Mountain Reservoir. Full map viewable at:

<https://water.ca.gov/Programs/All-Programs/Division-of-Safety-of-Dams/Inundation-Maps>

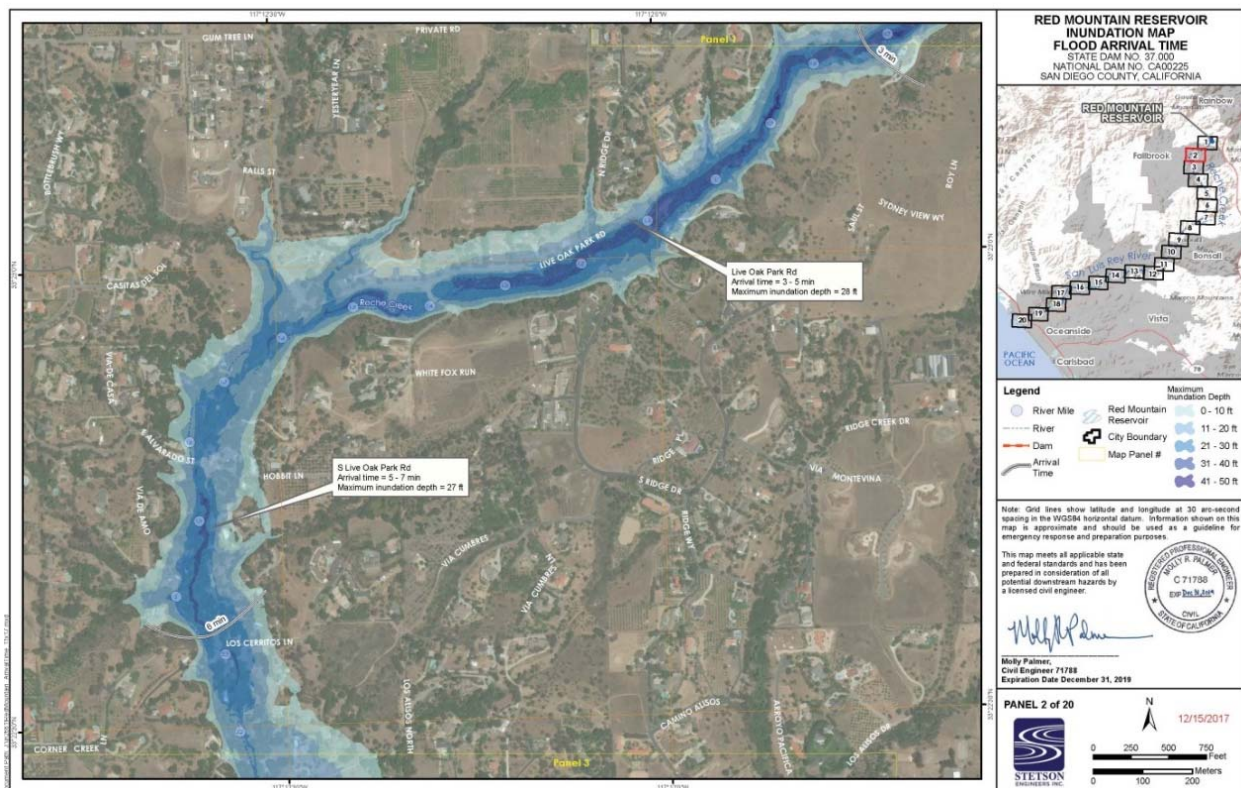


FIGURE 4 SAMPLE MAP PANEL - RED MOUNTAIN RESERVOIR

8.2 Dam Failure Study and Inundation Maps for Henshaw Dam, San Diego County Vista Irrigation District, Vista, CA

Reference: Mr. Mark Saltz, Water Resources Specialist, (760) 597-3112,
msaltz@vidwater.org

Dates of Service: July 2018 to Present

Principal-in-Charge: Steve Reich

Key personnel: Molly Palmer, Guoyuan Li, Noah Wasserman

The proposed project team prepared a dam failure study and inundation maps for Vista Irrigation District's Henshaw Dam, which impounds Lake Henshaw. Henshaw Dam is a High Risk jurisdictional dam subject to new dam regulations. Lake Henshaw has a storage capacity of about 50,000 acre-feet, with a flood corridor that includes narrow, rural canyons and flat urban areas. The inundation map set for Henshaw Dam was large, covering 57 panels from the dam to the Pacific Ocean.

The work included a dam failure analysis, 2D inundation modeling in HEC-RAS and inundation mapping. Stetson and Vista Irrigation District submitted inundation maps to DSOD in October 2018, and review of the maps by DSOD is pending. The project schedule was modified to account for delayed DSOD review. The project is adhering to the proposed budget. Figure 5 is a sample map panel.

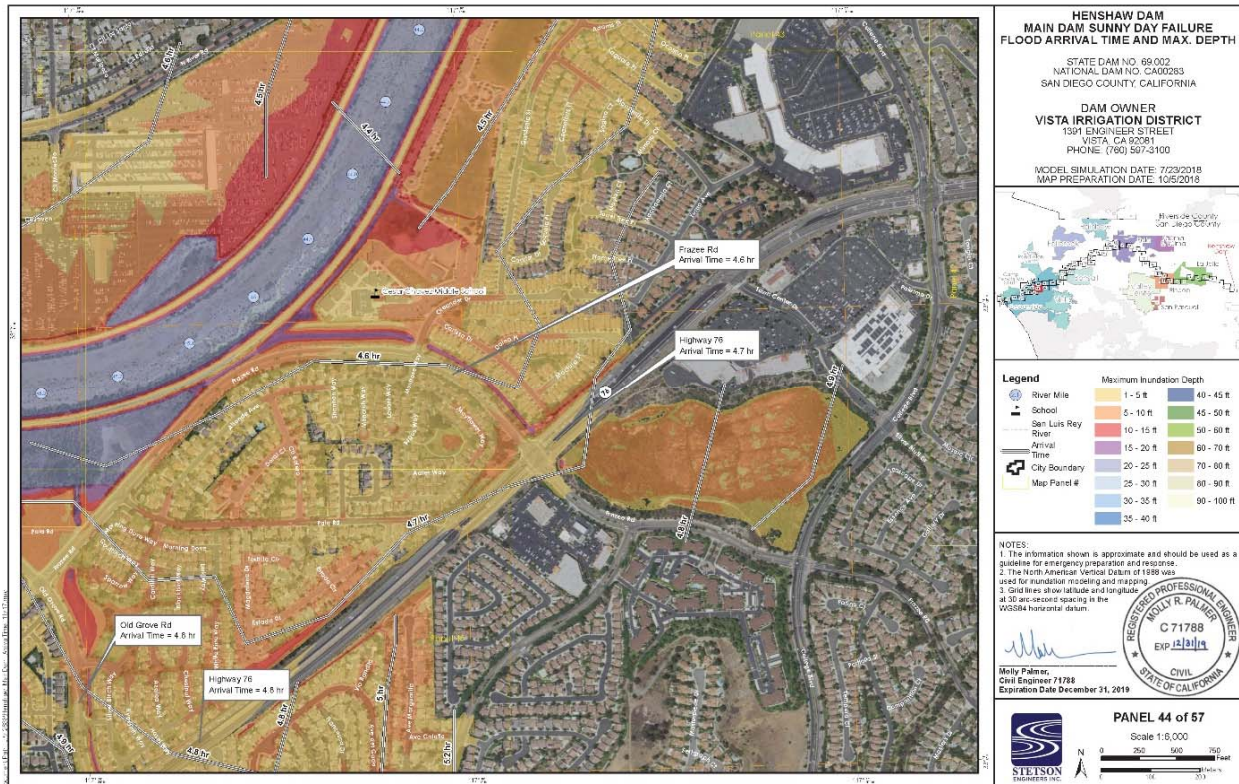


FIGURE 5 SAMPLE MAP PANEL - HENSHAW DAM

8.3 Dam Failure Study and Inundation Maps for the 30MG Central Reservoir, Orange County *City of Brea Public Works Department, Brea, CA*

Reference: Mr. Rudy Correa, Water Distribution Supervisor, Address, (714) 990-7697, RudyC@ci.brea.ca.us

Dates of Service: September 2018 to Present

Principal-in-Charge: Steve Reich

Key personnel: Molly Palmer, Guoyuan Li, Noah Wasserman, Anne Easterbrook

The proposed project team prepared a dam failure study and inundation maps for a high-risk jurisdictional dam owned by the City of Brea. The 30MG Central Reservoir is a circular 30-foot high earthen dam with a concrete-lined interior. Because of the relatively small volume of the reservoir, additional refinement of the “bare earth” DEM was required to allow the model to “see” the buildings, and accurately depict flow lines for a breach in an urban environment. Adding the buildings increased the accuracy of the flow paths near the breach and provided a better representation of the inundation depth in those areas.

Because the dam is a circular embankment, failures at different locations along the embankment flowed in different directions out of the reservoir. Stetson performed sensitivity testing in the model to determine which breach locations would lead to the most severe downstream inundation, and which would lead to distinct areas of inundation. Three breach scenarios were mapped, and a composite map was created for comparison and emergency response planning purposes. Different breach locations create breach hydrographs with different magnitudes (Figure 6). Figures 7 and 8 are excerpted from the inundation map submission for the 92-acre-foot 30MG Central Reservoir, which is currently being reviewed by DSOD. Figure 7 is the composite map depicting inundation areas for three breach locations on a single map. Each breach location then has its own series of detailed inundation maps. Figure 8 is an excerpt of the inundation maps for a breach of the southeastern quadrant of the reservoir.

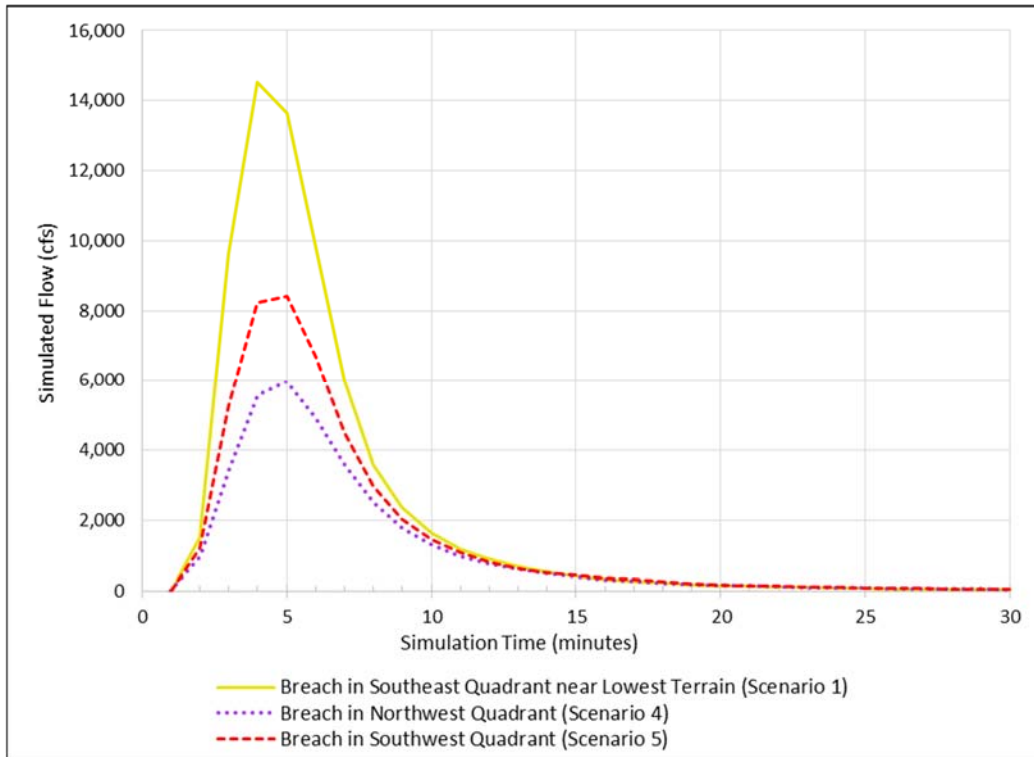


FIGURE 6 BREACH HYDROGRAPHS-30 MG CENTRAL RESERVOIR

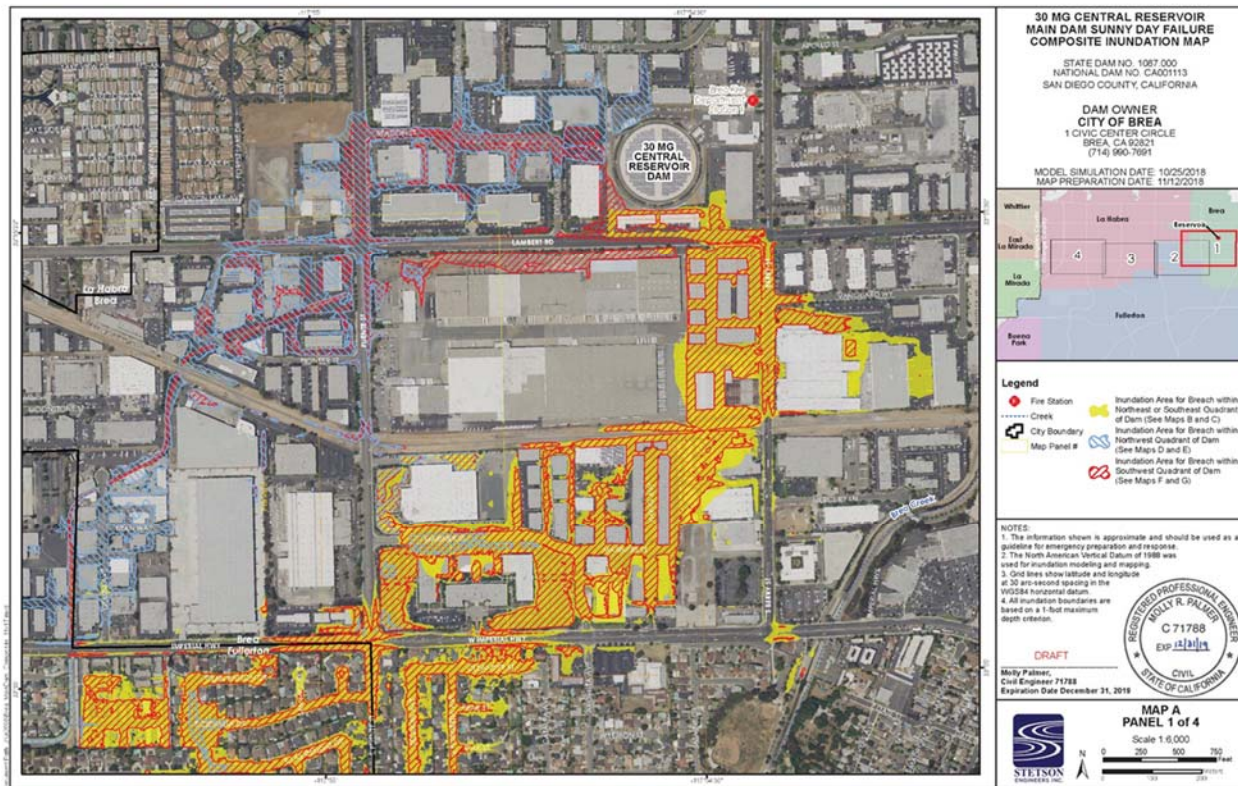


FIGURE 7 SAMPLE COMPOSITE MAP PANEL - 30 MG CENTRAL RESERVOIR

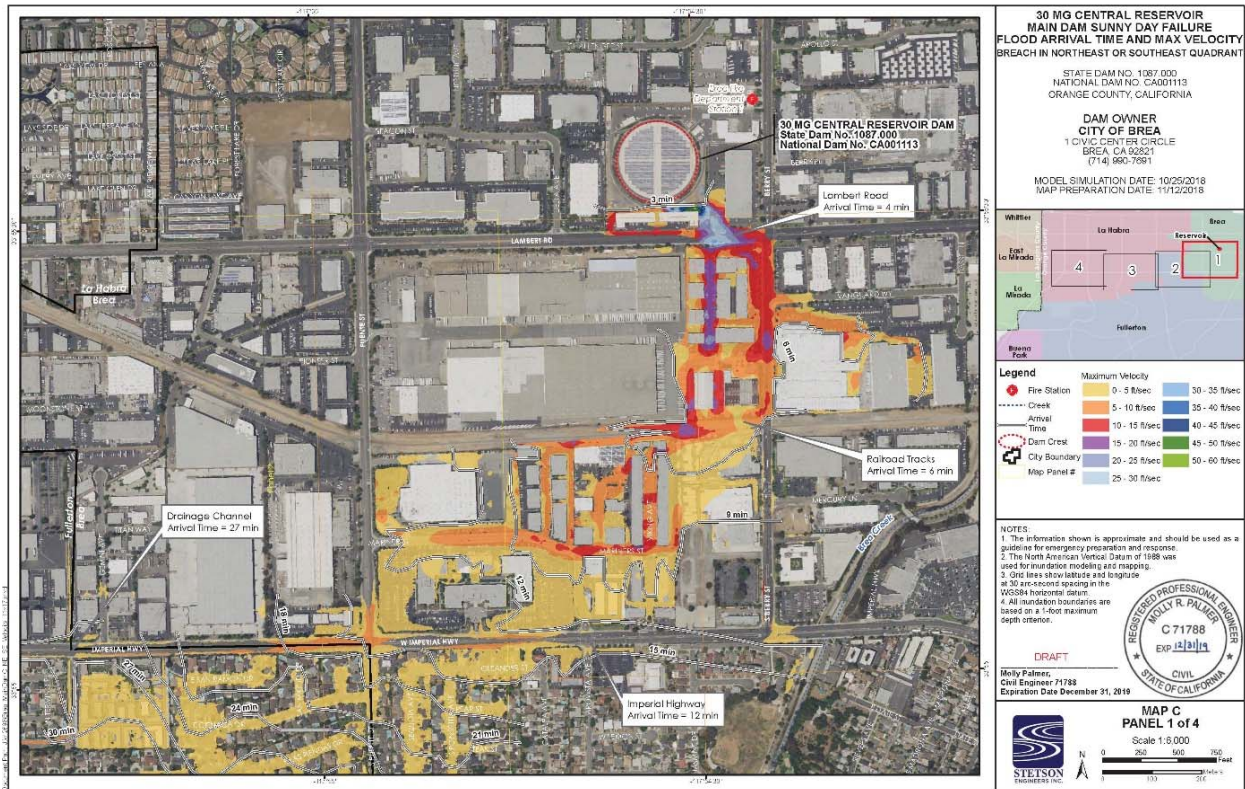


FIGURE 8 SAMPLE FLOOD ARRIVAL TIME AND VELOCITY MAP - 30 MG CENTRAL RESERVOIR

8.4 Dam Failure Study and Inundation Maps with Emergency Action Plans for Five Dams, Orange County Irvine Ranch Water District (IRWD), Irvine, CA

Reference: Mr. Jeff Smyth, P.E., Engineer, IRWD, 3512 Michelson Drive, Irvine, CA; (949) 453-5751, smyth@irwd.com

Dates of Service: December 2017 to Present

Principal-in-Charge: Steve Reich

Key Personnel: Molly Palmer, Guoyuan Li, Noah Wasserman

The proposed project team prepared a dam failure study and inundation maps for three extremely high risk and two high risk jurisdictional dams owned by IRWD. The project included the Santiago Creek Dam, which is the dam that contains Irvine Lake, a 25,000-acre-foot reservoir in Orange County. The Santiago Creek Dam failure analysis required a sequential dam failure and over 140 map sheets. All five of the inundation maps and technical memorandums have been completed. One has been approved by DSOD, and four are submitted, pending DSOD review. Stetson is currently preparing the EAPs and assisting with local agency coordination for these dams. The project schedule was modified to account for delayed review by DSOD and local agencies. The project is adhering to the proposed budget. Figure 9 is an excerpt from the sequential failure inundation map for the Santiago Creek Dam, which is currently being reviewed by DSOD.

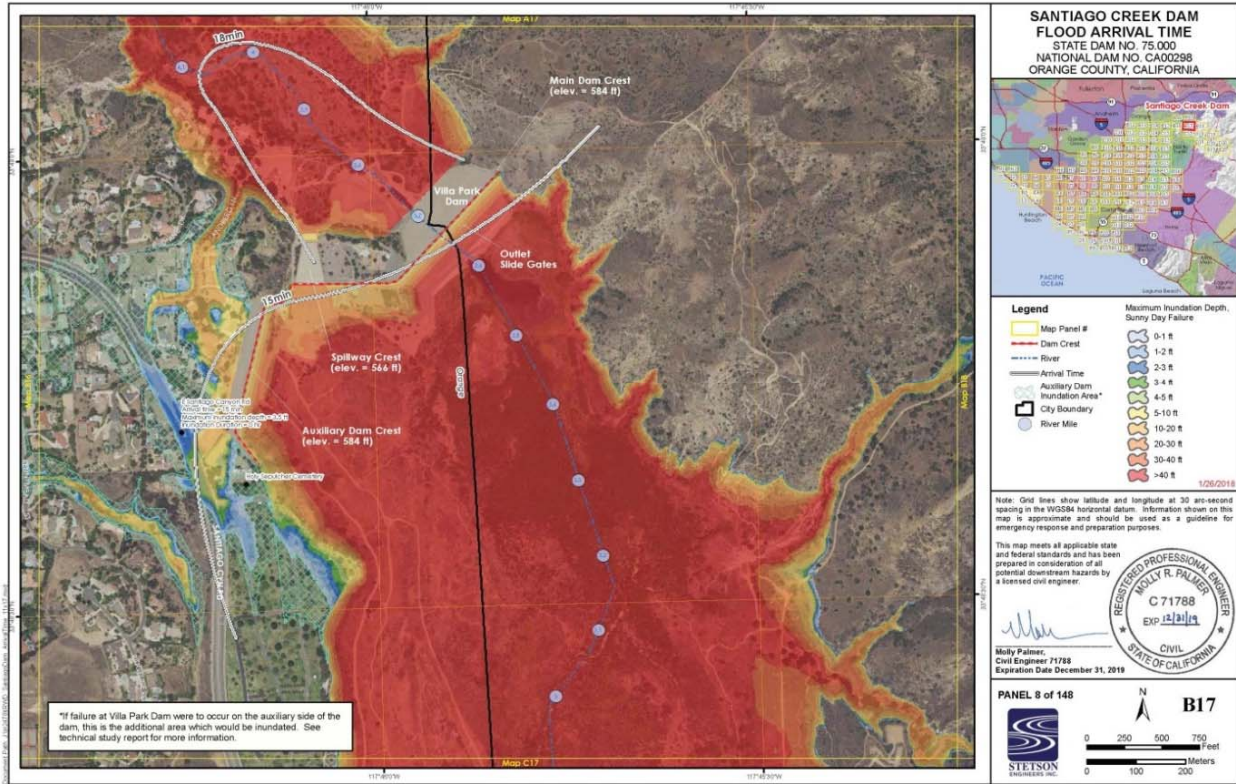


FIGURE 9 SAMPLE MAP PANEL - SANTIAGO CREEK DAM

9. RESOURCE ALLOCATION MATRIX

The resource allocation matrix is presented below showing the estimated number of hours for each team member. The total estimated effort is 183 hours.

	Stetson Engineers					
	Principal	Project Manager	Lead Hydrologist and Modeler	Hydrologist and Modeler	Lead GIS Specialist	Administrative Assistant
Tasks						
Task 1 - Document Review, Field Assessment and Data Collection						
Receive and review project data from District		6			2	
Conduct field assessment		4		4		
Develop Digital Elevation Model (DEM) for inundation model		4			8	
Subtotal		14		4	10	
Task 2 - Modeling, Inundation Mapping and Technical Study						
Analyze dam failure mode and construct model		8	4	8		
Conduct model runs and sensitivity analysis		4	4	16		
Process model results, prepare map template		6	2	4	4	
Prepare Administrative Draft Inundation Technical Memorandum and maps		8	2	4	10	4
One-week review period (7 calendar days)						
Prepare Final Draft Inundation Technical Memorandum and maps		8	2	1	4	4
Submit Inundation Technical Memorandum and maps to DSOD		4				4
DSOD review and comment (30 days assumed)		8	1		4	
Prepare Final Inundation Technical Memorandum and maps	2	2			2	4
Subtotal	2	48	15	33	24	16
Task 3 - Project Management and QA/QC						
Kickoff meeting	1	4				
Conference call: draft inundation maps		2				
Conference call: regulatory review		2				
General project management and oversight	2	6				
Subtotal	3	14				
Project Total	5	76	15	37	34	16
GRAND TOTAL HOURS						183 hours

10. SUBCONSULTANT STATEMENT

Statement regarding written permission to change sub-consultants: statement is not applicable since no subconsultants are proposed for this project.

11. FIRM'S LOCAL EXPERIENCE

Stetson has more than 30 years' experience working in San Diego County and Southern California. When DSOD published new dam failure study regulations in 2017, Stetson mobilized a team to support clients in southern California from our Carlsbad office. Since that time, Stetson has successfully prepared inundation maps for eight dams. Two of the dams are within the San Luis Rey River watershed where Beck Reservoir is located. Because of this, we are already familiar with the hydrology, topography, critical infrastructure, and land use within the San Luis Rey River watershed.

Recent local dam failure studies include:

- Red Mountain Reservoir (Fallbrook Public Utility District, Fallbrook, California)
- Henshaw Dam (Vista Irrigation District, Vista, California)
- 30 MG Central Reservoir (City of Brea, California)
- Irvine Lake/Santiago Dam (Irvine Ranch Water District, Irvine, CA)
- Rattlesnake Canyon Dam (Irvine Ranch Water District, Irvine, CA)
- Syphon Canyon Dam (Irvine Ranch Water District, Irvine, CA)
- Sand Canyon Dam (Irvine Ranch Water District, Irvine, CA)
- San Joaquin Reservoir (Irvine Ranch Water District, Irvine, CA)

12. CREATIVE ALTERNATIVES

Because the Beck Reservoir dam is situated around the perimeter of the reservoir, multiple failure points will have to be assessed and composite maps will be required: these composite maps will show multiple flood waves on a single set of maps. Stetson will use the hydraulic model to determine which dam failure locations need to be included on the composite map. Stetson has completed this process before in our work with a circular reservoir in Brea, California (see Section 8.3). Stetson staff will efficiently evaluate different dam failure points using the hydraulic model. Stetson will develop test simulations to assess the magnitude and direction of a failure at multiple locations, and then use professional judgment to determine the most representative failure locations, which will then get simulated in detail and included on the composite maps.

Stetson's GIS specialists are experienced with creating an array of mapping products, including composite inundation maps. Stetson staff will prepare composite inundation maps which meet all of DSOD's regulations and which will be useful and practical for emergency planning purposes.

13. FEE SCHEDULE – UNDER SEPARATE COVER

Please see the separate sealed envelope which contains Stetson’s proposed professional fee and fee schedule.

14. ADDITIONS OR EXCEPTIONS TO THE DISTRICT’S REQUEST FOR PROPOSAL

Stetson notes that the Emergency Regulations dated October 18, 2017 which were incorporated as part of the District’s RFP (pages 8 through 18 of the January 23, 2019 PDF document) have been superseded by permanent DSOD regulations which went into effect on November 29, 2018. The permanent regulations contain some changes to the inundation map guidelines. For the Beck Dam project identified in this proposal, the preparation and submittal of the inundation maps shall conform to the permanent regulations, as currently reflected in Title 23, Division 2, Chapter 1, Section 335 of the California Code of Regulations:

[https://govt.westlaw.com/calregs/Browse/Home/California/CaliforniaCodeofRegulations?guid=I9DCEFE5356AC4CA1946F2F51C1856DEF&originationContext=documenttoc&transitionType=Default&contextData=\(sc.Default\)](https://govt.westlaw.com/calregs/Browse/Home/California/CaliforniaCodeofRegulations?guid=I9DCEFE5356AC4CA1946F2F51C1856DEF&originationContext=documenttoc&transitionType=Default&contextData=(sc.Default))

APPENDIX A: STAFF RÉSUMÉS

Name & Title: Stephen Reich , Principal	Project Assignment: Principal-in-Charge
Years of Experience with Firm: 27	Years of Experience With Other Firms: 2
Education: Degree(s) / Year / Specialization: M.S. / 1989 / Geophysical Engineering, Colorado School of Mines, Golden, Colorado B.S. / 1985 / Geophysical Engineering, Colorado School of Mines, Golden, Colorado	Registrations / Certifications: Civil Engineer No.C58713, California

Experience Record

Mr. Reich provides technical and administrative expertise required to manage multi-faceted water resource projects that require in-depth knowledge of water rights, environmental requirements, regulatory issues, and civil engineering solutions. Mr. Reich has led technical teams for both litigation and settlement purposes for issues related to water supply, water quality, wastewater, and water rights disputes. As sole arbitrator between LADWP and Inyo County, regarding groundwater pumping in Owens Valley, Mr. Reich balanced legal, physical, and environmental requirements to settle a pumping dispute between Inyo County and Los Angeles Department of Water and Power. Mr. Reich recently led a team of engineers to design a diversion structure and conveyance facilities, as well as to determine in-stream flow requirements for southern Steelhead in southern California; the result which will be used as a basis of designing and operating a federal project. He also led the recent design of stormwater capture and use facilities, Salt and Nutrient Management Plan, and Urban Water Management Plan for the Marine Corps Air Ground Combat Center. His expertise in hydrology, water quality, geomorphology, civil engineering, economics, state and federal water supply issues, and environmental concerns provides a wide range of experience for the successful completion of both small and large scale water development projects.

Mr. Reich has extensive knowledge of developing and managing large water projects in southern California. Working with federal and local water agencies, he has participated in developing large water supply projects. Mr. Reich also brings experience in working with regulators and federal agencies in developing water supply projects that satisfy U.S. Fish and Game, the U.S. Environmental Protection Agency, and RWQCB basin management requirements.

Stetson Engineers Inc.

Conjunctive Use Groundwater Project

As lead engineer, designer, and project manager for a \$52 million project, Mr. Reich developed a conjunctive use project, based on MODFLOW groundwater model, which utilizes surface flow during winter-time rainfall events to recharge a groundwater aquifer for subsequent extraction during peak summer demand months. Mr. Reich was responsible for the design of the diversion facility, conveyance systems, and recharge facilities to divert water from the Santa Margarita River. Mr. Reich oversaw the development of field investigations, including the construction of monitoring and production wells, to support the creation of a numerical groundwater model. Working with the Bureau of Reclamation and the United States Navy, Mr. Reich played a key role in the development of legislative approval of the project passed by the United States congress in public law PL 111-11 to support settlement of *U.S. v Fallbrook PUD et al.*

As author and project manager, directed all engineering, hydrologic, hydrogeologic, environmental tasks involved in the completion of the Santa Margarita River Recharge and Recovery Enhancement Program. This project combined the complex engineering and environmental studies required to maximize the ground-water production from a ground-water basin without harming the 16 endangered species that live within the riparian corridor and associated estuary of the Santa Margarita River. Currently participating in the completion of the environmental documentation associated with this project.

Water Rights Negotiations

Technical lead for the United States and the Marine Corps Camp Pendleton in the settlement of one of the longest running (90+ years) water rights disputes in California. Using technical studies prepared by experts in numerous fields, developed the technical portion of a settlement agreement that allowed for the restoration of streamflow to satisfy both ecological demands and municipal demands. A MODFLOW ground-water model, a hydrologic model, and the classification of the riparian and biological habitat were just a few of the numerous

RESUMES

Stephen Reich, Principal
(Continued)

studies that were used to establish the basis for settlement of a complex river system. The negotiated agreement acknowledges the beneficial use of water for human consumption and ecological demands.

Water Treatment

Mr. Reich was responsible for the design, construction, and operation of a 1,000 gallon per minute Liquid Granular Activated Carbon (LGAC) treatment facility to remove volatile organic carbon compounds from groundwater. The purpose of the facility was to test for the removal of VOCs in the presence of high total organic carbons that could reduce the efficacy of the treatment process. The results of the LGAC facility have been used to establish long-term management goals for the continued use of groundwater from wells in a VOC contaminated aquifer.

Groundwater Development Along Coastal Zones

Mr. Reich has led investigations regarding the development of groundwater from aquifers adjacent to the Pacific Ocean. Using numerical groundwater models and hydrogeologic principles, Mr. Reich has designed barriers to saltwater intrusion through the use of injecting reclaimed wastewater. These projects have allowed for an increase in the sustainable yield of groundwater aquifers located along coastal zones.

Reclaimed Wastewater

Mr. Reich has performed numerous investigations to develop projects that use highly treated wastewater effluent. A 36-acre constructed treatment wetland in southern California was designed to “polish” wastewater for disposal through groundwater recharge. Mr. Reich also investigated the use of existing injection wells near Las Pulgas, California and the designed new injection wells near Oceanside to dispose of reclaimed wastewater in the transition zone that exists in aquifers between the fresh water and saltwater barrier.

Environmental and Fisheries

Mr. Reich recently completed a study in December 2011 that identified minimum streamflow requirements for migration passage of southern steelhead trout in a southern California river. Working jointly with fisheries biologists, Mr. Reich and his team conducted in-stream surveys, performed hydraulic analysis, calculated hydrologic requirements, and developed management scenarios to support fish passage. Riparian and estuarine habitat requirements that supported minimum passage requirements were also investigated as part of the study.

Arbitrator

Currently serving as the sole arbitrator of a ground-water pumping dispute between the Los Angeles Department of Water and Power and Inyo County. The dispute is based on the interpretation of legal and technical agreements between the two parties regarding the amount of ground water that may be pumped from the Owens Valley, California. Review of complicated reports that discuss the impact of pumping on ground-water hydrology and ecological and biological maintenance.

Mr. Reich arbitrated a dispute between Irvine Ranch Water District and Sorrano Water District regarding the operation of a water supply lake in southern California. Mr. Reich interpreted legal and technical agreements that allocated the division of natural and imported water supplies to each party. The result of this work led to an operations model that semi-annually records and accounts for the disposition of water from the lake.

Dam Site Investigations

As a member of the Stetson technical team consulting the Ute Indian Tribe in Utah, responsible for the gathering and interpreting geological data relevant to determining the location of a future dam site. Responsibilities included identifying and describing geologic hazards at thirteen potential dam sites both on and off the Reservation.

Water Quality Oversight

Working together with The Nature Conservancy and San Diego State University riparian ecologists, biologists, and hydrologists, led efforts in monitoring the “ecological health” of a river. The purpose of these efforts has been to monitor the health of river while at the same time meeting the municipal water demands of downstream water rights holders.

RESUMES

Stephen Reich, Principal
(Continued)

Watershed Studies

- As project manager, oversee all hydrologic and hydrogeologic tasks relating to the adjudication of the Santa Margarita River Watershed. As the lead engineering firm for the U.S. Department of Justice, work directly with the U.S. Marine Corps Base Camp Pendleton, various Indian Reservations, the federal Watermaster, the U.S. Geological Survey, and Rancho California Water District personnel to develop solutions relating to all water resources in the Santa Margarita River Watershed.
(U.S. Department of Justice, Santa Margarita River Watershed, 1993 - ongoing).
- Analyzed numerous well logs in Riverside and San Diego Counties. Analysis of these data sets was used to delineate between underflow and percolating ground water under unconfined or confined conditions as well as determining hydrogeologic characteristics of the aquifers
(U.S. Department of Justice, Southern California Ground-water Studies, 1993).
- Designed an integrated geophysical survey in the San Pedro River Basin in Arizona to delineate between underflow and percolating ground water. Using various DC electrical techniques as well as bore hole data, defined the lateral boundaries of the San Pedro River stream system
(U.S. Department of Justice, San Pedro River Basin, 1994).

Water Rights Studies

As a member of the Stetson technical team consulting the Pyramid Lake Paiute Tribe, prepared documents on irrigation and land use status using aerial photographs and historic documents. Additionally involved with a cooperative effort between the Tribe, the U.S. Department of Justice, and the U.S. Bureau of Reclamation in identifying the transfer of water rights. Coordinated GIS data and other databases with relevance to legal and illegal irrigated lands.

(Pyramid Lake Paiute Tribe, Pyramid Lake Land Use Study, 1992 - present).

Municipal Water Systems Analysis

Participating as a member of a Technical Committee, Mr. Reich worked directly with private developers and the Contra Costa Water District in analyzing AB1600 buy-in charges for new customers. As an expert witness, Mr. Reich has testified on the use and division of raw and treated water infrastructure by new and existing customers, including pipe network systems, reservoir, pumping plant, and canal structures. He has coordinated data acquisition of available documents and maps in order to perform hydraulic, civil, and economic analyses to support cost allocation of facilities.

Mr. Reich has authored Urban Water Management, Capital Improvement, Water Supply Plans and other supporting documents to support various water districts throughout California. Responsibilities have included supervising pipe network models, economic rate models, water rights, and water supply tasks that support the development of these plans. Additional responsibilities have included participation in presentations to water/wastewater boards and technical involvement in negotiation discussions.

Expert Witness Experience

Mr. Reich has provided expert witness testimony in numerous state and federal cases involving water rights and watershed analysis. Mr. Reich has also provided testimony in state hearings in support of water rights applications and changes. His clients have included the United States Department of Justice, Indian Tribes, Municipal water agencies, mutual water companies, and private developers.

Water Wells/Drilling Expertise

- Supervised mud rotary, reverse rotary, air drilling, and sonic drilling of numerous monitoring and production wells throughout California, Utah, and Arizona. Designed and developed nested wells for monitoring vertical groundwater gradients from multiple aquifers.

RESUMES

Stephen Reich, Principal (Continued)

- Responsible for the drilling and completion of a 1,300-foot water well on the Pechanga Indian Reservation, CA including the geological and geophysical logging of the well, determination of the screened interval, and pump testing of the well.
(U.S. Department of Justice, *Pechanga Reservation Ground-water Study, 1996*).
- Responsible for the design, acquisition and interpretation of a seismic refraction survey to determine the suitability of a shallow ground-water supply on the Shivwitz Indian Reservation in Southwestern Utah. Additionally, five shallow bore-holes were drilled and incorporated in the interpretation of the final results.
(U.S. Department of Justice, *Shivwitz Reservation Ground-water Study, 1995*).
- Designed and implemented both geophysical and hydrogeologic studies for the Southern California Water Company (SCWC). Working directly with their chief hydrogeologist, coordinated both field and office studies concerned with the design and location of new water wells within numerous ground-water basins throughout California. Additionally, analyzed some of SCWC's existing water wells in Edna Valley and Barstow for the determination of surface water influences and their pertinence to drinking water standards.
(SCWC *Water Well Studies, 1993-94*)
- Worked as the on-site geologist during the drilling of a ground-water well in the City of Burlingame, California. Responsible for the collection and analysis of geologic samples, analysis of geophysical data, completion depth, and general field supervision. Completion of this well resulted in a dependable supply of irrigation water with a yield of 200 gpm.
(City of Burlingame, *Washington Park Irrigation Well Drilling, 1992*)

Prior Experience

As an independent consultant, specialized in electrical methods applied to oil fields. Responsibilities included the design, implementation, processing, interpretation and presentation of transient electromagnetic data, as well as recommendations to the personnel responsible for choosing well site locations. While with the Western Geophysical Company of Houston, Texas, supervised 120-person field crews in Turkey for the acquisition of reflection and refraction seismic data. During this time in Turkey, drilled and logged over 200 shallow exploration holes. In London, England, processed and interpreted a three-dimensional survey used for the development of an existing oil field. Applied electromagnetic techniques to define alluvial and bedrock structures outside both Ely and Carlin, Nevada. Performed studies for theoretical modeling of electromagnetic data and its applications and supervised data acquisition for deep structural gas studies. Also worked as an on-site geologist for Exlog Inc. during the exploration of a 13,000-foot well in the Bering Sea.



Name & Title: Molly Palmer , Senior Engineer	Project Assignment: Project Manager
Years of Experience with Firm: 14	Years of Experience With Other Firms: 0
Education: Degree(s) / Year / Specialization: M.S. / 2003 / Civil & Environmental Engineering, Massachusetts Institute of Technology, Cambridge, MA B.S. / 2001 / Civil & Environmental Engineering, Georgia Institute of Technology, Atlanta, GA	Registrations / Certifications: California Civil Engineer, No. 71788

Experience Record

Ms. Palmer is a licensed California Civil Engineer specializing in water rights, water supply planning, and modeling studies. She has been with Stetson since 2005 and has expertise in hydrologic and water system modeling, water rights claims, and water supply planning. Ms. Palmer has worked with public and private clients in western states to support water rights compliance, legal settlements, and water supply development. Recently she has overseen technical studies to prepare inundation maps under new California dam safety regulations enacted by Senate Bill 92.

HYDROLOGY AND HYDRAULICS

[Dam Inundation Mapping and Emergency Action Plans, Irvine Ranch Water District, Orange County, California](#)

Lead engineer for dam inundation technical studies for three Extremely High Hazard Potential dams in Orange County. Oversaw completion of two-dimensional hydraulic models, including dam failure simulation, model topography, selection of model parameters, and model output. Interpreted model results and developed inundation maps in compliance with state and federal standards. The complex technical studies included a sequential dam failure analysis of a 20,000-acre-foot reservoir, with a floodplain area of over 100 square miles, requiring over 140 sheets for the inundation map. Coordinated all model development, including GIS work and pre- and post-processing of model data.

[Dam Inundation Mapping and Emergency Action Plan, Fallbrook Public Utility District, San Diego County, California](#)

Lead engineer in preparing dam inundation technical study and inundation maps. Oversaw completion of two-dimensional hydraulic model for Red Mountain Reservoir, an Extremely High Hazard Potential dam. Interpreted model results and prepared inundation maps in compliance with state and federal standards. Red Mountain Reservoir inundation maps were approved by Division of Safety of Dams in January 2018. See "Publications and Work Samples" for a link to published map.

[Volume Depletion Approach Study, State Water Resources Control Board, Sacramento, CA](#)

Project manager for 2-year study looking at how diversions in headwaters streams impact anadromous fisheries habitat. Managed field study, hydrologic modeling and fisheries protectiveness analysis. Coordinated work by two subconsultants.

[20-year Long Term Water Master Plan, North Coast County Water District, Pacifica, CA](#)

Project manager for 20-year Water System Master Plan. Supervised hydraulic modeling. Directed modeling scenarios and selection of criteria for identifying existing and future deficiencies. Worked with District to conduct hydrant flow tests for model calibration. Evaluated District's metered usage to estimate spatial and temporal demands within the District. Developed pipeline condition assessment and risk and consequence of failure criteria to create pipeline replacement program for District. Developed schedule and costs for 20-year Capital Improvement Program.

[Steelhead Passage Study, Marine Corps Base Camp Pendleton, CA](#)

Lead engineer for Stetson working with team of engineers, planners and biologists to complete steelhead passage study on the Santa Margarita River. Worked with team to conduct field work, modeling and analysis to determine timing and frequency of steelhead passage opportunities. Worked with hydraulic engineers and biologists to design alternatives for fish passage structures.

WATER RIGHTS AND INSTREAM FLOW

[Water Rights Applications and Filings with the California State Water Resources Control Board, California](#)

Lead engineer supporting private and municipal clients in procuring new water right applications, filing annual statements of diversion and use, modifying permits, conducting water availability analyses, and conducting cumulative diversion analyses. Communicate regularly with State Water Board staff on behalf of clients. Coordinate fisheries science subcontractor.

[Tonto Apache Water Claims, Arizona](#)

Project manager for Stetson in preparing a water budget and water supply plan for Tonto Apache Tribe. Developed land use plan, crop water requirements, and diversion requirements for Reservation.

North Coast Instream Flow Policy, State Water Resources Control Board, Sacramento, CA

Developed hydrologic records to assess instream flow policy for anadromous salmonids. Reviewed CEQA impacts of policy on regional water supply. Compiled planning documents for 5-county North Coast region and reviewed future projects and water supply.

WATER SUPPLY AND PLANNING

GIS Application, North Coast County Water District, Pacifica, CA

Project manager for developing web-based GIS application for District staff. Currently supervising GIS staff to collect, check and display GIS data layers for the District, and develop web-based desktop and mobile applications to support office and field work.

Accounting for Cooperative Water Resource Management Agreement, Marine Corps Base Camp Pendleton and Rancho California Water District

Maintain accounting model for flow augmentation program on Santa Margarita River. Review gage and meter data and prepare daily spreadsheet model of flows, augmentation, and credits for the two parties of the agreement. Provide support for watershed monitoring program.

Water Audit, Angels Camp, CA

Lead engineer on project to assess water system compliance, reliability and future needs. Analyzed compliance with laws and industry best-practices. Developed list of recommended projects proposed for inclusion in CIP.

Water Resources Plan, Marine Corps Base Camp Pendleton, CA

Member of team preparing comprehensive planning document for Camp Pendleton, integrating water, wastewater, and recycled water planning. Assessed current and future infrastructure, calculated costs associated with future projects, and examined future water supply and demand scenarios.

Water Usage Analysis, Bay Area Water Supply and Conservation Association, CA

Collected monthly data from San Francisco Public Utilities Commission (SFPUC). Analyzed data for fiscal year and communicated with SFPUC to resolve data discrepancies. Assisted in calculation of annual usage percentages for city and suburban users.

PUBLICATIONS AND WORK SAMPLES

- Palmer, M.R., H.M. Nepf, T.J.R. Pettersson, and J.D. Ackerman. 2004. Observations of particle capture on a cylindrical collector: Implications for particle accumulation and removal in aquatic systems. *Limnology and Oceanography*, 49(1): 76-85. <https://aslopubs.onlinelibrary.wiley.com/doi/epdf/10.4319/lo.2004.49.1.0076>
- R2 Resources Consultants, Inc. and Stetson Engineers Inc. March 2008. North Coast Instream Flow Policy: Scientific Basis and Development of Alternatives Protecting Anadromous Salmonids. Prepared by R2 Resource Consultants and Stetson Engineers. Prepared for California State Water Resources Control Board Division of Water Rights http://www.waterboards.ca.gov/waterrights/water_issues/programs/instream_flows/docs/draft_policy_2008/05_task3rpt_a_dmindraftfinal_03142008.pdf
- Stetson Engineers Inc. October 2011. Final Angels Camp Water Audit. Prepared for City of Angels Camp. <http://angelscamp.gov/wp-content/uploads/2016/11/Angels-Camp-Water-Audit-FINAL-10-2012.pdf>
- Stetson Engineers Inc. April 2012. Southern California Steelhead Passage Assessment, Lower Santa Margarita River, California and CUP Surface Water Availability Analysis (TM 1.1). Prepared by Stetson Engineers. Prepared for United States Bureau of Reclamation, Fallbrook Public Utilities District, and United States Marine Corps Base Camp Pendleton. <https://www.usbr.gov/lc/socal/reports/SMCUPFallbrook/Steelhead/SteelheadPassageAssessment.pdf>
- Stetson Engineers Inc. and R2 Resource Consultants. March 2014. North Coast Instream Flow Volume Depletion Approach Study. Prepared by Stetson Engineers and R2 Resource Consultants. Prepared for California State Water Resources Control Board Division of Water Rights. http://www.swrcb.ca.gov/waterrights/water_issues/programs/instream_flows/vdas/
- Stetson Engineers Inc. February 2016. 20-year Long-Term Water Master Plan. Prepared by Stetson Engineers and R2 Resource Consultants. Prepared for North Coast County Water District. [http://www.nccwd.com/images/PDFs/NCCWD_20-YR_WMP_v19%20\(FINAL%20REPORT%20with%20FIGS%20%20ATTCHMNTS\).pdf](http://www.nccwd.com/images/PDFs/NCCWD_20-YR_WMP_v19%20(FINAL%20REPORT%20with%20FIGS%20%20ATTCHMNTS).pdf)
- Stetson Engineers Inc. December 2017. Dam Failure Inundation Map for Red Mountain Reservoir. Prepared by Stetson Engineers. Prepared for Fallbrook Public Utility District and Division of Safety of Dams. <https://www.water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/All-Programs/Division-of-safety-of-dams/Files/Inundation-Maps/0037-000-Red-Mountain-Reservoir-Main-Dam.pdf?la=en&hash=41EC0B80A52D3EFD6BCF01469A3BCF9F6FB8A065>

Name & Title: Guoyuan Li , Ph.D, P.E., P.H., Senior Engineer	Project Assignment: Lead Hydrologist and Hydraulic Modeler
Years of Experience with Firm: 12	Years of Experience With Other Firms: 0
Education: Degree(s) / Year / Specialization: Ph.D. / 2006 / Water Resources / University of Georgia M.S. / 2005 / Statistics / University of Georgia M.S. / 2001 / Hydrology / Beijing Forestry University, China B.S. / 1998 / Soil and Water Conservation / Beijing Forestry University, China	Registrations / Certifications: California Professional Civil Engineer, No. 81337 Certified Professional Hydrologist, No. 14-H-6008
Experience Record <p>Mr. Li joined Stetson in August 2006 to support the firm's surface and ground water team for a wide range of projects. He serves as a modeler in hydrology, hydraulics, water quality, and sediment transport for a wide range of multidisciplinary water resources and environmental engineering projects. His areas of expertise include hydrologic modeling, hydrodynamic modeling, sediment transport modeling, water quality modeling, and statistical analysis for rivers, lakes, reservoirs, and estuaries. He is specialized in solving real world problems using a variety of computerized mathematical models and programming techniques commonly used in water resources engineering.</p> <p>2006 – PRESENT, STETSON ENGINEERS, WATER RESOURCES ENGINEER</p> <p><u>Hydrologic, Hydraulic, and Sediment Modeling Studies</u></p> <ul style="list-style-type: none"> • Dam Inundation Mapping & Emergency Action Plans, Irvine Ranch Water District, Orange County, CA (2017-2018) Lead modeler preparing two-dimensional HEC-RAS models for three Extremely High Hazard Potential dams in Orange County. Developed dam failure parameters, created model DEMs, created model grids, and ran simulations. Performed a sequential failure simulation for a dam with over 20,000 acre-feet of storage. Evaluated sensitivity of model parameters. Generated model output for GIS-based mapping. • Dam Inundation Mapping & Emergency Action Plan, Fallbrook Public Utility District, San Diego County, CA (2017-2018) Lead modeler preparing two-dimensional HEC-RAS models for an Extremely High Hazard Potential dam in San Diego County on the San Luis Rey River. Developed dam failure parameters, created model DEM, created model grids, and ran simulations. Generated model output for GIS-based mapping. • Ross Valley Hydraulic Model Upgrade for Flood Zone 9, County of Marin (2016 – Present) Staff Engineer in hydraulic analysis for the Project. Upgraded the existing 1D steady state HEC-RAS model to 2D unsteady state HEC-RAS model for both existing conditions and project conditions. Developed flood inundation animations using 2D HEC-RAS model. • Phoenix Lake Long Term Yield and Cooperated Operation Project (2015 – 2016) Staff Engineer in hydrology and reservoir operation modeling for the project. Developed Phoenix Lake reservoir operation models for fish habitat flow release, flood control, and water supply. • Santa Margarita River Fish Ladder Design Modeling for Camp Pendleton (2015 - 2016) Staff Engineer in hydrologic and hydraulic analysis for the Project. Model designed Fish Ladders at Point of Diversion; Developed rating curves for a new POD under different operation combination scenarios. Conducted statistical analysis of river hydrology from the Gorge to Camp Pendleton division site. Developed and calibrated HEC-RAS model for fish passage study during low flow conditions. • San Luis Rey River Groundwater Modeling for Pala and Pauma Tribes, CA (2010 - 2012) Staff Engineer in surface hydrology and groundwater hydraulics analysis and modeling for the Project. Conducted surface water budget statistical modeling. Involved in Groundwater Vista/MODFlow groundwater model development and model output analysis. Programmed a series of tools using AutolIt3 scripting for very efficient and accurate preparation of model inputs and extraction of model outputs. • San Carlos Irrigation Project (2015 – 2016) Staff Engineer in hydrology and reservoir operation modeling for the project. Develop lake reservoir model and optimization methods to determine reservoir size, reservoir operation, and irrigable land acreages under different water right scenarios. • Water delivery system hydraulic modeling, City of Lakewood & City of Glendora (2016 – 2017) Staff Engineer in hydraulic modeling of water distribution system. Modeled designed Capital Improvement Plan and 	

performed cost analysis.

- Corte Madera Creek Flood Study for Marin County Flood Control and Water Conservation District, CA (2006 – 2012)
 Staff Engineer in hydrologic and hydraulic analysis for the Project. Developed and calibrated a watershed scale HEC-HMS hydrologic model. Simulated and analyzed the effectiveness of peak flow reduction measures, including detention basins, cisterns, and impervious surface using the HEC-HMS model. Performed flood frequency curve analysis for Ross Streamflow Gage. Developed and calibrated HEC-RAS steady-state hydraulic model for flood control analysis. Developed and calibrated MIKE-FLOOD unsteady state hydraulic model and created floodplain mapping for the 12/31/2005 flood event litigation project. Conducted the Corte Madera Creek earthen channel and marsh tidal prism enlargement analysis for sediment control using HEC-RAS unsteady-state hydraulic model.
- Belvedere Lagoon Hydrologic and Hydraulic Study for City of Belvedere, CA (2010 – 2012)
 Staff Engineer in hydrologic and hydraulic analysis for the Project. Used HEC-HMS model to simulate inflow hydrographs to Belvedere Lagoon, and HEC-RAS unsteady model to simulate Belvedere Lagoon water surface dynamics. Analyzed scenarios to eliminate Belvedere Lagoon neighborhood flooding for the 100yr storm event.
- Hydraulic and Sediment Transport Modeling for Pankey Ranch Mining and River Restoration Project (2012 – 2013)
 Staff Engineer in hydraulic and sediment transport modeling analysis for the Project. Developed Mike Flood 2D model to simulate spatial distribution of river flow velocity and water depth at various flow rates for fish passage design. Developed HEC-RAS quasi-unsteady state sediment transport model to simulate long term river bank stability, channel bed evolution, and sediment availability for in-stream mining and restoration.
- Truckee River Flood Study for the Pyramid Lake Tribe, Reno, Nevada (2008 – 2014)
 Staff Engineer in hydraulic analysis for the Project. Evaluated the HEC-RAS hydraulic models for the Truckee River segments including Truckee Meadows, Vista to Wadsworth, and Wadsworth to Pyramid Lake. Analyzed the impact of flood control projects on habitat availability, river stability, and riverbed sedimentation. Create floodplain mapping using HEC-GeoRAS.
- Hydrologic and Water Temperature Modeling of Reservoirs and Streams in the North Fork River Area, CA. (2006 – 2008; 2016 - 2016)
 Staff Engineer in surface water quality modeling for the Project. Conducted compilation and statistical analysis of long term meteorology data time series for a variety of weather parameters. Performed lake and stream water temperature and dissolved oxygen modeling using CE-QUAL-W2 and SNTMP. Created Q-BASIC programs to connect different water quality models for cascaded lake-stream systems. Since March 2016, continue to run additional scenarios.
- Clear Lake reservoir operation modeling for Lake County, CA (2012 - present)
 Staff Engineer in surface water hydrologic analysis and modeling for the Project. Developed reservoir operation spreadsheet model for simulating different operation criteria. Conducted surface water availability analysis based on model results.

Water Quality Modeling Studies

- Hydrologic and Water Temperature Modeling of Reservoirs and Streams in the North Fork River Area, CA. (2006 – 2008; 2016 - present)
 Staff Engineer in surface water quality modeling for the Project. Conducted compilation and statistical analysis of long term meteorology data time series for a variety of weather parameters. Performed lake and stream water temperature and dissolved oxygen modeling using CE-QUAL-W2 and SNTMP. Created Q-BASIC programs to connect different water quality models for cascaded lake-stream systems. Since March 2016, continue to run additional scenarios.

FEMA Floodway/Floodplain Map Review

- Ross Valley and Mill Valley Floodway Designation Review for County of Marin, CA (2011 – 2012)
 Staff Engineer in FEMA floodway designation review for the Project. Reviewed HEC-HMS models and HEC-RAS models for baseflood elevation computation and floodplain mapping. Commented FEMA floodways designations and proposed floodway revision approaches.

2002-2006, UNIVERSITY OF GEORGIA, PH.D. CANDIDATE, RESEARCH ASSISTANT

Stream Flow, Temperature, and Dissolved Oxygen Modeling Of Lower Flint River Basin, Georgia

Developed/calibrated stream Dissolved Oxygen and Temperature dynamic water quality model. Programmed Saint-Venant Equations for flow module and advection-dispersion equations for water quality module. Developed modules to account for vegetation shading and groundwater discharge effects on stream water quality. The project was launched by Environmental Protection Division of GA with the goal to evaluate the agricultural pumping impacts on aquatic habitat availability during dry summer season. (2002 – 2006)

Name & Title: Noah Wasserman, GISP, GIS Manager	Project Assignment: Lead GIS Specialist
Years of Experience with Firm: 10	Years of Experience With Other Firms: 3
Education: Degree(s) / Year / Specialization: M.A. / 2009 / Geography / San Francisco State University B.A. / 2001 / Urban Studies and Planning / University of California, San Diego	Registrations / Certifications: Geographic Information Systems Professional (GISP) / May 2015
<p>Experience Record</p> <p>Mr. Wasserman has been working with GIS since 2000. At Stetson Engineers, Mr. Wasserman has focused on GIS mapping and spatial analysis. Typical tasks include (but are not limited to) map/figure production and layout, analysis of vector and raster data (including aerial images), data management, online mapping and data applications, etc. He has worked extensively on present/historic irrigation aerial photography interpretation and image georeferencing as they relate to Stetson projects.</p> <p>2007 – Present, Stetson Engineers, Inc.</p> <p>GIS and spatial analyst technician, support water resources management projects across the American West. Provide technical support and project design to project managers on irrigation, water rights and resource management projects in addition to map/figure layout production, and online mapping and data applications.</p> <p>Other work experience</p> <p>GIS Consultant for Intersect, LLC, San Jose, CA</p> <p>Mr. Wasserman provided GIS and cartographic support for international materials sampling project. Typical tasks included preparation and analysis of country scale spatial data as well as map/figure production. Created and edited map layouts from collected data for project reporting and planning purposes.</p> <p>Master's Degree Program at San Francisco State University, CA</p> <p>Mr. Wasserman's course work included several GIS classes specific to resource management as well as instruction in remote sensing and analysis techniques. GIS projects included (but were not limited to) analysis of historic serpentine grasslands within San Francisco's Presidio, a report and examples on how GIS tools could be utilized to help assess and guide rebuild/redesign efforts in post-hurricane-Katrina New Orleans, and finally analysis of vegetation changes in alpine and subalpine communities of the Sierra Nevada Mountains, which was completed as a Master's Thesis titled <i>Vegetation Change Trends in Yosemite National Park Over the Last Century (1890-2008)</i>.</p> <p>GIS Intern for Telesis Corporation, San Diego, CA</p> <p>Worked with ArcView software to organize source data and conducted test mapping for various community projects including San Diego crime mapping and PG&E streetlight maintenance projects.</p> <p>Bachelor's Degree Program at University of California, San Diego, CA</p> <p>As part of the UCSD's Urban Studies and Planning department core curriculum, Mr. Wasserman's first exposure to GIS was on the ESRI ArcView 3.x suite. Since then, he has had experience working with a number of spatial analysis software packages including ArcGIS (ArcMap 9.x), ArcExplorer, and Erdas Imagine 9.x. As an undergraduate, he interned for the Telesis Corporation and completed a senior research project which utilized GIS tools to analyze regional socio-economics and various educational indicators of local San Diego high schools as they related to achievement gaps and access to higher education. In 2003, Mr. Wasserman helped research, manage data, and produce the joint Conservation International and United Nations Environment Programme publication <i>Tourism and Biodiversity: Mapping Tourism's Global Footprint</i>. The accompanying ArcExplorer and data CD was designed and developed by Mr. Wasserman.</p>	

**PROPOSAL OF STETSON ENGINEERS INC.
FOR
PROFESSIONAL INUNDATION MAP DEVELOPMENT SERVICES
FOR
BECK DAM INUNDATION MAP PROJECT**

**PREPARED FOR:
RAINBOW MUNICIPAL WATER DISTRICT**



FEBRUARY 25, 2019





February 25, 2019

Attn: Delia Rubio
Rainbow Municipal Water District
Engineering Department
3707 Old Highway 395
Fallbrook, CA 92028

Subject: Fee Schedule for Proposal to Provide Professional Inundation Map Development Services for Beck Dam

Dear Ms. Rubio:

Please find enclosed a separate fee schedule that accompanies our written proposal to provide professional inundation map development services for Beck Dam.

Our proposed fee is \$24,081. A cost breakdown by task is included, followed by our standard rate schedule.

Thank you for the opportunity to propose on this important project. If you have any questions, please contact me using the above contact information, or contact Molly Palmer, the project manager at mollyp@stetsonengineers.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "S. Reich", is written over a faint, larger signature.

Stephen B. Reich, PE
Principal

Enclosures: fee proposal
standard rate schedule

FEE SCHEDULE

Stetson's proposed fee for inundation map development services for Beck Dam is \$24,081. Cost by task and by staff type is listed in the table below. The staff members and task items match the resource allocation table provided in the written proposal (see item 9 on page 22 of main proposal).

Stetson's standard rate schedule follows on the next page.

	Stetson Engineers							Subtotal
	Principal	Project Manager	Lead Hydrologist and Modeler	Hydrologist and Modeler	Lead GIS Specialist	Administrative Assistant		
Tasks	Billing rate \$/hr							
	\$237	\$165	\$165	\$103	\$118	\$67		
Task 1 - Document Review, Field Assessment and Data Collection								
Receive and review project data from District		6			2			\$1,226
Conduct field assessment		4		4				\$1,072
Develop Digital Elevation Model (DEM) for inundation model		4			8			\$1,604
Subtotal	0	14	0	4	10	0		\$3,902
Task 2 - Modeling, Inundation Mapping and Technical Study								
Analyze dam failure mode and construct model		8	4	8				\$2,804
Conduct model runs and sensitivity analysis		4	4	16				\$2,968
Process model results, prepare map template		6	2	4	4			\$2,204
Prepare Administrative Draft Inundation Technical Memorandum and maps		8	2	4	10	4		\$3,510
One-week review period (7 calendar days)								\$0
Prepare Final Draft Inundation Technical Memorandum and maps		8	2	1	4	4		\$2,493
Submit Inundation Technical Memorandum and maps to DSOD		4				4		\$928
DSOD review and comment (30 days assumed)		8	1		4			\$1,957
Prepare Final Inundation Technical Study Report and maps	2	2			2	4		\$1,308
Subtotal	2	48	15	33	24	16		\$18,172
Task 3 - Project Management and QA/QC								
Kickoff meeting	1	4						\$897
Conference call: draft inundation maps		2						\$330
Conference call: regulatory review		2						\$330
General project management and oversight	2	6						\$1,464
Subtotal	3	14	0	0	0	0		\$1,557
Expenses: telephone calls, printing costs, mileage, postal								\$450
GRAND TOTAL COST	Project Total	5	76	15	37	34	16	\$24,081



Standard Billing Rate Schedule Professional Fees

Principal	\$237.00	Per Hour
Special Project Director	\$237.00	Per Hour
Project Manager, Senior	\$206.00	Per Hour
Supervisor I	\$206.00	Per Hour
Supervising Soil Scientist	\$191.00	Per Hour
Supervisor II	\$191.00	Per Hour
Supervisor III	\$185.00	Per Hour
Senior I	\$165.00	Per Hour
Senior II	\$149.00	Per Hour
Senior III	\$134.00	Per Hour
Construction Manager	\$134.00	Per Hour
Construction Manager / Oversight	\$118.00	Per Hour
Senior Construction Inspector	\$118.00	Per Hour
Senior Field Geologist	\$134.00	Per Hour
Senior Associate	\$128.00	Per Hour
Associate I	\$122.00	Per Hour
Associate II	\$116.00	Per Hour
Associate III	\$111.00	Per Hour
Associate Soil Scientist	\$111.00	Per Hour
Senior Assistant	\$103.00	Per Hour
Assistant I	\$98.00	Per Hour
Assistant II	\$93.00	Per Hour
Assistant Soil Scientist	\$93.00	Per Hour
Assistant III	\$88.00	Per Hour
GIS Manager	\$122.00	Per Hour
GIS Specialist I	\$101.00	Per Hour
GIS Specialist II	\$91.00	Per Hour
Technical Illustrator	\$88.00	Per Hour
AutoCAD Technician	\$88.00	Per Hour
Soil Technician	\$77.00	Per Hour
Aide I	\$72.00	Per Hour
Aide II	\$62.00	Per Hour
Aide III	\$57.00	Per Hour
Project Coordinator I	\$134.00	Per Hour
Project Coordinator II	\$98.00	Per Hour
Project Coordinator III	\$88.00	Per Hour
Contract Management	\$103.00	Per Hour
Administrative I	\$72.00	Per Hour
Administrative II	\$67.00	Per Hour
Administrative III	\$62.00	Per Hour

Effective January 1, 2019

Direct Expense Rates

Expense Description	Billing Rate
Fax	\$0.30 / Page
Mileage	\$* / Mile
Reproduction: Black & White (In-House)	\$0.15 / Page
Reproduction: Color - 8.5" x 11" (In-House)	\$0.89 / Page
Reproduction: Color - 11" x 17" (In-House)	\$1.89 / Page
Plotter Reproduction (In-House)	\$1.50 / Sq. Ft.
Specialty Computer Expense (In-House)	\$15.00 / Hour
4x4 Truck with Drill Rig	\$150.00 / Day
Survey Equipment	\$120.00 / Day

Notes:

- 1) * Mileage is billed at the current IRS approved mileage rate and may be subject to change.
- 2) Subcontractor services will be charged at cost plus 10% administration fee.
- 3) All other project reimbursable expenses (i.e., telephone, commercial transportation, meals, lodging, postage, outside reproduction, etc.) will be billed at cost.
- 4) Testimony fees are 150% of standard rates and apply to depositions, court time and time spent on stand-by at attorney's request. Travel time and preparation time is charged at standard rates. Stetson Engineers Inc. authorizes only staff at associate classification or higher to testify as expert witnesses.

BOARD OF DIRECTORS

March 26, 2019

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPOINT RUSSELL VERNON AND BILL SHUTE AS MEMBERS OF THE COMMUNICATIONS AND CUSTOMER SERVICE COMMITTEE

BACKGROUND

In November 2018 Russell Vernon notified the District of his interest in serving on the Communications and Customer Service Committee. Mr. Vernon has attended a few meetings and has expressed interest in serving on the committee.

In January 2019 Bill Shute notified the District of his interest in serving on the Communications and Customer Service Committee. Mr. Shute has attended a few meetings and has expressed interest in serving on the committee as well.

DESCRIPTION

At their March 7, 2019, the Communications and Customer Service committee members approved a motion recommending to the Board that both Mr. Vernon and Mr. Shute be appointed to serve as members of the committee. The committee currently has member vacancies to fill.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Six: Communication

BOARD OPTIONS/FISCAL IMPACTS

The Board makes the appointments per Administrative Code Section 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.

STAFF RECOMMENDATION

Staff recommends the Board appoint both Russell Vernon and Bill Shute to serve as members of the Communications and Customer Service Committee.



Tom Kennedy, General Manager

March 26, 2019

BOARD OF DIRECTORS

March 26, 2019

SUBJECT

CONSIDER INFORMATION REGARDING THE STATUS OF FLUME WATER MONITORING SYSTEM PILOT PROJECT AND PROVIDE DIRECTION TO STAFF ON DEVELOPMENT OF A REBATE PROGRAM

BACKGROUND

When the District developed its current Strategic Plan, one element of the plan was for staff to identify cost effective methods to deliver better information to customers about their water consumption. Receiving reads once per month are ineffective in helping customers identify when leaks occur or get a good sense of their water use which contributes the most to their overall water consumption. At the time the Strategic Plan was developed the only known method for this was municipal scale Advanced Metering Infrastructure, or AMI.

AMI systems use a series of towers (dozens in the case of RMWD) to communicate each day with every water meter so we can receive one read per hour. These systems send the data back to the District where staff would analyze data and then reach out to customers if something out of the ordinary was detected. With an investment in the development of a customer data portal, RMWD could also allow customers to access their hourly data directly. This data would not be real time data – it would be uploaded once a day.

Over the next two years, staff worked with every major AMI manufacturer to identify whether their systems would work in our region. Our topography and low density are very challenging for these systems which are better suited to urban areas. We also did a pilot project with SDG&E and AMI vendor, Itron, to see if SDG&E's back haul network could be utilized instead of developing our own costly tower-based system. That pilot failed to meet performance standards and was cancelled in mid-2018.

In May 2018, the District became aware of new technology from a small startup company called Flume. The Flume water monitoring system attaches directly to the water meter and communicates with a bridge device located in the customer's home. From there it uses the customer's Wi-Fi system to communicate with Flume's servers and deliver the information directly to the customer's phone, tablet, or (coming soon) to a web browser.

The Flume system differs from AMI in several material ways:

- The Flume system delivers water consumption data in one-minute increments – in real time – rather than hourly data delivered the next day in AMI systems. Customers get 1440 reads per day rather than 24.
- The system does not require District staff to analyze information and contact customers – it sends alerts to customers directly through their phones.
- Alerts happen based on customer defined set points and will allow customers to fine tune the alerts to match their consumption patterns.

- The Flume system costs much less than AMI systems and provides much better data for customers.
- AMI systems are designed to be installed at every customer site – regardless of whether the customer will use it. Data from other agencies show only 20-25% of customers actually use AMI data. In essence, about 75% of the cost of AMI is spent on customers who gain no value from the investment. We propose rebates be offered only to those who want the data, thus ensuring any investment by the District will result in direct benefits to customers.

After testing the system on our test bench, the Board approved a 50-customer pilot program that was rolled out in September 2018. Some of the pilot customers were chosen at random and others were selected because they had experienced leaks and were concerned about getting better information about their water use. Board members and staff living in the District were also added to the list so RMWD could get first hand reports on how the system functioned. While Flume staff installed most of the devices and helped pilot customers get set up, the system is designed to be self-installed with minimal required technical know-how.

The results of the pilot were overwhelmingly positive. The Flume device had a range that exceeded expectations with several customers locating the device over 700 feet from the home. Over a third of the pilot users found leaks and some were substantial. One leak was over 80 gallons per hour! While there were a few issues with household Wi-Fi networks, overall the system performed very well.

DESCRIPTION

Now that the pilot has shown the Flume monitoring system works well, staff has been working with Flume as well as our customer led committees to identify how to make the system more widely available to our customers. Options ranged from the District simply buying them for all District customers notifying everyone that the Flume system exists and letting them make their own purchase decision. The Flume system retails at about \$200 (available now on Amazon).

After getting input from committee members, staff has had a series of discussions with Flume about what would work best for them. While nothing is settled at this point, these discussions have coalesced around a few key deal points:

- The District will create an instant rebate program where we will provide funding at \$99 per device.
- The Customer will go to a District branded landing page on the Flume website where they will enter a unique code provided by us to receive the device at a discounted price.
- Flume will sell the device at \$99 – half off the normal retail – but will have the customer agree to an annual subscription of \$49 per year. This annual subscription pays for the ongoing costs of the server, technical support services, as well as for free replacements of any component should it fail.
- Flume will also provide installation services using a local contractor at a separate cost for those who want assistance installing the device.
- The customer will enter into an agreement with the District that contains several provisions:
 - o The device may be used only on properties within the District.
 - o The customer agrees RMWD's monthly meter reads – not the Flume – will determine water bills.
 - o The customer owns the device and the District will not provide technical support.
 - o The customer is responsible to own and operate their Wi-Fi network.
 - o The District does not guarantee reductions in water use.
 - o The customer indemnifies the District for any damage that may result of their use of the device.

There are several key policy directions needing to be worked out:

- How many rebates should be made available?
- Should there be a different level of rebate?

- How should we prioritize who gets one if the demand exceeds the initial allotment of devices?
- Who owns the device should the customer move and another customer moves in?
- Flume has indicated that they can make the customer usage data available to the District; however, staff recommends the District does not receive any information other than monthly meter reads. There is no operational need for the District to possess this data and in order to ensure privacy of customer information it is better if we simply do not have it.

Staff would like to receive feedback from the Board on these matters so that a final agreement and set of policies can be developed. The ultimate program will consist of:

- An agreement with Flume outlining the scope of the District's participation in the rebate program. This agreement will clarify the duties and responsibilities of each party.
- An agreement for those customers wishing to receive the rebate will enter into with the District identifying the terms as described above.
- An agreement the customer will enter into with Flume to use their device.

There are other policy options available to the Board:

- Simply inform customers about the availability of the Flume device and not offer any incentive to obtain the device.
- Set a rebate level that changes over time with more going to early adopters and less as time goes on.
- Work through SDCWA and MWD about getting the Flume into their rebate programs (although this would take a while).

Staff is seeking direction from the Board as to how they would like to proceed.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area One: Water Resources – by reducing customer leaks we will reduce our need to import water

Strategic Focus Area Two: Asset Management – This system will not require the District to install and maintain a costly wide area network of towers, radios, and associated equipment

Strategic Focus Area Four: Fiscal Responsibility – This program will cost a small fraction of traditional AMI both in up front capital and ongoing maintenance

Strategic Focus Area Five: Customer Service – this system will provide better customer information about water consumption and alert them to leaks better and faster than we could using AMI

BOARD OPTIONS/FISCAL IMPACTS

While nothing is settled, and we are open to direction from the Board, staff recommends starting the pilot program with 1000 units with a \$99 subsidy per device, so the fiscal impact of this would be \$99,000. Depending on customer demand, the Board could choose to increase this amount in the future. As a comparison, the cost to deploy AMI was estimated to be at least \$3 Million for the whole District. This action is simply to give staff direction, so we can bring back contracts for approval at a subsequent meeting; therefore, no specific fiscal impacts are related to this agenda item.

ENVIRONMENTAL

Since the District will not be doing anything other than providing a rebate for these devices not owned by the District, 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.

STAFF RECOMMENDATION

This item is to solicit input for the development of contracts to be brought forward at a subsequent Board meeting – no specific action is required.



Tom Kennedy
General Manager

March 26, 2019

BOARD OF DIRECTORS

March 26, 2019

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO ADOPT ORDINANCE NO. 19-03 AMENDING AND UPDATING ADMINISTRATIVE CODE CHAPTER 8.13 – DISPUTED BILLS

BACKGROUND

In reviewing the current RMWD Administrative Code for policies on how to handle a bill dispute it was discovered that the current policy was not clear and needed to be updated. The current policy did not define what qualified as a bill dispute and left much open to interpretation.

DESCRIPTION

An update to the policy related to bill disputes has been prepared for the Board to consider. This policy has been updated to provide clear direction to staff for handling bill disputes. The updated policy also includes clarification as to what qualifies as a bill dispute and the actions required by the customer throughout the bill dispute process.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Administrative Code Chapter 8.13 – Disputed Bills

Strategic Focus Area Five: Customer Service

BOARD OPTIONS/FISCAL IMPACTS

- Option 1: Approve attached Ordinance No. 19-03.
- Option 2: Approve attached Ordinance No. 19-03 with Board recommended revisions.
- Option 3: Provide staff with direction.

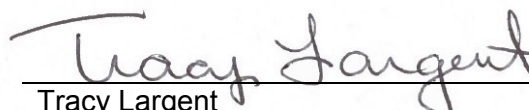
The policy will have limited fiscal impact on the district. A fiscal impact would only occur if the dispute resulted in an adjustment to the customer's bill.

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.

STAFF RECOMMENDATION

Staff recommends Option 1.


Tracy Largent
Finance Manager

March 26, 2019

Ordinance No. 19-03

**Ordinance of the Board of Directors of the Rainbow Municipal Water District
Amending the Administrative Code
Chapter 8.13 – Disputed Bills**

WHEREAS, the Rainbow Municipal Water District has, from time to time, adopted various rules and regulations for the operation of the District; and

WHEREAS, certain of those rules and regulations require updating to reflect best practices, as well as changes in applicable laws; and

WHEREAS, the Board of Directors has determined that changes in the rules or regulations of the District shall occur solely by amendment to the Administrative Code;

NOW, THEREFORE,

BE IT ORDAINED by the Board of Directors of Rainbow Municipal Water District as follows:

1. The following rules and regulations of the District, collected are hereby adopted and shall be incorporated into the Administrative Code, consisting of:

Chapter 8.13: Disputed Bills

2. The General Manager is hereby directed to update the Administrative Code to reflect the approval of these rules and regulations, and to assign or reassign the numbering of the Administrative Code as necessary to codify these rules and regulations as amended.

3. This ordinance shall take effect immediately upon its adoption on this 26th day of March 2019.

AYES:
NOES:
ABSTAIN:
ABSENT:

Helene Brazier, Board President

ATTEST:

Dawn Washburn, Board Secretary

Chapter 8.13
DISPUTED BILLS

Sections

- 8.13.010 [Bill Dispute](#)
- 8.13.020 Customer Rights
- 8.13.0320 Resolution of Disputed Bills
- 8.13.0320.5 Review of Dispute

**Chapter 8.13
DISPUTED BILLS**

Sections

- 8.13.010 Bill Dispute**
- 8.13.020 Customer Rights**
- 8.13.030 Resolution of Disputed Bills**
- 8.13.030.5 Review of Dispute**

Section 8.13.010
Bill Dispute

A dispute is when a customer has advised the District that their most recent bill may not be accurate due to clerical or meter errors, and they wish to have the bill investigated to determine if the charges and meter reads are accurate.

Section 8.13.0240
Customer Rights

Any Customer will have the right to initiate a complaint or request an investigation by filing a written request with the District within thirty (30) days of the date of the issuance of the water bill.

Section 8.13.0320
Resolution of Disputed Bills

Should any Customer ~~fail to pay a bill within thirty (30) days from the date of presentation~~wish to dispute a bill and turn in the required form, the District shall notify the Customer in writing that:

8.13.0320.1 _____ ~~—The bill may be disputed, provided the Customer deposits with the District, at its office, the full amount claimed by the District to be due; While the bill is disputed the customer should continue to keep their account current or set up a payment plan with the District if necessary;~~

8.13.0320.2 _____ ~~—That upon receipt of the deposit and~~ notice of dispute, the General Manager will determine the proper person to ~~will~~ investigate the matter and advise the Customer of District findings;

8.13.0320.3 _____ ~~—That if said deposit the account is current is made,~~ service will not be discontinued pending the outcome of the investigation; and.

8.13.0320.4 _____ ~~—That failure of Customer to make said deposit within thirty five (35) days from the date of presentation of said bill~~keep the account current during the dispute process will result in continuation of the collections process for the delinquent bills. warrant discontinuance of service to the Customer without further notice.

8.13.0320.5 _____ **Review of Dispute**

~~The General Manager will~~The review of a complaint or request will be completed within thirty (30) calendar~~fifteen (15)~~ days of receipt. The decision of the ~~General Manager~~ District will be final and provided in writing and ~~the full amount due and owing shall thereupon be paid in full within five (5) calendar days.~~any necessary adjustments to a customer's account that need to be made will be completed within five (5) days.

Section 8.13.010
Bill Dispute

A dispute is when a customer has advised the District that their most recent bill may not be accurate due to clerical or meter errors, and they wish to have the bill investigated to determine if the charges and meter reads are accurate.

Section 8.13.020
Customer Rights

Any Customer will have the right to initiate a complaint or request an investigation by filing a written request with the District within thirty (30) days of the date of the issuance of the water bill.

Section 8.13.030
Resolution of Disputed Bills

Should any Customer wish to dispute a bill and turn in the required form, the District shall notify the Customer in writing that:

8.13.030.1 While the bill is disputed the customer should continue to keep their account current or set up a payment plan with the District if necessary;

8.13.030.2 That upon receipt of notice of dispute, the General Manager will determine the proper person to investigate the matter and advise the Customer of District findings;

8.13.030.3 If the account is current, service will not be discontinued pending the outcome of the investigation; and.

8.13.030.4 That failure of Customer to keep the account current during the dispute process will result in continuation of the collections process for the delinquent bills.

8.13.030.5 Review of Dispute

The review of a complaint or request will be completed within thirty (30) calendar days of receipt. The decision of the District will be final and provided in writing and any necessary adjustments to a customer's account that need to be made will be completed within five (5) days.

BOARD OF DIRECTORS

March 26, 2019

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE ORDINANCE NO. 19-02 AMENDING AND UPDATING ADMINISTRATIVE CODE SECTION 3.01.020 – SPECIAL, ADJOURNED AND EMERGENCY MEETINGS

BACKGROUND

Since the original adoption of the Administrative Code in 2005, Administrative Code Section 3.01.020 simply provided special, adjourned or emergency meetings could be called by the Board of Directors.

At their January 22, 2019 Board meeting, the Board discussed the need to elaborate on the processes and protocol for scheduling Special Board meetings. Staff was directed to bring the Board proposed updates to Administrative Code Section 3.01.020 for Board consideration.

DESCRIPTION

Legal Counsel presented proposed language changes to Administrative Code Section 3.01.020 to the Board at their February 26, 2019. The Board suggested minor revisions be made to the proposed language related to the District's committees to be brought back to the Board at their March 26, 2019 meeting for consideration. Legal Counsel has provided the requested proposed revisions.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Administrative Code Section 3.01.020

Strategic Focus Area Six: Communication

BOARD OPTIONS/FISCAL IMPACTS

- 1) Approve Ordinance No. 19-02.
- 2) Approve Ordinance No. 19-02 with revisions.
- 3) Do not approve Ordinance No. 19-02 and provide staff with direction.

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.

STAFF RECOMMENDATION

Staff recommends approving Option 1.



Tom Kennedy, General Manager

March 26, 2019

Ordinance No. 19-02

**Ordinance of the Board of Directors of the Rainbow Municipal Water District
Amending the Administrative Code
Section 3.01.020 – Special, Adjourned and Emergency Meetings**

WHEREAS, the Rainbow Municipal Water District has, from time to time, adopted various rules and regulations for the operation of the District; and

WHEREAS, certain of those rules and regulations require updating to reflect best practices, as well as changes in applicable laws; and

WHEREAS, the Board of Directors has determined that changes in the rules or regulations of the District shall occur solely by amendment to the Administrative Code;

NOW, THEREFORE,

BE IT ORDAINED by the Board of Directors of Rainbow Municipal Water District as follows:

1. The following rules and regulations of the District, collected are hereby adopted and shall be incorporated into the Administrative Code, consisting of:

Section 3.01.020: Special, Adjourned and Emergency Meetings

2. The General Manager is hereby directed to update the Administrative Code to reflect the approval of these rules and regulations, and to assign or reassign the numbering of the Administrative Code as necessary to codify these rules and regulations as amended.

3. This ordinance shall take effect immediately upon its adoption on this 26th day of March 2019.

AYES:
NOES:
ABSTAIN:
ABSENT:

Helene Brazier, Board President

ATTEST:

Dawn Washburn, Board Secretary

Section 3.01.020

Special, Adjourned and Emergency Meetings

~~Special, adjourned and emergency meetings of the Board of Directors may be called as provided by law.~~

Special, adjourned and emergency meetings of the Board of Directors may be called as provided by law, and in accordance with the provisions of the Brown Act, Government Code section 54950 *et seq.*

Special meetings may be called by the President or by a majority of the members of the Board as permitted by Government Code section 54956. The President shall set the time and place for any special meeting of the Board of Directors. The President shall have final approval on the contents of the agendas for all special, adjourned and emergency meetings of the Board. Directors shall be notified of special meetings by the Secretary. The call and notice shall be posted at least 24 hours prior to the special meeting at the District Headquarters. The Secretary shall post an agenda containing a brief, general description of each item of business to be transacted or discussed at special meetings, including the items to be discussed in closed session. The posting shall be freely accessible to the public.

A regular meeting may be adjourned by the Board or by the Secretary if less than a quorum to another time. An adjourned regular meeting is a regular meeting if held within five days of the regular meeting. If the adjourned meeting is held more than five days after the regular meeting, a new agenda shall be posted.

An emergency meeting may be called by a majority of the Board pursuant to Government Code section 54956.5 without twenty-four hour notice or posting of an agenda if necessary due to disruption or threatened disruption of District facilities by work stoppage, crippling disaster or other activity severely impairing public health or safety as determined by a majority of the members.

Each committee, with the approval of the Board President, may call special meetings in the same manner as the Board.

Section 3.01.020

Special, Adjourned and Emergency Meetings

Special, adjourned and emergency meetings of the Board of Directors may be called as provided by law, and in accordance with the provisions of the Brown Act, Government Code section 54950 *et seq.*

Special meetings may be called by the President or by a majority of the members of the Board as permitted by Government Code section 54956. The President shall set the time and place for any special meeting of the Board of Directors. The President shall have final approval on the contents of the agendas for all special, adjourned and emergency meetings of the Board. Directors shall be notified of special meetings by the Secretary. The call and notice shall be posted at least 24 hours prior to the special meeting at the District Headquarters. The Secretary shall post an agenda containing a brief, general description of each item of business to be transacted or discussed at special meetings, including the items to be discussed in closed session. The posting shall be freely accessible to the public.

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Each committee, with the approval of the Board President, may call special meetings in the same manner as the Board.



CONSENT CALENDAR

BOARD OF DIRECTORS

March 26, 2019

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 19-04 — 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 MARCH 26 THROUGH JUNE 30, 2019

BACKGROUND

In compliance with state and CalPERS regulations, the District maintains a Salary Grade structure that includes all job titles, salary grade levels, and monthly salary ranges for each grade. The table is available for public review, accessible from the Rainbow MWD website, and is published on a website hosted by the California State Controller.

On February 26, 2019, the Board approved the current salary grades in Resolution No. 19-03 which changed the pay grade of the Senior Inspector position. Due to the anticipated elimination of the Inspector I position once the Senior Inspector position is filled, the incumbent employee has applied for and been offered a position in the Meters Department. In order to mitigate the negative impact on the employee, the Human Resources Manager is recommending an adjustment to the legacy pay grades to allow the employee to transfer to the new position without a reduction in pay. Legacy pay grades are not eligible for cost of living adjustments, but employees are eligible for lump sum awards based on performance.

DESCRIPTION

The grade structure included in Resolution No. 19-04 is revised to merge the N5 and N6 pay grades and include the Utility Worker II – Meters position in the grade. Resolution No. 19-04 rescinds Resolution No. 19-03.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Plan Key Focus Area: Workforce Development

Updating this document with current information allows the District to comply with CalPERS requirements and California Code of Regulations 570.5 and 571.

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 direct fiscal impact to this action.

This resolution allows the District to comply with CalPERS requirements.

1. Option 1: Approve Resolution No. 19-04 as presented.
2. Option 2: Do not approve Resolution No. 19-04.

STAFF RECOMMENDATION

Staff recommends approval of Resolution No. 19-04



Karleen Harp, COSM
Human Resources Manager

03/26/2019

RESOLUTION NO. 19-04

RESOLUTION OF THE BOARD OF DIRECTORS OF RAINBOW MUNICIPAL WATER DISTRICT ESTABLISHING CLASSIFICATIONS AND MONTHLY RATES OF PAY FOR DISTRICT EMPLOYEES EFFECTIVE MARCH 26, 2019 THROUGH JUNE 30, 2019

Exempt Salary Grade	Monthly Salary Range/ Hourly Equivalent	Job Titles
GM	\$15,069- \$21,700/ \$86.94 - \$125.19	General Manager
E11	\$10,367.80 - \$14,929.20 / \$59.82 - \$86.13	District Engineer Finance Manager Operations Manager
E10	\$9,015.07 - \$13,071.07 / \$52.01 – \$75.41	Human Resources Manager
E9	\$7,839.87 - \$11,367.20 / \$45.23 - \$65.58	Associate Engineer Construction and Maintenance Superintendent Senior IT and Applications Analyst Water Operations Superintendent
E8	\$6,817.20 - \$9,883.47 / \$39.33 - \$57.02	Information Technology and Applications Analyst Environmental Health and Safety Officer Project Manager Wastewater Superintendent

Non-Exempt Salary Grade	Monthly Salary Range/ Hourly Range	Job Titles
N7	\$6,505.20 - \$9,434.53 / \$37.53 - \$54.43	Executive Assistant/Board Secretary Lead Operator Senior Engineering Inspector Technical Services Team Lead
N6	\$5,657.60 - \$8,203.87 / \$32.64 - \$47.33	Administrative Analyst Crew Leader – Valve Maintenance Crew Leader – Construction & Maintenance Customer Service Supervisor Electronic / Electrical Technician II Meter Services Supervisor Right of Way and Facilities Coordinator System Operator III
N5	\$4,919.20 - \$7,132.67 / \$28.38 - \$41.15	Accounting Specialist II Electrical / Electronics Technician I Engineering Technician II Mechanic II Senior Meter Services Technician System Operator II Utility Worker III – Construction Utility Worker III – Valve Maintenance Utility Worker III – Wastewater Services

N4	\$4,277.87 - \$6,201.87 / \$24.68 - \$35.78	Accounting Specialist I Administrative Assistant II Cross Connection Control and Backflow Technician Engineering Inspector I Engineering Technician I Purchasing & Inventory Control Specialist II System Operator I Utility Worker II – Construction Utility Worker II/III – Meter Services Utility Worker II – Valve Maintenance Utility Worker II – Wastewater Services
N3	\$3,719.73 - \$5,394.13 / \$21.46 - \$31.12	Administrative Assistant I Customer Service Representative II Purchasing / Inventory Control Specialist I Utility Worker I – Construction Utility Worker I – Meter Services Utility Worker I – Valve Maintenance Utility Worker I – Wastewater Services
N2	\$3,232.67 - \$4,690.40 / \$18.65 - \$27.06	Customer Service Representative I Human Resources Assistant
N1	\$2,813.20 - \$4,080.27 / \$16.23 - \$23.54	Interns

Legacy Salary Grade	Monthly Salary Range/ Hourly Range	Job Titles
L6	\$4,982-\$6,536 / \$28.74 – \$37.71	Engineering Inspector I
L5/L6	\$4,884-\$6,408 / \$28.18 - \$36.97 <u>37.71</u>	<u>Engineering Inspector I</u> Utility Worker <u>II/III</u> – Meter Services

Resolution No. 19-04 rescinds Resolution No. 19-03.

PASSED, APPROVED, AND ADOPTED in Open Session at a meeting of the Board of Directors of the Rainbow Municipal Water District held on the 26th day of March 2019 by the following vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

Helene Brazier, Board President

ATTEST:

Dawn Washburn, Board Secretary

RESOLUTION NO. 19-04

RESOLUTION OF THE BOARD OF DIRECTORS OF RAINBOW MUNICIPAL WATER DISTRICT ESTABLISHING CLASSIFICATIONS AND MONTHLY RATES OF PAY FOR DISTRICT EMPLOYEES EFFECTIVE MARCH 26, 2019 THROUGH JUNE 30, 2019

Exempt Salary Grade	Monthly Salary Range/ Hourly Equivalent	Job Titles
GM	\$15,069- \$21,700/ \$86.94 - \$125.19	General Manager
E11	\$10,367.80 - \$14,929.20 / \$59.82 - \$86.13	District Engineer Finance Manager Operations Manager
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N6	\$5,657.60 - \$8,203.87 / \$32.64 - \$47.33	Administrative Analyst Crew Leader – Valve Maintenance Crew Leader – Construction & Maintenance Customer Service Supervisor Electronic / Electrical Technician II Meter Services Supervisor Right of Way and Facilities Coordinator System Operator III
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Legacy Salary Grade	Monthly Salary Range/ Hourly Range	Job Titles
L5/L6	\$4,884-\$6,408 / \$28.18 - \$37.71	Engineering Inspector I Utility Worker II/III – Meter Services

Resolution No. 19-04 rescinds Resolution No. 19-03.

PASSED, APPROVED, AND ADOPTED in Open Session at a meeting of the Board of Directors of the Rainbow Municipal Water District held on the 26th day of March 2019 by the following vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

Helene Brazier, Board President

ATTEST:

Dawn Washburn, Board Secretary

BOARD OF DIRECTORS

March 26, 2019

SUBJECT

DISCUSSION AND POSSIBLE ACTION REGARDING CSDA BOARD OF DIRECTORS CALL FOR NOMINATIONS, SEAT B

BACKGROUND

CSDA's Elections and Bylaws Committees notifies each of the CSDA voting member presidents and general managers when there is a call for nominations to the CSDA Board of Directors.

DESCRIPTION

In February 2019 RMWD received notification the Elections and Bylaws Committee is looking for Independent Special District Board Members or their General Managers who are interested in leading the direction of the California Special Districts Association for the 2020-2022 term. The notification attached provides a breakdown in the election process, responsibility, and commitment and expectations.

RMWD has received one letter from Lindsay Woods, General Manager of Hesperia Recreation & Park District asking for RMWD's support (see attached).

Should the RMWD Board of Directors make a nomination, a copy of the member district's minute action and Candidate Information Sheet must accompany the nomination. The deadline for receiving nominations is April 17, 2019. Nominations and supporting documentation may be mailed, faxed, or emailed.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Six: Communication - Active involvement in CSDA helps the District stay abreast of activities in Sacramento that deeply affect our customers. Engagement at CSDA also helps build relationships that can be helpful when we need support on policy issues that are important to our customers.

BOARD OPTIONS/FISCAL IMPACTS

Should a Board member be elected to serve on the CSDA Board, they may be eligible for Per Diem payments in accordance with the District's Administrative Code. Travel expenses for CSDA Board meetings are covered by CSDA.

The Board has two options:

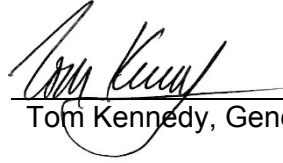
1. Nominate one Director to run for the CSDA Board of Directors Seat B.
2. Do not make a nomination to run the CSDA Board of Directors Seat B.

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.

STAFF RECOMMENDATION

Staff supports direction.



Tom Kennedy, General Manager

March 26, 2019



**California Special
Districts Association**

Districts Stronger Together

DATE: February 15, 2019
TO: CSDA Voting Member Presidents and General Managers
FROM: CSDA Elections and Bylaws Committee
**SUBJECT: CSDA BOARD OF DIRECTORS CALL FOR NOMINATIONS
SEAT B**

The Elections and Bylaws Committee is looking for Independent Special District Board Members or their General Managers who are interested in leading the direction of the California Special Districts Association for the 2020 - 2022 term.

The leadership of CSDA is elected from its six geographical networks. Each of the six networks has three seats on the Board with staggered 3-year terms. Candidates must be affiliated with an independent special district that is a CSDA Regular Member in good standing and located within the geographic network that they seek to represent. (See attached CSDA Network Map)

The CSDA Board of Directors is the governing body responsible for all policy decisions related to CSDA's member services, legislative advocacy, education and resources. The Board of Directors is crucial to the operation of the Association and to the representation of the common interests of all California's special districts before the Legislature and the State Administration. Serving on the Board requires one's interest in the issues confronting special districts statewide.

Commitment and Expectations:

- Attend all Board meetings, usually 4-5 meetings annually, at the CSDA office in Sacramento.
- Participate on at least one committee, meets 3-5 times a year at the CSDA office in Sacramento.
(CSDA reimburses Directors for their related expenses for Board and committee meetings as outlined in Board policy).
- Attend, at minimum, the following CSDA annual events: Special Districts Legislative Days - held in the spring, and the CSDA Annual Conference - held in the fall.
*(CSDA does **not** reimburse expenses for the two conferences even if a Board or committee meeting is held in conjunction with the event)*
- Complete all four modules of CSDA's Special District Leadership Academy within 2 years of being elected.
*(CSDA does **not** reimburse expenses for the Academy classes even if a Board or committee meeting is held in conjunction with the event).*

Nomination Procedures: Any Regular Member in good standing is eligible to nominate one person, a board member or managerial employee (as defined by that district's Board of Directors), for election to the CSDA Board of Directors. **A copy of the member district's resolution or minute action and Candidate Information Sheet must accompany the nomination. The deadline for receiving nominations is April 17, 2019. Nominations and supporting documentation may be mailed, faxed, or emailed.**

Mail: 1112 I Street, Suite 200, Sacramento, CA 95814
Fax: 916.442.7889
E-mail: amberp@csda.net

Once received, nominees will receive a candidate's letter in the mail. The letter will serve as confirmation that CSDA has received the nomination and will also include campaign guidelines.

CSDA will begin electronic voting on June 17, 2019. All votes must be received through the system no later than 5:00 p.m. August 9, 2019. The successful candidates will be notified no later than August 13, 2019. All selected Board Members will be introduced at the Annual Conference in Anaheim, CA in September 2018.

Expiring Terms

(See enclosed map for Network breakdown)

Northern Network Seat B-Greg Orsini, GM, McKinleyville Community Services District*
Sierra Network Seat B-Ginger Root, GM, Lincoln Rural County Fire Protection District *
Bay Area Network Seat B-Ryan Clausnitzer, SDA, GM, Alameda County Mosquito Abatement District*
Central Network Seat B-Tim Ruiz, GM, West Niles Community Services District
Coastal Network Seat B-Jeff Hodge, SDA, GM, Santa Ynez Community Services District*
Southern Network Seat B-Bill Nelson, Director, Orange County Cemetery District
(* = Incumbent is running for re-election)

AGAIN, THIS YEAR!

This year we will be using a web-based online voting system, allowing your district to cast your vote easily and securely. *Electronic Ballots will be emailed to the main contact in your district June 17, 2019. All votes must be received through the system no later than 5:00 p.m. August 9, 2019.*

*Districts can opt to cast a paper ballot instead; but you must contact Amber Phelen by e-mail Amberp@csda.net by **April 17, 2019** in order to ensure that you will receive a paper ballot on time.*

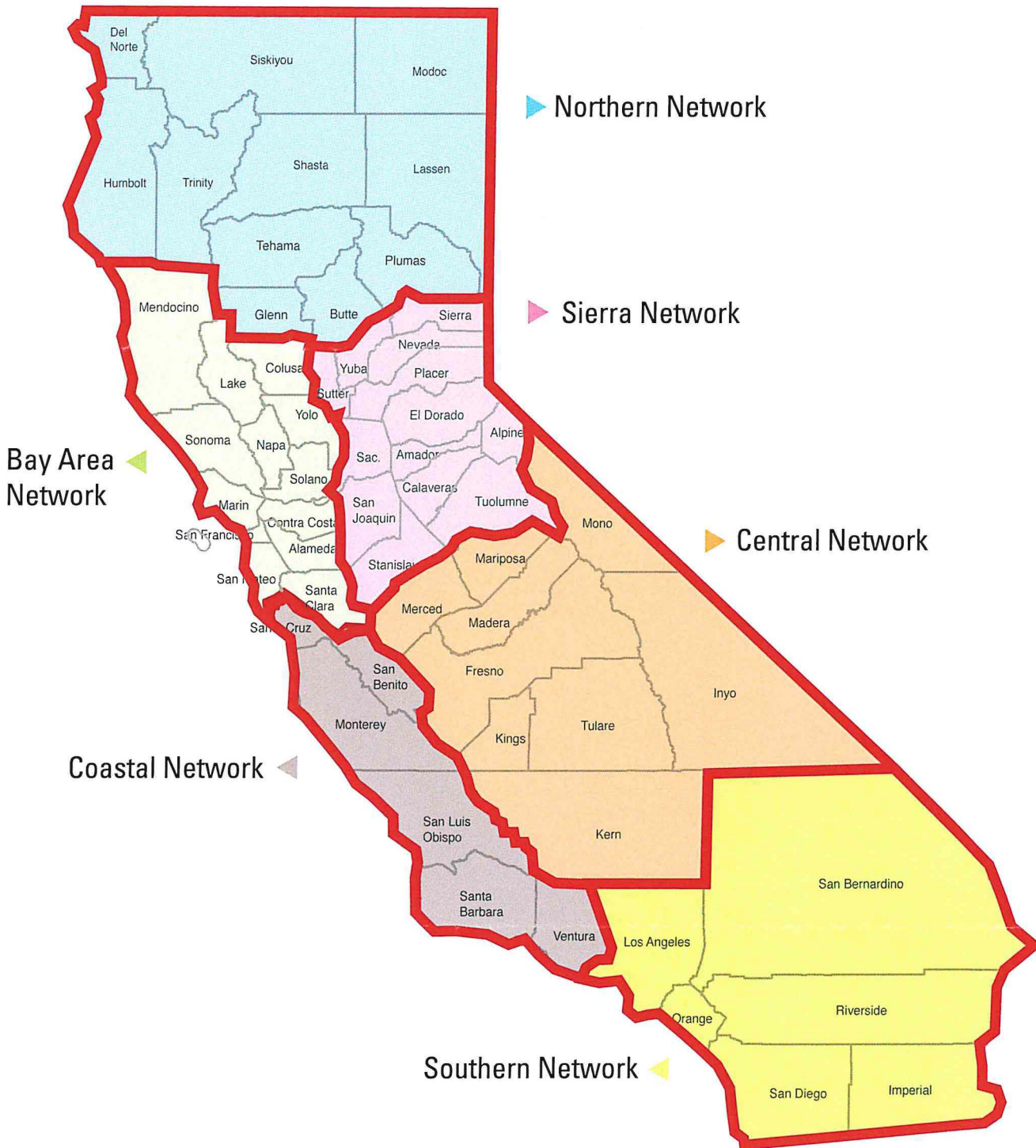
CSDA will mail paper ballots on June 17 per district request only. ALL ballots must be received by CSDA no later than 5:00 p.m. August 9, 2019.

The successful candidates will be notified no later than August 14, 2019. All selected Board Members will be introduced at the Annual Conference in Anaheim, CA in September 2019.

If you have any questions, please contact Amber Phelen at amberp@csda.net.



California Special Districts Association
DISTRICT NETWORKS





Post Office Box 401055 • Hesperia, California 92340-1055 • (760) 244-5488

February 26, 2019

Tom Kennedy
Rainbow Municipal Water District
3707 Old Highway 395
Fallbrook, CA 92028-9372

Dear Tom:

I want to share my interest in serving you and your District as the Southern Network (Seat B) representative on the CSDA Board of Directors. In order to accomplish this I am asking for your consideration and hopefully your District's vote. Once the nominations close, April 17th, the ballots will be emailed to each district's CSDA contact person. The deadline for returning the ballot to CSDA's office is August 9th.

It has been a privilege and honor to be active with CSDA by serving at the committee level as a representative of the California Special Districts Association's Southern Network. I have served the Hesperia Recreation and Park District (HRPD) since 1987 in a variety of capacities which has given me a well-rounded foundation in the special district governance. HRPD was established in 1957 and now serves a diverse population of over 90,000. Our District provides a wide range of recreational, educational, social and other vital community services to our residents.

With your support I will serve you, your agency, and the other member districts of CSDA with the same high level of professionalism, dedication, service, and innovation that I have provided to the residents of Hesperia and HRPD. If elected, I will work cooperatively with the other CSDA Board of Directors to advance the work we do throughout the state as well as work with other organizations to protect our districts and the vital services we provide to our communities. We are all facing many of the same challenges and I want to be an active part of the future of CSDA as we work to educate, strengthen, and defend special districts both now and in the future. Lastly, I am committed to working hard to keep our Districts intact.

I would greatly appreciate your board of director's support in the coming election. Thank you for your consideration.

Sincerely,

HESPERIA RECREATION AND PARK DISTRICT

Lindsay Woods
General Manager

/ldw

BOARD OF DIRECTORS

March 26, 2019

SUBJECT

DISCUSSION AND POSSIBLE ACTION REGARDING SPECIAL DISTRICT BALLOT FORM FROM SAN DIEGO LOCAL AGENCY COMMISSION (LAFCO) REGULAR AND ALTERNATE MEMBER

BACKGROUND

On November 28, 2018, the San Diego LAFCO solicited nominations for two special district members to serve on the San Diego Local Agency Formation Commission. A total of eight nominations were received – five for the regular member and three for the alternate member – with terms both expiring May 2023.

All eligible nominations were forwarded to a Nominating Committee. After the candidate's forum held on February 20, 2019 in conjunction with the San Diego Chapter of the California Special District Association's Quarterly Dinner Meeting, the Nominating Committee met to discuss a recommended slate of nominees for the open positions.

DESCRIPTION

Election materials provided attached include the Nominating Committee's Report and Recommendations, Special District Election Ballot and Vote Certification Forms for Regular and Alternate Member, and Special District Summary of Nominations and Nominating Forms.

There is a separate special district ballot and vote certification form to cast RMWD's vote for each position. All nominees are listed on the ballot/vote certification form and write-in candidates are permitted. Only one vote is eligible for each category on the ballot/vote certification form; a ballot that is cast for more than indicated number of positions the vote will be discarded. A ballot without a signed certification form will be voided.

RMWD has received letters seeking the District's support for Edmund (Ed) Sprague as well as Judy Hanson (see attached).

The deadline for receipts of the ballots by LAFCO is Friday, April 12, 2019.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Four: Fiscal Responsibility – LAFCO's actions can have significant fiscal impacts on the District, so the makeup of the Commission is important

BOARD OPTIONS/FISCAL IMPACTS

There are no known fiscal impacts of the election, though as noted above LAFCO's actions can have significant impacts.

The Board has several options:

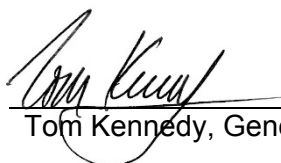
1. Vote for one of the listed nominees or a write-in of RMWD's choice for both the LAFCO Regular and Alternate Member, respectively.
2. Vote for one of the listed nominees or a write-in of RMWD's choice for either the LAFCO Regular or Alternate Member.
3. Do not participate in the LAFCO election.

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.

STAFF RECOMMENDATION

Staff supports direction.



Tom Kennedy, General Manager

March 26, 2019



San Diego County
Local Agency Formation Commission
 Regional Service Planning | Subdivision of the State of California

BALLOT FORM

February 25, 2019

TO: Independent Special Districts of San Diego County

FROM: Keene Simonds, Executive Officer
 Tamaron Luckett, Executive Assistant

SUBJECT: **Special District Ballot Form | San Diego Local Agency Formation Commission Regular and Alternate Member – Certified Mail**

On November 28, 2018, the San Diego Local Agency Formation Commission solicited nominations pursuant to Government Code Section 56332(1) for two special districts members – (a) one regular and (b) one alternate – to serve on the San Diego Local Agency Formation Commission (LAFCO). A total of eight nominations were received – five for the regular member and three for the alternate member – with terms both expiring May 2023.

As required by the Selection Committee Rules, all eligible nominations were forwarded to a Nominating Committee. The Nominating Committee comprise Gary Arant (Valley Center Municipal Water District), Tom Kennedy (Rainbow Municipal Water District), and Mark Robak (Otay Water District). After the candidate’s forum held on February 20, 2019 in conjunction with the San Diego Chapter of the California Special District Association’s Quarterly Dinner Meeting, the Nominating Committee met to discuss a recommended slate of nominees for the open positions.

Attached are the following election materials:

- Nominating Committee’s Report and Recommendations. (Attachment A)
- Special District Election Ballot and Vote Certification Forms for Regular and Alternate Member. (Attachment B)

Administration Keene Simonds, Executive Officer County Operations Center 9335 Hazard Way, Suite 200 San Diego, California 92123 T 858.614.7755 F 858.614.7766 www.sdlafco.org	Jim Desmond County of San Diego	Catherine Blakespear City of Encinitas	Mark Kersey City of San Diego	Chair Jo MacKenzie Visita Irrigation	Andy Vanderlaan General Public
	Dianne Jacob County of San Diego	Bill Wells City of El Cajon	Chris Cate, Alternate City of San Diego	Vice Chair Ed Sprague Olivenhain Municipal Water	Harry Mathis, Alternate General Public
	Greg Cox, Alternate County of San Diego	Serge Dedina, Alternate City of Imperial Beach		Judy Hanson, Alternate Leucadia Wastewater	

- Special District Summary of Nominations and Nomination Forms¹. (Attachment C)

There is a separate special district election ballot and vote certification form to cast your vote for each position: (a) Regular Member and (b) Alternate Member. All nominees are listed on the ballot and vote certification form. An asterisk identifies the Nominating Committee recommendations, and incumbents have been italicized. Write-in candidates are permitted, and spaces have been provided for that purpose. **Only one cast vote is eligible for each category on the ballot and vote certification form; a ballot that is cast for more than indicated number of positions the vote will be disregarded.**

State Law and the Selection Committee Rules require a district's vote to be cast by its presiding officer, or an alternate member of the legislative body appointed by the other members. Therefore, the certification form has been incorporated with the ballot forms to be signed by the person who cast your district's votes. **A ballot received without a signed certification form will be voided.**

The Selection Committee Rules stipulate that most of the districts shall constitute a quorum for the conduct of committee business. There are 59 independent special districts in the county; therefore, a minimum of 30 ballots must be received to certify that a legal election was conducted. A candidate for a LAFCO member must receive at least a majority of the votes cast to be elected. The ballots will be kept on file in this office and will be made available upon request.

The deadline for receipts of the ballots by LAFCO is **Friday, April 12, 2019**. The Selection Committee Rules require that marked ballots be returned by certified mail – return receipt requested. Ballots and certification forms will be accepted by email to tamaron.luckett@sdcounty.ca.gov or Facsimile (FAX), if necessary, to meet the ballot deadline, but the originals must be submitted as soon as possible thereafter.

Should you have any questions, please contact me at (858) 614-7755.

Keene Simonds
Executive Officer

Attachments

- Nominating Committee Report and Recommendations
- Special District Election Vote Certification Form and Ballots
- Special District Summary of Nominations and Nomination Forms

¹ LAFCO staff does not include any of the candidates' promotional materials with the election materials.



San Diego County
Local Agency Formation Commission
 Regional Service Planning | Subdivision of the State of California

Attachment A

February 25, 2019

TO: Independent Special Districts in San Diego County
FROM: Special Districts Election Nominating Committee
SUBJECT: **Nominating Committee Report and Recommendations**

The Nominating Committee was appointed to review the nominations submitted, and to prepare a list of recommended candidates. According, to the Selection Committee Rules, the nominating committee is appointed by the Chairperson or Vice Chair of the Special Districts Advisory Committee.

The Nominating Committee members Gary Arant (Valley Center Municipal Water District), Tom Kennedy (Rainbow Municipal Water District), and Mark Robak (Otay Water District) met on February 22, 2019. In evaluating the nominations, the Committee considered special district experience, interest, and knowledge of LAFCO issues. The Committee further considered attendance records and meeting participation. The Committee also wanted to ensure representation from those types of districts that most often are involved in making recommendations to LAFCO. A summary of the nominations has been attached. (Attachment C)

The nominating committee’s recommendation for each category follows:

Nominating Committee | Recommendations

LAFCO Regular Special District Member

- Edmund K. Sprague (Olivenhain Municipal Water District)

LAFCO Alternate Special District Member

- Erin Lump (Rincon del Diablo Municipal Water District)
- Steve Castaneda (South Bay Irrigation District)

Administration Keene Simonds, Executive Officer County Operations Center 9335 Hazard Way, Suite 200 San Diego, California 92123 T 858.614.7755 F 858.614.7766 www.sdlafco.org	Jim Desmond County of San Diego	Catherine Blakespear City of Encinitas	Mark Kersey City of San Diego	Chair Jo MacKenzie Visita Irrigation	Andy Vanderlaan General Public
	Dianne Jacob County of San Diego	Bill Wells City of El Cajon	Chris Cate, Alternate City of San Diego	Vice Chair Ed Sprague Olivenhain Municipal Water	Harry Mathis, Alternate General Public
	Greg Cox, Alternate County of San Diego	Serge Dedina, Alternate City of Imperial Beach		Judy Hanson, Alternate Leucadia Wastewater	

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2018 SPECIAL DISTRICTS ELECTION
BALLOT and VOTE CERTIFICATION
FOR REGULAR LAFCO SPECIAL DISTRICT MEMBER

VOTE FOR ONLY ONE

William Haynor []
(Whispering Palms Community Services District)

William Leach []
(Fallbrook Regional Health District)

Hector Martinez []
(South Bay Irrigation District)

* **Edmund K. Sprague¹** []
(Olivenhain Municipal Water District)

Barry Willis []
(Alpine Fire Protection District)

Write-Ins

_____ []

_____ []

As presiding officer or his/her delegated alternate as provided by the governing board, I hereby certify that I cast the votes of the _____
(Name of Independent Special District)
at the 2018 Special Districts Selection Committee Election.

(Signature)

(Print Name)

(Date)

(Print Title)

Please note: The order in which the candidates' names are listed was determined by random selection.

* Nominating Committee's Recommendation

1 Incumbent member

2018 SPECIAL DISTRICTS ELECTION
BALLOT and VOTE CERTIFICATION
FOR ALTERNATE LAFCO SPECIAL DISTRICT MEMBER

VOTE FOR ONLY ONE

* **Steve Castaneda** []
(South Bay Irrigation District)

Judy Hanson² []
(Leucadia Wastewater District)

* **Erin Lump** []
(Rincon del Diablo Municipal Water District)

Write-Ins

_____ []

_____ []

As presiding officer or his/her delegated alternate as provided by the governing board, I hereby certify that I cast the votes of the _____
(Name of Independent Special District)
at the 2018 Special Districts Selection Committee Election.

(Signature)

(Print Name)

(Date)

(Print Title)

Please note: The order in which the candidates' names are listed was determined by random selection.

* Nominating Committee's Recommendation

ATTACHMENT A

NOMINATION OF THE SPECIAL DISTRICT REPRESENTATIVES
LAFCO REGULAR AND ALTERNATE
FOR THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION

The Whispering Palms CSD is pleased to nominate William Haynor as a
(Name of Independent Special District) (Name of Candidate)

Candidate for the San Diego Local Agency Formation Commission as a regular or alternate special district member.

Please check one box.
Refer to the List of Incumbents.

- Regular Special District Member (Term expires 2023)
- Alternate Special District Member (Term expires 2023)

As presiding officer or his/her delegated alternate as provided by the governing board, I hereby certify that:

- The nominee is a member of a legislative body of an independent special district whom resides in San Diego County.

William Haynor
(Signature)

William Haynor
(Print Name)

1/9/2018
(Date)

President
(Print Title)

PLEASE ATTACH RESUME FOR NOMINEE

- Limit two pages
- Must be submitted with Nomination Form

RECEIVED
JAN 22 2019
SAN DIEGO LAFCO

LAFCO Special District Regular Member Candidate

William W. Haynor

Resume



Business Background

William W. Haynor has more than 30 years of banking and finance experience, with senior positions at Bank of America, Imperial Corporation of America, Great American Bank, and as Executive Vice President and Chief Administrative Officer of Bank of San Francisco. Mr. Haynor was a Founding Director of Selectquote Insurance Services, Inc. and is currently Founder, Chairman and CEO of Seniorquote Insurance Services Inc., a direct response distributor of senior life and health insurance. Mr. Haynor was also a Founding Director of the Star System and past Vice Chairman of the Board.

CSD Background

1. Past Board Chairman of the Marin Municipal Water District.
2. Past Board Chairman of The Strawberry Recreation District
3. Current Board Chairman of the Whispering Palms Community Services District

Appointment Background

1. Past Chairman of the Richardson Bay Development Committee Joint Powers with Marin County and Cities of Sausalito, Mill Valley, Tiburon, and Belvedere
2. Current SDCERS (San Diego City Pension Board) Board Member and Past Investment Committee Chairman

Personal Highlights

Education: Denison University B.S. Biology – USC, MBA Finance, USC, MS Aerospace Systems Management

Military: USAF, Strategic Air Command, Avionics/Intelligence – Captain – Viet Nam
Combat Service Ribbon

Family: Married with three children and four grandchildren

ATTACHMENT A

NOMINATION OF THE SPECIAL DISTRICT REPRESENTATIVES
LAFCO REGULAR AND ALTERNATE
FOR THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION

FALLBROOK REGIONAL
The HEALTH DISTRICT is pleased to nominate William Leach as a
(Name of Independent Special District) (Name of Candidate)

Candidate for the San Diego Local Agency Formation Commission as a regular or alternate special district member.

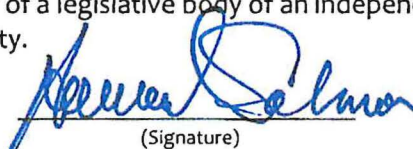
Please check one box.
Refer to the List of Incumbents.

- Regular Special District Member (Term expires 2023)
 Alternate Special District Member (Term expires 2023)

As presiding officer or his/her delegated alternate as provided by the governing board, I hereby certify that:

- The nominee is a member of a legislative body of an independent special district whom resides in San Diego County.

Howard Salmon
(Print Name)


(Signature)

1/9/2019
(Date)

Board President
(Print Title)

PLEASE ATTACH RESUME FOR NOMINEE

- Limit two pages
- Must be submitted with Nomination Form

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JAN 30 2019

SAN DIEGO LAFCO

Bill Leach

Special District and Government Experience

EXPERIENCE

Fallbrook Regional Healthcare District, Fallbrook CA — Governing Board Member

December 2016 - PRESENT

Fallbrook Community Planning Group, Fallbrook CA— Governing Board Member

December 2016 - January 2019

Association of California Healthcare Districts, Sacramento CA- Advocacy Committee Member

September 2017- January 2019

Association of California Healthcare Districts, Sacramento CA- Education Committee Member

September 2017- January 2019

ATTACHMENT A

NOMINATION OF THE SPECIAL DISTRICT REPRESENTATIVES
LAFCO REGULAR AND ALTERNATE
FOR THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION

The SOUTH BAY IRRIGATION DISTRICT is pleased to nominate HECTOR MARTINEZ as a
(Name of Independent Special District) (Name of Candidate)

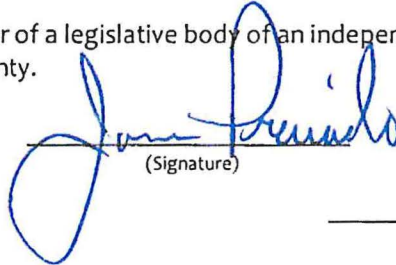
Candidate for the San Diego Local Agency Formation Commission as a regular or alternate special district member.

Please check one box.
Refer to the List of Incumbents.

- Regular Special District Member (Term expires 2023)
- Alternate Special District Member (Term expires 2023)

As presiding officer or his/her delegated alternate as provided by the governing board, I hereby certify that:

- The nominee is a member of a legislative body of an independent special district whom resides in San Diego County.


(Signature)

JOSE PRECIADO
(Print Name)

1-9-19
(Date)

BOARD PRESIDENT
(Print Title)

PLEASE ATTACH RESUME FOR NOMINEE

- Limit two pages
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JAN 22 2019
SAN DIEGO LAFCO

Hector M. Martinez, P.E.

Experience - While at Sweetwater Authority, in the engineering department, I had the opportunity to prepare and process several annexations and detachments for the district. As a developer, I have considered on several occasions annexing land for development.

March 2014 to present Green Housing Development Chula Vista, CA

Dec 1988 to March 2014 Sweetwater Authority (26 years) Chula Vista, CA

Engineering Manager, 2004-2014
Deputy Chief Engineer, 2001-04
Principal Engineer, 1997-2001
Senior Engineer, 1994-97
Associate Engineer, 1993-94
Assistant Engineer, 1988-93

Prior to Dec1988 Various

Junior Civil Engineer, City of San Diego
Water Treatment Specialist - 77W, US Army, Fort Lee VA
Structures Teacher, New School of Architecture, Carlsbad and San Diego
Math Teacher, New School of Architecture, Chula Vista, Carlsbad and San Diego
Laborer, Welsh Construction, Chula Vista
Building Maintenance, New School of Architecture, Chula Vista

Education

2011 Masters in Public Administration, National University
1996 Masters in Management, National University
1987 BS in Civil Engineering, San Diego State University
1985 Associate Degree in Engineering, Southwestern College

Licenses Obtained

Department of Health Services Grade D4 Water Distribution System Operator, #4512
Licensed Registered Civil Engineer, C52560
Licensed building Contractor
AWWA Grade 3, 04512

Appointments

Water Agency Design Standards Committee Chair person, SEMS Committee, 2002 SWA Security Task Force, Sweetwater Authority Recreation Association Committee member, United Way Annual Contribution Campaign, Safety Committee member, SDG&E Major Customer Advisory Panel Member

Extra Curricular Activities (Past and Present)

South Bay Irrigation District Board Member
Child Development Associates Board Member
Chula Vista Rangers Soccer Club Board Member – Youth Sports Council Member
Chula Vista Growth Task Force Member
Eastlake Community Church Volunteer and MTB Club Leader
AWWA Water for People Committee Member and Treasurer
South Bay YMCA Management Board Member
Eastlake III Home Owners Association Board Member
Chula Vista Democratic Club Treasurer and President
Border Angels Board Member
South Bay Forum Member
San Diego Immigration Rights Consortium
Border Patrol Citizens Academy Graduate

Hobbies

Mountain and Road biking, jogging, general physical exercise and travel.

ATTACHMENT A

NOMINATION OF THE SPECIAL DISTRICT REPRESENTATIVES
LAFCO REGULAR AND ALTERNATE
FOR THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION

The Olivenham Municipal Water District is pleased to nominate Edmund K. Sprague as a
(Name of Independent Special District) (Name of Candidate)

Candidate for the San Diego Local Agency Formation Commission as a regular or alternate special district member.

Please check one box.
Refer to the List of Incumbents.

- Regular Special District Member (Term expires 2023)
 Alternate Special District Member (Term expires 2023)

As presiding officer or his/her delegated alternate as provided by the governing board, I hereby certify that:

- The nominee is a member of a legislative body of an independent special district whom resides in San Diego County.

Kimberly A. Thorner
(Print Name)

Kimberly A. Thorner
(Signature)

1/16/19
(Date)

General Manager
(Print Title)

PLEASE ATTACH RESUME FOR NOMINEE

- Limit two pages
- Must be submitted with Nomination Form

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JAN 29 2019

SAN DIEGO LAFCO

31 2 2019

**2019 LOCAL AGENCY FORMATION COMMISSION
INDEPENDENT SPECIAL DISTRICT MEMBER
NOMINATION / RESUME**

NOMINATED BY:	
District Name:	Olivenhain Municipal Water District
District Phone:	760-753-6466
NAME OF NOMINEE:	
Name:	Edmund K. Sprague
Address:	1966 Olivenhain Road Encinitas, CA 92024
Phone:	760-753-6466
NOMINATED FOR:	
<i>Please check <u>one</u> box</i>	<input checked="" type="checkbox"/> Regular Special District Member <input type="checkbox"/> Alternate Special District Member
DISTRICT EXPERIENCE:	<p>Being appointed to OMWD Board in 2008 to represent Division 5 has provided him a great deal of experience governing water, wastewater, recycled water, hydroelectricity and parks and recreation services to over 86,000 customers.</p> <p>Served as President of the Board from 2009 to 2012, 2015-2016 and currently serves as President of the OMWD Board of Directors.</p> <p>Currently serves on OMWD's Finance, Personnel, and Public Policy and Public Outreach Committees.</p> <p>Served on the Board of Directors of the Special District Risk Management Authority in 2011.</p> <p>Earned the Recognition in Special District Governance certification from the Special District Leadership Foundation in 2010.</p> <p>Served on the California Special District Association's Education Committee.</p>
LAFCO EXPERIENCE:	Currently serves as the incumbent Regular Special District Member on LAFCO since 2015.
ADDITIONAL INFORMATION:	<p>As a lifetime resident of northern San Diego County, Mr. Sprague has dedicated his entire career to championing the needs of the public as well as serving his local community. Mr. Sprague has over 30 years of public service starting as a cadet firefighter for the City of Escondido in 1986. He ascended through the fire service ranks all the way up to Fire Battalion Chief for the Carlsbad Fire Department. He then transitioned into the role of Deputy Fire Chief for the North County Fire Protection District where he retired in 2015.</p> <p>After his successful firefighter career, Mr. Sprague has been able to dedicate considerably more time to his passion of teaching and leading others as a Fire Technology Assistant Professor at Palomar College.</p> <p>Worked with the City of Carlsbad as a Firefighter, Fire Engineer, Fire Captain, Battalion Chief – Training Officer, and Shift Battalion Chief. During this 26 year period, was a Public Education Officer, and was a Liaison Officer with North County Dispatch JPA.</p> <p>Holds bachelors and master's degrees in public administration from San Diego State University and an associate's degree in fire science from Palomar College.</p>

ATTACHMENT A
NOMINATION OF THE SPECIAL DISTRICT REPRESENTATIVES
LAFCO REGULAR AND ALTERNATE
FOR THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION

The Alpine Fire Protection District is pleased to nominate Barry Willis as a
(Name of Independent Special District) (Name of Candidate)

Candidate for the San Diego Local Agency Formation Commission as a regular or alternate special district member.

Please check one box.
Refer to the List of Incumbents.

- Regular Special District Member** (Term expires 2023)
 Alternate Special District Member (Term expires 2023)

As presiding officer or his/her delegated alternate as provided by the governing board, I hereby certify that:

- The nominee is a member of a legislative body of an independent special district whom resides in San Diego County.



(Signature)

Alicea Caccavo

(Print Name)

1/16/2019

(Date)

Clerk of the Board

(Print Title)

PLEASE ATTACH RESUME FOR NOMINEE

- Limit two pages
- Must be submitted with Nomination Form

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Baron T. Willis

EDUCATION

U.C. Berkeley/ University of California, San Diego
Major: Pre-Law Program/Bachelor of Arts in Political Science
Minor: Psychology

College for Financial Planning
Chartered Retirement Planning Counselor Designation

Kaplan Financial Education
Series 7 Stock Broker License

Chelsea Financial Services Broker Training Programs
Life Insurance and Financial Planning, (Multi-State)

Relevant Skills and Strengths:

- Owner/Operator of successful insurance company
- Office Administrator of success Counseling Business in East County
- Over 25 years in Senior Management position
- Excellent Mediation and Negotiation Skills
- Active in Alpine and surrounding communities helping seniors, homeless and special needs groups
- Strong supporter of our military, public safety and homeless populations
- Advocate for disenfranchised persons
- Excellent Customer Service Skills
- Committed to the safety and future of our community and surrounding communities
- Actively involved in community organizations
- Working knowledge of vocational rehabilitation and clinical procedures in counseling office that specializes in Worker's Compensation and Expert Testimony.
- HIPAA trained and compliant; ensuring confidentiality of sensitive medical, mental health and personal information; reviewed confidential and sensitive med/legal files.
- Experience with Workers Compensation and assisting injured workers with re-employment/return to work benefits; identifying suitable employment opportunities after reviewing physical disabilities and permanent restrictions. Assisted government employees in return-to-work with suitable and gainful employment.
- Heavy interaction with injured workers, physicians, attorneys, insurance carriers and claims adjusters, psychologists, government entities, schools and employers.
- Performed client intake
- Conducted Labor Market research, and Labor Market reports
- Reviewed and analyzed Sub Rosa tapes
- Excellent Microsoft Office, PC and Mac experience; managed electronic client data files
- Exceptional interpersonal and organizational skills, reliable and personable

PROFESSIONAL EXPERIENCE

Hartley Cylke Pacific Insurance Agency, San Diego, CA

Insurance Broker - 2003 - Present - (FT)

Responsible for Group Medical, Life and Health Insurance and various Fixed Annuities, Retirement Planning and assisting clients with their insurance needs.

Barry Willis Insurance & Financial Services Agency, San Diego, CA

Insurance Broker - 1997 - Present - (PT)

Owner/Operator of a successful Insurance company that specializes in Retirement Planning, Series 7 Stock Broker license. Life Insurance and Financial Planning with clients.

Jeannette S. Clark & Associates Inc.

Office Administrator 10/1/2009 - Present - (PT), El Cajon, CA

Office Administrator and Logistics Manager for Certified Department of Labor Counseling/Vocational Rehabilitation and Personal Counseling Office. Responsible for Drafting and editing legal documents and correspondence, assisted Worker's Compensation clientele (injured Department of Labor, veterans and other government workers) with re-employment/ return to work benefits. Working knowledge of clinical procedures in vocational rehabilitation in a Counseling office. Heavy interaction with physicians, attorneys, psychologists, government entities, insurance carriers and claims adjusters, schools and employers. Performed client intake. Review confidential and sensitive medical files and brief attorneys; conduct labor market research surveys; reviewed, analyzed Sub Rosa tapes; generate legal and general correspondence including drafting expert witness statements; cash handling experience. Troubleshooting of PC/Mac and software. Electronic data management and filing. Excellent client relations. Greet clients, provide assistance in person and via phone. Answer telephones, respond to e-mails, schedule client appointments, and coordinate travel arrangements.

Denny's Restaurants

Restaurant Manager - 1981 - 1983, Pacific Beach, CA

Responsible for managing, marketing, scheduling, interviewing, hiring and termination of employees, teaching employees how to maintain a safe work place, food orders, front and back staff, cost of sales, budgets, cash handling, working with vendors and customer service.

COMMUNITY INVOLVEMENT:

Alpine Fire Protection District Board

Board Member - 2018

Alpine Kiwanis

Member - 2018

Santee Chamber of Commerce

Executive Board Member - 1996-1998

Elected to handle budgetary and Administrative issues at the local Santee Chamber

ATTACHMENT A

NOMINATION OF THE SPECIAL DISTRICT REPRESENTATIVES
LAFCO REGULAR AND ALTERNATE
FOR THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION

The SOUTH BAY IRRIGATION DISTRICT is pleased to nominate STEVE CASTANEDA as a
(Name of Independent Special District) (Name of Candidate)

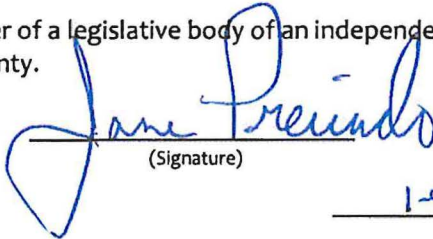
Candidate for the San Diego Local Agency Formation Commission as a regular or alternate special district member.

Please check one box.
Refer to the List of Incumbents.

- Regular Special District Member (Term expires 2023)
 Alternate Special District Member (Term expires 2023)

As presiding officer or his/her delegated alternate as provided by the governing board, I hereby certify that:

- The nominee is a member of a legislative body of an independent special district whom resides in San Diego County.


(Signature)

JOSE PRECIADO
(Print Name)

1-9-19
(Date)

BOARD PRESIDENT
(Print Title)

PLEASE ATTACH RESUME FOR NOMINEE

- Limit two pages
- Must be submitted with Nomination Form

RECEIVED
JAN 25 2019
SAN DIEGO LAFCO

Steve Castaneda

Steve@PRMConsult.com

POSITION

Current Private Position: President, PRM Consulting, Inc. (www.prmconsult.com)
Marketing & Research firm specializing in providing services to government and non-Government clients.

Past and Present Public Sector Positions: Chair, Sweetwater Authority Board of Directors (2014-present);
Councilman, Chula Vista City Council (2004-2012); Member, Metropolitan Transit System (2010-2012);
Chair, San Diego County Law Enforcement Review Board (1996-2004)

STATEMENT OF QUALIFICATIONS

General Qualifications: Experienced in market level research with an emphasis on transportation, land use and government programs. Abilities include: program management, survey development and execution, conducting focus groups, public/government relations, media, and special event organization. Additional experience in community relations involving business and civic groups, as well as organizing and gathering community support for specific projects.

Pertinent Experience:

Marketing, Research, Outreach & Government Relations (1996-current)

Recent Clients:

Southern California Gas Company, Aviation Systems Associates, Imperial County Transportation Commission, California Department of Public Health, Southern California Association of Governments, Land Developers and Associates Corporation.

Contract Outreach Administrator (1995)

Golden Turner, Convention Center Builders

Served as program administrator to assist small, local businesses obtain necessary qualifications. Duties included direct company contact, garnering public support, media production and distribution. Organized construction management courses and worked with various business organizations.

Legislative Specialist (1992-1995)

Department of Intergovernmental Relations

City of San Diego

Served as consultant on the City Council's Committee on Transportation and Land Use. Duties included developing and preparing committee agendas, coordinating staff reports, providing independent analysis and maintaining media relations on behalf of the committee. Other responsibilities include analyzing state and federal legislation and coordinating city's legislative program and oversight of all transportation issues including transit service on behalf of the City Council. In addition, responsible for overseeing San Diego's multi-million dollar Capital Improvements Program and revising City's contract qualification process.

City Council Representative (1987-1992)

Office of San Diego Councilmember Ron Roberts

Duties included representing Councilmember in a variety of situations and issues. Responsible for analyzing issues making recommendations, in addition to working with community and business organizations and press media. Particular emphasis on equal opportunity policies, housing, transportation, land use and redevelopment.

Education

National University, San Diego California
Business Administration

ATTACHMENT A

NOMINATION OF THE SPECIAL DISTRICT REPRESENTATIVES
LAFCO REGULAR AND ALTERNATE
FOR THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION

The Leucadia Wastewater District is pleased to nominate Judy Hanson as a
(Name of Independent Special District) (Name of Candidate)

Candidate for the San Diego Local Agency Formation Commission as a regular or alternate special district member.

Please check one box.
Refer to the List of Incumbents.

- Regular Special District Member (Term expires 2023)
 Alternate Special District Member (Term expires 2023)

As presiding officer or his/her delegated alternate as provided by the governing board, I hereby certify that:

- The nominee is a member of a legislative body of an independent special district whom resides in San Diego County.

Elaine Sullivan
(Signature)

ELAINE SULLIVAN
(Print Name)

12/12/2018
(Date)

PRESIDENT
(Print Title)

PLEASE ATTACH RESUME FOR NOMINEE

- Limit two pages
- Must be submitted with Nomination Form

RECEIVED
JAN 07 2019
SAN DIEGO LAFCO

Judy Hanson

LAFCO SPECIAL DISTRICT BOARD ALTERNATE

Experience Summary

My name is Judy Hanson and I have been actively involved with San Diego Local Agency Formation Commission (LAFCO) for the past 23 years. I have also been actively involved with special districts in a variety of ways for well over 50 years now. I am very interested in continuing my service as a San Diego LAFCO Special District Board Alternate and I believe my background and experience make me well suited for this position. I would appreciate your support by nominating me. A brief background of my experience is as follows:

LAFCO Experience

- Special District Board Alternate – 2016 – Present
- Special District Advisory Committee – 1996 – 2016

Special District Experience

Leucadia Wastewater District:

- Board of Directors 1983 – Present (most recently re-elected in 2016)
 - Investment & Finance Committee
 - Human Resources Committee
 - Employee Recognition Committee
- Board President – 2003, 2007, 2012, 2017

San Dieguito Water District:

- 33 Year Employee (Retired in 2010)
 - Served in a variety of positions in area of finance

California Special District Association – San Diego Chapter:

- Board of Directors - 2000 – 2004
- Chapter President – 2004
- Scholarship Committee Member

Based on these experiences, I believe I have a unique perspective of the challenges and opportunities facing Special Districts, which will allow me to continue to make valuable contributions to LAFCO. If you will provide me the privilege of serving as the Board Alternate, I promise that I will continue to be a tireless advocate for Special Districts from a platform of local control and fiscal conservatism.

Again, I am very interested in continuing my service to LAFCO and I would really appreciate your support – Thank you.

ATTACHMENT A

NOMINATION OF THE SPECIAL DISTRICT REPRESENTATIVES
LAFCO REGULAR AND ALTERNATE
FOR THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION

The Rincon del Diablo Municipal Water District is pleased to nominate Erin R. Lump as a
(Name of Independent Special District) (Name of Candidate)

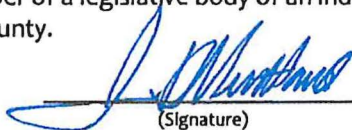
Candidate for the San Diego Local Agency Formation Commission as a regular or alternate special district member.

Please check one box.
Refer to the List of Incumbents.

- Regular Special District Member (Term expires 2023)
 Alternate Special District Member (Term expires 2023)

As presiding officer or his/her delegated alternate as provided by the governing board, I hereby certify that:

- The nominee is a member of a legislative body of an independent special district whom resides in San Diego County.


(Signature)

James Murtland
(Print Name)

January 16, 2019
(Date)

Board President
(Print Title)

PLEASE ATTACH RESUME FOR NOMINEE

- Limit two pages
- Must be submitted with Nomination Form

RECEIVED

JAN 17 2019

SAN DIEGO LAFCO

ERIN R. LUMP

Director, Rincon del Diablo Municipal Water District

(760) 215-0601
erin@erinlump.com

EDUCATION

Bachelor of Arts, Political Science, CSUSM, 2011
- Research, Critical Analysis, Social Behavioral Science Courses
Current California Real Estate License
- Real Estate Principals, Finance, Appraisal

OBJECTIVE

To Represent
Special Districts as the
Alternate Seat on the
LAFCO Commission

RELEVANT EXPERIENCE

QUALITIES

Organized
Self-Motivated
Welcoming
Innovative
Problem Solver
Critical Thinker
Friendly
Happy
Professional
Creative
Well Spoken
Team Player
Trustworthy

Vice President of the Board of Directors

Rincon del Diablo Municipal Water District | November 2014 - Present
- Chair of the Emergency Preparedness & Fire Services committee
- Served on the Finance, Insurance & Personnel & Public Information & Intergovernmental Relations Committees
- LAFCO Special District Advisory Committee since 2016

Realtor

Real Estate Professionals Group | March 2016 - Present
- Residential Real Estate
- Property Management

Vice President

Pacific Political, Inc. | April 2011 - March 2016
- Staff Management
- Website Design; Dreamweaver and Wordpress
- Graphic Design Services; Print and Web
- Social Media Marketing
- Volunteer & Employee Management
- Contribution & Database Administration
- Campaign Treasury Services
- Client Assistance
- Event Planning

Events Manager

Congressman Darrell Issa | February 2011 - March 2016
- Coordinator of High Dollar Fundraising Events
- Donor Lead Generation
- Email Marketing

Event Planner & Educational Instructor

Escondido Children's Museum - January 2007 - July 2010
- Guest Services & Database Management
- California Curriculum Standards Lesson Planning
- Marketing and Promoting the Museum
- Social Media & Website Maintenance

TECHNOLOGY

MS Office (Word, Excel, PowerPoint, Publisher), Wordpress, Adobe CS
(Dream Weaver, Photoshop, InDesign, Illustrator)

INTERESTS

Politics, Graphic Design, Technology, Reading, Community Volunteer

www.erinlump.com

connect with me on 

Board of Directors

Edmund K. Sprague, President
Robert F. Topolovac, Vice President
Lawrence A. Watt, Treasurer
Robert M. Kephart, Secretary
Christy Guerin, Director



General Manager
Kimberly A. Thorner, Esq.
General Counsel
Alfred Smith, Esq.

February 12, 2019

To: All Independent Special Districts in San Diego County

At its January 16, 2019 regular meeting, Olivenhain Municipal Water District's board unanimously nominated Mr. Edmund (Ed) K. Sprague for the San Diego Local Agency Formation Commission (SDLAFCO) Regular Special District Member position. Mr. Sprague has served on SDLAFCO representing special districts since 2015.

As a lifetime resident of northern San Diego County, Mr. Sprague has dedicated his entire career to championing the needs of the public as well as serving his local community. He earned a bachelor's and a master's degree in public administration from San Diego State University while serving as a firefighter. Mr. Sprague has over 30 years of public service starting as a cadet firefighter for the City of Escondido in 1986. He ascended through the fire service ranks all the way up to Fire Battalion Chief for the Carlsbad Fire Department. He then transitioned into the role of Deputy Fire Chief for the North County Fire Protection District where he retired in 2015.

After his successful firefighter career, Mr. Sprague has been able to dedicate considerably more time to his passion of teaching and leading others as a Fire Technology Assistant Professor at Palomar College.

Mr. Sprague's support and commitment to public service is evident from his career as a firefighter and in the eleven years that he has been actively involved with Olivenhain Municipal Water District (OMWD). His regular attendance at Board Meetings and participation at various events led to being appointed to the Board in 2008 and was re-elected in 2012 and 2016 to represent Division 5. He served as president of the Board from 2009-2012, again from 2014-2016, and is currently in the president position. He also actively participates in the Finance, Personnel, and Public Policy and Public Outreach Committees.

In 2010, Mr. Sprague earned the Recognition in Special District Governance certification from the Special District Leadership Foundation and served on the Board of Directors of the Special District Risk Management Authority in 2011. In addition, he also served on the California Special District Association's Education Committee.

Mr. Sprague's extensive experience in the fields of governing water, wastewater, recycled water, hydroelectricity and parks and recreation services, and serving as the current Vice Chair of makes him the ideal candidate for the SDLAFCO Regular Special District Member position.

Sincerely,

A handwritten signature in cursive script that reads "Kimberly A. Thorner".

Kimberly A. Thorner
General Manager
Olivenhain Municipal Water District



1966 Olivenhain Road • Encinitas, CA 92024
Phone (760) 753-6466 • Fax (760) 753-1578 • www.olivenhain.com



February 25, 2019

RE: San Diego Local Agency Formation Commission (LAFCO) Election

Dear Fellow Special District Board Members in San Diego County,

At the January 16, 2019 Olivenhain Municipal Water District's board regular meeting, I was unanimously nominated for the San Diego Local Agency Formation Commission (SDLAFCO) Regular Special District Member position. I am writing to respectfully request your support in voting for me for the San Diego Local Agency Formation Commission (SDLAFCO) Regular Special District Member position.

I have dedicated my entire career to championing the needs of the public as well as serving the local community. Earning a bachelor's and a master's degree in public administration from San Diego State University while serving as a firefighter, I have over 30 years of public service starting as a cadet firefighter for the City of Escondido in 1986. It is there that I ascended through the fire service ranks all the way up to Fire Battalion Chief for the Carlsbad Fire Department. I then transitioned into the role of Deputy Fire Chief for the North County Fire Protection District where I retired in 2015 and was able to dedicate considerably more time to my passion of teaching and leading others as a Fire Technology Assistant Professor at Palomar College.

My support and commitment to public service is also evident in the eleven years that I have been actively involved with Olivenhain Municipal Water District (OMWD). I served as president of the Board from 2009-2012, again from 2014-2016, and am currently in the president position. I also actively participate in the Finance, Personnel, and Public Policy and Public Outreach Committees. My tenure with OMWD has provided me with a great deal of experience governing water, wastewater, and parks and recreation services to over 80,000 customers.

In 2010, I earned the Recognition in Special District Governance certification from the Special District Leadership Foundation and served on the Board of Directors of the Special District Risk Management Authority in 2011. In addition, I also served on the California Special District Association's Education Committee.

I have served as your representative to SDLAFCO since 2015, always ensuring that my vote was cast with the best interest of special districts in mind, while balancing efficient service and logical changes to local governmental boundaries, including the consolidation and dissolution of districts. I have been dedicated to encouraging orderly growth, providing for efficient public services, and streamlining governmental structure, while also supporting agricultural land use.

Your support and vote is encouraged and would be greatly appreciated. If you have any questions, feel free to contact me at esprague@olivenhain.com.

Respectfully,



Edmund K. Sprague
OMWD Board President and LAFCO Candidate



LEADERS IN
ENVIRONMENTAL
PROTECTION

March 1, 2019

BOARD OF DIRECTORS
David Kulchin, President
Allan Juliussen, Vice President
Judy Hanson, Director
Donald F. Omsted, Director
Elaine Sullivan, Director
Paul J. Bushee, General Manager

Ref: 19-6576

Board of Directors
Rainbow MWD
3707 Old Highway 395
Fallbrook CA 92028

Subject: LAFCO Elections – Request Your Vote for Ms. Judy Hanson

Dear Board of Directors:

On behalf of the Leucadia Wastewater District (LWD) Board of Directors, I am writing to request your vote for Ms. Judy Hanson for the Special District's Board Alternate position in the upcoming LAFCO election. The LWD Board nominated Ms. Hanson for the Alternate Board position at its December 12, 2018 meeting.

Ms. Hanson has served as the Special District Board Alternate since 2016. She was also the Vice Chair of the LAFCO Special District Advisory Committee (SDAC) and served on the committee from 1996-2016. In addition to the SDAC, Ms. Hanson has an extensive professional background with special districts that has spanned over 50 years. She has been on the LWD Board of Directors since 1983, serving on various Board committees as well as Board president in 2003, 2007, 2012 and 2017.

Ms. Hanson has also held various officer positions on the Board of Directors of the San Diego Chapter of the California Special Districts Association (CSDA), serving as Chapter President in 2004. Furthermore, Ms. Hanson was a special district employee for virtually her entire professional career, which included over 33 years of service with the San Dieguito Water District and later the City of Encinitas.

As can be seen, Ms. Hanson's involvement with special districts has been extensive on a personal, professional and political level. Throughout her career, Judy has been a long-time and tireless advocate for special districts from the platform of local control and fiscal conservatism. We are confident that, if elected, Ms. Hanson will continue to make many valuable contributions to LAFCO and represent special districts in a very positive way.

For these reasons, we urge you to vote for Ms. Judy Hanson for the LAFCO Special Districts Board Alternate. Your support is greatly appreciated.

Best Regards,

David Kulchin
President, Board of Directors

BOARD OF DIRECTORS

March 26, 2019

SUBJECT

DISCUSSION AND POSSIBLE ACTION RELATED TO REQUEST FOR CERTAIN WASTEWATER CONVEYANCE SERVICES FROM VALLEY CENTER MUNICIPAL WATER DISTRICT

BACKGROUND

In the early 2000's, a development project lead by Pardee Homes (known as the Meadowood project) entered into a pre-annexation agreement with Rainbow Municipal Water District in order to provide water and wastewater services to the development project. The land was within the San Luis Rey Municipal Water District at the time, but that district did not possess the latent powers to provide water and wastewater service to the project.

Subsequently, the Rainbow Board decided to cancel the pre-annexation agreement with Pardee Homes. Once that action was taken, Pardee began discussions with Valley Center MWD about providing water and wastewater services. This process culminated in 2014, when the San Diego Local Agency Formation Commission approved the annexation of the development into Valley Center MWD (VCMWD).

DESCRIPTION

Since 2014, The District and VCMWD have had discussions about the potential to enter into an agreement to convey wastewater through RMWD trunk system to the San Luis Rey treatment plant in Oceanside. This process was memorialized in the "Pre-Service Agreement Between Rainbow Municipal Water District and Valley Center Municipal Water Districts" that was executed in 2015 (attached as Exhibit A). This agreement was designed to review both water and wastewater services to Valley Center MWD through interagency exchanges. For wastewater, VCMWD would procure capacity rights in the San Luis Rey plant directly from Oceanside and would use the RMWD system to convey the wastewater to the plant. A study was performed by Atkins in 2015 (attached as Exhibit B) that showed that the plan was feasible. This study also estimated costs both for capital facilities required to serve the project as well as capacity fees to be paid. The high cost of capacity fees was not acceptable to VCMWD so they began work on an alternative design to transport the wastewater to their Moosa Creek wastewater plant near Gopher Canyon and Old Highway 395.

VCMWD has completed their design analysis for this conveyance system and believes that it is feasible and less expensive than the cost of capacity fees that RMWD had required in previous discussions. As the project is now fully permitted and about to get started, Gary Arant, General Manager at VCMWD, reached out to RMWD with a request to reconsider the earlier decision regarding wastewater conveyance (attached as Exhibit C). All agree that it is more efficient, and less environmentally damaging, to use our existing conveyance system rather than constructing a new pipeline about 7 miles to the south. VCMWD has requested that the District reconsider the intent of the 2015 pre-services agreement and take another look at how we might cooperate to serve the region more efficiently than the construction of a new wastewater conveyance system.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Two: Asset Management – An agreement to provide wastewater services to VCMWD could generate much needed funds to improve our wastewater conveyance system

Strategic Focus Area Four: Fiscal Responsibility – An agreement to provide wastewater services could generate ongoing O&M revenue to help control wastewater service rates

BOARD OPTIONS/FISCAL IMPACTS

Since VCMWD has now determined that it is feasible and possibly beneficial to their agency to construct a force main to the Moosa Plant, as indicated in Exhibit C, should the District choose not to take another look at developing an agreement along the lines of the one envisioned in the Pre-Services Agreement (Exhibit A), VCMWD will simply construct their force main and move on. The rains of 2017 and 2019 have demonstrated that there are facilities in the RMWD system, particularly the siphon under the San Luis Rey River, that are at risk during these events. Should the District come to an agreement with VCMWD to convey wastewater to Oceanside for them, VCMWD would provide the funds to make improvements to our wastewater conveyance system. While an update to the Atkins study will be required to identify the precise components, these upgrades are expected to include (but are not limited to):

- The completion of the Thoroughbred Pump Station
- The elimination of the siphon under the San Luis Rey River
- The expansion of the gravity main in Old River Road
- Certain improvements to the Old River Lift Station

Staff is still looking into the value of these improvements, but the cost will likely be in excess of \$5 Million. In addition, ongoing O&M charges for wastewater conveyance will amount to about \$500,000 per year according to the Atkins study. In short, providing wastewater services to VCMWD under this concept would be very beneficial to the District financially.

In addition, while Mr. Arant's letter did not request it specifically, staff recommends that the Board authorize discussions to provide water services as well. This development is immediately adjacent to the recently constructed Horse Ranch Creek development by DR Horton. VCMWD currently plans to construct several miles of pipeline from the south, under the San Luis Rey River, and down Hwy 76 to serve the project. They also plan to construct at least two new storage tanks. The fact is that the District has ample water storage in the area and supply pipelines to serve the project. A short new line from the Rice Canyon will provide a redundant storage tank for the project and provide operational flexibility for the District.

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. However, should an agreement to provide services be finalized, the resulting projects will require a CEQA process.

STAFF RECOMMENDATION

Staff recommends that the Board direct the General Manager and District Engineer to work with Valley Center MWD to conduct any necessary engineering studies and develop contracts to provide wastewater conveyance services as well as potable water services to VCMWD. These studies and contracts would then be brought back to the Board for final approval.



Tom Kennedy
General Manager

March 26, 2019

**PRE-SERVICE AGREEMENT BETWEEN
RAINBOW MUNICIPAL WATER DISTRICT
AND
VALLEY CENTER MUNICIPAL WATER DISTRICTS**

THIS AGREEMENT is made and entered into as of January 6, 2015, by and between VALLEY CENTER MUNICIPAL WATER DISTRICT, a municipal water district of the State of California (hereinafter referred to as "VCMWD"), and RAINBOW MUNICIPAL WATER DISTRICT a municipal water district of the State of California (hereinafter referred to as "RMWD"), in view of the following facts:

RECITALS

- A. RMWD and VCMWD are public water and wastewater agencies with adjacent and co-terminus service area boundaries located along the I-15 Corridor and more specifically near the I-15 and State Highway Route 76 Intersection (hereinafter referred to as the "Subject Area"), as depicted in Exhibit "A" attached hereto and by this reference incorporated herein;
- B. Planned and approved residential and commercial developments in both the RMWD and VCMWD in the Subject Area will require expanded water and wastewater recycling services;
- C. RMWD and VCMWD, in a Memorandum of Understanding dated November 1, 2013, a copy of which is included in Exhibit "B" attached hereto and by this reference incorporated herein, recognized that for the Subject Area "integrating the water, wastewater, and recycled water infrastructure to serve the developments the infrastructure capital and ongoing operating costs will be lower for both agencies and redundant infrastructure will be eliminated;"
- D. The status of the development in both RMWD and VCMWD in the Subject Area is such that it is prudent to now more closely define how the water, wastewater and recycled water infrastructure will be jointly coordinated, designed, funded, constructed and operated to meet the long term needs of the proposed development;
- E. RMWD and VCMWD agree that timing of the construction of certain water and wastewater facilities in the Subject Area is dependent on the construction of private development projects, and that the timelines of these projects are not controlled by either RMWD or VCMWD.
- F. In the continued spirit of cooperation established in the aforementioned Memorandum of Understanding, RMWD and VCMWD now wish to enter into a **Pre-Service Agreement** which more closely defines how water, wastewater and recycled water services will be provided in this specific area;

- G. Water Service – Based upon guidance from the San Diego County Water Authority, wholesale water supplier for both Districts, it has been determined that water service for the Subject Area, and more specifically for the Meadowood Project (hereinafter referred to as the “Project”) located in VCMWD would be most reliably and cost effectively served by connecting the Project’s future storage and distribution system to existing RMWD water lines located to both west and east of the Project. In this manner, existing aqueduct connections and pipelines can be used to serve the Project rather than building new connections and paralleling existing pipelines. At the same time this approach will result in enhanced level water system integration between the 1st and 2nd San Diego Aqueducts as well as between planned and approved developments in the Subject Area, improving overall water service redundancy and reliability for both RMWD and VCMWD.
- H. Wastewater and Recycled Water Services – RMWD desires to update its Wastewater Master Plan to determine the feasibility of constructing localized recycled water treatment capacity rather than sending existing and future wastewater flows, including possibly wastewater flows from the proposed Project in the VCMWD service area to the city of Oceanside for treatment. While VCMWD sees the prudence of RMWD undertaking this analysis, it also understands, however, that this analysis and the ultimate of provision of localized wastewater recycling capabilities in RMWD could require a significant period of time to accomplish, extending beyond the timeframe required by VCMWD to confirm how it will meet the long-term wastewater needs of the Project. While fully supporting RMWD’s desire to preserve the option of developing localized recycled water capabilities, VCMWD seeks to secure on behalf of the Project a fail-safe means to meets the Project’s long-term full wastewater treatment and disposal needs.
- I. To this end, through the auspices of VCMWD, the Project will proportionately share in the cost of the pending RMWD Wastewater Transmission Line Upgrade and Relocation Project to contractually secure enough capacity in the RMWD Wastewater Transmission system to convey the full wastewater flow from Project to the City of Oceanside’s San Luis Rey Wastewater Treatment Plant for treatment, disposal and recycling services. VCMWD will also pay ongoing Operations and Maintenance costs for the conveyance system in an amount proportional to the capacity VCMWD uses, as well as costs for managing and monitoring the quantity and strength of wastewater exported by each respective agency. Any future agreement by and between VCMWD and RMWD relating to VCMWD’s wastewater treatment should also include requirements for industrial wastewater and FOG programs in the VCMWD service area. VCMWD will also be solely responsible for obtaining and securing any necessary approvals or consents from the San Diego Local Agency Formation Commission and/or any affected developments or property owners prior to execution of a wastewater services agreement with RMWD. Any agreement for wastewater services between VCMWD and RMWD will be expressly contingent upon prior written approval by the City of Oceanside, pursuant to RMWD’s agreement with the City of Oceanside for wastewater transmission and treatment.

- J. When the Project needs wastewater treatment service:
1. Treatment capacity will be purchased from and operating cost paid to the city of Oceanside for the initial up to full wastewater flows if local wastewater treatment and recycling capacity is not readily available in a timely manner from RMWD; or
 2. Initial or future increments of treatment capacity will be purchased and operating costs paid to RMWD if local wastewater treatment capacity is readily available in a timely manner from RMWD when capacity is needed. Capacity and operating cost paid to RMWD will not exceed those which would have been paid by the Project through VCMWD to Oceanside at the specific time capacity in the wastewater transmission facility is need and purchased from RMWD.
- K. To determine the capabilities of the RMWD water and wastewater systems to accommodate the associated needs of the Project, including the ability of RMWD to send out-of-service area wastewater to Oceanside, as well as the proportional capital and ongoing operating costs associated with Project's use of those systems, both RMWD and VCMWD agree that an engineering analysis should be conducted by a competent and qualified engineer of RMWD's choosing with approval from VCMWD. On a preliminary basis, it is estimated the benefits of this analysis shall be apportioned 75% to VCMWD and 25% to RMWD, with the understanding that this cost apportionment may be adjusted based upon the results of the analysis.
- L. The engineering analysis to be prepared by Rainbow and reviewed by VCMWD shall determine the following:
1. **Water Supply Service:** Proposed water capacity charges to provide VCMWD with 2.0 CFS water supply at two locations; 2.0 cfs from the 1st Aqueduct and 2.0 cfs from the 2nd Aqueduct to meet the maximum day demands for the Meadowood Development.
 2. **Wastewater Service:** The wastewater transmission main capacity charge and proportional capital investment required to provide the necessary capacity to transport Meadowood wastewater flow to the city of Oceanside treatment facilities. Costs should be determined for:
 - a. Shared capacity in the trunk main in Horse Ranch Creek Road;
 - b. Shared capacity in the Lift Station and force main;
 - c. Shared capacity in the Transmission main to Oceanside
 - d. Capacity share should be based on an estimated average daily flow of 170,000 gpd from the proposed Meadowood Development.

3. **Ongoing Operations and Maintenance Costs:** The ongoing operations and maintenance charges for providing water and wastewater capacity to VCMWD for the Project.

AGREEMENT

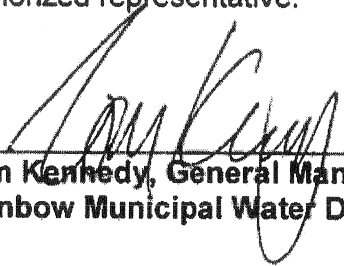
NOW, THEREFORE, IT IS AGREED AS FOLLOWS that:

1. RMWD and VCMWD acknowledge that if both agencies can reach agreement on the apportionment of capital costs, capacity charges, and assignment of ongoing operating and maintenance costs for the proposed water and wastewater treatment, as determined in part by the engineering analysis conducted by RMWD, described in the recitals above, RMWD and VCMWD will negotiate in good faith to enter into a permanent water and wastewater service agreement addressing the issues set forth in the recitals above.
2. Subject to entering into a permanent water and wastewater service agreement as set forth above in the Recitals above, on behalf of the Project, VCMWD would consider participation in a future regional water reclamation facility constructed by RMWD, to meet the mutual water, wastewater and water recycling needs in the I-15/State Highway 76 portion of their respective service areas, provided however, the cost of the Project's participation through VCMWD in this facility would not exceed those which would be incurred by obtaining service from Oceanside.
3. Any notice or instrument required to be given or delivered by this agreement may be given or delivered by depositing the same in any United States Post Office, registered or certified, postage prepaid, addressed to:

VCMWD: VALLEY CENTER MUNICIPAL WATER DISTRICT
29300 Valley Center Road
P.O. Box 67
Valley Center, CA. 92082

RMWD: RAINBOW MUNICIPAL WATER DISTRICT
3707 Old Highway 395
Fallbrook, CA 92028

IN WITNESS WHEREOF, the parties have executed this agreement by their duly authorized representative.




**Tom Kennedy, General Manager
Rainbow Municipal Water District**

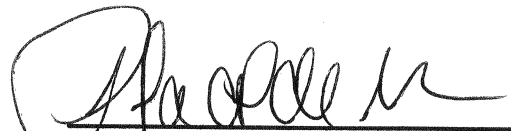


**Gary Arant, General Manager
Valley Center Municipal Water District**

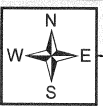
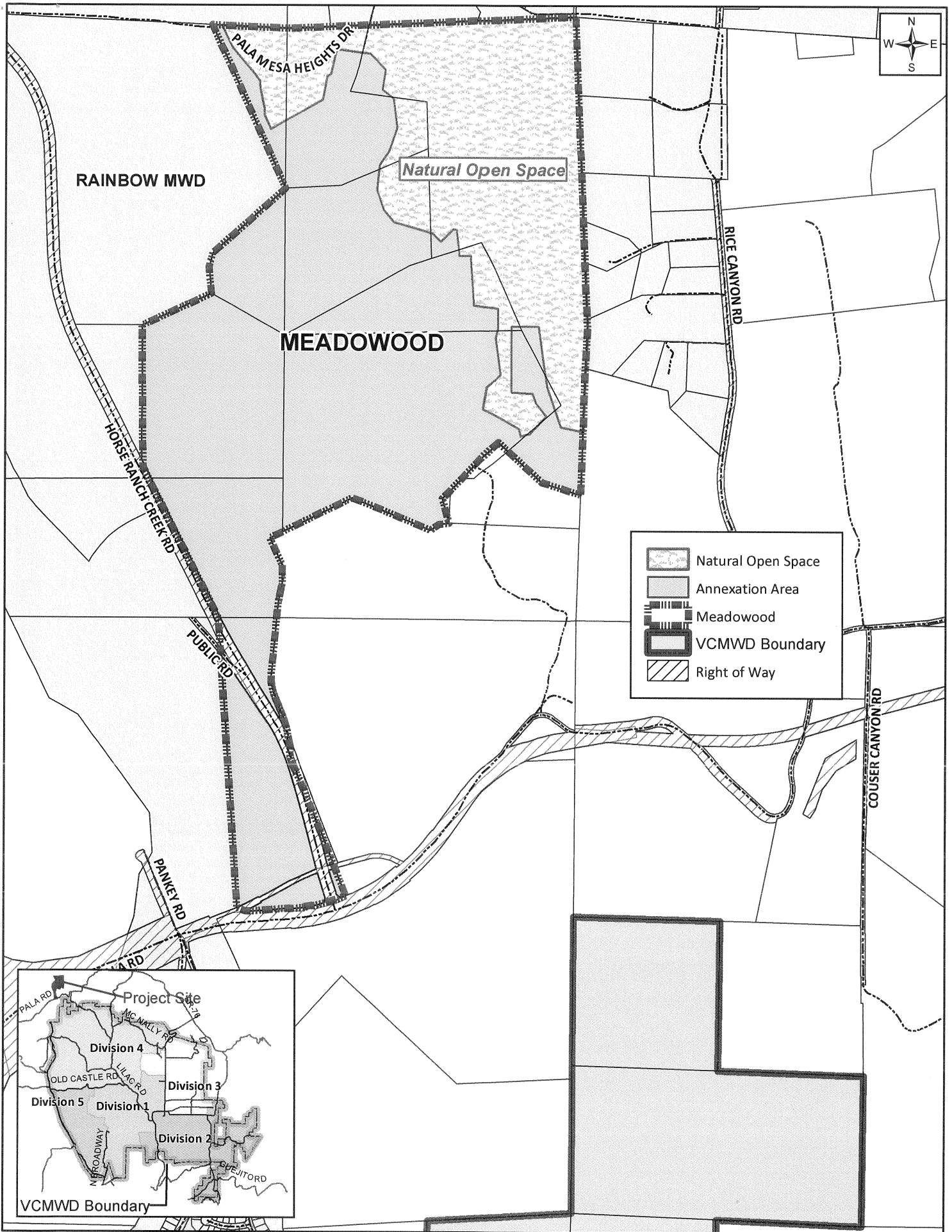
As to form:



**Greg Moser, General Counsel
Rainbow Municipal Water District**



**Paula de Sousa, General Counsel
Valley Center Municipal Water District**



MEMORANDUM OF UNDERSTANDING
FOR JOINT USE FACILITIES
BETWEEN
RAINBOW MWD AND VALLEY CENTER MWD

This Memorandum of Understanding is made and entered into this 1st day of November, 2013 by and between Valley Center Municipal Water District, hereinafter referred to as VCMWD, and Rainbow Municipal Water District, hereinafter referred to as RMWD, both being public agencies operating under the Municipal Water District Law of 1911, Water Code § 71000 et seq. VCMWD and RMWD may be hereinafter referred to collectively as the Parties, or individually as Party.

RECITALS

WHEREAS, RMWD and VCMWD are currently in different stages of reviewing development plans for the Horse Creek Ridge and Meadowood Developments (hereinafter collectively referred to as the Developments, or individually as Development); and

WHEREAS, the Horse Creek Ridge Development is in the RMWD service area and the Parties anticipate that VCMWD will annex the Meadowood Development into the VCMWD service area; and

WHEREAS, by integrating the water, wastewater and recycled water infrastructure to serve the Developments, the infrastructure capital and on-going operating costs will be lower for both agencies and redundant infrastructure will be eliminated; and

WHEREAS, the purpose of this Memorandum of Understanding is solely to set forth the terms and conditions for the Parties to further negotiate in good faith to develop a series of agreements that are anticipated to address all aspects of project development, permitting and implementation for different facilities, and both Parties reserve the right to terminate this Memorandum of Understanding and not enter into any agreement following such good faith negotiations.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, VCMWD and RMWD agree as follows:

The Parties shall negotiate in good faith regarding entering into future agreement(s) subject to the following understandings:

1. Water Delivery Facilities and Service
 - a. If water delivery facilities must be of increased capacity in either Development to serve the other Development, then the Party leading

the review of the Development with needed increased capacity will work with that Development's developer to ensure increased capacity is included in the facility planning documents. The Parties will agree on the additional facilities required and the estimated cost allocation amounts prior to construction. No construction of such additional facilities may be performed unless and until the Parties have entered into an agreement identifying the additional facilities, the capital costs to be reimbursed and the timing of the reimbursement. The Party that will be providing reimbursement will be responsible for securing any reimbursement from the benefiting developer.

- b. The Parties intend to negotiate in good faith regarding entering into interagency water supply/service agreements related to the Developments.

2. Wastewater and Recycled Water Facilities and Service

- a. The Parties will work together to optimize the facilities and cost required to provide wastewater and recycled water service. The Parties will work together to make the best use of facilities in the area to both minimize wastewater treatment costs and maximize recycled water production and use. The Parties will agree on the additional facilities required and the cost allocation amounts prior to construction. No construction of such additional facilities may be performed unless and until the Parties have entered into an agreement identifying the additional facilities, the capital costs to be reimbursed and the timing of the reimbursement. The Party that will be providing reimbursement will be responsible for securing any reimbursement from the benefiting developer.

- b. The Parties are evaluating the feasibility of options for wastewater service and intend to negotiate in good faith regarding entering into interagency wastewater and recycled water service agreements.

3. Operations and Maintenance

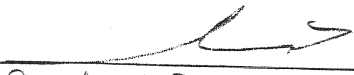
The joint use facilities agreement(s), or subsequent interagency service agreement(s), between the agencies shall identify the associated Operation and Maintenance (O&M) costs to provide service. The O&M costs charged by the agencies shall be fair and reasonable and based on actual costs incurred to operate and maintain the system(s) plus costs for rehabilitation and replacement of the facilities.

By executing this Memorandum of Understanding the Parties solely agree to negotiate in good faith regarding the above-noted items and are not committing to undertake any

other acts or activities requiring the subsequent independent exercise of discretion of the Parties. Either Party may terminate this Memorandum of Understanding and not enter into any agreement following such good faith negotiations.

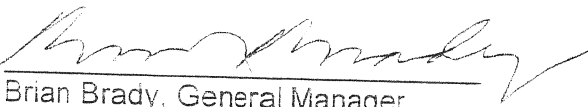
IN WITNESS WHEREOF, the Parties have executed this Memorandum of Understanding as of the date first above written.

Valley Center Municipal Water District



Gary Arant, General Manager

Rainbow Municipal Water District



Brian Brady, General Manager



Atkins North America, Inc.
3570 Carmel Mountain Road, Suite 300
San Diego, California 92130

Telephone: +1.858.874.1810
Fax: +1.858.259.0741

www.atkinsglobal.com/northamerica

February 10, 2016

Mr. Tom Kennedy, General Manager
Rainbow Municipal Water District
3707 Old Highway 395
Fallbrook California 92028

Re: Water and Sewer Analysis for the Meadowood Project (Revised)

Dear Mr. Kennedy:

This analysis examines the feasibility and costs of a possible interagency service arrangement between the Valley Center Municipal Water District (VCMWD) and the Rainbow Municipal Water District (RMWD or District) for the provision of water and sewer service to the proposed Meadowood development (project). Specifically, this analysis examines a possible arrangement in which VCMWD would provide water and sewer service to the project using water and wastewater conveyance and appurtenant facilities owned and operated by RMWD, rather than through the construction of its own separate water conveyance, flow control facilities (FCFs) with San Diego County Water Authority (SDCWA), and wastewater reclamation plant. **Figure 1** illustrates the RMWD service area and planned developments, including the project, consistent with the County's General Plan.

BACKGROUND

The Meadowood development is located in the San Luis Rey River Valley area of northern San Diego County north and east of the intersection of SR-76 and Interstate 15 (I-15). The property encompasses 390 acres and is planned to consist of single-family and multi-family housing, a park, elementary school, maintained common area open space, unimproved natural open space and retained tree groves. The development area was approved by the San Diego Local Agency Formation Commission (LAFCO) to be annexed into the VCMWD service area. However, due to its proximity to other properties within the RMWD service area and lack of existing VCMWD infrastructure in the north, VCMWD and the developer are exploring receiving water and wastewater service through RMWD infrastructure with appropriate delivery and transportation costs.

RMWD is responsible for providing sewer service to 3,879 EDUs throughout its sewer service area. Meadowood is assumed at 850 EDUs, and would make-up about 22% of the RMWD sewer connections. The RMWD sewer service area is a small portion of the overall RMWD service area which encompasses over 7,800 potable water customers, with large agricultural water demands, and hence large capacity meters. Wastewater collected by RMWD is transferred to the City of Oceanside for treatment and disposal through a trunk and interceptor sewer system and primarily two existing sewer lift stations extending west along SR-76 and eventually to the RMWD boundaries along North River Road at Stallion Drive.

The Meadowood site contains no existing water distribution facilities available to serve the project. Previous investigations identified possible water sources with new FCF connections to the

SDCWA First and/or Second aqueduct¹, which run north-south in direction to the east and west of the project, or a connection to nearby existing RMWD water distribution facilities. RMWD water facilities are available near the northern, western and southern boundaries of the project and are available in multiple pressure zones, which can potentially provide the project with both redundancy and flexibility for wholesale water supply.

Similar to water, no existing wastewater facilities exist on the project site. The RMWD wastewater service area boundary directly abuts the property on the west and proposed adjacent development in RMWD will construct sewer trunk and SLS facilities to convey wastewater from the eastern side of the I-15 to the existing trunk sewer and outfall on the western side of the I-15, within SR-76. In the absence of a connection to the RMWD wastewater system, the project has planned and approved the development of a water reclamation plant within its boundaries. This plant would collect and treat all of the wastewater from the development and use the resulting plant effluent as a recycled water source for irrigation within the development.

Figure 1 depicts the water and wastewater service areas as well as the location of the Meadowood development relative to RMWD. As previously mentioned, the properties directly west of the Meadowood project site are within the RMWD service boundary and are also planned and approved for development. A new sewer lift station (SLS), the Pankey SLS, is to be constructed on the east side of the I-15 to support these developments. The Pankey SLS has been designed and is soon to be bid for construction. The final design capacity will accommodate Meadowood wet weather sewer flows so flows can be conveyed assuming RMWD moves forward with a transportation agreement with VCMWD or would be pumped directly to the projects' water reclamation plant.

Table 1 and **Figure 1** present the planned developments anticipated throughout RMWD projected to be developed by 2035, including Meadowood. This magnitude of overall growth is consistent with the latest SANDAG Series Forecast for 2035. **Table 1** presents the development, type, and proposed equivalent dwelling units (EDUs) assumed by 2035. **Figure 1** presents the location of each development.

¹ The SDCWA administrative code specifies a minimum connection size of 10 cfs, and sets minimum deliveries at 10 percent of rated capacity, which for the case of the minimum 10 cfs connection would provide for a minimum delivery order of 1.0 cfs. A new VCMWD connection serving project average project demands of approximately 1 cfs would, although oversized, be feasible in combination with operating storage provided within the project service area.

Table 1 Planned Developments (assumed 2035)

Reference Number	Proposed Development	Proposed EDUs	Development Type
1	Meadowood	850	Single Family
2	Horse Creek Ridge	751	Single Family
3	Campus Park West	538	Mixed
4	Vessels	400	Single Family
5	Polo Club	156	Single Family
6	Pala Mesa Highlands (Beazer)	130	Single Family
--	Horse Creek Ridge Business Center	100	Commercial
--	Palomar College	100	Commercial
7	Golf Green Estates	94	Single Family
8	Morris Ranch	89	Single Family
9	Leatherbury	85	Single Family
--	Bonsall Condos	76	Single Family
10	Olive Hill Estates	37	Single Family
11	Hidden Hills	53	Single Family
12	Dulan	51	Single Family
13	Lake Vista Estates	15	Single Family
14	Malabar Ranch	14	Single Family
--	Fallbrook Oaks (Cabrillo Medical)	13	Single Family
15	Silver Holdings	9	Commercial
16	Vista Valley Country Club	5	Commercial
	Total	3,566	

EDU = equivalent dwelling units
 Note: Warner Ranch is not included in the analysis.

HYDRAULIC ANALYSIS

Hydraulic analyses of the impact of providing water and wastewater service to the Meadowood development project were conducted to determine the potential impacts on the existing and future RMWD water and wastewater systems. The Meadowood approved project EIR is used as the primary basis for the analysis of water and sewer requirements, as well as planning studies completed by Dexter Wilson Engineering.

As a part of the 2006 Water and Wastewater Master Plans, RMWD constructed computer hydraulic models for both the water and the sewer systems. The existing system models were constructed in InfoWater and InfoSewer, respectively, and were most recently updated in 2014 to primarily reflect changed demand and flow conditions. The models are currently being refined as a part of the 2016 Water and Wastewater Master Plan Updates to reflect recently constructed projects or soon to be constructed facilities. Since these hydraulic models are currently being updated, the results of the hydraulic analyses presented here are preliminary and may be subject to changes based on finalization of the 2016 Master Plan.

Both hydraulic models allow for extended period simulations which simulates an observed event with time varying flows (i.e. a two day rainstorm for the sewer system or a 24-hour maximum day demand on the water system). In 2014, the sewer model was re-calibrated and the water model updated with new demands. For the 2035 sewer analysis, the sewer model was loaded with the anticipated developments, summarized in **Table 1**.

Water System Analysis

The Meadowood development can have two water supply sources, originating from the First and Second aqueducts, respectively, to provide supply reliability during scheduled shutdowns. **Figure 2** presents the Meadowood development project area as well as the surrounding RMWD water facilities. Shown on the figure is the plan for water service which includes new connections to existing and planned RMWD water facilities and a FCF between RMWD and VCMWD to control water supply on a daily basis. At this location the VCMWD water system would be master metered, with SCADA control.

As shown on **Figure 2**, two existing RMWD supply sources have been identified as the primary sources of supply for the project; those sources are Connection #10 off of the SDCWA First Aqueduct, which is supported by the Rice Canyon Tank (4.0 MG), and Connection #7 off of the SDCWA Second Aqueduct, which is supported by the Pala Mesa Tank (6.0 MG). Existing transmission pipelines from the aqueduct connections to the tanks and into the project will be used to provide maximum day water supply to the project.

The critical hydraulic condition to be met is supplying or delivering the maximum day water demand for the project through the RMWD water system. Under this condition, and assuming VCMWD provides the proposed water storage, water system design criteria for the Meadowood project could be met including, peak hour, max day plus fire flow, and tank filling conditions. A demand of approximately 500 gallons per minute (gpm) was used as the maximum day demand for the project, based on the project's estimated average day demand of 0.38 million gallons per day (mgd) (260 gpm or 425 acre-feet per year), and a system-wide maximum-day peaking factor of 1.9.

Two of the SDCWA water supply sources, Connection #10 and Connection #7, connecting from the First and/or Second aqueduct, respectively, were considered an alternative source to supply the project. Each source was analyzed for its ability to supply the project with a maximum day constant flow and the project would be required to provide adequate storage to serve daily peaking and emergencies. **Figure 2** illustrates the existing and proposed water supply sources for the project.

RMWD's Rice Canyon Tank (4.0 MG), which lies immediately north of the project boundary and receives its supply from Connection #10, would be the required connection point for the project to the RMWD system. This tank is not currently heavily utilized and the additional demands on the tank would likely provide RMWD with positive benefits in managing water quality. If VCMWD connects directly to the RMWD system further south and east of the project boundary, RWMD may run the risk of short-circuiting the tank and creating water quality problems, with the majority of the supply serving the project coming directly from Connection #10. One alternative, if this southerly connection is preferred, would be to construct a separate outlet pipeline from the tank to the VCMWD connection location.

The Pala Mesa Tank (6.0 MG), which lies west of the project and I-15, receives its flow from Connection #7. This water source and pressure zone (897) will serve as a secondary or redundant supply for the project. Transmission mains from the Pala Mesa Tank leading to the project are 18-inch and 12-inch, and based on the InfoWater modeling analysis have adequate capacity to deliver an additional 500 gpm of supply without adversely affecting the existing zone.

The hydraulic analysis confirms that with a new 12-inch supply line from Rice Canyon Tank, completion of the Pala Mesa Tank supplied water mains across SR-76 to the project, and new

VCMWD water storage on site, RMWD can provide adequate supply and meet its water system design criteria.

It is likely feasible that RMWD could provide operating storage and fire flow to the project without significant upgrades to its existing system, which would provide the project with the possibility of reducing the amount of on-site storage that is currently required. This analysis may be further refined and investigated in the Master Plan as part of RMWD's updated water storage and supply reliability evaluations.

Sewer System Analysis

The Meadowood development has two options for transportation and disposal of wastewater generated within the project area: build a water reclamation plant on site as analyzed in the project EIR or connect to the RMWD wastewater trunk sewer system. This section analyzes the possible impacts of the project on RMWD's existing and planned wastewater infrastructure.

The addition of the project's wastewater flows into RMWD's system will impact the trunk sewer system as shown on **Figure 3**. For the analysis, sewer reaches were numbered for the purposes of segregating the impact of the project on various segments of the trunk sewer system. For the purpose of the sewer hydraulic analysis, a reach is defined as a segment of trunk sewer in which there are no variations in flow into the sewer.

The analysis of the impact of the Meadowood development on the RMWD wastewater conveyance system was performed using RMWD's InfoSewer hydraulic model which was calibrated to an extensive sewer flow meter program conducted in 2009 and updated to simulate 2035 conditions. In addition, PWWF data from a December 2010 storm event was used to develop an existing and 2035 PWWF design conditions.

Projected sewer flows of 0.28 mgd were initially reviewed from the 2009 Dexter Wilson study prepared for the developer. This flow equates to a per equivalent dwelling unit (EDU) generation rate of approximately 325 gpd per EDU based on a total of 850 EDUs currently projected by the developer. Based on discussions with VCMWD, a 200 gpd per EDU sewer generation rate was used resulting in a revised project sewer flow of 0.17 mgd (118 gpm).

All flows generated in the development area will be conveyed to the proposed Pankey SLS which is being constructed by Campus Park (Horse Creek Ridge) to serve development within the RMWD service area that is adjacent to the project area. Improvement plans for trunk sewers and the Pankey SLS have been prepared. The planned construction of the Pankey SLS will allow for the conveyance of wastewater across the I-15 from new development. Additionally, RMWD plans to divert wastewater from the existing Plant B Interceptor Sewer to the Pankey SLS and abandon this sewer. Since the project comes into the RMWD system at nearly the farthest point from the land outfall, nearly the entire sewer trunk system must be analyzed for impact of the project's flows.

Based on the 2014 calibrated sewer model, the District's system is currently at capacity under existing PWWF for several interceptor reaches. The District is moving forward with planned upgrades to alleviate the capacity concerns as identified in the previous master plan within SR-76 and North River Road, which also included upgrades to SLS No. 1. It is assumed that occupancies for the project will occur after RMWD has completed these upgrades. The sewer analysis, therefore, assumes updated 2035 peak wet weather flows plus Meadowood flows, and the 2006 Master Plan sewer improvements in place. Based on the projected flows from each anticipated development listed in **Table 1** and the existing flows, approximate flow for each reach

of the sewer system was determined (**Table 2**). Also presented in **Table 2** are the anticipated flows from Meadowood and their percent flow of each major reach. **Table 3** presents a status of each major reach of trunk sewer, and identifies the reaches planned for upgrades.

Under year 2035 PWWF conditions, the hydraulic analysis showed the project's sewer flows caused minor surcharging in sewer reaches 10 to 14 (see **Figure 3**). The volume of flow conveyed to the Pankey SLS during a PWWF event, required that the SLS operate two pumps, which increased flows through the interceptor system. Incremental upsizing of reaches 10 to 14 will alleviate the surcharging. Additional review is recommended at the Pankey SLS to ensure the wet well levels and pump flows which are simulated are consistent with the latest SLS design. In summary, the sewer model simulations confirm that under 2035 peak wet weather conditions, RMWD can convey sewer flows from the project via the Pankey SLS with an upgrade in diameter (18-inch to 21-inch) of the proposed CIP sewer reaches 10 to 14 and meet its sewer system design criteria. The analysis also assumes RMWD moves forward with the proposed CIP North River Road reach 15 (30-inch) and SLS No. 1 upgrades.

Table 2 Existing and Projected Average Annual Sewer Flow by Reach

Reach Name	Existing Flow (gpm)	Projected Flow Developed within Reach (gpm)	Cumulative Flow into Reach (gpm)	Cumulative Flow out of Reach (gpm)	Meadowood Flow in Reach (gpm)	Meadowood % of Flow in Reach (%)
Reach 1	47	47	0	47	0	0%
Reach 2	0	482	47	529	118	26%
Reach 3	91	119	529	647	118	26%
Reach 4	75	88	647	735	118	21%
Reach 5	38	38	735	773	118	18%
Reach 6	10	10	773	784	118	17%
Reach 7	12	12	784	796	118	17%
Reach 8	60	62	796	857	118	16%
Reach 9	2	2	857	859	118	15%
Reach 10	1	1	859	860	118	15%
Reach 11	10	12	860	872	118	15%
Reach 12	2	11	872	883	118	15%
Reach 13	93	168	883	1051	118	15%
Reach 14	27	73	1051	1124	118	12%
Reach 15	12	12	1124	1136	118	11%
Pankey SLS				529	118	26%
SLS #1				1051	118	12%
SLS #2				1124	118	11%

Table 3 Trunk Sewer Reach Pipeline Status

Reach Name	Affected Pipe Length (ft)	Existing Pipe Size(s) (in)	Master Plan Pipe Size(s) (in)	Proposed Pipe Size(s) (in)	Pipeline Status
Reach 1	--	--	--	--	Existing
Reach 2	--	--	--	--	To Be Built by Developer
Reach 3	2,871	21	21	21	Existing
Reach 4	12,058	24, 21, 18	24, 21, 18	24, 21, 18	Existing
Reach 5	931	12	18	18	Under Construction
Reach 6	1,708	12	18	18	Under Construction
Reach 7	5,028	12	18	18	Under Construction
Reach 8	1,332	12	18	18	Under Construction
Reach 9	1,320	12	18	18	Under Construction
Reach 10	491	12	18	21	Planned CIP
Reach 11	1,766	12	18	21	Planned CIP
Reach 12	945	12	18	21	Planned CIP
Reach 13	3,850	12, 15	18	21	Planned CIP
Reach 14	7,418	15	18	21	Planned CIP
Reach 15	16,003	15	30	30	Planned CIP

CAPACITY AND O&M CHARGE CONSIDERATIONS AND DRAFT FRAMEWORK – WATER

If supplied via RMWD facilities, the primary water supply for Meadowood would be from the northeast via RMWD’s Connection #10 and the Rice Canyon Tank with a redundant supply from the southwest via the Pala Mesa Tank and recently constructed conveyance improvements associated with the neighboring Campus Park development. The proposed water supply from RMWD would provide the development with the ability to access operational and/or emergency storage as well as delivering average-day to maximum day flows. RMWD becomes a direct provider of water to VCMWD and will need to recover capital costs for the share of system capacity dedicated to the project, and associated O&M costs.

Operation and Maintenance Costs (Delivery Charges)

RMWD should recover costs for O&M as a delivery charge for use of a portion of the water system. There are number of methodologies to estimate delivery costs. The recommended delivery charge to VCMWD is based on the following assumptions:

- This O&M cost includes pipelines, tanks, pump stations, PRSs, valves and water quality sampling and is exclusive of water purchases.
- A new operating cost has been included to maintain and monitor the two new FCFs which will service the project. This maintenance and monitoring may be performed by RMWD or possibly by the SDCWA. This analysis assumes that RMWD will maintain and monitor the meters and that VCMWD will pay the RMWD approved operating costs of two 6-inch meters.
- **Table 4** includes a summary of the proposed Monthly O&M Charges per Table 6-4 of the Raftelis Financial Consultants (RFC) Potable Water Cost of Service Study, which was performed concurrently with this study. The applicable portion of the proposed charges is the Meter Component, which is proposed to be \$33.44 per month for a 1” meter.

- The delivery costs (**Table 4**) for VCMWD are estimated to be approximately \$362,000 per year based on 850 units with 1-inch meters and 2 6-inch meter connections to the RMWD system.

O&M Charge	Proposed Cost
Meter Component per Unit ⁽¹⁾	\$33.44
Connection Meter Component ⁽²⁾	\$869.55
Estimated Annual O&M Charge ⁽³⁾	\$362,000

⁽¹⁾ Meter Component O&M Charge shown is for a single 1-inch meter for a single month per the RFC Potable Water Cost of Service Study. Project contains 850 1-inch meters.
⁽²⁾ Meter Component O&M Charge shown is for a single 6-inch meter for a single month per the RFC Potable Water Cost of Service Study. Project contains two 6-inch meters at the connection points to RMWD.
⁽³⁾ Annual cost is the cost for 850 1-inch meters and two 6-inch meters for 12 months at the proposed Meter Component of the O&M Monthly Fixed Charges in the RFC Potable Water Cost of Service Study.

Capital Costs (District Connection Fee)

RMWD should recover costs for providing water capacity to VCMWD in RMWD’s existing infrastructure and future capital improvements that benefit VCMWD. As part of VCMWD, Meadowood would be constructing a retail water distribution system including tanks, pipelines and other water appurtenances. It is presumed these capital costs will be in lieu of paying any connection fees to VCMWD, since no water system exists in the area. The project is exploring a connection to the existing RMWD water system in order to receive service and it is recommended that the District’s existing Capacity Fees be applied to the project. By connecting to the RMWD system, the development would be benefiting from the whole RMWD water system. The District will be updating its Capacity Fees in 2016. The amount of a full retail RMWD water capacity fee for a 1” meter is \$14,422 per EDU. Should VCMWD provide, install and inspect the meters, the full retail cost would be reduced by the cost charged by Rainbow to provide or perform those items. The combined charge for a 1” meter (\$225) and inspection of the installation (\$1,100) is \$1,325. Subtracting this cost from the full retail charge of \$14,422 reduces the capacity fee to \$13,097.

CAPACITY AND TRANSPORTATION CHARGE CONSIDERATIONS AND DRAFT FRAMEWORK – SEWER

The cost basis for sewer primarily includes transportation costs associated with the O&M of the RMWD trunk sewer system, including the existing and proposed sewer lift stations to convey sewer flows through RMWD. There are numerous methodologies to recover transportation costs. This study primarily bases transportation costs on a proportional share of flow through the system. In addition, cost contributions toward necessary RMWD CIP trunk sewer and lift station improvement projects required to be upsized in order to serve the project are included in addition to the District’s existing system buy-in cost. VCMWD must acquire wastewater treatment and disposal capacity directly from Oceanside and therefore no costs to/from RMWD are included for acquisition of treatment plant capacity or transportation costs through Oceanside’s system.

Operation and Maintenance Costs (Transportation Charges)

The recommended transportation cost is based on the following assumptions and calculations:

- A major share of the annual O&M sewer system costs, including RMWD administration costs and depreciation, allocated to the sewer account.

- This O&M cost includes trunk sewers, collection sewers, and lift stations, but is exclusive of O&M costs paid to Oceanside for treatment and disposal.
- RMWD (and Oceanside) will require metering and measurement of wastewater strength at each connection to the RMWD system as RMWD is billed for strength and flow from the City of Oceanside.
- The proposed transportation cost for VCMWD would be proportioned on a per gallon basis for the use of the sewer system that recognizes VCMWD would have very little sewer system to maintain and would be a very large user of the RMWD system. Most of RMWD O&M costs are attributed to the interceptors and lift stations, which VCMWD would access and contribute proportionally based on the amount of flow contributed to the system.
- Trunk sewer reaches 1 through 15 (**Figure 3** and **Table 3**) are the primary facilities for assigning transportation costs and includes three lift stations and force mains.
- **Table 5** presents a summary of the 2014 operating costs for the RMWD sewer system, excluding operating costs paid to Oceanside. The total annual cost, with depreciation, excluding Oceanside, is to be an estimated at \$1,995,500.
- The District currently has an average sewer flow of 0.7 MGD. Therefore the unit operating costs for the RMWD system is approximately \$2,851,000 per MGD. The project would add an additional 0.17 MGD at \$2,851,000 per MGD (see **Table 5**).
- Based on this methodology, potential transportation costs would be on the order of magnitude of \$485,000 per year, which equates to approximately \$570 per year per DU.

Table 5 Sewer System Transportation Costs

Operating Expense ⁽¹⁾	Sewer System Cost ⁽²⁾
Sewer Services ⁽³⁾	\$899,824
Administrative and General	\$601,407
Depreciation	\$494,283
Total	\$1,995,514
FY 2013-14 Average Sewer Flow (mgd)	0.70
Cost per MGD	\$2,851,000
Proposed Project Flow	0.17
Estimated Annual Transportation Charge	\$485,000

⁽¹⁾ Where applicable, operating costs split between the water and sewer systems based upon the length of pipe. The water system accounts for approximately 85% of the total amount of pipe within RMWD, the sewer system the other 15%.

⁽²⁾ Operating expenses based on the RMWD FY 2013-14 Report on Examination of Financial Statements, audit by Hosaka, Rotherman & Company

⁽³⁾ Sewer Services cost has been reduced by \$864,000, which is the approximate annual cost of transmission to and treatment by the City of Oceanside

Note: The estimated annual costs and associated information presented in this table are presented to demonstrate the proposed methodology for calculating annual O&M costs and the approximate annual cost to the project under that methodology

Capital Costs (District Connection Fee)

RMWD should recover costs for providing sewer conveyance capacity to VCMWD in RMWD's existing infrastructure and future capital improvements that benefit VCMWD. Specifically, the District's sewer policy Section 9.13.010 states:

“...the District may establish by agreement or Resolution the fees and charges it deems appropriate that shall be imposed for providing sewer services to premises located outside the District provided, **that such fees and charges shall not be less than would apply to similar service within the District...**”

As part of VCMWD, Meadowood must construct a sewage collection system. It is presumed these capital costs will be in lieu of paying any sewer system connection fees to VCMWD, notwithstanding Oceanside treatment and disposal costs. VCMWD would acquire capacity in Oceanside's wastewater treatment, conveyance, and disposal system by paying capacity fees to Oceanside. The project is exploring a connection to the existing RMWD sewer system in order to transmit its wastewater to Oceanside and it is required that the District's existing Capacity Fees be applied to the project. The District will be updating its Capacity Fees in 2016. The current out of District connection fee for this project is the existing Capacity Fee (\$18,190), less the cost of treatment and disposal at Oceanside (assumed to be \$5,000 per EDU), less the cost of lateral inspection (\$1,100 per EDU) and plus the expansion component (\$4,300 per EDU) resulting in a total connection fee of \$16,390 per EDU (see **Table 7**).

Table 6 Sewer System Expansion Projects

Project Description	Estimated Cost	Meadowood % Responsible	Proposed Cost
Planned New Construction			
CPW Sewer and Forcemain Reimbursement ⁽¹⁾	\$1,714,096	31%	\$218,000
Pankey SLS	\$3,500,000	26%	\$916,000
Subtotal			\$1,201,000
Planned and Required Upgrades			
Reach 10-14 - Increase CIP Pipeline Size from 18" to 21" to Increase Available Capacity	\$541,000	100%	\$541,000
Reach 14 - Increase LS #1 Capacity	\$177,000	100%	\$177,000
Reach 15 ⁽²⁾ - Planned Upgrade of Existing 15" to 30" to Provide Ultimate Capacity	\$13,300,000	11%	\$1,466,300
Subtotal			\$728,000
Total			\$3,623,000⁽³⁾

⁽¹⁾ Cost and Meadowood allocation from DR Horton Sewer Amendment, Exhibit 6

⁽²⁾ Cost estimate cited from Tetra Tech Preliminary Design Report, Oct 2013

⁽³⁾ Expansion component for Meadowood equals \$4,300 per EDU (\$3,623,000 per 850 EDUs).

Table 7 Out of District Sewer Connection Costs

Asset	Cost/EDU
Existing Capacity Fee ⁽¹⁾	\$12,090
Expansion Costs	\$4,300
Total Connection Fee	\$16,390

⁽¹⁾ Excludes Investments in Sewer Rights (Oceanside treatment) and inspection cost

District Policy Review

In order to ensure equitability for new customers when compared to existing RMWD customers and other developments in this area, the District has indicated that it must follow existing policies related to out of service fees and charges. Specifically, the District's sewer policy Section 9.13.010 states:

“...the District may establish by agreement or Resolution the fees and charges it deems appropriate that shall be imposed for providing sewer services to premises located outside the District provided, **that such fees and charges shall not be less than would apply to similar service within the District...**”

This policy requires the District to charge the current sewer capacity fee of \$17,090 per EDU for VCMWD to connect to the sewer system which would include sewer conveyance, treatment, and disposal. However, VCMWD has indicated that they will separately negotiate treatment and disposal costs with Oceanside. Therefore it appears fair and reasonable that the “buy-in” portion of the capacity/connection fee for VCMWD could be reduced appropriately for treatment and disposal and would not be construed as charging less than existing customers.

RMWD is currently in the pre-design phase for its own water reclamation facility that would treat all wastewater locally and end the arrangement with Oceanside. This project was contemplated in the agreement between VCMWD and RMWD to conduct this study. In this agreement, VCMWD agreed to send wastewater to a potential future RMWD water reclamation plant on the condition that the treatment capacity and O&M costs would not exceed those charged by Oceanside. Any out of service area agreement that may arise from this study will need to quantify with some precision what the costs for the City of Oceanside are and should the RMWD plant go forward these costs would be added back in to the capacity fee for the Meadowood project.

Although no specific water policy was found, it is likely that the District Board of Directors would apply similar guidelines and principles to the water buy-in fee component. To charge a significantly lower capacity fee for permanent out of service area connections to the RMWD system could expose RMWD to significant risk of lawsuits of equity from neighboring developments and/or the Building Industry Association. If the proposed connection were temporary a different argument could be made, however since this connection is proposed to be in perpetuity then the principle of equity would most likely be adhered to by the District Board.

Since there is no RMWD treatment portion of a water capacity fee, and since that fee is collected separately by the San Diego County Water Authority (SDCWA), the full water capacity fee, currently \$13,097 per EDU (1-inch meter) could be charged to VCMWD for connecting to the RMWD water system.

It should be noted here that RMWD will be revising its capacity fees upon the completion of the 2016 Water Master Plan and these changes will likely conform to the hybrid methodology described in the Raftelis report. It is expected that the revised capacity fees should be completed in the Spring of 2016. To support the revision of Capacity Fees which will take place next year, RMWD has also initiated an Asset Valuation Study which will review and revise the value of existing assets as necessary. For these reasons, the numerical values for capacity fees outlined in this report are subject to change.

In summary, Raftelis has made recommendations for the development of updated Capacity Fees which include using the buy-in and incremental expansion methodologies. Analyses presented in previous versions of this report presented attempts to calculate an updated Capacity Fee for

the Water and Sewer systems based upon information which is currently under review by the District and likely to change. For this reason, those analyses have been removed from this study in favor of enforcing the District's existing Capacity Fees until fully updated Capacity Fees have been generated by the District.

Based on the sewer policy above, the District could adopt an out of service capacity/connection charge that is equivalent to what new customers within RMWD would pay to connect to the existing systems. The capacity fees charged to VCMWD could be as follows:

- A sewer capacity fee based on the existing capacity fee (\$18,190 per EDU) less the cost of treatment and disposal to Oceanside for VCMWD (assumed at \$5,000 per EDU), less the cost of inspection (\$1,100 per EDU) and including the cost of expansions to the system required to serve the project (\$4,300 per EDU) resulting in a **sewer capacity fee charged to VCMWD of \$16,390 per EDU.**
- A water capacity fee based on the existing capacity fee (\$14,422 per EDU) less the cost of meter materials and installation inspection resulting in a **water capacity fee charged to VCMWD of \$13,097 per EDU.**

Until the District updates its capacity fees, which is anticipated in the Spring/Summer of 2016, VCMWD could be subject to the current capacity fees for obtaining service, unless otherwise approved by the District Board.

TECHNICAL REVIEW AND RESPONSE TO COMMENTS

A preliminary analysis was prepared and submitted to RMWD on August 14, 2015 and subsequently provided to VCMWD and the Meadowood project consultant for review. These are attached as Appendix A.

SUMMARY AND CONCLUSIONS

In summary, the analysis examines the feasibility and costs of a possible interagency service arrangement between the VCMWD and RMWD for the provision of water and sewer service to the proposed Meadowood development and offers the following conclusions:

- The arrangement is feasible with various facility upgrades and connecting pipelines.
- Both the water and sewer service connections are subject to the District's existing Capacity Fees, which are scheduled to be updated in 2016.
- Preliminary transportation and delivery costs are presented to provide a fair share annual cost opinion to convey water and sewer flows through the existing RMWD systems. This analysis is subject to further refinement based on updated operating costs and review by both agencies.
- This analysis, presenting the upfront and annual costs to connect to the District's water and sewer systems, appears to be favorable to constructing a new VCMWD wastewater treatment plant at the project site and new VCMWD water supply facilities from the SDCWA aqueduct and storage facilities on the project sight.

Tom Kennedy
Rainbow Municipal Water District
February 10, 2016
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- The master plans will also evaluate options for RMWD wastewater reclamation and recycled water development, which may provide water management and efficiency benefits to both agencies.

We appreciate the opportunity to assist RMWD and VCMWD in the analysis and look forward to receiving your comments. Please call me at 858.514.1042 if you have any other questions.

Respectfully submitted,

A handwritten signature in black ink that reads "Robert J. Warren".

Robert J. Warren, PE
Project Manager

APPENDIX A

VCMWD Comments

Comments were initially received from VCMWD at a July 30, 2015 meeting and formally provided to the District in memorandum on September 22, 2015. The comments have been reviewed and considered in this revised analysis.

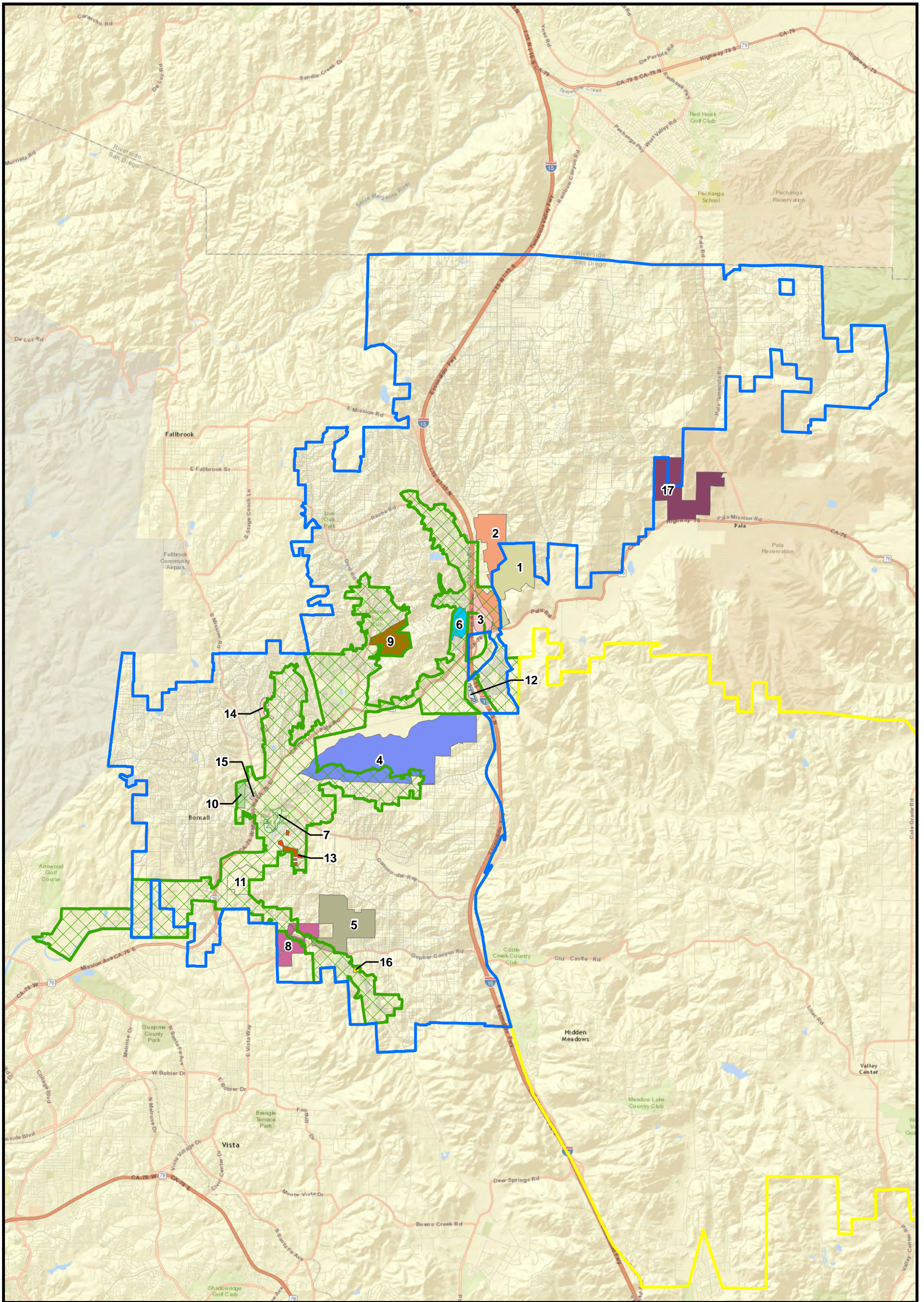
Financial Peer Review

As part of the response to VCMWD, Atkins retained the services of a financial consultant (Raftelis) to provide an independent review of the proposed analysis and methodologies for the estimated water and sewer connection or capacity fee. Their primary objective:

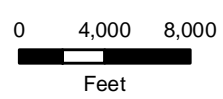
- Provide input and guidance on industry standard “Out of District/Service” connection fees for fair and equitable recovery of capacity costs.
- Provide response on VCMWD comments related to inclusion of depreciation in the buy-in component as well as input on a proportionate share of the water and sewer systems for the buy-in component.
- Provide an opinion on a component “buy-in” charge for District customers, although that methodology is currently not the current District wide capacity fee basis.
- Summarize independent recommendations in a memorandum.

The Memo dated October 21, 2015 by Raftelis summarizing findings and recommendations has been attached to this revised analysis. Key highlights:

- The “Hybrid Methodology” was confirmed for the capacity or connection fee charge for VCMWD for both water and sewer systems. This includes both a “buy-in” component and an expansion component.
- The “buy-in” component should include asset replacement cost less depreciation (RCLD) as this is a more reasonable and defensible approach and addresses that the system is not new and has been used by all current users.
- The “buy-in” fee should also include current reserve balances and outstanding debt for their respective systems in the calculation.
- The equivalent dwelling units (EDUs) for the water connection fee should be based on the water meter equivalency of each existing connection. Meter equivalency standards are provided by the American Water Works Association (AWWA). This analysis would provide more clarity to the definition of an EDU and would be more equitable, recognizing that existing agriculture users in the District have access to several times more capacity with larger water meters than a typical single family units
- The entire existing water and sewer systems should be considered in the analysis, not a portion of the system based on miles of pipe or number of pumps used. The premise is that new customers, especially those who are out of District, are on par with all existing customers that have benefited from the whole systems.



RMWD Boundary	Morris Ranch
VCMWD Boundary	Olive Hill Estates
Existing Sewer Area	Pala Mesa Highlands
Campus Park West	Polo Club
Dulan	Silver Holdings
Golf Green	Vessels
Horse Creek Ranch	Vista Valley Country Club
Hidden Hills	Warner Ranch
Malabar Ranch	Leatherbury
Meadowood	Lake Vista Estates

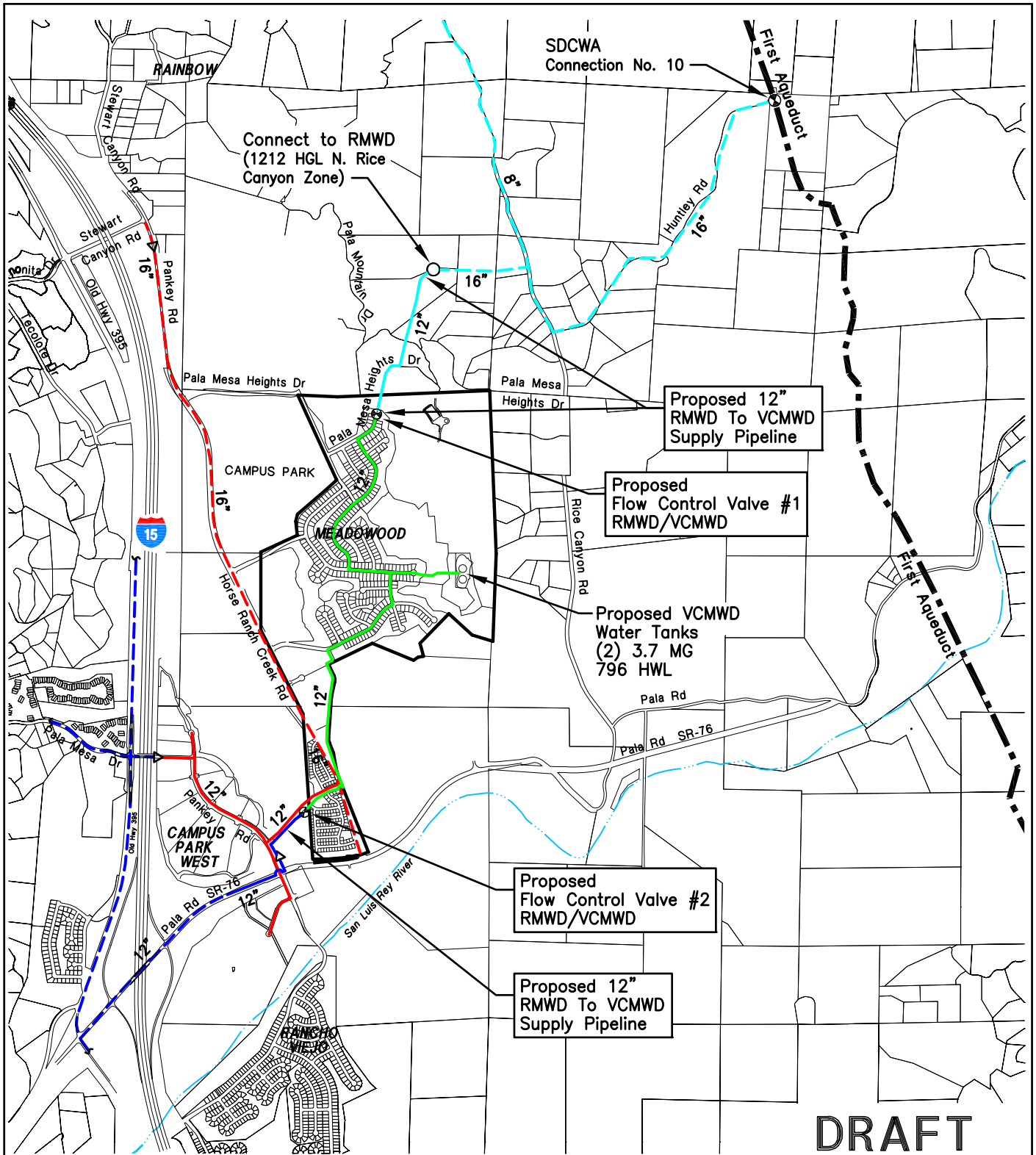


ATKINS

**Figure 1
Rainbow Municipal Water District
Water and Sewer Service Areas and
2035 Planned Developments**

Prepared By: voro5913	Scale: 1"= 9000'
Job No.: 100032829	Date: 7/16/2015

File: N:\Clients\Q_R\Rainbow_Muni_Water_Dist\100032829\geol\figs\Anticipated_Development_vr3.mxd



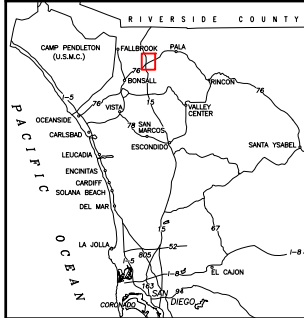
DRAFT

ATKINS

Figure 2

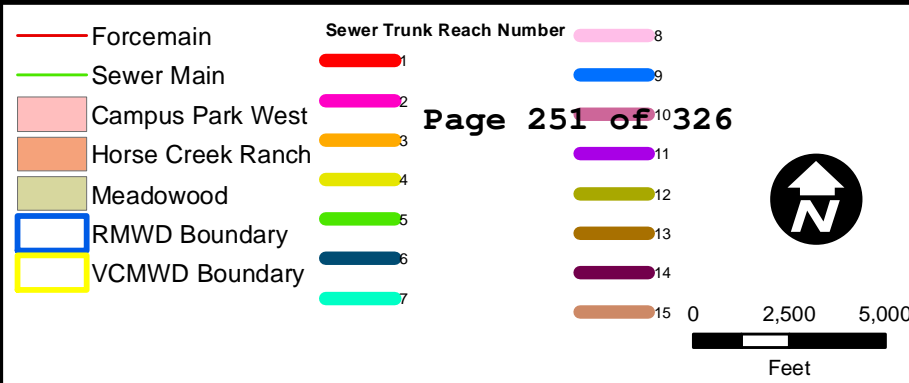
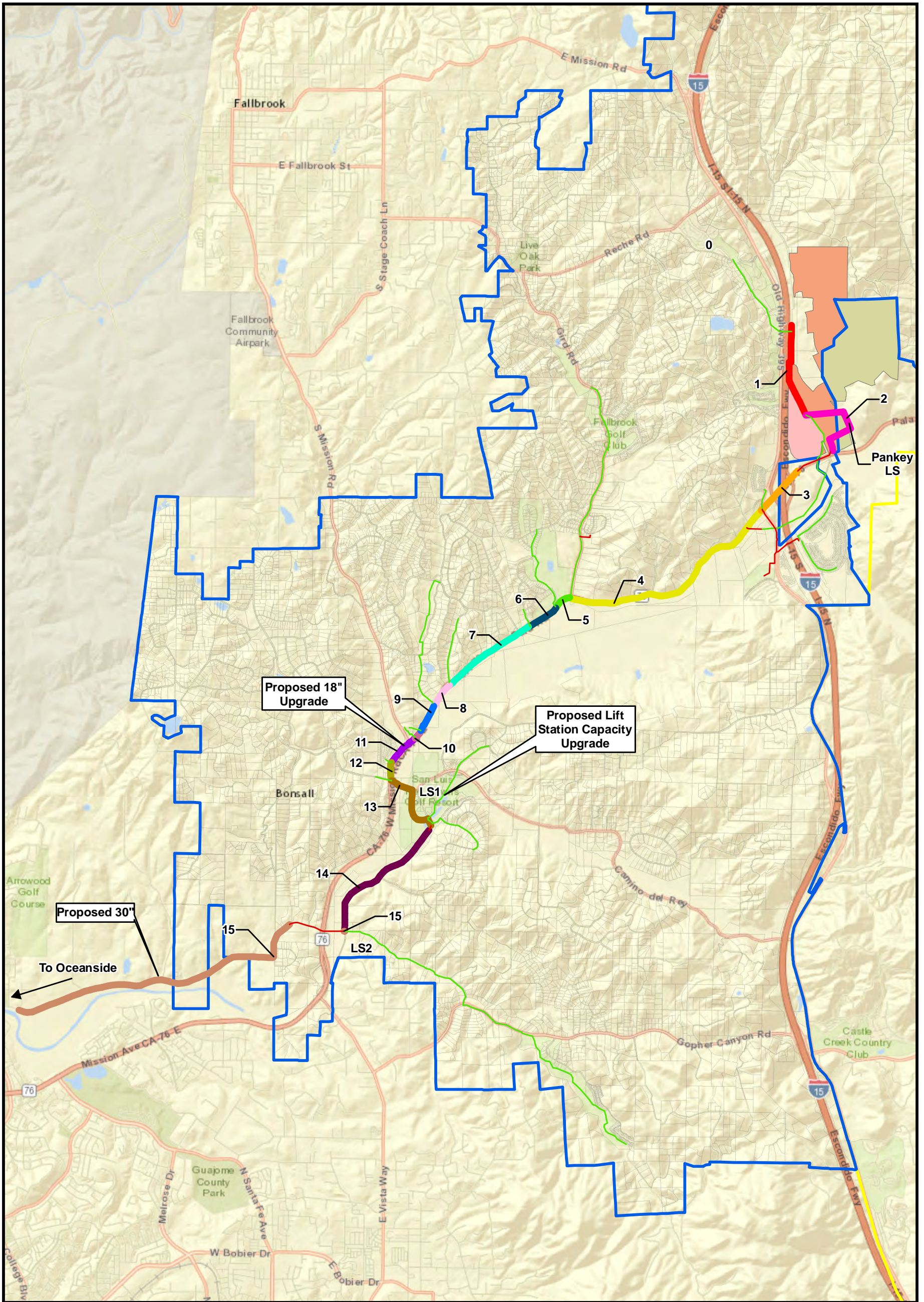
**PROPOSED
RMWD TO VCMWD
WATER SERVICE PLAN**

Prepared by: leal5448	Scale: 1"=2400'
Job No.: 100032829	Date: 7/7/2015



	EXISTING 660 CAMPUS PARK
	EXISTING 897 BECK ZONE
	EXISTING 1212 ZONE
	PROPOSED 660 ZONE
	PROPOSED 796 ZONE (VCMWD)
	PROPOSED 1212 ZONE
	PRS
	FLOW CONTROL

0 2400 Feet



ATKINS

Figure 3
Trunk Sewer Reaches
Rainbow Municipal Water District

Prepared By: voro5913	Scale: 1" = 5000'
Job No.: 100032829	Date: 7/16/2015

File: N:\Clients\Q_R\Rainbow_Muni_Water_Dist\100032829\geo\figs\Pipeline_Reaches_vr3.mxd



VALLEY CENTER MUNICIPAL WATER DISTRICT

A Public Agency Organized July 12, 1954

Board of Directors
Robert A. Polito
President
Randy D. Haskell
Vice President
Enrico P. Ferro
Director
Daniel E. Holtz
Director
Oliver J. Smith
Director

February 13, 2019

Tom Kennedy, General Manager
Rainbow MWD
3707 Old Highway 395
Fallbrook, CA 92028

Subject: Water and Wastewater Service to Meadowood

Dear Tom;

Thanks for meeting with us yesterday. It was a great conversation about the potential for two water agencies to work together to the mutual benefit of our respective customer bases. This letter is to memorialize some of the points we discussed.

With respect to the Meadowood Project, we are very close to determining the specifics of how VCMWD will provide water and wastewater service to this development.

Water Service

Water will be extended from the District's VC- 3 Service Zone, north on Couser Canyon Road, tying in with a line to be brought down Double Tree Canyon Road and then on to Highway 76. It will then proceed overland to the designated location for the storage reservoirs to serve the development. This approach has several positive aspects:

- There is excess capacity at VC-3 aqueduct connection;
- Water can be delivered by gravity to the proposed Meadowood Reservoirs; and
- Connecting the two systems in Couser and Double Canyon will improve water quality and service redundancy in that portion of the District.

Wastewater Service

Wastewater service will be provided at the District's Lower Moosa Canyon Water Reclamation Facility. Though the plans and alignments have not been finalized, the current approach is to build a Force Main from Meadowood to Lower Moosa Canyon, expand the treatment and disposal capacity, and upgrade the treatment levels of the current facility. Though requiring a relatively long Force Main, this approach will:

- Provide an opportunity to make capacity and treatment upgrades and general improvements at the Lower Moosa Canyon facility;
- Approximately 20% to 50% of the Force Main for Meadowood (depending on the final development plan for Lilac Hills Project) could be jointly developed and used to connect the proposed Lilac Hills Project to the Lower Moosa Canyon Facility; and

- Retain control over use of the roughly 190 AF of advanced secondary or tertiary water for beneficial uses in the District service area.

Finally, both approaches can be accomplished for less capital outlay for Pardee than was identified in the June, 2015 “Water and Sewer Analysis for the Meadowood Project” Atkins North America, Consulting Engineers, and later updated in the June, 2017 Water and Sewer Capacity Fee Review by Raftelis Financial Consultants.

As stated above we are close to finalizing the method of serving the water and wastewater needs of Meadowood, but we are not past the point of no return on either service.

2013 Memorandum of Understanding and 2015 Pre-Service Agreement

As we discussed yesterday, there is time to dust off the November 2013 Memorandum of Understanding and the June 2015 “Pre-Service Agreement Between Rainbow Municipal Water District and Valley Center Municipal Water District” (copies of both attached) which conceptualized RMWD providing services to VCMWD for the Meadowood Development. Without going into great detail, this Pre-Service Agreement identified several aspects of service through Rainbow for Valley Center which:

- Provided infrastructure capital investment opportunities from VCMWD to RMWD to assist in the needed improvement of the Rainbow Trunk Force Main to Oceanside,
- Operational and Maintenance efficiencies;
- Rainbow retaining control of the wastewater for potential future use in the Rainbow Service Area;
- Overall cost savings for both the Rainbow and Valley Center customer bases; and
- Two water agencies working cooperatively to maximize the use of public infrastructure to the benefit of their respective customers.

However, consideration of those potential ancillary benefits, unfortunately, was not reflected in the 2015 Atkins report. We would hope that your agency might be able to re-evaluate the cost of water and wastewater service to Valley Center MWD for Meadowood in light of and reflective of the spirit of the 2013 Memorandum of Understanding and 2015 Pre-service Agreement and the benefits described above to be realized by Rainbow.

Conclusion

Valley Center and Pardee will keep moving forward on finalizing the alignments, right of way, environmental documentation and the methods of water and wastewater service to Meadowood from Valley Center. As such, if Rainbow is able review its approach providing either water or wastewater service or both to Valley Center for Meadowood, time is of the essence.

Again, we want to thank you for meeting with us to discuss this issue. We look forward to your timely response.

Sincerely;

A handwritten signature in blue ink, appearing to read 'Gary Arant', with a stylized flourish at the end.

Gary Arant
General Manager

Attachment

cc: VCMWD Board of Directors
Dexter Wilson, Wilson Engineering

**PRE-SERVICE AGREEMENT BETWEEN
RAINBOW MUNICIPAL WATER DISTRICT
AND
VALLEY CENTER MUNICIPAL WATER DISTRICTS**

THIS AGREEMENT is made and entered into as of January 6, 2015, by and between VALLEY CENTER MUNICIPAL WATER DISTRICT, a municipal water district of the State of California (hereinafter referred to as "VCMWD"), and RAINBOW MUNICIPAL WATER DISTRICT a municipal water district of the State of California (hereinafter referred to as "RMWD"), in view of the following facts:

RECITALS

- A. RMWD and VCMWD are public water and wastewater agencies with adjacent and co-terminus service area boundaries located along the I-15 Corridor and more specifically near the I-15 and State Highway Route 76 Intersection (hereinafter referred to as the "Subject Area"), as depicted in Exhibit "A" attached hereto and by this reference incorporated herein;
- B. Planned and approved residential and commercial developments in both the RMWD and VCMWD in the Subject Area will require expanded water and wastewater recycling services;
- C. RMWD and VCMWD, in a Memorandum of Understanding dated November 1, 2013, a copy of which is included in Exhibit "B" attached hereto and by this reference incorporated herein, recognized that for the Subject Area "integrating the water, wastewater, and recycled water infrastructure to serve the developments the infrastructure capital and ongoing operating costs will be lower for both agencies and redundant infrastructure will be eliminated;"
- D. The status of the development in both RMWD and VCMWD in the Subject Area is such that it is prudent to now more closely define how the water, wastewater and recycled water infrastructure will be jointly coordinated, designed, funded, constructed and operated to meet the long term needs of the proposed development;
- E. RMWD and VCMWD agree that timing of the construction of certain water and wastewater facilities in the Subject Area is dependent on the construction of private development projects, and that the timelines of these projects are not controlled by either RMWD or VCMWD.
- F. In the continued spirit of cooperation established in the aforementioned Memorandum of Understanding, RMWD and VCMWD now wish to enter into a **Pre-Service Agreement** which more closely defines how water, wastewater and recycled water services will be provided in this specific area;

- G. **Water Service** – Based upon guidance from the San Diego County Water Authority, wholesale water supplier for both Districts, it has been determined that water service for the Subject Area, and more specifically for the Meadowood Project (hereinafter referred to as the “Project”) located in VCMWD would be most reliably and cost effectively served by connecting the Project’s future storage and distribution system to existing RMWD water lines located to both west and east of the Project. In this manner, existing aqueduct connections and pipelines can be used to serve the Project rather than building new connections and paralleling existing pipelines. At the same time this approach will result in enhanced level water system integration between the 1st and 2nd San Diego Aqueducts as well as between planned and approved developments in the Subject Area, improving overall water service redundancy and reliability for both RMWD and VCMWD.
- H. **Wastewater and Recycled Water Services** – RMWD desires to update its Wastewater Master Plan to determine the feasibility of constructing localized recycled water treatment capacity rather than sending existing and future wastewater flows, including possibly wastewater flows from the proposed Project in the VCMWD service area to the city of Oceanside for treatment. While VCMWD sees the prudence of RMWD undertaking this analysis, it also understands, however, that this analysis and the ultimate of provision of localized wastewater recycling capabilities in RMWD could require a significant period of time to accomplish, extending beyond the timeframe required by VCMWD to confirm how it will meet the long-term wastewater needs of the Project. While fully supporting RMWD’s desire to preserve the option of developing localized recycled water capabilities, VCMWD seeks to secure on behalf of the Project a fail-safe means to meets the Project’s long-term full wastewater treatment and disposal needs.
- I. To this end, through the auspices of VCMWD, the Project will proportionately share in the cost of the pending RMWD Wastewater Transmission Line Upgrade and Relocation Project to contractually secure enough capacity in the RMWD Wastewater Transmission system to convey the full wastewater flow from Project to the City of Oceanside’s San Luis Rey Wastewater Treatment Plant for treatment, disposal and recycling services. VCMWD will also pay ongoing Operations and Maintenance costs for the conveyance system in an amount proportional to the capacity VCMWD uses, as well as costs for managing and monitoring the quantity and strength of wastewater exported by each respective agency. Any future agreement by and between VCMWD and RMWD relating to VCMWD’s wastewater treatment should also include requirements for industrial wastewater and FOG programs in the VCMWD service area. VCMWD will also be solely responsible for obtaining and securing any necessary approvals or consents from the San Diego Local Agency Formation Commission and/or any affected developments or property owners prior to execution of a wastewater services agreement with RMWD. Any agreement for wastewater services between VCMWD and RMWD will be expressly contingent upon prior written approval by the City of Oceanside, pursuant to RMWD’s agreement with the City of Oceanside for wastewater transmission and treatment.

- J. When the Project needs wastewater treatment service:
1. Treatment capacity will be purchased from and operating cost paid to the city of Oceanside for the initial up to full wastewater flows if local wastewater treatment and recycling capacity is not readily available in a timely manner from RMWD; or
 2. Initial or future increments of treatment capacity will be purchased and operating costs paid to RMWD if local wastewater treatment capacity is readily available in a timely manner from RMWD when capacity is needed. Capacity and operating cost paid to RMWD will not exceed those which would have been paid by the Project through VCMWD to Oceanside at the specific time capacity in the wastewater transmission facility is need and purchased from RMWD.
- K. To determine the capabilities of the RMWD water and wastewater systems to accommodate the associated needs of the Project, including the ability of RMWD to send out-of-service area wastewater to Oceanside, as well as the proportional capital and ongoing operating costs associated with Project's use of those systems, both RMWD and VCMWD agree that an engineering analysis should be conducted by a competent and qualified engineer of RMWD's choosing with approval from VCMWD. On a preliminary basis, it is estimated the benefits of this analysis shall be apportioned 75% to VCMWD and 25% to RMWD, with the understanding that this cost apportionment may be adjusted based upon the results of the analysis.
- L. The engineering analysis to be prepared by Rainbow and reviewed by VCMWD shall determine the following:
1. **Water Supply Service:** Proposed water capacity charges to provide VCMWD with 2.0 CFS water supply at two locations; 2.0 cfs from the 1st Aqueduct and 2.0 cfs from the 2nd Aqueduct to meet the maximum day demands for the Meadowood Development.
 2. **Wastewater Service:** The wastewater transmission main capacity charge and proportional capital investment required to provide the necessary capacity to transport Meadowood wastewater flow to the city of Oceanside treatment facilities. Costs should be determined for:
 - a. Shared capacity in the trunk main in Horse Ranch Creek Road;
 - b. Shared capacity in the Lift Station and force main;
 - c. Shared capacity in the Transmission main to Oceanside
 - d. Capacity share should be based on an estimated average daily flow of 170,000 gpd from the proposed Meadowood Development.

3. **Ongoing Operations and Maintenance Costs:** The ongoing operations and maintenance charges for providing water and wastewater capacity to VCMWD for the Project.

AGREEMENT

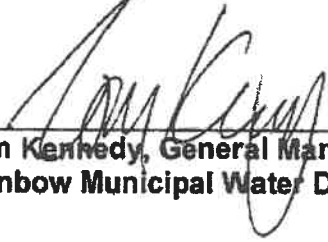
NOW, THEREFORE, IT IS AGREED AS FOLLOWS that:

1. RMWD and VCMWD acknowledge that if both agencies can reach agreement on the apportionment of capital costs, capacity charges, and assignment of ongoing operating and maintenance costs for the proposed water and wastewater treatment, as determined in part by the engineering analysis conducted by RMWD, described in the recitals above, RMWD and VCMWD will negotiate in good faith to enter into a permanent water and wastewater service agreement addressing the issues set forth in the recitals above.
2. Subject to entering into a permanent water and wastewater service agreement as set forth above in the Recitals above, on behalf of the Project, VCMWD would consider participation in a future regional water reclamation facility constructed by RMWD, to meet the mutual water, wastewater and water recycling needs in the I-15/State Highway 76 portion of their respective service areas, provided however, the cost of the Project's participation through VCMWD in this facility would not exceed those which would be ~~incurred by obtaining service from Oceanside.~~
3. Any notice or instrument required to be given or delivered by this agreement may be given or delivered by depositing the same in any United States Post Office, registered or certified, postage prepaid, addressed to:

VCMWD: VALLEY CENTER MUNICIPAL WATER DISTRICT
29300 Valley Center Road
P.O. Box 67
Valley Center, CA. 92082

RMWD: RAINBOW MUNICIPAL WATER DISTRICT
3707 Old Highway 395
Fallbrook, CA 92028

IN WITNESS WHEREOF, the parties have executed this agreement by their duly authorized representative.



**Tom Kennedy, General Manager
Rainbow Municipal Water District**

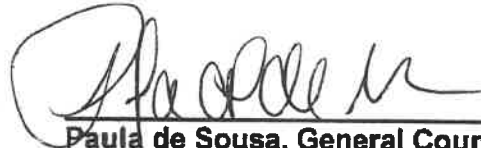


**Gary Arant, General Manager
Valley Center Municipal Water District**

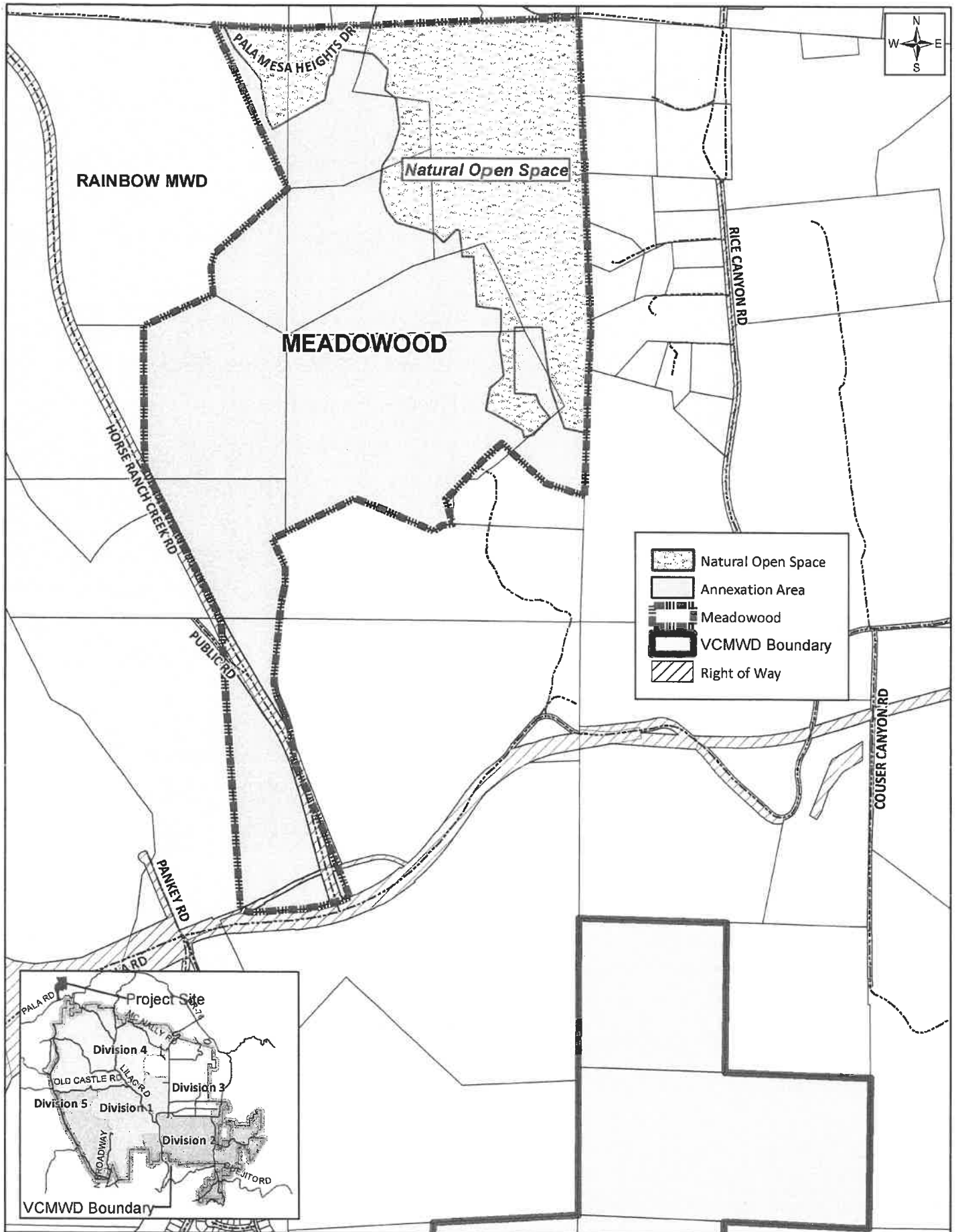
As to form:



**Greg Moser, General Counsel
Rainbow Municipal Water District**



**Paula de Sousa, General Counsel
Valley Center Municipal Water District**



MEMORANDUM OF UNDERSTANDING
FOR JOINT USE FACILITIES
BETWEEN
RAINBOW MWD AND VALLEY CENTER MWD

This Memorandum of Understanding is made and entered into this 15th day of November, 2013 by and between Valley Center Municipal Water District, hereinafter referred to as VCMWD, and Rainbow Municipal Water District, hereinafter referred to as RMWD, both being public agencies operating under the Municipal Water District Law of 1911, Water Code § 71000 et seq. VCMWD and RMWD may be hereinafter referred to collectively as the Parties, or individually as Party.

RECITALS

WHEREAS, RMWD and VCMWD are currently in different stages of reviewing development plans for the Horse Creek Ridge and Meadowood Developments (hereinafter collectively referred to as the Developments, or individually as Development); and

WHEREAS, the Horse Creek Ridge Development is in the RMWD service area and the Parties anticipate that VCMWD will annex the Meadowood Development into the VCMWD service area; and

WHEREAS, by integrating the water, wastewater and recycled water infrastructure to serve the Developments, the infrastructure capital and on-going operating costs will be lower for both agencies and redundant infrastructure will be eliminated; and

WHEREAS, the purpose of this Memorandum of Understanding is solely to set forth the terms and conditions for the Parties to further negotiate in good faith to develop a series of agreements that are anticipated to address all aspects of project development, permitting and implementation for different facilities, and both Parties reserve the right to terminate this Memorandum of Understanding and not enter into any agreement following such good faith negotiations.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, VCMWD and RMWD agree as follows:

The Parties shall negotiate in good faith regarding entering into future agreement(s) subject to the following understandings:

1. Water Delivery Facilities and Service
 - a. If water delivery facilities must be of increased capacity in either Development to serve the other Development, then the Party leading

the review of the Development with needed increased capacity will work with that Development's developer to ensure increased capacity is included in the facility planning documents. The Parties will agree on the additional facilities required and the estimated cost allocation amounts prior to construction. No construction of such additional facilities may be performed unless and until the Parties have entered into an agreement identifying the additional facilities, the capital costs to be reimbursed and the timing of the reimbursement. The Party that will be providing reimbursement will be responsible for securing any reimbursement from the benefiting developer.

- b. The Parties intend to negotiate in good faith regarding entering into interagency water supply/service agreements related to the Developments.

2. Wastewater and Recycled Water Facilities and Service

- a. The Parties will work together to optimize the facilities and cost required to provide wastewater and recycled water service. The Parties will work together to make the best use of facilities in the area to both minimize wastewater treatment costs and maximize recycled water production and use. The Parties will agree on the additional facilities required and the cost allocation amounts prior to construction. No construction of such additional facilities may be performed unless and until the Parties have entered into an agreement identifying the additional facilities, the capital costs to be reimbursed and the timing of the reimbursement. The Party that will be providing reimbursement will be responsible for securing any reimbursement from the benefiting developer.
- b. The Parties are evaluating the feasibility of options for wastewater service and intend to negotiate in good faith regarding entering into interagency wastewater and recycled water service agreements.

3. Operations and Maintenance


The joint use facilities agreement(s), or subsequent interagency service agreement(s), between the agencies shall identify the associated Operation and Maintenance (O&M) costs to provide service. The O&M costs charged by the agencies shall be fair and reasonable and based on actual costs incurred to operate and maintain the system(s) plus costs for rehabilitation and replacement of the facilities.

By executing this Memorandum of Understanding the Parties solely agree to negotiate in good faith regarding the above-noted items and are not committing to undertake any

other acts or activities requiring the subsequent independent exercise of discretion of the Parties. Either Party may terminate this Memorandum of Understanding and not enter into any agreement following such good faith negotiations.

IN WITNESS WHEREOF, the Parties have executed this Memorandum of Understanding as of the date first above written.

Valley Center Municipal Water District



Gary Arant, General Manager

Rainbow Municipal Water District



Brian Brady, General Manager

MEETINGS/SEMINARS/CONFERENCES/WORKSHOPS

VARIABLE					
DATE	2019	MEETING	LOCATION	ATTENDEES	POST
April	11	SDCWA Special Board Meeting	SDCWA	GM	N/A
April	*	CSDA – San Diego Chapter	(Location to be Announced) 6:00 p.m.	Mack	N/A
April	*	LAFCO Special Meeting	County Admin Center, Room 302 – 9:30am	(As Advised by GM)	N/A
April	16	Santa Margarita River Watershed Watermaster Steering Committee	Rancho California Water District	Hamilton	N/A

* To Be Announced

MEETINGS/SEMINARS/CONFERENCES/WORKSHOPS

RECURRING					
DATE	2019	MEETING	LOCATION	ATTENDEES	POST
April	3	Engineering & Operations Committee Meeting	RMWD Board Room 3:00 p.m.	Appointed Director, General Manager	3/28
April	4	Communications & Customer Service Committee Mtg.	RMWD Board Room 3:30 p.m.	Appointed Director, General Manager	3/28
April	8	LAFCO	County Admin. Center Room 302 9:00 am	As Advised by GM	N/A
April	9	Budget & Finance Committee Mtg.	RMWD Board Room 1:00 p.m.	Appointed Director, General Manager	3/28
April	16	SDCWA GM's Meeting	SDCWA, San Diego 9:00 a.m.	General Manager	N/A
April	16	Council of Water Utilities	Hotel Karlan 14455 Penasquitos Drive San Diego 7:15 a.m. Poway	All Directors, General Manager	N/A
April	19	NC Managers	Golden Egg 7:45 a.m.	General Manager	N/A
April	23	RMWD General Board	RMWD Board Room (Start Time to Be Determined)	All Directors	4/16
April	24	San Luis Rey Watershed Council	Pala Administration Building 1:00 p.m.	Appointed Director	N/A
April	24	North County Water Group	Rincon Del Diablo, Escondido 7:30 a.m.	All Directors on a Rotating Schedule, General Manager	N/A
April	25	SDCWA Full Board Meeting	SDCWA Board Room, 3-5 p.m.	General Manager	N/A



BOARD INFORMATION

BOARD OF DIRECTORS

February 26, 2019

SUBJECT

Operations Report for January 2019

DESCRIPTION

Activities for Operations & Maintenance Division

CONSTRUCTION & MAINTENANCE DEPARTMENT:

	Repairs	Installations	Leaks
Mainline	4		4
Service			
Hydrants	1		1
Valves	1	3	
Meters			
Blow-Offs			
Air Vacs	2		1

WATER OPERATIONS & VALVE MAINTENANCE DEPARTMENT:

Water Operations:

- Responded to one (2) water quality complaints
- All tanks and reservoirs are in service

Valve Maintenance:

Monthly Totals	Valves (Distribution)	Appurtenance Valves	Appurtenances
Exercised	46	75	N/A
Inoperable	1	3	0
Repaired	0	0	2
Replaced	0	0	2
Installed	0	0	0

Valve Maintenance completed and/or oversaw the following:

- 121 locates completed
- Assisted with (4) shutdowns
- Replaced (2) fire hydrants & raised (2) fire hydrants
- Painted 75 appurtenances

METERS DEPARTMENT:

Current Projects:

- Water Service Upgrade project (ABM Building Services, LLC)

Future Projects:

- The ABM/WSUP project pilot program has been pushed back to April 2019, due to the District entering into mediation with ABM.

Backflows:

- 10 devices tested

Customer Service Requests:

- 670 total for the month of February

WASTEWATER DEPARTMENT:

Monthly, Semi Annual and Annual Reports:

California Integrated Water Quality System (CIWQS): Confirmation #2538894 Reported "No Spill Report" for the month of February.

SANITARY OVERFLOWS:

February 8, 2019 "Non-Reportable"

Address: 31916 Del Cielo Oeste Bonsall

Work performed: District responded contacted HOA to call plumber immediately / Avoided SSO.

Work Order #164896

Date: February 14, 2019 "Reportable"
Oakcrest Estates Treatment Plant Order #93-69
SSO Volume: 5,000 gallons
Office of Emergency Services Incident: 19-1082

**PROJECTS:
JOB # 164911**

Date: February 13, 2019
2735 Almendra Court Fallbrook, CA 92028

Work performed:

Exposed sewer trench; located missing 3" SDR35 connection to District's sewer main / Removed 20' of existing 3" SDR35 sewer line; cleared and reconnected 20' of 3" SDR35 into 8" sewer line / Advised customer to flush kitchen sink for leakage (no leaks found) / Removed excess mud and added base to sewer trench line; continued backfilling sewer trench.

Rubber Plugs installation:

Control inflow from rain event

Date	Location
February 3, 2019	North River Road
February 3, 2019	Old River Road
February 14, 2019	Little Gopher Canyon Vista

INFLOW/INFILTRATION:

February 7, 2019 – Ordered 2nd set of 200 rain pans to be installed in the collection system / Control inflow intrusion into sewer system.

Cost: \$5,600.00

Purchase Order No. 0000031079

February 12, 2019 – Ordered 1,000 rubber plugs for rainwater/inflow control.

Cost: \$ 664.02

Special Order No. 16837

MUTUAL AID:

February 14, 2019 - JJ Septic Services assisted the District – Transferred 7,000 Gallons raw sewage upstream.

February 14, 2019 Atlas Septic Services assisted the District – Transferred 6,000 Gallons raw sewage upstream.

TECHNICAL SERVICES DEPARTMENT:

ELECTRICAL/SCADA:

Current Projects:

- Gopher Tank flow meter SCADA installation
- Gopher Tank Total Dissolved Solids (TDS) meter project
- Turner Tank flow meter SCADA installation
- Turner Tank TDS meter project
- Response to February Rainstorms

Future Projects:

- Coordination with San Diego Sheriff's Department on replacement Sheriff Department building for the Cement Tank Communications site
- Gomez Tank new electric service
- Coordination with Engineering Department for Water Tank stairways and addition of conduits for communication

FLEET/GARAGE:

Projects:

- Vehicle grading for Unit #40, replacement vehicle
- Prepare #104, Skid steer and all attachment for Gov Deals auction
- Prepare #113, Ziemann trailer for Gov Deals auction
- New vehicle prep for new Light Tower
- APCD training for on-road diesel trucks
- Waste Tire disposal inspection from Department of resources recycling & recovery (Routine) – compliance; no violations
- (4) Customer Service satisfaction warranty repairs on Ford Fleet vehicles
- Repaired and maintained (28) vehicles

Violations:

None for February

Fleet:

Total Vehicles: 41

EMPLOYEE RECOGNITION – OPERATIONS & MAINTENANCE DIVISION

None for February


Robert Gutierrez 3/26/19
Operations Manager

BOARD OF DIRECTORS

March 26, 2019

SUBJECT

Engineering Report for February 2019

DESCRIPTION

CAPITAL PROJECTS:

Condition Assessment of Water Facilities: The Consultant is currently working on a prioritized list of potential pressure reduction projects. Staff is working on a change order for the development of a system wide pressure analysis to extend the useful life of water mains.

Corrosion Protection: Staff working on revising the contract documents. When the contract is executed the Consultant shall complete a study identifying the highest priority pipelines for implementation of cathodic protection projects.

Gird to Monserate Hill: Pursuing alternative design with lower construction cost.

Land Surveying Services - Record of Survey: The aerial and topo have been received by KDM. The monument recovery has begun and will continue into March 2019.

Pipeline Relocations - Misc: Aerial targets have been set and flown, with 5 of 5 surveys received. Pipeline alignments are being prepared for review with soil borings to take place late in March 2019. The preliminary drawings will follow.

Pressure Management: Contractor installed two pressure reducing stations on Vista Valley Drive. This will allow the reduction of pressure for roughly 150 customers. Staff is continuing to evaluate the transition of 60 homes from the Hutton to the Morro Pressure zone along Dentro De Lomas and Chariot Court.

Rainbow Height's Pump Station Replacement: The Consultant is proceeding with the design of the premanufactured pump station and drawings.

Tank Fall Prevention: The Contractor (SUEZ) is having engineered drawings prepared and made available for District review by early March 2019. Staff has reviewed placement of stairs, laydown areas, and removal of existing equipment. Gomez Tank will begin renovations by March 2019.

Thoroughbred Equalization Basin and Schoolhouse Lift Station: CEQA public review is in progress. A constructability review has been performed of the 90% design documents. The Consultant is addressing comments.

Via Ararat Pipeline Improvement: Staff are preparing drawings for approximately 600 LF of pipeline removal and replacement to bid late March 2019.

Water Service Upgrade Project: The District will be reviewing a revised contract amendment with ABM early March 2019. The District has developed a schedule for the installation of 364 pilot meters for the start of April 2019.

Weese Filtration Plant Interconnect: The Consultant is working on the final design.

DEVELOPER PROJECTS:

Golf Green Estates (Development Solutions): 94 SFR / 102.46 EDUs - Planned 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 - 43.

Horse Creek Ridge (HCR), (D.R. Horton): 627 WMs (Reduced by 124 WMs) / 754 EDUs - Off of Highway 76 and Horse Ranch Creek Road. Developer will start resolving backbone discrepancies in February 2019. Water meters purchased to date - 337.

Horse Creek Ridge Unit 6R5 Promontory (Richmond American Homes): 124 WMs / 124 EDUs - Off of 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. Water meters purchased to date - 30.

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

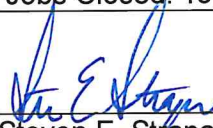
Malek 350' Water Main Extension on Entrada Al Sol: Final plans were submitted. Construction is delayed awaiting possible revision to the design.

Pala Mesa Highlands (Beazer Homes): 124 SFR / 124 EDUs - On Old Highway 395. Models have been constructed. 99% of the water mains have been tested. The Contractor has corrected the sewer issues. Staff waiting on CCTV for review. The PRS needs to be installed. Water meters purchased to date - 30.

Wiestling 376' Water Main Extension on West Lilac Road: Staff conducting 4th plan check. A 20' easement will be required along the westerly boundary of the property.

OTHER:

ITEMS	NO#	ITEMS	NO#
Water Availability Letters	2	Water Meters Purchased	1
Sewer Availability Letters	2	Sewer EDUs Purchased	2
Water Commitment Letters	0	Developer Shutdowns	0
Sewer Commitment Letters	0	Jobs Closed: Topa Topa	1


 Steven E. Strapac, PE, PLS
 District Engineer

3/13/19
 3/26/19



BOARD INFORMATION

BOARD OF DIRECTORS

March 26, 2019

SUBJECT

HUMAN RESOURCES REPORT FOR FEBRUARY/MARCH 2019

DESCRIPTION

Personnel changes, human resources activities, and safety report for February/March 2019

RECRUITMENT:

Senior Engineering Inspector: The Board approved a change in the salary grade for this position at the February 26, 2019 Board meeting. The Human Resources Manager and District Engineer are in the process of conferring with the Rainbow Employees Association regarding the required qualifications for the position before it can be reposted for recruitment.

Utility Worker I/II/III – Construction: No candidate has been selected for this position yet. A second round of interviews is scheduled for March 18, 2019. Two positions are now open due to a resignation of a Utility Worker effective March 15, 2019.

We currently have 1,651 active email subscriptions for notifications of job openings in NEOGOV Insight.

LEAVES OF ABSENCE:

- One employee in the Meters Department is currently on leave for the birth of a child. He is scheduled to return on March 25, 2019.

EMPLOYEE EVENTS:

The event committee has begun planning the **Family Education and Health Day** for April 15th, 2019, which coincides with the national Take Your Kids to Work Day event. This year's theme is Tropical Luau.

WORKFORCE DEVELOPMENT:

ACWA Spring Training Conference

Several employees attended the ACWA training conference on March 13 and 14. Coursework included classes in supervision, human resources, operations, and safety. Employees who attended are working towards ACWA's Professional Development Program certification.

Continuing Computer Skills and Business Acumen Training

The District has contracted with Learnsoft for a series of training days to learn various Microsoft applications and business skills. Advanced Outlook training and another session of the Effective Communication class are scheduled in March.

Sexual Harassment Prevention Training

The District's 2019 training took place in February 19, 2019. The instructor, Alisa Shorago, J.D. covered the definition of sexual harassment, offered a common way to discuss behavior in the workplace with green, yellow, red as a way to indicate whether something is appropriate, and had all employees review the District's policy on Sexual Harassment and reporting processes.

Leadership Team Development Workshop

The District's leadership team participated in a workshop with on February 25, 2019. The workshop covered communication style, social interactions, motivational factors, problem solving acumen, and individual competency strengths. The workshop will be followed up with 30-minute private consultations with the consultant for each person.

PERFORMANCE MANAGEMENT SOFTWARE:

The Human Resources Manager and Assistant reviewed in more depth the ADP Performance Review product and it offers several advantages over the Neogov product. First, it does not share some of the software design deficiencies that were causing a need to find a work-around solution to make the Neogov product work for us. ADP was able to answer our questions and also showed us how it can integrate with the Compensation Management module and payroll. In addition, it is less expensive than the Neogov product, so it will save the District more than \$4,000 annually to switch vendors.

SAFETY:

Incidents

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

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

- OSHA 501 - Course in Occupational Safety and Health Standards for the General Industry Outreach Trainer for Safety Officer schedule completed. The Safety Officer will schedule OSHA 10- and 30-hour training for Safety Committee and Supervisors for a future date.

Emergency Response Training: Several staff members have taken local FEMA emergency response training through Texas A & M National Emergency Response and Recovery Training Center.

- Emergency Response Training: NIMS ICS 300: Intermediate ICS for Expanding Incidents & ICS 400: Advanced Incident Command System for complex incidents.
- Homeland Security Exercise and Evaluation Program Training scheduled for April 29-May 2, 2019.
- Operations Manager and Safety Officer are working collaboratively to develop an Emergency Exercise and Training program for the district to improve employee response.

Target Solutions online training: 53 course completions for February 2019

Tailgate/ Office Safety Trainings: Hazard Communication, Swift-water Awareness Training, Winter Driving.

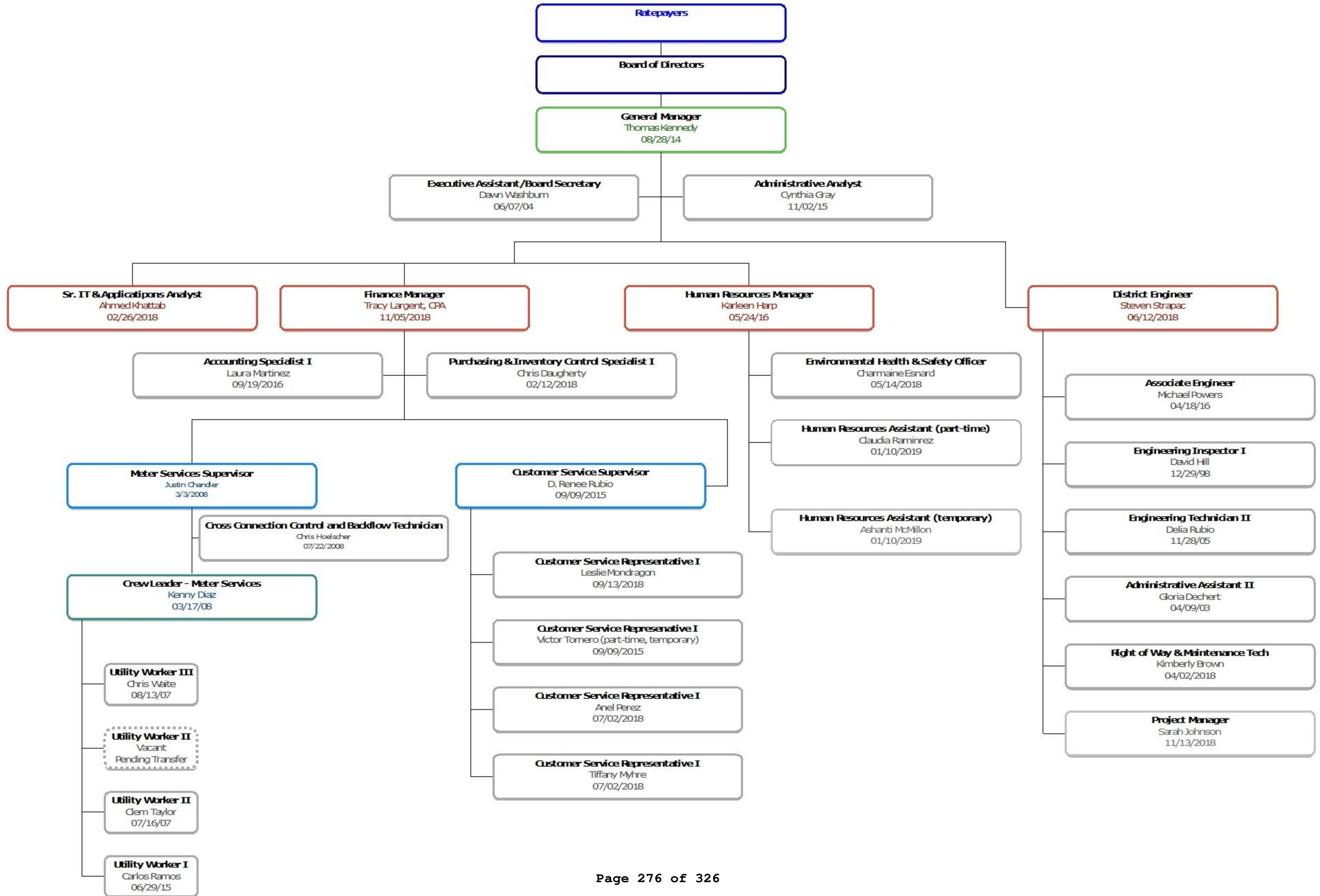
LILAC FIRE UPDATE:

FMAG: Final supporting documentation has been submitted to FEMA, through the California Office of Emergency Services (CalOES) for the Fire Management Assistance Grant (FMAG) in the amount of \$39,311.21 The timing of the payment is unknown.



Karleen Harp, COSM
Human Resources Manager

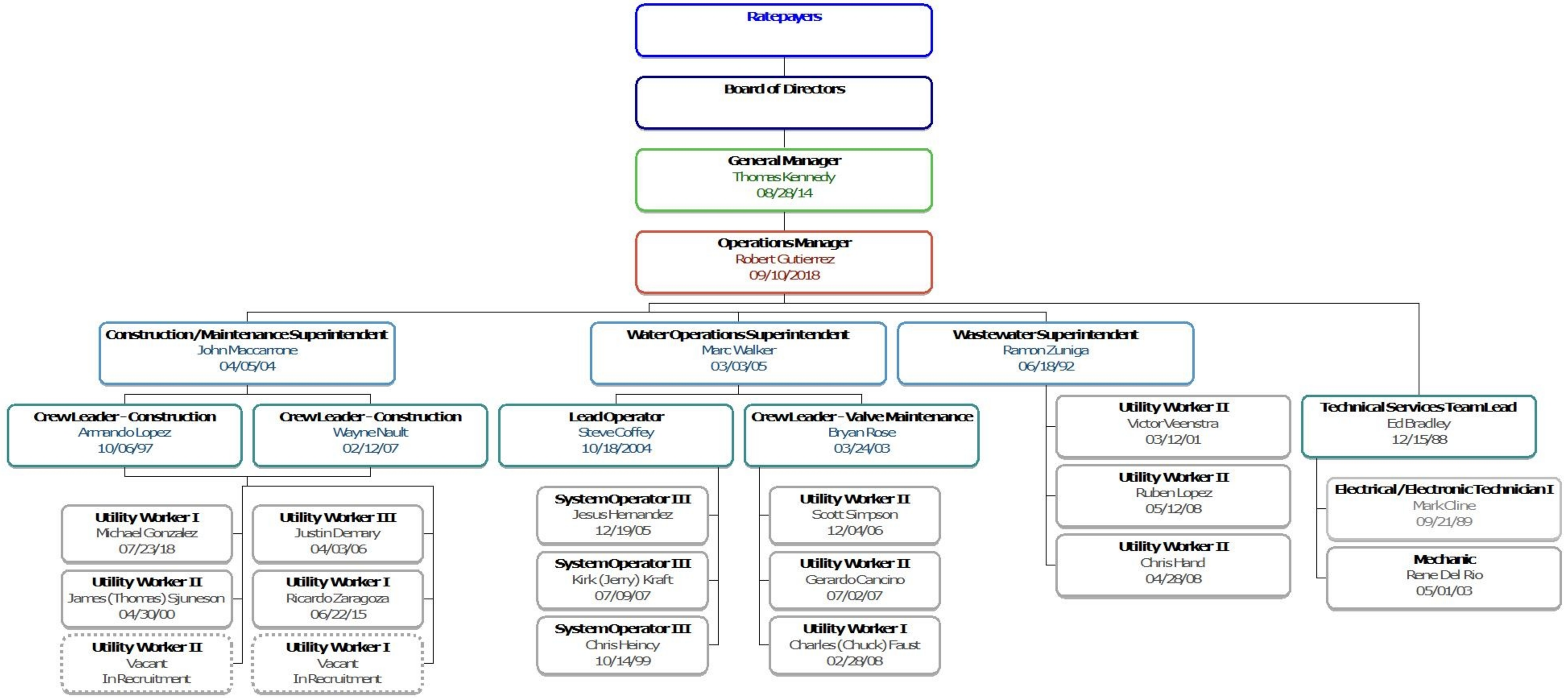
03/26/2019



RAINBOW MUNICIPAL WATER DISTRICT
 ORGANIZATIONAL CHART
 PAGE 2 of 2

Creation Date 8/21/2014

Last Modified 3/13/2019



Statement of Revenues & Expenses
Period: January 2019



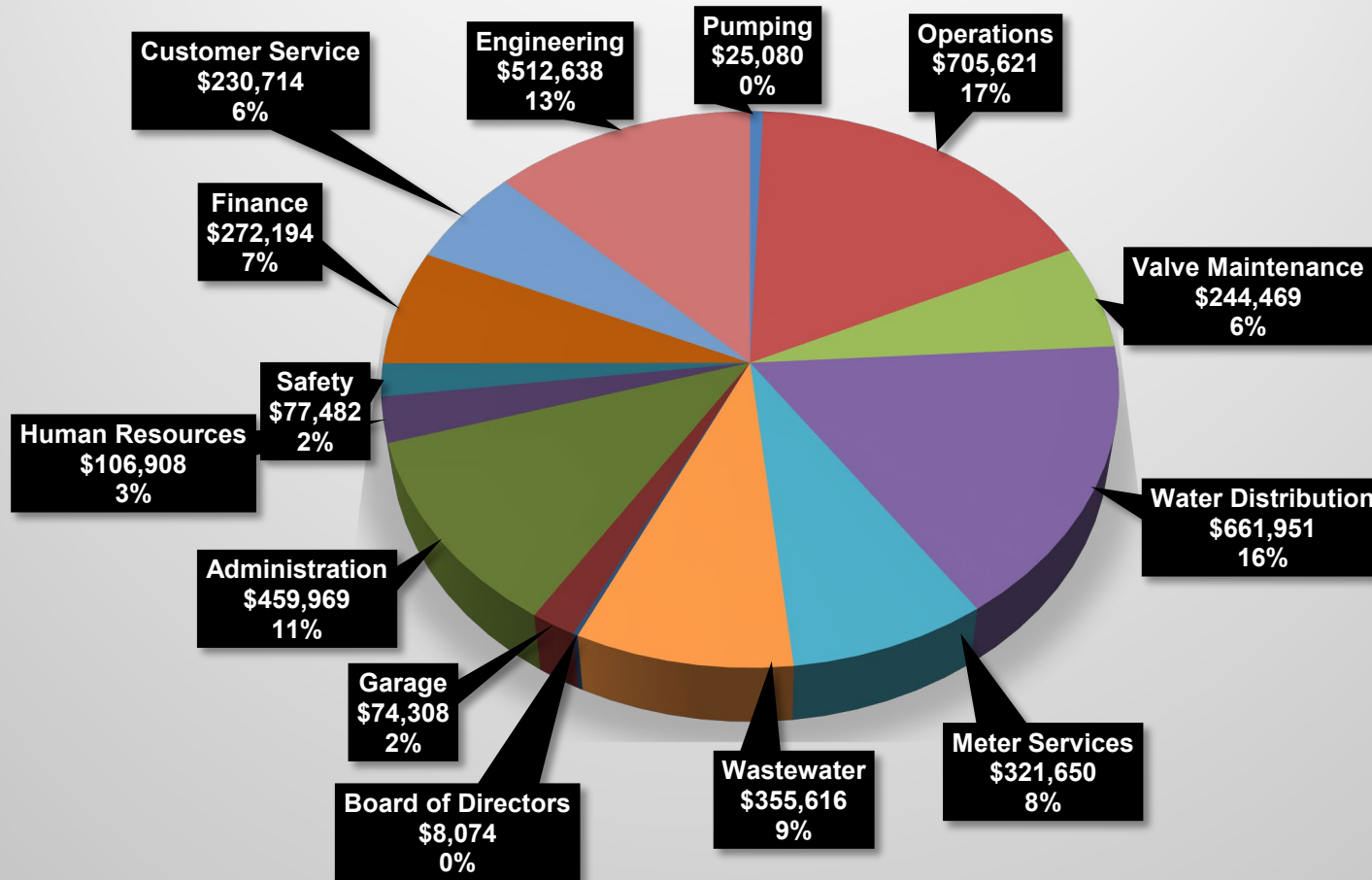
		Budget Amount	Period Amount	YTD Amount	YTD Variance	% Available
Fund 01: Water						
Operating Revenues:						
	Water Revenues	\$36,835,254	\$1,819,716	\$24,250,955	\$12,584,300	34%
	Other Revenues	\$486,000	\$67,423	\$225,296	\$260,704	54%
Total Revenues:		\$37,321,254	\$1,887,139	\$24,476,250	\$12,845,004	34%
Operating Expenses:						
	Cost of Water Sold	\$23,858,892	\$1,003,867	\$15,864,763	\$7,994,129	34%
	Labor	\$0	\$15,789	\$37,576	(\$37,576)	0%
	Overhead Transfer to General	\$5,111,289	\$425,941	\$2,981,586	\$2,129,703	42%
	Debt Service	\$1,120,142	\$0	\$0	\$1,120,142	100%
Department Expenses						
	Pumping					
	31 Labor	\$71,985	\$0	\$25,080	\$46,905	65%
	Expenses	\$589,500	\$26,235	\$283,578	\$305,922	52%
	Operations					
	32 Labor	\$1,139,429	\$122,897	\$705,621	\$433,808	38%
	Expenses	\$987,800	\$56,437	\$425,393	\$562,407	57%
	Valve Maintenance					
	33 Labor	\$514,515	\$47,650	\$244,469	\$270,046	52%
	Expenses	\$69,000	\$8,232	\$63,280	\$5,720	8%
	Capital	\$50,000	\$249	\$19,176	\$30,824	62%
	Water Distribution					
	34 Labor	\$1,582,452	\$114,378	\$661,951	\$920,501	58%
	Expenses	\$565,500	\$75,187	\$304,192	\$261,308	46%
	Capital	\$75,000	\$0	\$70,627	\$4,373	6%
	Meter Services					
	35 Labor	\$738,166	\$61,007	\$321,650	\$416,516	56%
	Expenses	\$459,000	\$10,639	\$83,928	\$375,072	82%
	Capital	\$200,000	\$17,102	\$112,502	\$87,498	44%
Total Operating Expenses:		\$37,132,670	\$1,985,609	\$22,205,372	\$14,927,298	40%
Water Fund Totals:		\$188,584	(\$98,470)	\$2,270,878	\$2,082,294	
Fund 02: Wastewater						
Operating Revenues:						
	Wastewater Revenues	\$3,090,959	\$233,972	\$1,647,848	\$1,443,111	47%
	Other Revenues	\$45,000	\$13,564	\$36,087	\$8,913	20%
Total Revenues:		\$3,135,959	\$247,537	\$1,683,935	\$1,452,024	46%
Operating Expenses:						
	Overhead Transfer to General	\$1,198,944	\$99,912	\$699,384	\$499,560	42%
Department Expenses						
	Wastewater					
	61 Labor	\$592,326	\$64,450	\$355,616	\$236,710	40%
	Expenses	\$1,414,800	\$31,975	\$127,832	\$1,286,968	91%
	Capital	\$185,000	\$20,050	\$20,050	\$164,950	89%
Total Operating Expenses:		\$3,391,070	\$216,387	\$1,202,882	\$2,188,188	65%
Wastewater Fund Totals:		(\$255,111)	\$31,150	\$481,053	\$736,164	

Statement of Revenues & Expenses
Period: January 2019

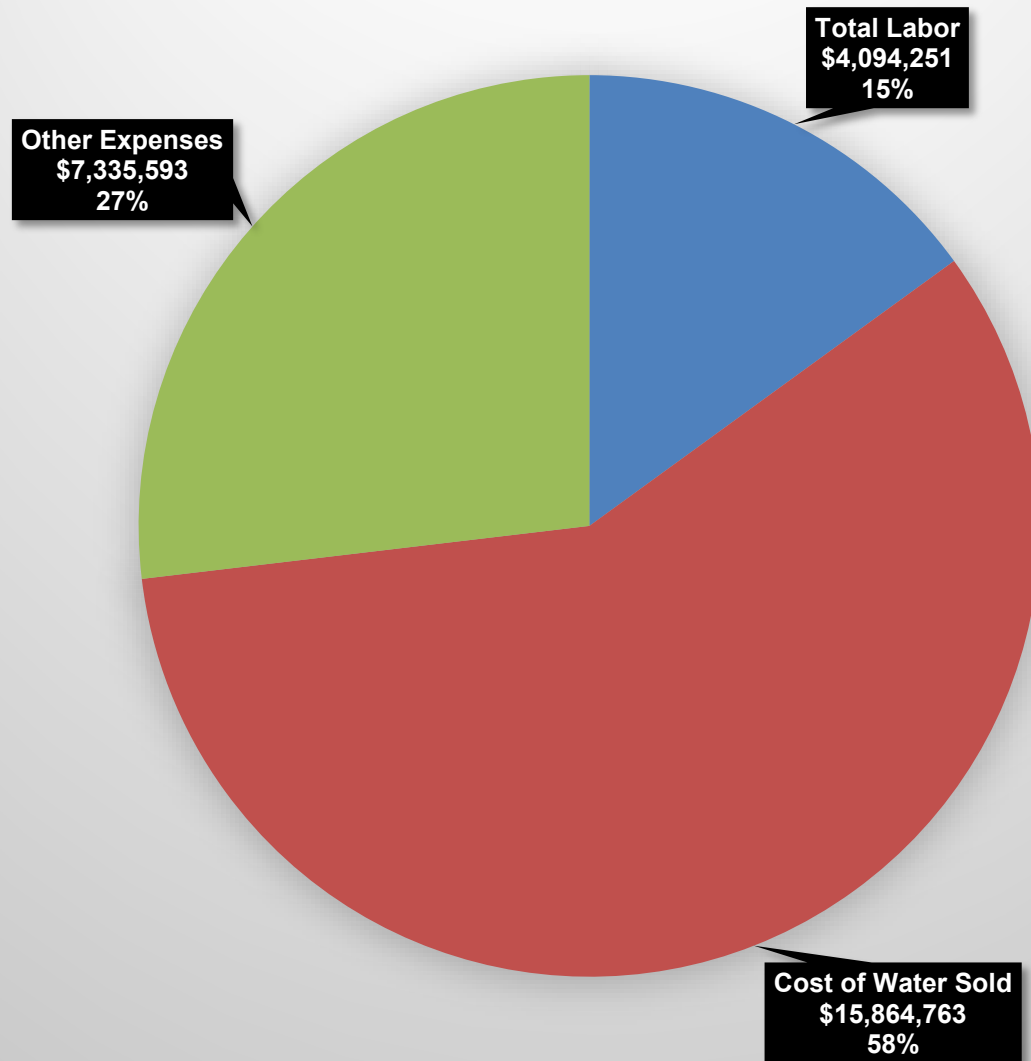


		Budget Amount	Period Amount	YTD Amount	YTD Variance	% Available
Fund 03: General						
Operating Revenues:						
	Overhead Transfers	\$6,310,233	\$525,853	\$3,680,970	\$2,629,263	42%
	Other Revenues	\$635,000	\$41,459	\$453,013	\$181,987	29%
	Total Revenues:	\$6,945,233	\$567,312	\$4,133,983	\$2,811,250	40%
Operating Expenses:						
	Other Expenses	\$419,911	\$34,993	\$245,694	\$174,217	41%
Department Expenses						
	Board of Directors					
	20 Labor	\$19,672	\$646	\$8,074	\$11,598	59%
	Expenses	\$19,790	\$863	\$10,580	\$9,210	47%
	Garage					
	36 Labor	\$135,455	\$11,366	\$74,308	\$61,147	45%
	Expenses	\$277,500	\$26,524	\$114,696	\$162,804	59%
	Capital	\$300,500	\$1,993	\$172,785	\$127,715	43%
	Administration					
	41 Labor	\$808,234	\$111,773	\$459,969	\$348,265	43%
	Expenses	\$1,973,522	\$142,800	\$943,924	\$1,029,598	52%
	Capital	\$35,000	\$0	\$0	\$35,000	100%
	Human Resources					
	42 Labor	\$225,849	\$20,901	\$106,908	\$118,941	53%
	Expenses	\$147,850	\$9,990	\$54,988	\$92,862	63%
	Safety					
	43 Labor	\$151,941	\$12,212	\$77,482	\$74,459	49%
	Expenses	\$85,485	\$9,108	\$45,407	\$40,078	47%
	Finance					
	51 Labor	\$517,887	\$34,838	\$272,194	\$245,693	47%
	Expenses	\$136,500	\$20,836	\$85,626	\$50,874	37%
	Customer Service					
	52 Labor	\$290,338	\$36,016	\$230,714	\$59,624	21%
	Expenses	\$256,000	\$32,879	\$181,463	\$74,537	29%
	Engineering					
	91 Labor	\$682,434	\$90,490	\$512,638	\$169,796	25%
	Expenses	\$525,150	\$71,112	\$288,903	\$236,247	45%
	Total Operating Expenses:	\$7,009,018	\$669,340	\$3,886,353	\$3,122,665	45%
	General Fund Totals:	(\$63,785)	(\$102,028)	\$247,630	\$311,415	
	Net Income	(\$130,312)	(\$169,348)	\$2,999,562	\$3,129,874	

YTD Labor Costs (January 2019)



YTD Expense Allocation (January 2019)



General Ledger

Balance Sheet

Fund: 01

Period: 7

Fiscal Year: 2019



Fund ALFRE

Account Type	Amount
01 - WATER FUND	
Assets	
CASH-UNRESTRICTED	2,690,598.10
RECEIVABLES WATER/SEWER	5,529,243.67
OTHER RECEIVABLES	(3,018.96)
WATER IN STORAGE & INVENTORY	1,323,684.10
CAPITALIZED ASSETS	126,911,567.17
LESS ACCUMULATED DEPRECIATION	(67,408,061.47)
OTHER ASSETS	2,609,539.67
Total Assets:	<u>71,653,552.28</u>
Liabilities	
ACCOUNT PAYABLES	2,073,490.17
NON-CURRENT LIABILITIES	8,173,904.78
CURRENT LIABILITIES	255,804.19
UNEARNED REVENUE	90,750.74
Total Liabilities:	<u>10,593,949.88</u>
Fund Balance	
RESERVED-2 MONTH OPERATING	2,030,439.29
UNRESTRICTED FUND BALANCE	38,632,241.88
CONTRIBUTED CAPITAL	18,126,042.43
Total Fund Balance:	<u>58,788,723.60</u>
Total Liabilities and Fund Balance:	<u>69,382,673.48</u>
Total Retained Earnings:	<u>2,270,878.80</u>
Total Fund Balance and Retained Earnings:	<u>61,059,602.40</u>
Total Liabilities, Fund Balance, and Retained Earnings:	<u>71,653,552.28</u>
Totals for Fund 01 - WATER FUND:	<u>0.00</u>

General Ledger

Balance Sheet

Fund: 02
 Period: 7
 Fiscal Year: 2019



Fund ALFRE

Account Type	Amount
02 - SEWER FUND	
Assets	
CASH-UNRESTRICTED	734,721.72
RECEIVABLES WATER/SEWER	73,486.03
OTHER RECEIVABLES	59,837.95
SEWER REPLACEMENT	1,107,359.98
CAPITALIZED ASSETS	32,578,086.55
LESS ACCUMULATED DEPRECIATION	(14,164,163.09)
Total Assets:	<u>20,389,329.14</u>
Liabilities	
ACCOUNT PAYABLES	183.42
UNEARNED REVENUE	0.00
Total Liabilities:	<u>183.42</u>
Fund Balance	
RESERVED-2 MONTH OPERATING	565,178.38
UNRESTRICTED FUND BALANCE	11,427,516.73
CONTRIBUTED CAPITAL	7,915,397.30
Total Fund Balance:	<u>19,908,092.41</u>
Total Liabilities and Fund Balance:	<u>19,908,275.83</u>
Total Retained Earnings:	<u>481,053.31</u>
Total Fund Balance and Retained Earnings:	<u>20,389,145.72</u>
Total Liabilities, Fund Balance, and Retained Earnings:	<u>20,389,329.14</u>
Totals for Fund 02 - SEWER FUND:	<u>0.00</u>

General Ledger

Balance Sheet

Fund: 03
 Period: 7
 Fiscal Year: 2019



Fund ALFRE

Account Type	Amount
03 - GENERAL FUND	
Assets	
CASH-UNRESTRICTED	1,432,934.78
RECEIVABLES WATER/SEWER	(54,487.52)
OTHER RECEIVABLES	59,700.02
Total Assets:	<u>1,438,147.28</u>
Liabilities	
ACCOUNT PAYABLES	45,509.98
Total Liabilities:	<u>45,509.98</u>
Fund Balance	
RESERVED-2 MONTH OPERATING	1,135,038.83
UNRESTRICTED FUND BALANCE	9,968.70
Total Fund Balance:	<u>1,145,007.53</u>
Total Liabilities and Fund Balance:	<u>1,190,517.51</u>
Total Retained Earnings:	<u>247,629.77</u>
Total Fund Balance and Retained Earnings:	<u>1,392,637.30</u>
Total Liabilities, Fund Balance, and Retained Earnings:	<u>1,438,147.28</u>
Totals for Fund 03 - GENERAL FUND:	<u>0.00</u>

General Ledger

Balance Sheet

Fund: 05
 Period: 7
 Fiscal Year: 2019



Fund ALFRE

Account Type	Amount
05 - RATE STABILIZATION FUND	
Assets	
CASH-UNRESTRICTED	2,367,933.18
OTHER RECEIVABLES	0.00
	Total Assets: <u>2,367,933.18</u>
Liabilities	
ACCOUNT PAYABLES	0.00
CURRENT LIABILITIES	0.00
	Total Liabilities: <u>0.00</u>
Fund Balance	
RESERVED-RATE STABILIZATION	2,367,933.18
UNRESTRICTED FUND BALANCE	0.00
	Total Fund Balance: <u>2,367,933.18</u>
	Total Liabilities and Fund Balance: <u>2,367,933.18</u>
	Total Retained Earnings: <u>0.00</u>
	Total Fund Balance and Retained Earnings: <u>2,367,933.18</u>
	Total Liabilities, Fund Balance, and Retained Earnings: <u>2,367,933.18</u>
	Totsals for Fund 05 - RATE STABILIZATION FUND: <u>0.00</u>

General Ledger

Balance Sheet

Fund: 10
Period: 7
Fiscal Year: 2019



Fund ALFRE

Account Type	Amount
10 - GRANT FUND	
Assets	
CASH-UNRESTRICTED	58,090.85
RECEIVABLES WATER/SEWER	0.00
OTHER RECEIVABLES	553.92
Total Assets:	<u>58,644.77</u>
Liabilities	
ACCOUNT PAYABLES	0.00
Total Liabilities:	<u>0.00</u>
Fund Balance	
UNRESTRICTED FUND BALANCE	58,644.77
Total Fund Balance:	<u>58,644.77</u>
Total Liabilities and Fund Balance:	<u>58,644.77</u>
Total Retained Earnings:	<u>0.00</u>
Total Fund Balance and Retained Earnings:	<u>58,644.77</u>
Total Liabilities, Fund Balance, and Retained Earnings:	<u>58,644.77</u>
Totals for Fund 10 - GRANT FUND:	<u>0.00</u>

General Ledger

Balance Sheet

Fund: 13

Period: 7

Fiscal Year: 2019



Fund ALFRE

Account Type	Amount
13 - SRF LOAN MORRO	
Assets	
CASH-UNRESTRICTED	317,328.54
RECEIVABLES WATER/SEWER	0.00
OTHER RECEIVABLES	34,370.29
RESTRICTED CASH SRF MORRO	487,518.47
WATER EXPANSION	0.00
OTHER ASSETS	(153,092.71)
Total Assets:	<u>686,124.59</u>
Liabilities	
ACCOUNT PAYABLES	0.55
NON-CURRENT LIABILITIES	8,502,935.00
CURRENT LIABILITIES	244,750.15
Total Liabilities:	<u>8,747,685.70</u>
Fund Balance	
RESTRICTED FB-APPROPRIATED	633,190.00
UNRESTRICTED FUND BALANCE	(8,636,401.76)
Total Fund Balance:	<u>(8,003,211.76)</u>
Total Liabilities and Fund Balance:	<u>744,473.94</u>
Total Retained Earnings:	<u>(58,349.35)</u>
Total Fund Balance and Retained Earnings:	<u>(8,061,561.11)</u>
Total Liabilities, Fund Balance, and Retained Earnings:	<u>686,124.59</u>
Totals for Fund 13 - SRF LOAN MORRO:	<u>0.00</u>

General Ledger

Balance Sheet

Fund: 26

Period: 7

Fiscal Year: 2019



Fund ALFRE

Account Type	Amount
26 - NEW WATER SOURCES FUND	
Assets	
CASH-UNRESTRICTED	1,080,536.13
RECEIVABLES WATER/SEWER	0.00
OTHER RECEIVABLES	7,328.77
CONSTRUCTION IN PROGRESS	583,647.72
Total Assets:	<u>1,671,512.62</u>
Liabilities	
ACCOUNT PAYABLES	0.00
CURRENT LIABILITIES	0.00
Total Liabilities:	<u>0.00</u>
Fund Balance	
UNRESTRICTED FUND BALANCE	1,575,057.60
Total Fund Balance:	<u>1,575,057.60</u>
Total Liabilities and Fund Balance:	<u>1,575,057.60</u>
Total Retained Earnings:	<u>96,455.02</u>
Total Fund Balance and Retained Earnings:	<u>1,671,512.62</u>
Total Liabilities, Fund Balance, and Retained Earnings:	<u>1,671,512.62</u>
Totals for Fund 26 - NEW WATER SOURCES FUND:	<u>0.00</u>

General Ledger

Balance Sheet

Fund: 39
 Period: 7
 Fiscal Year: 2019



Fund ALFRE

Account Type	Amount
39 - SRF LOAN BECK	
Assets	
CASH-UNRESTRICTED	248,364.53
RECEIVABLES WATER/SEWER	0.00
OTHER RECEIVABLES	(3,089.41)
RESTRICTED CASH SRF MORRO	406,972.38
Total Assets:	<u>652,247.50</u>
Liabilities	
ACCOUNT PAYABLES	0.00
NON-CURRENT LIABILITIES	6,409,388.94
CURRENT LIABILITIES	191,420.14
Total Liabilities:	<u>6,600,809.08</u>
Fund Balance	
RESTRICTED FB-APPROPRIATED	486,952.00
UNRESTRICTED FUND BALANCE	(6,364,680.87)
Total Fund Balance:	<u>(5,877,728.87)</u>
Total Liabilities and Fund Balance:	<u>723,080.21</u>
Total Retained Earnings:	<u>(70,832.71)</u>
Total Fund Balance and Retained Earnings:	<u>(5,948,561.58)</u>
Total Liabilities, Fund Balance, and Retained Earnings:	<u>652,247.50</u>
Totals for Fund 39 - SRF LOAN BECK:	<u>0.00</u>

General Ledger

Balance Sheet

Fund: 52
 Period: 7
 Fiscal Year: 2019



Fund ALFRE

Account Type	Amount
52 - SEWER CAPITAL REPLACEMENT	
Assets	
CASH-UNRESTRICTED	1,815,123.74
RECEIVABLES WATER/SEWER	0.00
OTHER RECEIVABLES	2,975.30
SEWER REPLACEMENT	103,809.34
CAPITALIZED ASSETS	0.00
CONSTRUCTION IN PROGRESS	1,739,207.54
Total Assets:	<u>3,661,115.92</u>
Liabilities	
ACCOUNT PAYABLES	0.00
UNEARNED REVENUE	1,593,575.65
Total Liabilities:	<u>1,593,575.65</u>
Fund Balance	
UNRESTRICTED FUND BALANCE	2,074,648.22
Total Fund Balance:	<u>2,074,648.22</u>
Total Liabilities and Fund Balance:	<u>3,668,223.87</u>
Total Retained Earnings:	<u>(7,107.95)</u>
Total Fund Balance and Retained Earnings:	<u>2,067,540.27</u>
Total Liabilities, Fund Balance, and Retained Earnings:	<u>3,661,115.92</u>
Totals for Fund 52 - SEWER CAPITAL REPLACEMENT:	<u>0.00</u>

General Ledger

Balance Sheet

Fund: 53
 Period: 7
 Fiscal Year: 2019



Fund ALFRE

Account Type	Amount
53 - SEWER CAPITAL EXPANSION	
Assets	
CASH-UNRESTRICTED	9,852,099.22
RECEIVABLES WATER/SEWER	0.00
OTHER RECEIVABLES	45,954.77
LETTERS OF CREDIT-SEWER CONN.	0.00
SEWER EXPANSION	0.00
CAPITALIZED ASSETS	0.00
CONSTRUCTION IN PROGRESS	227,549.94
OTHER ASSETS	0.00
Total Assets:	<u>10,125,603.93</u>
Liabilities	
ACCOUNT PAYABLES	0.00
UNEARNED REVENUE	2,682,463.19
Total Liabilities:	<u>2,682,463.19</u>
Fund Balance	
UNRESTRICTED FUND BALANCE	4,221,984.86
CONTRIBUTED CAPITAL	3,043,266.50
Total Fund Balance:	<u>7,265,251.36</u>
Total Liabilities and Fund Balance:	<u>9,947,714.55</u>
Total Retained Earnings:	<u>177,889.38</u>
Total Fund Balance and Retained Earnings:	<u>7,443,140.74</u>
Total Liabilities, Fund Balance, and Retained Earnings:	<u>10,125,603.93</u>
Totals for Fund 53 - SEWER CAPITAL EXPANSION:	<u>0.00</u>

General Ledger

Balance Sheet

Fund: 55

Period: 7

Fiscal Year: 2019



Fund ALFRE

Account Type	Amount
55 - RESERVOIR REHABILITATION	
Assets	
CASH-UNRESTRICTED	983,088.03
RECEIVABLES WATER/SEWER	0.00
OTHER RECEIVABLES	4,664.80
CONSTRUCTION IN PROGRESS	0.00
Total Assets:	<u>987,752.83</u>
Liabilities	
ACCOUNT PAYABLES	0.00
NOTE PAYABLE	0.00
Total Liabilities:	<u>0.00</u>
Fund Balance	
UNRESTRICTED FUND BALANCE	(1,687,170.97)
CONTRIBUTED CAPITAL	2,674,923.80
Total Fund Balance:	<u>987,752.83</u>
Total Liabilities and Fund Balance:	<u>987,752.83</u>
Total Retained Earnings:	<u>0.00</u>
Total Fund Balance and Retained Earnings:	<u>987,752.83</u>
Total Liabilities, Fund Balance, and Retained Earnings:	<u>987,752.83</u>
Totals for Fund 55 - RESERVOIR REHABILITATION:	<u>0.00</u>

General Ledger

Balance Sheet

Fund: 60

Period: 7

Fiscal Year: 2019



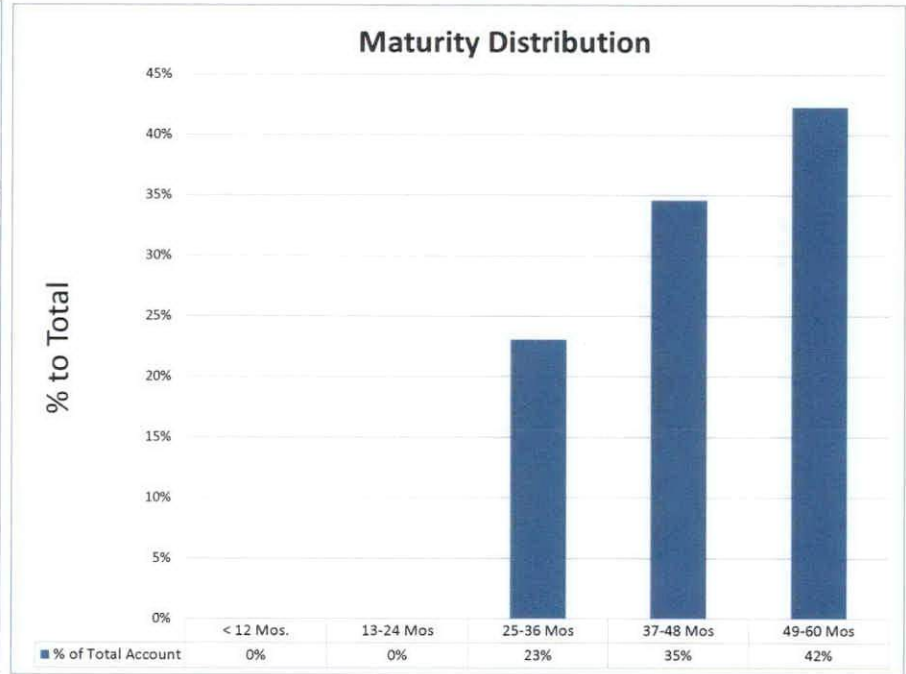
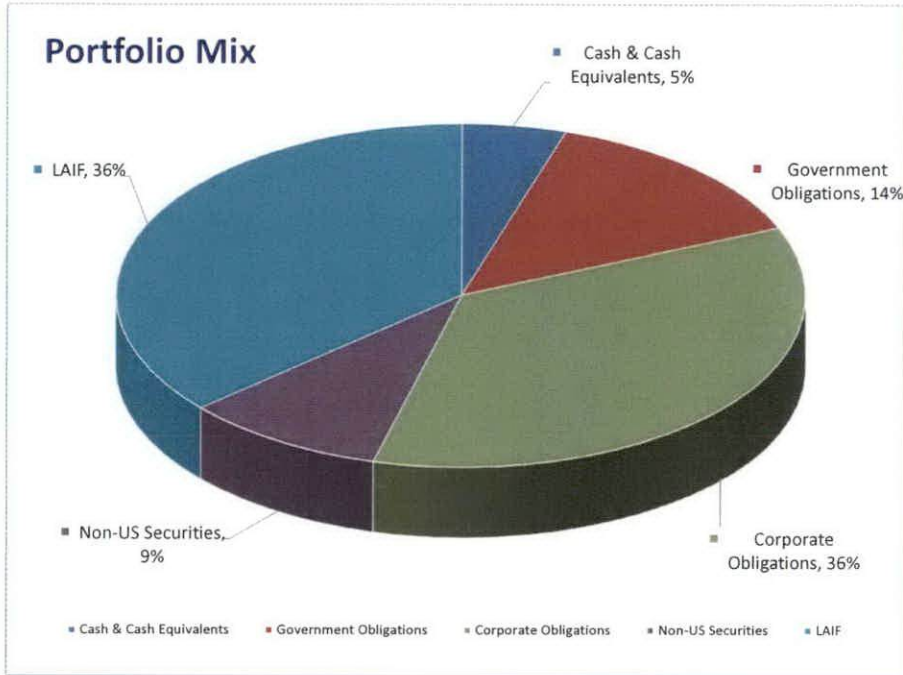
Fund ALFRE

Account Type	Amount
60 - WTR CAP EXPANSION/REPLACEMENT	
Assets	
CASH-UNRESTRICTED	1,758,304.60
RECEIVABLES WATER/SEWER	0.00
OTHER RECEIVABLES	29,854.29
RESTRICTED CASH METER REPLACE	5,550,586.24
RESTRICTED CASH WSUP	5,875,741.12
WATER EXPANSION	242,925.06
CAPITALIZED ASSETS	275,848.22
CONSTRUCTION IN PROGRESS	548,286.64
OTHER ASSETS	0.00
Total Assets:	<u>14,281,546.17</u>
Liabilities	
ACCOUNT PAYABLES	(4,622.16)
NON-CURRENT LIABILITIES	9,653,783.11
CURRENT LIABILITIES	1,119,405.89
UNEARNED REVENUE	990,387.30
Total Liabilities:	<u>11,758,954.14</u>
Fund Balance	
UNRESTRICTED FUND BALANCE	2,594,753.92
CONTRIBUTED CAPITAL	0.00
Total Fund Balance:	<u>2,594,753.92</u>
Total Liabilities and Fund Balance:	<u>14,353,708.06</u>
Total Retained Earnings:	<u>(72,161.89)</u>
Total Fund Balance and Retained Earnings:	<u>2,522,592.03</u>
Total Liabilities, Fund Balance, and Retained Earnings:	<u>14,281,546.17</u>
Totals for Fund 60 - WTR CAP EXPANSION/REPLACEMENT:	<u>0.00</u>

RAINBOW MUNICIPAL WATER DISTRICT
 TREASURER'S MONTHLY REPORT OF INVESTMENTS
 PORTFOLIO SUMMARY
 1/31/2019



TYPE	ISSUER	CUSIP	Bond Rating	Date of Maturity	Cost Basis	Market Value	Interest Rate	Yield to Maturity	Next Interest Payment Date	Semi-Annual Interest	Days to Maturity	Fund
Money Market Funds	JP MORGAN MONEY MARKET	48125C068S	N/A		\$ 307,217	\$ 307,217						
Total Cash & Cash Equivalents					\$ 307,217	\$ 307,217						
Non-Callable	FEDERAL HOME LN MTG CORP	3134G3QR4	Aaa	03/05/20	\$ 498,168	\$ 497,025	2.000%	2.200%	09/05/18	\$ 4,982	399	13 13108
Non-Callable	FEDERAL HOME LOAN BANKS CONS BD	3130AECJ7	Aaa	05/28/20	\$ 987,906	\$ 986,793	2.625%	2.453%	11/28/18	\$ 12,966	483	53 13108
Non-Callable	FEDERAL HOME LOAN BANK BONDS	3130AD4X7	Aaa	12/11/20	\$ 494,905	\$ 495,545	2.000%	2.400%	06/11/18	\$ 4,949	680	60 13108
Non-Callable	FEDERAL NATL MTG ASSN	3135GOT45	Aaa	04/05/22	\$ 1,002,910	\$ 980,330	1.875%	1.810%	04/05/18	\$ 9,402	1160	60 13108
Non-Callable	FEDERAL FARM CR BKS	3133EHRU9	Aaa	07/19/22	\$ 200,938	\$ 195,492	1.900%	1.800%	01/19/18	\$ 1,909	1265	53 13108
1X Callable	FEDERAL HOME LN MTG CORP	3134GBS94	Aaa	10/26/22	\$ 651,918	\$ 639,958	2.100%	1.800%	04/26/18	\$ 6,845	1364	53 13108
Non-Callable	FEDERAL NATL MTG ASSN	3135G0T94	Aaa	01/19/23	\$ 515,226	\$ 517,797	2.375%	2.410%	07/19/18	\$ 6,118	1449	13 13108
Non-Callable	FEDERAL NATL MTG ASSN	3135G0T94	Aaa	01/19/23	\$ 480,034	\$ 482,429	2.375%	2.600%	07/19/18	\$ 5,700	1449	53 13108
Non-Callable	FEDERAL NATL MTG ASSN	3135G0T94	Aaa	01/19/23	\$ 465,211	\$ 467,532	2.375%	2.600%	07/19/18	\$ 5,524	1449	13 13108
Non-Callable	FEDERAL HOME LOAN BANKS	3130ADRG9	Aaa	03/10/23	\$ 501,990	\$ 502,185	2.750%	2.660%	09/10/18	\$ 6,902	1499	53 13108
Total Government Obligations					\$ 5,799,203	\$ 5,765,085						
Make Whole	ORACLE CORP	68389XBKO	A1	09/15/21	\$ 1,011,470	\$ 978,300	1.910%	1.900%	03/15/18	\$ 9,660	958	13 13108
FDIC Ins. CD	WELLS FARGO	95000U2B8	A2	07/22/22	\$ 989,232	\$ 961,449	2.625%	2.410%	01/22/18	\$ 12,984	1268	13 13108
FDIC Ins. CD	UNITED BANKERS BK BLOOMINGTON	909557HQ6	N/A	09/16/20	\$ 230,000	\$ 230,032	2.600%	2.600%	09/28/18	\$ 2,990	594	53 13108
FDIC Ins. CD	BARCLAYS BK DEL	06740JK4	Aaa	09/16/20	\$ 245,000	\$ 243,332	2.210%	2.200%	03/16/18	\$ 2,707	594	60 13108
FDIC Ins. CD	AMERICAN EXPRESS CENTRN	02587DB64	Aaa	09/23/20	\$ 250,000	\$ 247,920	2.310%	2.300%	03/23/18	\$ 2,888	601	53 13108
FDIC Ins. CD	ALLY BK MIDVAL UTAH	02007GFD0	N/A	09/28/20	\$ 245,000	\$ 245,439	2.800%	3.274%	09/26/18	\$ 3,430	606	13 13108
FDIC Ins. CD	DISCOVER BANK	254672F29	N/A	08/10/21	\$ 248,000	\$ 239,843	1.500%	1.500%	02/10/18	\$ 1,860	922	53 13108
FDIC Ins. CD	WELLS FARGO BANK NATL ASSN	949763AF3	N/A	08/17/21	\$ 98,000	\$ 94,845	1.550%	1.550%	02/17/18	\$ 760	929	53 13108
FDIC Ins. CD	WELLS FARGO BANK NATL ASSN	949763AF3	N/A	08/17/21	\$ 150,000	\$ 145,172	1.550%	1.550%	02/17/18	\$ 1,163	929	13 13108
FDIC Ins. CD	MB FINL BK NA CHIC IL	55266CZJ8	N/A	11/18/21	\$ 247,000	\$ 246,595	2.850%	2.850%	11/18/18	\$ 3,520	1022	60 13108
FDIC Ins. CD	GOLDMAN SACHS BK USA NY	38148PKT3	N/A	06/14/22	\$ 245,000	\$ 239,828	2.350%	2.350%	12/14/18	\$ 2,879	1230	53 13108
FDIC Ins. CD	CAPITAL ONE NATL ASSN VA	14042RKL4	N/A	11/22/22	\$ 250,000	\$ 243,865	2.400%	2.400%	05/22/18	\$ 3,000	1391	53 13108
FDIC Ins. CD	MORGAN STANLEY	61747MF63	N/A	01/11/23	\$ 246,000	\$ 241,818	2.650%	2.650%	07/11/18	\$ 3,260	1441	53 13108
FDIC Ins. CD	BMW BANK NORTH AMER	05580AMB7	N/A	03/29/23	\$ 240,000	\$ 237,806	2.900%	2.900%	09/29/18	\$ 3,480	1518	53 13108
FDIC Ins. CD	SALLIE MAE BK SLT LAKE CITY	795450M44	Aaa	04/11/23	\$ 240,000	\$ 238,222	2.950%	2.950%	10/11/18	\$ 3,540	1531	60 13108
Total Corporate Obligations					\$ 4,934,702	\$ 4,834,465						
Non-Callable	HSBC HLDGS PLC	404280AY5	Aaa	05/25/21	\$ 947,473	\$ 946,419	2.950%	3.050%	11/25/18	\$ 13,975	845	53 13108
Non-Callable	AUSTRALIA & NEW ZEALA BKG	05253JAM3	Aaa	06/01/21	\$ 517,228	\$ 491,310	2.300%	1.550%	12/01/18	\$ 5,948	852	53 13108
Non-Callable	NATIONAL AUSTRALIA BK NY	63254AAR9	Aaa	07/12/21	\$ 508,870	\$ 485,805	1.875%	1.880%	01/12/18	\$ 4,771	893	53 13108
Non-Callable	BANK OF MONTREAL	06367TJX90	Aaa	08/27/21	\$ 1,011,840	\$ 976,930	1.900%	1.900%	02/27/18	\$ 9,612	939	60 13108
Total Non-US Securities					\$ 2,985,411	\$ 2,900,464						
Subtotal Long Term Pooled Investment	Local Agency Investment Fund (LAIF)				\$ 14,026,533	\$ 13,807,231						
					\$ 7,690,478	\$ 7,736,950	1.172%					
Portfolio Totals					\$ 21,717,010	\$ 21,544,180						



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 is in compliance with the current Investment Policy.

Tracy Largent
Tracy Largent, Treasurer

2/6/2019

Accounts Payable

January Amex



Check Number	Check Date		Amount
245 - ABCANA INDUSTRIES Line Item Account			
281901	02/08/2019		
Inv	1036617		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
11/30/2018	HYPOCHLORITE SOLUTION 12.5% PG III	01-32-72000	717.44
Inv 1036617 Total			717.44
281901 Total:			717.44
245 - ABCANA INDUSTRIES Total:			717.44
280 - AMAZON.COM Line Item Account			
281902	02/08/2019		
Inv	0025514-7040229		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/21/2019	Dewalt 20v Flex volt batterys 2pack	01-35-73000	353.42
Inv 0025514-7040229 Total			353.42
Inv	1614588-8376266		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/21/2019	4 port Baterry Charger	01-35-73000	210.52
01/21/2019	Dewalt 20v 1/4 impact drill	01-35-73000	262.32
01/21/2019	Dewalt 20v 1/2 Impact Wrench	01-35-73000	344.88
Inv 1614588-8376266 Total			817.72
Inv	2648191-3840228		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/26/2018	StarTech.com 12in Deep Wall Mounting Bracket for Patch Panel - W	03-41-60100	39.77
12/26/2018	Plantronics 38350-13 APC-43 Electronic Hook Switch Adapter, Bla	03-41-60100	308.28
12/26/2018	HDMI to VGA, 5 Pack, Moread Gold-Plated HDMI to VGA Adapte	03-41-60100	31.75
12/26/2018	StarTech.com Rackmount PDU with 8 Outlets with Surge Protection	03-41-60100	41.46
12/26/2018	Dell 452-BCYT D6000 Universal Dock, Black	03-41-60100	279.92
12/26/2018	AmazonBasics Power Cord - 10-Foot, Black	03-41-60100	84.58
12/26/2018	AmazonBasics VGA to VGA Cable - 6-Feet (1.8 Meters), 10-Pack	03-41-60100	64.78
12/26/2018	Microsoft Wireless Comfort Desktop 5050 (PP4-00001)	03-41-60100	109.98
12/26/2018	WD Blue 3D NAND 500GB PC SSD - SATA III 6 Gb/s, 2.5"/7mm -	03-41-60100	386.35
12/26/2018	AmazonBasics DisplayPort to DisplayPort Cable - 6 Feet	03-41-60100	47.59
Inv 2648191-3840228 Total			1,394.46

Inv 3131157-0398667

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/23/2019	GLOSSY BROCHURE & FLYER PAPER	03-41-72900	36.10

Inv 3131157-0398667 Total 36.10

Inv 3353690-2144260

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/11/2019	MOUSE PAD & WRIST REST	03-41-72900	18.99

Inv 3353690-2144260 Total 18.99

Inv 3686298-3036205

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/07/2019	SUPLIES FOR AWARDS BANQUET	03-42-56513	32.89

Inv 3686298-3036205 Total 32.89

Inv 4687858-7687436

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/07/2019	SUPLIES FOR AWARDS BANQUET	03-42-56513	80.21

Inv 4687858-7687436 Total 80.21

Inv 5644572-2515414

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/21/2019	Dewalt 20v Reciprocating saw	01-35-73000	335.82

Inv 5644572-2515414 Total 335.82

Inv 7476510-2785054

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/24/2019	48" work box for units 43,44	01-35-82000	561.34

Inv 7476510-2785054 Total 561.34

Inv 7530817-8504250

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/17/2019	Lasko 754200 Ceramic Portable Space Heater with Adjustable Ther	03-41-63400	21.02
01/17/2019	Eagle Men's Tall Size Non Iron Stretch Collar Solid Buttondown C	03-41-56511	48.16
01/17/2019	Eagle Men's Tall Size Non Iron Stretch Collar Solid Buttondown C	03-41-56511	39.86

Inv 7530817-8504250 Total 109.04

Inv 7987918-2594642

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/10/2019	STREAMLIGHT 61200 3AA HAZ-LO-HEADLAMP YELLOW 12	01-35-72000	535.20

Inv 7987918-2594642 Total 535.20

Check Number	Check Date		Amount
Inv	8919576-4313803		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/23/2019	THANK YOU CARDS	03-41-72900	66.05
Inv	8919576-4313803 Total		66.05
Inv	9332923-1701847		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/24/2019	VARIDESK 49900 - Height-Adjustable Standing Desk - Pro Plus 36	03-41-63401	425.61
01/24/2019	VARIDESK - Monitor Arm - Full-Motion Spring Dual - Monitor Ar	03-41-63401	210.11
Inv	9332923-1701847 Total		635.72
Inv	9556974-1110649		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/14/2019	Krylon K07096 Hand Held Marking Applicator Wand, 34" Length	01-35-72000	114.17
01/14/2019	Rotatape 32-300RP 11-1/4-Inch Single Measuring Wheel Feet	01-35-72000	178.58
Inv	9556974-1110649 Total		292.75
Inv	9835072-9876219		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/17/2019	Rotatape 32-300RP 11-1/4-Inch Single Measuring Wheel Feet	01-35-72000	59.00
Inv	9835072-9876219 Total		59.00
281902 Total:			5,328.71
280 - AMAZON.COM Total:			5,328.71
220 - APPLE, INC Line Item Account			
281903	02/08/2019		
Inv	171245795660		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/08/2019	iTunes: Final Cut Pro	03-41-60100	299.99
Inv	171245795660 Total		299.99
Inv	185246065363		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/10/2019	iTunes: Mini Photobooth, Unlock Mini Photobooth	03-41-60100	9.99
Inv	185246065363 Total		9.99
Inv	6788024340		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/03/2019	21.5-inch iMac with Retina 4K display 3.4GHz quad-core 7th-gener	03-41-60100	1,944.42
Inv	6788024340 Total		1,944.42

Check Number	Check Date		Amount
Inv	W773622827		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/03/2019	21.5-inch iMac with Retina 4K display (Shipping Fee)	03-41-60100	8.00
Inv W773622827 Total			8.00
281903 Total:			2,262.40
220 - APPLE, INC Total:			2,262.40
603565 - ATLISSIAN PTY LTD Line Item Account			
281904	02/08/2019		
Inv	69452023		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/14/2019	MONTHLY SUBSCRIPTION	03-41-60100	10.00
Inv 69452023 Total			10.00
281904 Total:			10.00
603565 - ATLISSIAN PTY LTD Total:			10.00
4970 - BRADY SAND & MATERIAL, INC. Line Item Account			
281905	02/08/2019		
Inv	201812-11		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/04/2018	CLASS II, COLD MIX, SPLIT LOAD CHARGE FT BILL 76174	01-34-72000	1,690.52
Inv 201812-11 Total			1,690.52
Inv	201812-12		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/04/2018	CLASS II FT BILL 75535	01-34-72000	1,190.46
Inv 201812-12 Total			1,190.46
Inv	201812-14		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/19/2018	CLASS II FT BILL 75542	01-34-72000	1,788.27
Inv 201812-14 Total			1,788.27
Inv	201812-19		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/28/2018	CLASS II FT BILL 73845	01-34-72000	1,766.94
Inv 201812-19 Total			1,766.94

Check Number	Check Date		Amount
281905 Total:			6,436.19
4970 - BRADY SAND & MATERIAL, INC. Total:			6,436.19
603218 - BROWN & CALDWELL, BC WATER Line Item Account			
281906	02/08/2019		
Inv	65738		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/22/2019	JOB POSTING	03-42-75500	100.00
Inv 65738 Total			100.00
Inv	66064		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/25/2019	JOB POSTING	03-42-75500	200.00
Inv 66064 Total			200.00
281906 Total:			300.00
603218 - BROWN & CALDWELL, BC WATER Total:			300.00
1575 - CDW GOVERNMENT, INC. Line Item Account			
281907	02/08/2019		
Inv	QRX9985		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/16/2019	Adobe Acrobat Pro - subscription license (Prorated 2 Months)	03-41-60100	25.90
Inv QRX9985 Total			25.90
281907 Total:			25.90
1575 - CDW GOVERNMENT, INC. Total:			25.90
2885 - CORELOGIC INFORMATION Line Item Account			
281908	02/08/2019		
Inv	81940044		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/31/2018	REALQUEST.COM GEOGRAPHIC PACKAGE	03-91-63102	192.50
Inv 81940044 Total			192.50
281908 Total:			192.50
2885 - CORELOGIC INFORMATION Total:			192.50

Check Number	Check Date		Amount
2027 - CULLIGAN OF ESCONDIDO Line Item Account			
281909	02/08/2019		
Inv	123118		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/31/2018	WATER SOFTNER SERVICE PERIOD 01/01-01/31	03-41-63401	78.50
Inv 123118 Total			78.50
281909 Total:			78.50
2027 - CULLIGAN OF ESCONDIDO Total:			78.50
603257 - EVENTBRITE Line Item Account			
281910	02/08/2019		
Inv	881967703		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/11/2019	2019 WOMEN IN WATER SEMINAR - CGRAY & AMCMILLON	03-41-75300	50.00
Inv 881967703 Total			50.00
281910 Total:			50.00
603257 - EVENTBRITE Total:			50.00
603593 - FORM CENTER Line Item Account			
281911	02/08/2019		
Inv	28154		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/17/2019	PAYROLL CHECKS AND ENVELOPES	03-51-72700	91.46
Inv 28154 Total			91.46
281911 Total:			91.46
603593 - FORM CENTER Total:			91.46
3325 - GRAINGER, W.W. INC. Line Item Account			
281912	02/08/2019		
Inv	9021312906		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/03/2018	YELLOW SPRAY PAINT	01-00-14610	310.32
Inv 9021312906 Total			310.32
Inv	9030403274		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/12/2018	SQUARE SHOVEL	01-00-14610	40.41

Check Number	Check Date		Amount
12/12/2018	BLUE MARKING PAINT	01-00-14610	28.96
Inv 9030403274 Total			69.37
Inv 9037730976			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/19/2018	Replacement lamps for flood lights in district yard	03-41-63401	147.18
Inv 9037730976 Total			147.18
Inv 9038579232			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/20/2018	DIVERSEY Neutral Floor Cleaner	03-41-63401	22.37
Inv 9038579232 Total			22.37
281912 Total:			549.24
3325 - GRAINGER, W.W. INC. Total:			549.24
603421 - MICROSOFT CORPORATION Line Item Account			
281913	02/08/2019		
Inv E03007DY8L			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/17/2019	USAGE CHARGES 11/25/18-12/24/18	03-41-60100	102.15
Inv E03007DY8L Total			102.15
281913 Total:			102.15
603421 - MICROSOFT CORPORATION Total:			102.15
603404 - NATUREBOX Line Item Account			
281914	02/08/2019		
Inv 4120			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/01/2019	EMPLOYEE SNACKS NATUREBOX UNLIMITED	03-42-56513	750.00
Inv 4120 Total			750.00
281914 Total:			750.00
603404 - NATUREBOX Total:			750.00
5286 - NOSSAMAN, LLP Line Item Account			
281915	02/08/2019		

Check Number	Check Date		Amount
Inv	489626		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/06/2018	PROFESSIONAL SERVICES THROUGH 11/30/18-REVENUE LC	03-41-70300	3,600.00
Inv 489626 Total			3,600.00
Inv	489644		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/07/2018	GENERAL COUNSEL SERVICES THROUGH 10/31/18	03-91-70000	674.50
12/07/2018	GENERAL COUNSEL SERVICES THROUGH 11/30/18	03-41-70300	11,502.00
12/07/2018	GENERAL COUNSEL SERVICES THROUGH 11/30/18 WO# 112	03-91-70000	248.50
Inv 489644 Total			12,425.00
Inv	489645		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/07/2018	GENERAL COUNSEL SERVICES THROUGH 11/30/18	03-41-70300	10,900.08
12/07/2018	GENERAL COUNSEL SERVICES THROUGH 10/31/18	03-91-70000	292.50
12/07/2018	GENERAL COUNSEL SERVICES THROUGH 11/30/18 WO# 146	03-91-70000	1,982.50
12/07/2018	GENERAL COUNSEL SERVICES THROUGH 11/30/18 WO# 139	03-91-70000	1,332.50
Inv 489645 Total			14,507.58
281915 Total:			30,532.58
5286 - NOSSAMAN, LLP Total:			30,532.58
5425 - OFFICE DEPOT Line Item Account			
281916	02/08/2019		
Inv	246980383001		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/14/2018	DESKPAD, CALENDARS, PAPER - CUSTOMER SERVICE	03-41-72900	274.54
Inv 246980383001 Total			274.54
Inv	246994078001		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/14/2018	DESKPAD - CUSTOMER SERVICE	03-41-72900	23.85
Inv 246994078001 Total			23.85
Inv	247051215001		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/14/2018	DESKPAD AND DAILY BOOK - ENGINEERING	03-41-72900	35.31
Inv 247051215001 Total			35.31
Inv	247051215002		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/17/2018	DESKPAD, MONTHLY - ENGINEERING	03-41-72900	32.17

Check Number	Check Date		Amount
Inv 247051215002	Total		32.17
Inv 247453391001			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/19/2018	WALL CALENDAR AND LABELS	03-41-72900	154.89
Inv 247453391001	Total		154.89
Inv 251260536001			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/28/2018	DESKPAD, WRITING PAD, TAPE DISPENSER - METERS (JC)	03-41-72900	34.08
Inv 251260536001	Total		34.08
Inv 251266695001			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/28/2018	CLASSIFICATION FOLDER & FOLDERS - SAFETY	03-41-72900	246.08
Inv 251266695001	Total		246.08
Inv 251266833001			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/02/2019	LABELER, HANDHELD - SAFETY	03-41-72900	40.93
Inv 251266833001	Total		40.93
Inv 252341672001			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/02/2019	DESKPAD, PLANNER - WASTEWATER	03-41-72900	205.05
Inv 252341672001	Total		205.05
281916	Total:		1,046.90
5425 - OFFICE DEPOT	Total:		1,046.90
5905 - PACIFIC METROLOGY	Line Item Account		
281917	02/08/2019		
Inv 31668			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/11/2019	BACKFLOW GAGE	01-35-63404	103.50
Inv 31668	Total		103.50
281917	Total:		103.50
5905 - PACIFIC METROLOGY	Total:		103.50
5910 - PACIFIC PIPELINE SUPPLY	Line Item Account		

Check Number	Check Date		Amount
281918	02/08/2019		
Inv	327565		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/04/2018	METER BOX LID 1-PC CONCRETE #3 8.75" X 14.5"	01-35-72000	37.82
Inv 327565 Total			37.82
Inv	S100400258.001		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/18/2018	3" DRESSER COUPLING 3.30-3.51	01-00-14610	181.50
Inv S100400258.001 Total			181.50
281918 Total:			219.32
5910 - PACIFIC PIPELINE SUPPLY Total:			219.32
5635 - PALA MESA RESORT Line Item Account			
281919	02/08/2019		
Inv	34941		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/05/2019	2019 EMPLOYEE BANQUET - 2ND DEPOSIT	03-42-56513	1,417.83
Inv 34941 Total			1,417.83
Inv	34941.		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/12/2019	2019 EMPLOYEE BANQUET - REMAINING BALANCE	03-42-56513	1,190.98
Inv 34941. Total			1,190.98
281919 Total:			2,608.81
5635 - PALA MESA RESORT Total:			2,608.81
603118 - POWELL'S OFFICE FURNITURE Line Item Account			
281920	02/08/2019		
Inv	10527		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/02/2019	L SHAPE SINGLE PEDESTAL DESK	03-41-63401	429.56
Inv 10527 Total			429.56
Inv	10561		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/14/2019	PANEL AND PANEL CONNECTOR	03-41-63401	464.40
Inv 10561 Total			464.40

281920 Total:	893.96
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603118 - POWELL'S OFFICE FURNITURE Total:	893.96
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5976 - PRUDENTIAL OVERALL SUPPLY Line Item Account

281921 02/08/2019

Inv 130870829

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/04/2018	MATS & MISC	03-41-63401	179.86
12/04/2018	MONTHLY UNIFORMS	03-41-56511	150.94

Inv 130870829 Total	330.80
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Inv 130870830

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/04/2018	MONTHLY UNIFORMS	03-41-56511	88.66

Inv 130870830 Total	88.66
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Inv 130872285

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/11/2018	MATS & MISC	03-41-63401	7.66
12/11/2018	MONTHLY UNIFORMS	03-41-56511	144.09

Inv 130872285 Total	151.75
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Inv 130872286

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/11/2018	MONTHLY UNIFORMS	03-41-56511	91.74

Inv 130872286 Total	91.74
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Inv 130873734

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/11/2018	MONTHLY UNIFORMS	03-41-56511	151.19
12/11/2018	MATS & MISC	03-41-63401	179.86

Inv 130873734 Total	331.05
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Inv 130873735

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/18/2018	MONTHLY UNIFORMS	03-41-56511	94.82

Inv 130873735 Total	94.82
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Inv 130875163

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/25/2018	MATS & MISC	03-41-63401	7.66
12/25/2018	MONTHLY UNIFORMS	03-41-56511	144.34

Inv 130875163 Total	152.00
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Check Number	Check Date		Amount
Inv	130875164		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
12/25/2018	MONTHLY UNIFORMS	03-41-56511	94.82
Inv 130875164 Total			94.82
Inv	130876622		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/01/2019	MONTHLY UNIFORMS	03-41-56511	151.19
01/01/2019	MATS & MISC	03-41-63401	179.86
Inv 130876622 Total			331.05
Inv	130876623		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/01/2019	MONTHLY UNIFORMS	03-41-56511	94.82
Inv 130876623 Total			94.82
281921 Total:			1,761.51
5976 - PRUDENTIAL OVERALL SUPPLY Total:			1,761.51
603175 - RODRIGUEZ, MANDOLYN Line Item Account			
281922	02/08/2019		
Inv	REIMBURSERWD		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/09/2019	REIM FOR FOAM BOARD PURCHASE	03-42-56513	35.70
Inv REIMBURSERWD Total			35.70
281922 Total:			35.70
603175 - RODRIGUEZ, MANDOLYN Total:			35.70
603406 - THE FRUIT GUYS Line Item Account			
281923	02/08/2019		
Inv	5329976		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/03/2019	EMPLOYEE SNACKS-HARVEST SMALL	03-41-63400	76.50
Inv 5329976 Total			76.50
Inv	5332144		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/08/2019	EMPLOYEE SNACKS-HARVEST SMALL	03-41-63400	38.25
Inv 5332144 Total			38.25

Check Number	Check Date		Amount
Inv	5334628		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/15/2019	EMPLOYEE SNACKS-HARVEST SMALL	03-41-63400	76.50
Inv 5334628 Total			76.50
Inv	5336449		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/22/2019	EMPLOYEE SNACKS-HARVEST SMALL	03-41-63400	38.25
Inv 5336449 Total			38.25
281923 Total:			229.50
603406 - THE FRUIT GUYS Total:			229.50
603591 - THE TOLL ROADS VIOLATION DEPT. Line Item Account			
281924	02/08/2019		
Inv	22329335		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/23/2019	SR73 CATALINA VIEW NORTH TOLL ROAD FEE	03-41-75300	6.49
Inv 22329335 Total			6.49
281924 Total:			6.49
603591 - THE TOLL ROADS VIOLATION DEPT. Total:			6.49
7770 - U.S. POSTAL SERVICE Line Item Account			
281925	02/08/2019		
Inv	2197004499		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/04/2019	48-HOUR NOTICE PREPAY BALANCE RECHARGE	03-51-69000	300.00
Inv 2197004499 Total			300.00
Inv	2204130658		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/16/2019	48-HOUR NOTICE PREPAY BALANCE RECHARGE	03-51-69000	300.00
Inv 2204130658 Total			300.00
Inv	2206945399		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/21/2019	48-HOUR NOTICE PREPAY BALANCE RECHARGE	03-51-69000	300.00
Inv 2206945399 Total			300.00

Check Number	Check Date		Amount
281925 Total:			900.00
7770 - U.S. POSTAL SERVICE Total:			900.00
603174 - VILLAGE PIZZA Line Item Account			
281926	02/08/2019		
Inv	113793		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/22/2019	LUNCH MEETING FOR BOARD MEMBERS 1/22/19	03-20-75300	24.78
Inv 113793 Total			24.78
Inv	117872		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/22/2019	LUNCH MEETING FOR STAFF 1/22/19	03-41-75300	55.76
Inv 117872 Total			55.76
281926 Total:			80.54
603174 - VILLAGE PIZZA Total:			80.54
603592 - WWW.EFAVORMART.COM Line Item Account			
281927	02/08/2019		
Inv	1243584EFMT		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/08/2019	EMPLOYEE RECOGNITION BANQUET SUPPLIES	03-42-56513	28.44
Inv 1243584EFMT Total			28.44
281927 Total:			28.44
603592 - WWW.EFAVORMART.COM Total:			28.44
603437 - ZIPRECRUITER Line Item Account			
281928	02/08/2019		
Inv	4347258		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/14/2019	JOB POSTING	03-42-75500	249.00
Inv 4347258 Total			249.00
Inv	4387318		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/21/2019	JOB POSTING	03-42-75500	60.00
Inv 4387318 Total			60.00

Check Number Check Date

Amount

281928 Total: 309.00

603437 - ZIPRECRUITER Total: 309.00

603451 - ZOHO CORP Line Item Account

281929 02/08/2019

Inv 64465602

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
01/08/2019	MONTHLY SUBSCRIPTION	01-35-72000	25.00

Inv 64465602 Total 25.00

281929 Total: 25.00

603451 - ZOHO CORP Total: 25.00

Total: 55,675.74

**Director's Expenses
FY 2018-2019**

Disbursement Date	Description	Miguel Gasca	Helene Brazier	Claude Hamilton	Michael Mack	William Stewart	Retiree
07/31/18	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	\$ 150.00		\$ 25.00	
	TRAVEL EXPENSES						
	MILEAGE EXPENSE			\$ 23.98		\$ 56.68	
	REIMBURSEMENT FROM DIRECTORS						
	Monthly Totals	\$ 150.00	\$ 150.00	\$ 173.98	\$ -	\$ 231.68	\$ -
08/31/18	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	\$ 450.00	\$ 450.00	
	TRAVEL EXPENSES						
	MILEAGE EXPENSE				\$ 52.32	\$ 68.12	
	REIMBURSEMENT FROM DIRECTORS						
	Monthly Totals	\$ 300.00	\$ 330.00	\$ 300.00	\$ 532.32	\$ 543.12	\$ -

**Director's Expenses
FY 2018-2019**

Disbursement Date	Description	Miguel Gasca	Helene Brazier	Claude Hamilton	Michael Mack	William Stewart	Retiree
09/30/18	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	\$ 600.00		\$ 600.00	\$ 600.00	\$ 600.00	
	TRAVEL EXPENSES	\$ 338.00		\$ 338.00	\$ 338.00	\$ 338.00	
	MILEAGE AND EXPENSES	\$ 714.61		\$ 340.22	\$ 81.76	\$ 289.62	
	REIMBURSEMENT FROM DIRECTORS						
	Monthly Totals	\$ 2,102.61	\$ 150.00	\$ 1,728.22	\$ 1,469.76	\$ 1,677.62	\$ -
10/31/18	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	\$ 60.00					
	TRAVEL EXPENSES	\$ 45.00					
	MILEAGE AND EXPENSES	\$ 300.00	\$ 150.00	\$ 150.00	\$ 150.00		
	MILEAGE AND EXPENSES	\$ 75.04		\$ 23.98			
	REIMBURSEMENT FROM DIRECTORS						
	Monthly Totals	\$ 480.04	\$ 150.00	\$ 173.98	\$ 150.00	\$ -	\$ -

**Director's Expenses
FY 2018-2019**

Disbursement Date	Description	Miguel Gasca	Helene Brazier	Claude Hamilton	Michael Mack	William Stewart	Retiree
11/30/18	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 TRAVEL EXPENSES MILEAGE EXPENSE REIMBURSEMENT FROM DIRECTORS				\$ 699.00		
	Monthly Totals	\$ 300.00		\$ 300.00	\$ 450.00		
		\$ 62.13		\$ 58.86	\$ 124.27		
	Monthly Totals	\$ 362.13	\$ -	\$ 358.86	\$ 1,532.80	\$ -	\$ -
12/31/18	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 TRAVEL EXPENSES MILEAGE EXPENSE REIMBURSEMENT FROM DIRECTORS						
	Monthly Totals	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ -
	Monthly Totals	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ -
	REPORT TOTAL (2018):	\$ 3,544.78	\$ 930.00	\$ 2,885.04	\$ 3,834.88	\$ 2,602.42	\$ -

**Director's Expenses
FY 2018-2019**

Disbursement Date	Description	Miguel Gasca	Helene Brazier	Claude Hamilton	Michael Mack	Carl Rindfleisch	Retiree
01/31/19	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	\$ 150.00		\$ 150.00	
	TRAVEL EXPENSES MILEAGE EXPENSE			\$ 25.52			
	REIMBURSEMENT FROM DIRECTORS						
	Monthly Totals	<u>\$ 150.00</u>	<u>\$ 150.00</u>	<u>\$ 175.52</u>	<u>\$ -</u>	<u>\$ 150.00</u>	<u>\$ -</u>
02/28/19	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	\$ 150.00	\$ 150.00	\$ 450.00	
	TRAVEL EXPENSES MILEAGE EXPENSE					\$ 234.32	
	REIMBURSEMENT FROM DIRECTORS						
	Monthly Totals	<u>\$ 150.00</u>	<u>\$ 150.00</u>	<u>\$ 150.00</u>	<u>\$ 150.00</u>	<u>\$ 684.32</u>	<u>\$ -</u>

Bank Reconciliation

January Check Register



Check No. Vendor/Employee

Transaction Description

Date

Amount

Fund: 01 WATER FUND

Department: 00

Check No. Vendor/Employee	Transaction Description	Date	Amount
ACH AFLAC	PT Batch 1902_AFLAC Post-Tax	01/17/2019	37.20
ACH AFLAC	PT Batch 1903_AFLAC Post-Tax	01/31/2019	37.20
ACH EMPLOYMENT DEV DEPARTMENT	4TH QRT 2018 - ETT	01/22/2019	806.43
ACH HEALTH EQUITY	HSA Anthem/Kaiser - 2019 ER Contribution	01/03/2019	58,700.00
ACH PUBLIC EMPLOYEES RETIREMENT	CALPERS REPLACEMENT FUND: ANNA CHRISTENSEN	01/11/2019	361.60
ACH RENE BUSH	REIMBURSE RETIRED EMPLOYEE HEALTH INS - JAN 2019	01/08/2019	726.00
ACH SAN DIEGO COUNTY WATER AUTH	WIRE TRANSFER FOR WATER PURCHASES - NOV 2018	01/10/2019	1,706,805.30
ACH SAN DIEGO COUNTY WATER AUTH.	CAPACITY FEES FOR OCT-DEC 2018	01/10/2019	361,560.00
ACH UNION BANK (VISA)	COMPUTER ASSISTANCE PROGRAM - TK	01/11/2019	1,131.22
ACH ANDREW ECHOLS	REIMBURSE RETIRED EMPLOYEE HEALTH INS - NOV 2018	01/08/2019	726.00
ACH ANDREW ECHOLS	REIMBURSE RETIRED EMPLOYEE HEALTH INS - DEC 2018	01/15/2019	363.00
ACH CHARLES C. SNEED	REIMBURSE RETIRED EMPLOYEE HEALTH INS - JAN 2019	01/17/2019	363.00
ACH KEVIN MILLER	REIMBURSE RETIRED EMPLOYEE HEALTH INS - JAN 2019	01/08/2019	726.00
55477 ASPHALT & CONCRETE SPECIALIST	Refund Check	01/03/2019	1,737.27
55479 D.R. HORTON LOS ANGELES HOLDING COMPANY	Refund Check	01/03/2019	300.86
55480 D.R. HORTON LOS ANGELES HOLDING COMPANY	Refund Check	01/03/2019	320.23
55481 D.R. HORTON LOS ANGELES HOLDING COMPANY	Refund Check	01/03/2019	449.07
55482 LLC DEVELOPMENT SOLUTIONS BON	Refund Check	01/03/2019	2,783.25
55483 DICK MILLER, INC.	Refund Check	01/03/2019	1,688.54
55484 DR HORTON LOS ANGELES HOLDING COMPANY INC	Refund Check	01/03/2019	97.61
55485 DR HORTON LOS ANGELES HOLDING COMPANY INC	Refund Check	01/03/2019	76.00
55486 DR HORTON LOS ANGELES HOLDING COMPANY INC	Refund Check	01/03/2019	169.00
55487 STEVE & KARIN FOSTER	Refund Check	01/03/2019	34.37
55488 FRULLA, INC.	Refund Check	01/03/2019	1,255.12
55490 WILLIAM WURCH	Refund Check	01/03/2019	171.49
55500 LINCOLN NATIONAL LIFE INSURANCE COMPANY	MONTHLY INSURANCE - JAN 2019	01/08/2019	3,957.34
55522 JUSTIN CHANDLER	EMPLOYEE COMPUTER ASSISTANCE PROGRAM	01/15/2019	1,339.58
55538 CORE & MAIN LP	GATE VALVE WRENCH	01/17/2019	10,330.80
55544 FERGUSON WATERWORKS #1083	¾ X 2 BRASS NIPPLE	01/17/2019	1,572.16
55555 DAVID SEYMOUR	REIMBURSE RETIRED EMPLOYEE HEALTH - DEC 2018	01/17/2019	1,089.00
55569 CORE & MAIN LP	3/8 FLR X 3/8 MIP BRASS P/N-6730707E - TUBE CONN UNION	01/30/2019	8,571.19
55573 DR HORTON LOS ANGELES HOLDING COMPANY INC	Refund Check	01/30/2019	1,863.99
55574 DR HORTON LOS ANGELES HOLDING COMPANY INC	Refund Check	01/30/2019	1,863.99
55575 DR HORTON LOS ANGELES HOLDING COMPANY INC	Refund Check	01/30/2019	1,863.99
55578 FERGUSON WATERWORKS #1083	44207220064301 ASSY COUPLING 6.90-7.22 X6.56-6.96, 12 SLEEVE,	01/30/2019	425.61

55595	LINCOLN NATIONAL LIFE INSURANCE COMPANY	MONTHLY INSURANCE - FEB 2019	01/30/2019	3,820.92
55609	DAVID SEYMOUR	REIMBURSE RETIRED EMPLOYEE HEALTH - JAN 2019	01/30/2019	363.00

Total for Department: 00 2,178,487.33

Department: 31 PUMPING

55529	SAN DIEGO GAS & ELECTRIC	MONTHLY GAS AND ELECTRIC #1065 087 935 1	01/15/2019	25,860.46
55539	POLLUTION CONTROL DISTRICT COUNTY OF SAN DIEGO, AIR	VIOLATION FINE FOR #4 ENGINE - RAINBOW HEIGHTS PUMP STATION	01/17/2019	375.00

Total for Department: 31 PUMPING 26,235.46

Department: 32 OPERATIONS

ACH	AIRGAS USA, LLC	CYLINDER RENTAL: NITROGEN	01/15/2019	21.71
ACH	BABCOCK LABORATORIES, INC	MONTHLY WATER ANALYSIS	01/17/2019	690.00
ACH	MISSION VALLEY SANITATION-SD	PORTA POTTY RENTAL FOR WEED ABATEMENT	01/30/2019	151.37
ACH	RICHARD C. MICHAUD	UHF 40 WATT Repeater for headquarters and mobile units. Taxes \$1	01/17/2019	2,441.64
ACH	STATE WATER RESOURCES CONTROL BOARD	WATER SYSTEM FEES FOR PERIOD 7/1/18-6/30/19	01/10/2019	25,728.00
ACH	ROBERT GUTIERREZ	REIMBURSE TUITION FEES - NEGOTIATIONS, BARGAINING & CONFLICT MGM	01/08/2019	2,070.00
55505	SAN DIEGO GAS & ELECTRIC	MONTHLY ELECTRIC SERVICE #7382 505 701 4	01/08/2019	115.98
55529	SAN DIEGO GAS & ELECTRIC	MONTHLY GAS AND ELECTRIC #1065 087 935 1	01/15/2019	1,070.49
55533	MARC WALKER	REIMB FOR SWRCB GRADE T3 CERT RENEWAL FEE	01/15/2019	90.00
55549	JOE'S HARDWARE	SW CHAIN 16" PRO-GUARD	01/17/2019	23.53
55552	ONESOURCE DISTRIBUTORS, LLC	HOFF APLKJIC PADLOCK KIT F/JIC used to lock enclosure	01/17/2019	856.68
55558	UTILITY SERVICE CO.	WASHOUT INSPECTION - PALA MESA TANK	01/17/2019	10,543.00
55559	WATERLINE TECHNOLOGIES INC.	SODIUM HYPOCHLORITE 400 GALLONS	01/17/2019	3,769.42
55608	SAN DIEGO GAS & ELECTRIC	MONTHLY ELECTRIC SERVICE #9632 211 707 2	01/30/2019	128.01
55618	VISTA FENCE COMPANY INCORPORATED	12 x13 ft fence with gate and barb wire for the PRS on Moosa lin	01/30/2019	4,321.34

Total for Department: 32 OPERATIONS 52,021.17

Department: 33 VALVE MAINTENANCE

191912	GRISWOLD INDUSTRIES	CVU-101 & CVU-201	01/09/2019	1,400.00
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Total for Department: 33 VALVE MAINTENANCE 1,400.00

Department: 34 WATER DISTRIBUTION

ACH	AIRGAS USA, LLC	CYLINDER RENTAL: ARGON, ACETYLENE, CARBON DIOXIDE	01/15/2019	66.95
ACH	AIRGAS USA, LLC	CARBON DIOXIDE, OXYGEN, ACETYLENE	01/30/2019	2,137.00
ACH	ART'S TRENCH PLATE & KRAIL SERVICE CO, INC.	PICKED UP (2) 8X10 TRENCH PLATE RENTAL	01/17/2019	866.00
ACH	ART'S TRENCH PLATE & KRAIL SERVICE CO, INC.	PICKED UP (2) 1.25 6X15 TRENCH PLATE RENTALS	01/30/2019	614.20
ACH	JOE'S PAVING CO, INC	Asphalt repair	01/15/2019	14,464.30
ACH	SCW CONTRACTING CORPORATION	Main Line	01/30/2019	1,296.00
ACH	UNDERGROUND SERVICE ALERT	RAI88 NEW TICKET CHARGES	01/15/2019	100.75
ACH	UNION BANK (VISA)	AFTER HOUR MEAL FOR EMPLOYEE	01/11/2019	38.30
55510	TRENCH SHORING COMPANY	8X12 TRENCH TOP	01/08/2019	559.60
55516	DOUBLE D PIPELINE, INC.	Main Line Repair	01/15/2019	38,166.00
55531	TRAFFIC SAFETY WAREHOUSE	48" Roll Up Vinyl Sign Reflective Orange Be Prepared To Stop	01/15/2019	1,286.00
55546	FREEWAY TRAILER SALES	ADAPTER AND PINTLE COMBO	01/17/2019	147.51

55556	T S INDUSTRIAL SUPPLY	1/4-20 NYLON LOCK NUT Z	01/17/2019	1,111.26
55566	BOARD OF EQUALIZATION	4TH QRT 2018 ROAD USE TAX	01/30/2019	271.36
55576	FALLBROOK AUTO PARTS	3 4 DR UNIV JOIN AND 8 TON BOTTLE JACK	01/30/2019	43.09
55581	FREEWAY TRAILER SALES	COUPLER AND TONGUE JACK	01/30/2019	75.32
55584	MICHAEL GONZALEZ	REIMB FOR SWRCB GRADE D2 CERT FEE	01/30/2019	135.00
55588	HOME DEPOT	TRUE TEMPER 6 CU STEEL W/ FLAT FREE	01/30/2019	193.91
55596	JOSE MEDRANO	Concrete Pumping	01/30/2019	567.00
55601	PERRAULT CORPORATION	CLASS II BASE	01/30/2019	553.04
55602	PETTY CASH	AFTER-HOURS MEAL 3 EMPLOYEES	01/30/2019	107.59
55616	TRENCH PLATE RENTAL CO.	(1) 8X12 TRENCH PLATE RENTAL	01/30/2019	337.70
55617	TRENCH SHORING COMPANY	Shoring parts	01/30/2019	3,317.53

Total for Department: 34 WATER DISTRIBUTION 66,455.41

Department: 35 METER SERVICES

55538	CORE & MAIN LP	RIGHT ANGLE LIGHT 380-BT2P-ORR	01/17/2019	3,084.35
55544	FERGUSON WATERWORKS #1083	RIDGID COOL GEL	01/17/2019	118.69
55556	T S INDUSTRIAL SUPPLY	PORTABLE WATER HOSE, SHORTSHANK, CLAMP	01/17/2019	310.91
55569	CORE & MAIN LP	ZURN 3/4" 460XL SPILL RESISTANT PRESSURE VACUUM BREAKER ASSEMBLY	01/30/2019	629.96
55588	HOME DEPOT	LEAD FREE SILVER SOLDER, FITTING BRUSH, BALL VALVE, CAP	01/30/2019	378.48
55594	KNOCKOUT PEST CONTROL& TERMITES, INC.	ONE TIME PEST CONTROL	01/30/2019	150.00

Total for Department: 35 METER SERVICES 4,672.39

Total for Fund:01 WATER FUND 2,329,271.76

Fund: 02 SEWER FUND

Department: 00

55479	D.R. HORTON LOS ANGELES HOLDING COMPANY	Refund Check	01/03/2019	112.34
55480	D.R. HORTON LOS ANGELES HOLDING COMPANY	Refund Check	01/03/2019	262.13
55481	D.R. HORTON LOS ANGELES HOLDING COMPANY	Refund Check	01/03/2019	266.54
55484	DR HORTON LOS ANGELES HOLDING COMPANY INC	Refund Check	01/03/2019	11.00
55485	DR HORTON LOS ANGELES HOLDING COMPANY INC	Refund Check	01/03/2019	61.68
55486	DR HORTON LOS ANGELES HOLDING COMPANY INC	Refund Check	01/03/2019	121.15
55487	STEVE & KARIN FOSTER	Refund Check	01/03/2019	13.18

Total for Department: 00 848.02

Department: 61 WASTEWATER

ACH	ATLAS PUMPING SERVICE	MONTHLY BILLING	01/17/2019	210.00
ACH	BABCOCK LABORATORIES, INC	MONTHLY WATER ANALYSIS	01/17/2019	111.00
ACH	BABCOCK LABORATORIES, INC	MONTHLY WATER ANALYSIS	01/30/2019	242.00
ACH	HAAKER EQUIPMENT CO.	8" Hydro Vac Handle	01/17/2019	470.14
ACH	HAAKER EQUIPMENT CO.	VA 45046 Counter Wheel	01/30/2019	1,239.90
ACH	MALLORY SAFETY AND SUPPLY, LLC	Honan - GAPFMAX - FILTER PARTICULATE	01/17/2019	317.79
ACH	MALLORY SAFETY AND SUPPLY, LLC	Honan - SRHMC SENSOR H2s	01/30/2019	150.85
55503	RHO MONSERATE C.C.H.A.	ELECTRIC CHARGE	01/08/2019	413.30
55505	SAN DIEGO GAS & ELECTRIC	MONTHLY ELECTRIC SERVICE #9380 440 512 5	01/08/2019	18.06

55511	WATER QUALITY SPECIALISTS	MONTHLY OPERATIONS AND MAINTENANCE SERVICE - DEC 2018	01/08/2019	1,950.00
55518	GLOBAL POWER GROUP INC.	Misc. Supp / Environ. fees	01/15/2019	1,766.88
55519	CHRIS HAND	REIMB FOR CWEA COLLECTION SYSTEM MAINTENANCE GRADE 3 CERT	01/15/2019	195.00
55520	HOUSTON AND HARRIS	CCTV - Video requests	01/15/2019	10,307.50
55529	SAN DIEGO GAS & ELECTRIC	MONTHLY GAS AND ELECTRIC #1065 087 935 1	01/15/2019	4,702.55
55536	CONTRACTOR SPECIALTIES & SUPPLY CO., INC.	Rain pans for collection sewer system Manhole insert 24" x 23	01/17/2019	5,600.00
55547	GLOBAL POWER GROUP INC.	Technician noted selector switch has failed and needs to be repl	01/17/2019	787.58
55556	T S INDUSTRIAL SUPPLY	SAFETY CONES, TRA BAR-T1 PLASTIC,	01/17/2019	351.43
55557	TRENCH SHORING COMPANY	# 1930206 2' x 6' panel 76# 8' tall bos , 4' tall box	01/17/2019	1,354.50
55565	AYALA ENGINEERING, INC.	Ayala Engineering: Rehab (7) sewer manholes	01/30/2019	18,200.00
55582	GELCO SUPPLY INC	Root X - Chemical for root control cust. lateral	01/30/2019	1,289.77
55588	HOME DEPOT	CUTTERS, SOLAR POWERED LED	01/30/2019	239.57
55591	JOE'S HARDWARE	PAINTCARE RECOVER FEE, ROLLER W/FRAME, ROLLER CVR	01/30/2019	281.03
55602	PETTY CASH	MAIL APCD PERMIT INFO VIA CERTIFIED MAIL	01/30/2019	8.04
55608	SAN DIEGO GAS & ELECTRIC	MONTHLY ELECTRIC SERVICE #9380 440 512 5	01/30/2019	0.67
55614	TRAFFIC SUPPLY, INC.	28" ORANGE SLIM-LINE 7LB REFLECTIVE CONE STENCILED: RMWD	01/30/2019	1,850.07

Total for Department: 61 WASTEWATER 52,057.63

Total for Fund:02 SEWER FUND 52,905.65

Fund: 03 GENERAL FUND

Department: 00

ACH	PUBLIC EMPLOYEES RETIREMENT	ER CONTRIBUTION - UNFUNDED ACCRUED LIABILITY, CLASSIC 1770	01/11/2019	34,992.58
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Total for Department: 00 34,992.58

Department: 36 GARAGE

ACH	BP BATTERY INC.	GROUP 31 925 CCA COMMERCIAL STUD POST	01/17/2019	449.31
ACH	FLYERS ENERGY LLC	ORDER 1653814-18, CARB REG 10% ETH 400 UNITS/DSL 134.30 UNITS	01/17/2019	5,055.79
ACH	FLYERS ENERGY LLC	ORDER 1682837-19, CARB REG 10% ETH 350 UNITS/DSL 60 UNITS	01/30/2019	3,690.36
ACH	O'REILLY AUTO PARTS	OIL FILTER AND AIR FILTER	01/17/2019	430.96
ACH	O'REILLY AUTO PARTS	WIPER BLADE	01/30/2019	278.37
ACH	PARKHOUSE TIRE, INC.	215/75R17.5 H BST R238	01/17/2019	2,671.82
ACH	PARKHOUSE TIRE, INC.	P255/70R17 HAN DYNAPRO AT-M OWL	01/30/2019	2,154.45
ACH	QUALITY CHEVROLET	TANK AND CAP	01/17/2019	56.84
ACH	SAFETY-KLEEN	BRAKE CLEANER AND PARTS WASHER	01/30/2019	552.71
ACH	SONSRAY MACHINERY LLC.	TOOTH-BUCKET, AND KEY-BUCKET TOOT	01/17/2019	827.06
ACH	THE WELD SHOP, INC	Electrical Services Trailer # 121 Modifications to include as 1	01/30/2019	1,993.00
ACH	UNION BANK (VISA)	SHOP TOOLS, SOCKET HOLDERS/PLIERS	01/11/2019	499.17
55495	RAMON FRANCISCO COTE	RMWD VEHICLE WASH	01/08/2019	1,858.00
55517	FALLBROOK AUTO PARTS	ICON BLADE	01/15/2019	2,356.42
55550	KONECRANES, INC.	NOV MOBILE CRANE INSPECTIONS	01/17/2019	975.00
55554	SAN DIEGO FRICTION PRODUCTS, INC.	BOSTROM SEAT VALVE ASSY	01/17/2019	132.75
55570	RAMON FRANCISCO COTE	RMWD VEHICLE WASH	01/30/2019	1,010.00
55576	FALLBROOK AUTO PARTS	RETURNED ITEM, WRONG PARTS: BRAKE ROTOR	01/30/2019	1,004.34
55579	FORD OF ESCONDIDO	ANTI-FREEZE	01/30/2019	121.97
55587	HEAVY VEHICLE ELECTRONIC LICENSE PLATE	MONTHLY SERVICE DEC	01/30/2019	17.65
55588	HOME DEPOT	BRASS BARD, FLEX RISER, SPLICER, VYNIL TUBE	01/30/2019	42.90

55593	KIMBALL MIDWEST	Blue Torq-Lok Gel Threadlock # 801209	01/30/2019	704.56
55597	NETWORK FLEET, INC.	MONTHLY AIRTIME CHARGES FOR GPS TRACKING - JAN 2019	01/30/2019	780.00
55602	PETTY CASH	WEED TRIMMER ELEMENT	01/30/2019	3.45
55607	SAN DIEGO FRICTION PRODUCTS, INC.	PEERLESS 1/2 G70 SLIP W/ LAT	01/30/2019	202.87
55615	TRANSWEST SAN DIEGO, INC.	RADIATOR HOSE AND INBOUND FREIGHT, #32	01/30/2019	611.61

Total for Department: 36 GARAGE 28,481.36

Department: 41 ADMINISTRATION/HR

ACH	ADP, LLC	PROCESSING CHARGES FOR PE: 12/28/18	01/11/2019	1,642.12
ACH	ADP, LLC	IMPLEMENTATION CHARGES FOR PE: 12/24/18	01/18/2019	3,600.00
ACH	ADP, LLC	PROCESSING CHARGES FOR PE: 1/11/19	01/25/2019	533.30
ACH	ALL THINGS FALLBROOK	Polo K575 Regatta Blue - LARGE	01/17/2019	5,809.30
ACH	IMAGE SOURCE	LEASE AGREEMENT - CONTRACT AMOUNT	01/08/2019	187.12
ACH	IMAGE SOURCE	LEASE AGREEMENT - CONTRACT AMOUNT	01/30/2019	153.61
ACH	INFOR PUBLIC SECTOR, INC.	SUBSCRIPTION RENEWAL 2019-2020	01/15/2019	51,908.10
ACH	KNIGHT SECURITY & FIRE SYSTEMS	SECURITY AND MONITORING	01/17/2019	90.00
ACH	PUBLIC EMPLOYEES RETIREMENT	2019 REPLACEMENT BENEFIT CONTRIBUTION: DAVE SEYMOUR	01/11/2019	5,954.76
ACH	RAFTELIS FINANCIAL CONSULTANTS	FINANCIAL PLAN & WATER RATE, PROFESSIONAL SERVICES THRU 11/30/18	01/17/2019	4,864.55
ACH	REM MECHANICAL, INC	REPAIRS - BUILDING NOT COOLING. CHECKED FOR REPAIRS	01/15/2019	80.00
ACH	SOUTHWEST ANSWERING SERVICE, INC.	MONTHLY ANSWERING SERVICE	01/08/2019	710.15
ACH	STREAMLINE	MONTHLY WEB MANAGEMENT FEE	01/15/2019	300.00
ACH	STREAMLINE	MONTHLY WEB MANAGEMENT FEE	01/30/2019	300.00
ACH	UNION BANK (VISA)	5 YEAR, 20 YEAR AND 30 YEAR. NAME PLATE	01/11/2019	340.62
ACH	UNION BANK (VISA)	BOOK - EMOTIONAL INTELLIGENCE 2.0	01/11/2019	72.86
ACH	UNION BANK (VISA)	COFFEE CREAMER FOR DISTRICT	01/11/2019	54.89
ACH	WESTERN LANDSCAPE MAINTENANCE PLUS, INC.	LANDSCAPE MAINTENANCE SERVICE	01/15/2019	507.15
ACH	XEROX CORP.	MONTHLY LEASE S# MX4-352830	01/15/2019	1,283.38
ACH	ZION BANCORPORATION, NATIONAL ASSOCIATION	ANNUAL ADMIN FEE (11/2018-10/2019)	01/08/2019	1,500.00
ACH	COLLIN CHAPPELLE	PHOTO & VIDEO PRODUCTION	01/08/2019	1,166.67
55491	AT&T	MONTHLY PHONE SERVICE	01/08/2019	166.26
55492	AT&T	MONTHLY PHONE SERVICE	01/08/2019	590.21
55493	AT&T LONG DISTANCE	MONTHLY PHONE SERVICE	01/08/2019	20.99
55496	COVERALL NORTH AMERICA, INC.	MONTHLY CLEANING SERVICES	01/08/2019	2,095.00
55497	FALLBROOK WASTE AND RECYCLING	MONTHLY REFUSE AND RECYCLE	01/08/2019	418.00
55505	SAN DIEGO GAS & ELECTRIC	MONTHLY ELECTRIC SERVICE #4065 592 756 6	01/08/2019	3,496.19
55506	CRAIG SHOBE	CLEAN RAW GUTTERS ON BLD #1 & APPLIED ROOF SEALANT	01/08/2019	2,777.80
55507	JUDITH SPAID	SETTLEMENT FOR DAMAGE TO LANDSCAPE AND DRAINAGE SYSTEM	01/08/2019	1,963.00
55509	TIME WARNER CABLE	MONTHLY INTERNET CONNECTION - NOV	01/08/2019	1,250.00
55512	XEROX FINANCIAL SERVICES	MONTHLY LEASE	01/08/2019	1,184.17
55513	BONSALL PEST CONTROL	MONTHLY PEST CONTROL	01/15/2019	200.00
55515	COVERALL NORTH AMERICA, INC.	SPECIAL CLEANING SERVICES	01/15/2019	1,100.00
55521	INFOR (US), INC.	Consultant, Sr	01/15/2019	9,365.00
55525	MITEL LEASING, INC.	MONTHLY LEASE AGREEMENT	01/15/2019	1,657.11
55530	CRAIG SHOBE	INSPECT BLD #1 AND ASSESSED AND MEASURED DOORS	01/15/2019	360.00
55532	VERIZON WIRELESS	MONTHLY CELLULAR SERVICE	01/15/2019	3,654.15
55534	AMERIGAS - TEMECULA	PROPANE GAS - YARD TOP TANK	01/17/2019	328.64
55537	COPY 2 COPY	BUSINESS CARDS FOR JUSTIN CHANDLER	01/17/2019	128.22
55541	FALLBROOK CHAMBER OF COMMERCE	ANNUAL BUSINESS MEMEBERSHIP	01/17/2019	285.00
55542	FEDEX	DELIVERY SERVICE FOR PO 30854-COPY 2 COPY	01/17/2019	14.09
55548	INFOSEND, INC.	MONTHLY MAILING OF WATER BILLS AND NEWSLETTER	01/17/2019	1,384.35

55551	NORTH COUNTY WELDING SUPPLY	PROPANE REFILL - 7.1 GALLONS	01/17/2019	838.54
55553	QUALITY GATE COMPANY	QUARTERLY FULL SERVICE - MAIN PLANT GENERATOR	01/17/2019	333.00
55556	T S INDUSTRIAL SUPPLY	193-0140423 CHAIN	01/17/2019	61.63
55561	WILLIAM F. AHREND	DIGITAL IMAGE SESSION W/ 8X10 PRINT	01/30/2019	134.68
55562	AT&T	MONTHLY PHONE SERVICE	01/30/2019	166.26
55563	AT&T	MONTHLY PHONE SERVICE	01/30/2019	589.21
55564	AT&T LONG DISTANCE	MONTHLY PHONE SERVICE	01/30/2019	21.40
55567	CDW GOVERNMENT, INC.	Cisco Wall Mount	01/30/2019	112.06
55572	DELL BUSINESS CREDIT	OptiPlex 5060 SFF Core i5-8500 16GB RAM, 256 GB SSD,	01/30/2019	1,000.78
55588	HOME DEPOT	HANDY BOX, STRAIN RELIEF, FLEX/BX CLAMP, OLD WORK BOX	01/30/2019	131.62
55589	INFOR (US), INC.	Consultant, Sr and Project Manager	01/30/2019	4,555.00
55591	JOE'S HARDWARE	LIGHT BULBS	01/30/2019	22.88
55598	NORTH COUNTY WELDING SUPPLY	PROPANE GAS - DISTRICT TANK	01/30/2019	2,119.38
55602	PETTY CASH	ACWA/JPIA TRAINING - MILEAGE & PARKING	01/30/2019	48.60
55603	PHILLIP PONTO	SETTLEMENT FOR DAMAGES DUE TO A BROKEN MAINLINE PIPE	01/30/2019	984.00
55608	SAN DIEGO GAS & ELECTRIC	MONTHLY ELECTRIC SERVICE #4065 592 756 6	01/30/2019	3,416.61
55610	SHRED-IT USA LLC	MONTHLY SERVICE AGREEMENT	01/30/2019	142.74
55611	TIME WARNER CABLE	MONTHLY INTERNET CONNECTION - DEC	01/30/2019	1,250.00
55619	XEROX FINANCIAL SERVICES	MONTHLY LEASE	01/30/2019	101.66

Total for Department: 41 ADMINISTRATION/HR 129,526.81

Department: 42 HUMAN RESOURCES

ACH	UNION BANK (VISA)	EMPLOYEE BREAKFAST BURRITO EVENT FOOD	01/11/2019	197.68
ACH	UNION BANK (VISA)	POSTAGE FEE	01/11/2019	158.59
55514	CIVILITY PARTNERS	ANALYSIS OF SURVEY RESULTS	01/15/2019	250.00
55524	LEARNSOFT CONSULTING, INC.	EXCEL 2016 INTRO 11/8/18 - 14 STUDENTS	01/15/2019	2,870.00
55526	NATIONAL BENEFIT SERVICES, LLC	COBRA ADMINISTRATION FEE - DEC 2018	01/15/2019	50.00
55612	TJ ASSOCIATES, LLC	50% SOW AGREEMENT	01/30/2019	5,000.00

Total for Department: 42 HUMAN RESOURCES 8,526.27

Department: 43 SAFETY

ACH	AIRGAS USA, LLC	Honeywell North Adaptec® Wide Black Safety Glasses With Amber An	01/17/2019	307.12
ACH	AIRGAS USA, LLC	Ergodyne® Arsenal® 5020 6300 cu in Red Nylon Duffle Bag Airga	01/30/2019	1,218.72
ACH	MALLORY SAFETY AND SUPPLY, LLC	LANYARD WRAPBAX 2 100% TIE OFF F2 6FTFORCE 2 100% TIE-OFF WRAP	01/17/2019	840.48
ACH	T.R.Y. ENTERPRISES, INC.	PATROL SERVICES 11/1/18 TO 11/30/18 FOR DISTRICT YARD & HUNTLEY	01/17/2019	985.00
55502	RED TRUCK FIRE & SAFETY CO.	FIRE EXTINGUISHER TRAINING	01/08/2019	1,307.75
55527	PALOMAR HEALTH	SERVICES PERFORMED AT PALOMAR HEALTH	01/15/2019	65.00
55531	TRAFFIC SAFETY WAREHOUSE	48" Roll Up Vinyl Sign Reflective Orange Be Prepared To Stop	01/15/2019	1,286.00
55583	GIL FRANCO, TIRE HAULER	RECYCLING & DISPOSAL, 12 PASS, 9 LGHT TRUCK, 2 TRACTOR	01/30/2019	204.00
55613	TRAFFIC SAFETY WAREHOUSE	SHIPPING COST FOR INCORRECT ORDER.	01/30/2019	35.00

Total for Department: 43 SAFETY 6,249.07

Department: 51 FINANCE

55499	LAUTERBACH & AMEN, LLP.	GASB 74/75 ACTUARIAL REPORT SERVICES	01/08/2019	3,400.00
55528	PITNEY BOWES INC.	POSTAGE SUPPLIES	01/15/2019	82.42
55548	INFOSEND, INC.	MONTHLY MAILING OF WATER BILLS AND NEWSLETTER	01/17/2019	4,067.85
55560	WHITE NELSON DIEHL EVANS LLP	6TH INTERIM AUDIT BILLING, PERIOD ENDING 1/2/19	01/17/2019	750.00

55606	RENEE RUBIO	TUITION FEES REIMBURSEMENT - MANAGERIAL FINANCE	01/30/2019	2,405.00
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Total for Department: 51 FINANCE 10,705.27

Department: 52 CUSTOMER SERVICE

ACH	ACCELA, INC. #774375	WEB PAYMENTS TRANSACTION FEE	01/15/2019	2,795.00
ACH	MISSION RESOURCE CONSERVATION DISTRICT	HOME WATER USE EVALUATION - DEC 2018	01/08/2019	104.00
ACH	TCN, INC	MONTHLY 48 HOUR NOTICE CALLS	01/15/2019	59.08
55494	CENTRO PRINT SOLUTIONS	2018 TAX FORMS - W2 & 1099	01/08/2019	127.48
55504	RT LAWRENCE CORPORATION	LOCKBOX PROCESSING FEES FOR - NOVEMBER 2018	01/08/2019	747.00
55548	INFOSEND, INC.	MONTHLY MAILING OF WATER BILLS AND NEWSLETTER	01/17/2019	3,805.37
55577	FEDEX	DELIVERY SERVICE	01/30/2019	9.57
55604	RINCON DEL DIABLO MWD	CALENDARS AND FORMS	01/30/2019	205.81
55605	RT LAWRENCE CORPORATION	LOCKBOX PROCESSING FEES FOR - DECEMBER 2018	01/30/2019	672.50

Total for Department: 52 CUSTOMER SERVICE 8,525.81

Department: 91 ENGINEERING

ACH	NOBEL SYSTEMS	EASEMENT OF GIS DATA CONVERSION	01/09/2019	300.00
ACH	UNION BANK (VISA)	PARKING FEE	01/11/2019	40.00
55501	MODULAR BUILDING CONCEPTS, INC	RENTAL AGREEMENT LEASE 15100REV	01/08/2019	1,127.05
55523	KARN ENGINEERING & SURVEYING	Survey Saratoga Estates	01/15/2019	7,980.00
55540	DEPT OF FORESTRY & FIRE PROTEC	Weed Abatement-2.5 UNITS OF CREW WORK & 1.5 UNITS OF CHIPER OCT	01/17/2019	908.44
55542	FEDEX	DELIVERY SERVICE	01/17/2019	31.50
55571	DAILY JOURNAL CORPORATION	LEGAL ADVERTISEMENT FOR PEIR-RFP	01/30/2019	221.00
55577	FEDEX	DELIVERY SERVICE	01/30/2019	149.32
55586	HDR ENGINEERING, INC.	CONDITION ASSESSMENT OF WATER FACILITIES	01/30/2019	27,851.25
55592	KARN ENGINEERING & SURVEYING	TOPO DRAFTING FEES	01/30/2019	1,080.00
55602	PETTY CASH	COUNTY RECORDER MILEAGE	01/30/2019	23.53

Total for Department: 91 ENGINEERING 39,712.09

Total for Fund:03 GENERAL FUND 266,719.26

Fund: 26 NEW WATER SOURCES FUND

Department: 00

ACH	DUDEK	BONSALL BASIN DESALTER STUDIES	01/30/2019	827.50
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Total for Department: 00 827.50

Total for Fund:26 NEW WATER SOURCES FUND 827.50

Fund: 52 SEWER CAPITAL REPLACEMENT

Department: 00

ACH	KENNEDY/JENKS CONSULTANTS INC	L/S 1 REPLACEMENT DESIGN SERVICES	01/30/2019	42,650.00
55543	FENCEWORKS, INC.	ONE MONTH TEMP FENCE RENTAL THRU 2/1/19-THOROUGHbred L/S1	01/17/2019	151.20

55545	FREEDOM AUTOMATION, INC.	Lift Station # 1 SCADA Panel and radio upgrade.	01/17/2019	13,739.00
55580	FREEDOM AUTOMATION, INC.	Lift Station # 1 SCADA Panel and radio upgrade.	01/30/2019	2,390.00

Total for Department: 00 58,930.20

Total for Fund:52 SEWER CAPITAL REPLACEMEN 58,930.20

Fund: 60 WTR CAP EXPANSION/REPLACEMENT

Department: 00

ACH	SCW CONTRACTING CORPORATION	Via Vera Pressure Station, Remove old station, install new gate	01/30/2019	38,351.40
55545	FREEDOM AUTOMATION, INC.	Vallecitos Pump Station SCADA Panel Upgrade	01/17/2019	50,662.00
55580	FREEDOM AUTOMATION, INC.	Lookout Mountain Tank SCADA Panel Upgrade	01/30/2019	8,800.00
55588	HOME DEPOT	PIPLE CLAMP, SPRING NUT, WATERTITE CONN, STRUT	01/30/2019	147.37
55590	INFRASTRUCTURE ENGINEERING	PUMP STATION #1 NATURAL GAS MOTOR REPLACEMENT DESIGN SVCS	01/30/2019	10,968.75
55599	OMNIS CONSULTING INC.	MISCELLANEOUS PIPE RELOCATION DESIGN	01/30/2019	20,200.00
55600	ONESOURCE DISTRIBUTORS, LLC	Replacement of spare PLC analog cards damaged by electrical stor	01/30/2019	803.58

Total for Department: 00 129,933.10

Total for Fund:60 WTR CAP EXPANSION/REPLAC 129,933.10

Grand Total 2,838,587.47

Comparative Water Sales YTD from Prior Years

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	34,636	47,313	45,335	28,095	29,248	20,794	9,984						495
402	AG	129,354	148,627	153,218	110,320	92,460	70,762	33,898						1,696
264	CM	51,490	67,258	66,119	36,287	24,310	15,501	10,455						623
23	CN	3,982	4,388	4,078	2,521	3,115	2,815	2,831						54
21	IS	4,964	3,824	3,852	3,447	2,161	1,736	884						48
112	MF	11,653	12,856	13,798	11,513	11,816	10,461	8,551						185
323	SC	165,088	203,887	203,899	134,052	132,762	83,121	22,699						2,171
1024	SD	228,710	263,815	273,401	189,659	170,318	118,228	41,039						2,950
5468	SF	168,864	192,438	208,014	146,935	144,613	114,763	63,241						2,385
8199	Total	798,741	944,406	971,714	662,829	610,803	438,181	193,582	-	-	-	-	-	10,607

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						508
395	AG	144,066	131,474	145,280	120,785	126,036	102,884	92,501						1,981
247	CM	33,715	42,488	33,812	26,189	24,168	16,762	18,502						449
32	CN	2,447	3,983	8,073	10,623	18,605	5,773	3,526						122
20	IS	2,320	2,440	2,793	2,488	2,335	1,700	1,339						35
96	MF	11,472	10,002	13,072	10,304	11,489	11,350	9,566						177
323	SC	179,822	156,120	202,103	148,336	176,307	145,994	119,086						2,589
1024	SD	244,799	223,157	271,457	222,398	243,725	210,020	185,162						3,675
5196	SF	174,946	165,760	194,809	155,004	162,664	146,096	120,654						2,571
7896	Total	826,897	765,136	907,563	727,382	797,843	671,514	577,579	-	-	-	-	-	12,107

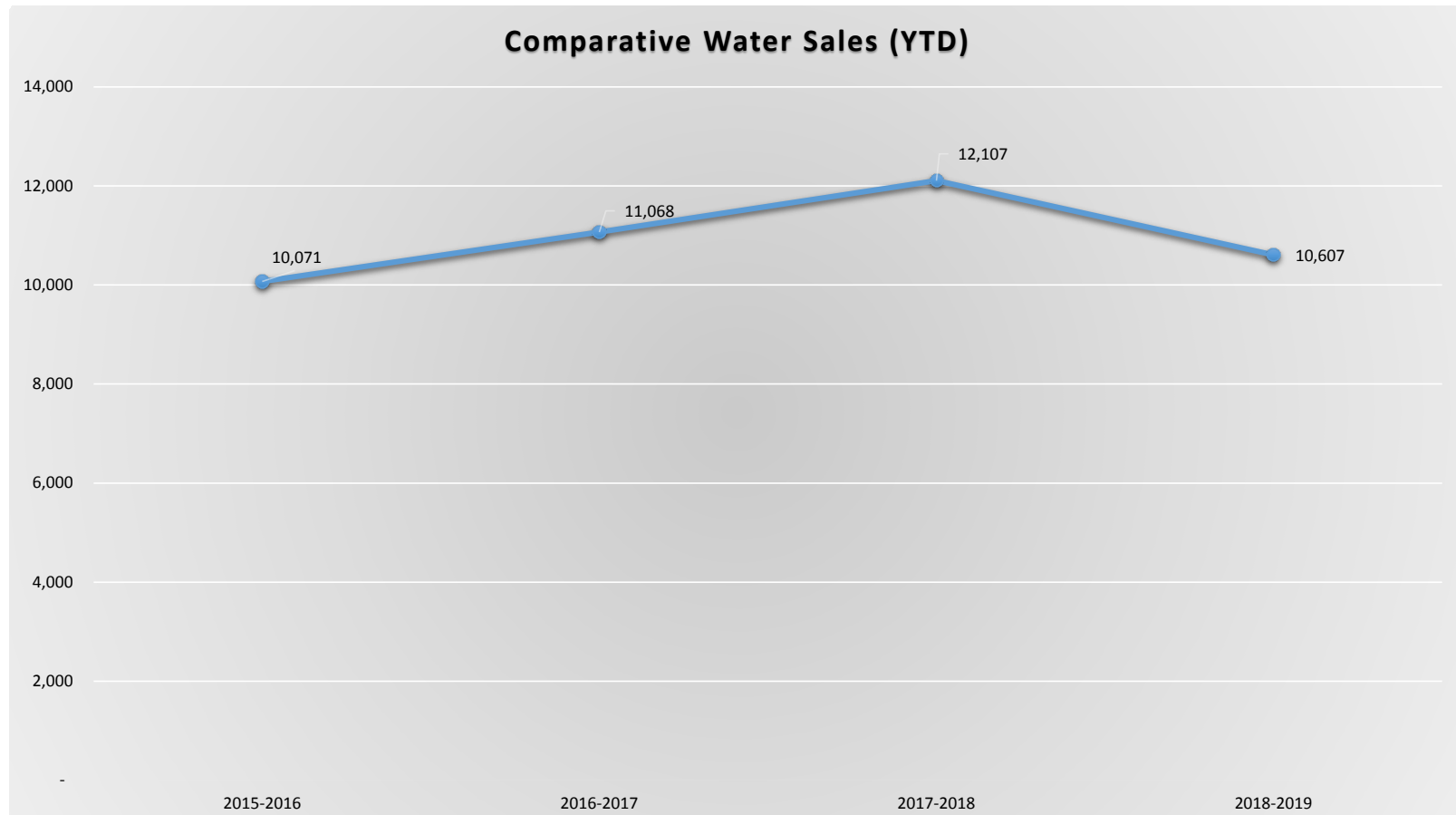
FISCAL YEAR 2016-2017

Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
591	AD	36,216	34134	39119	28217	22903	24494	7934						443
403	AG	156,957	152359	172040	132882	104544	96050	31370						1,943
231	CM	47,830	45043	43040	26707	20970	21140	5876						483
30	CN	4,900	4950	7309	11456	7427	904	-						85
24	IS	3,806	3701	3980	3061	2446	1653	1408						46
88	MF	11,307	11657	13746	10597	8876	11213	7139						171
326	SC	183,744	166212	206354	150910	121456	115009	18861						2,210
1034	SD	279,246	253718	298226	222243	181674	171322	39596.7						3,320
5122	SF	187,516	175736	202555	154361	120520	133125	57385						2,367
7849	Total	911,522	847,510	986,369	740,434	590,816	574,910	169,570	-	-	-	-	-	11,068

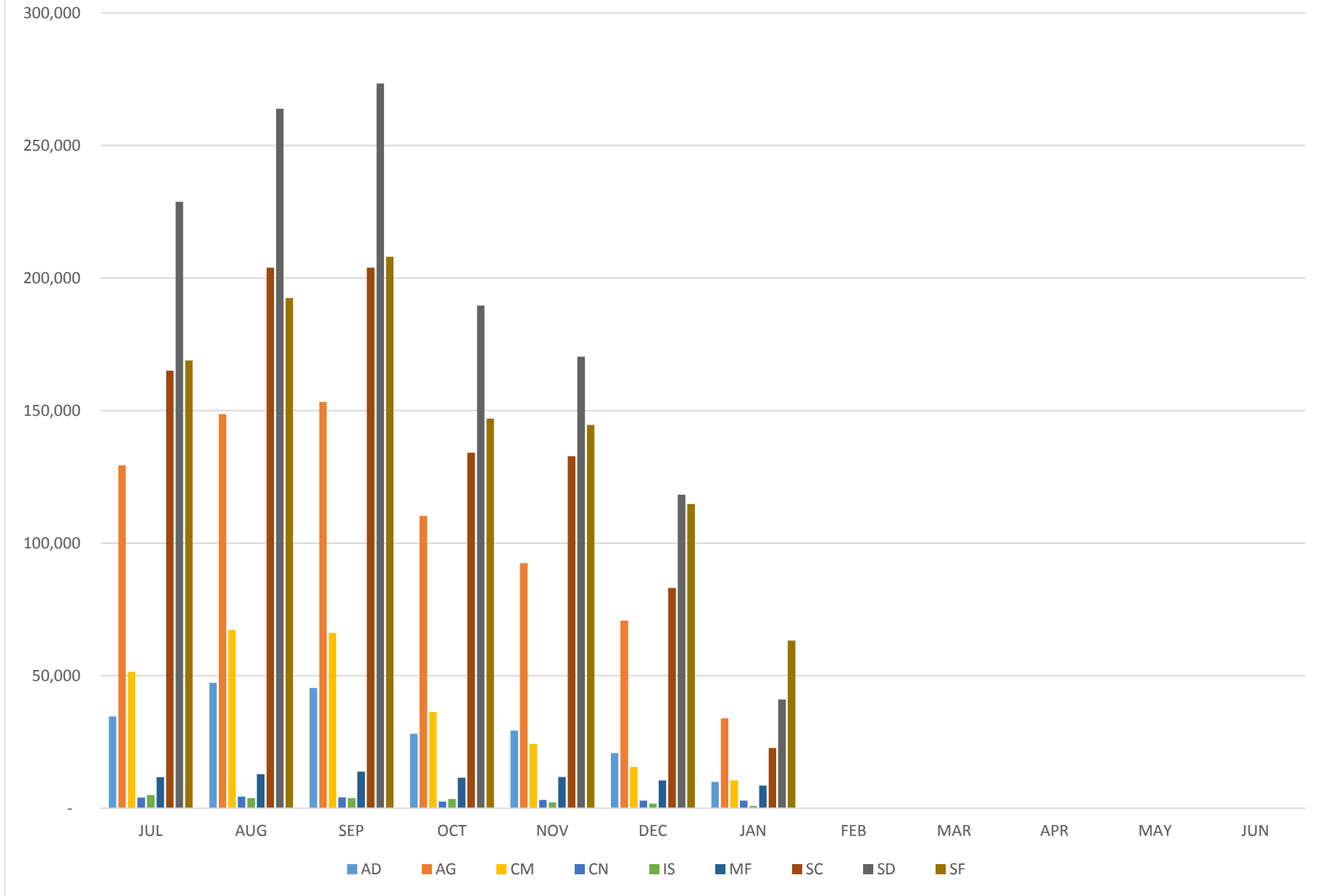
FISCAL YEAR 2015-2016

Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
601	AD	29,891	26212	33050	25166	24907	20638	12532						396
404	AG	143,174	124130	153414	124219	109795	85664	48608						1,811
6	C	4,342	-	-	-	-	-	-						10
221	CM	28,620	33259	34668	28374	14569	11399	8431						366
37	CN	6,680	7040	5931	3994	5788	3061	1002						77
24	IS	2,773	2779	2486	3073	3299	2641	828						41
88	MF	11,351	10279	10887	9952	9664	8600	8072						158
326	SC	162,756	144892	188145	132002	133998	109284	46707						2,107
1038	SD	245,736	213120	257965	197426	188412	162042	82599						3,093
5092	SF	148,573	143404	162621	135030	120706	96899	69380						2,012
7837	Total	783,896	705,115	849,167	659,236	611,138	500,228	278,159	-	-	-	-	-	10,071

Comparative Water Sales YTD from Prior Years



USAGE BY CUSTOMER CLASS FY 18-19





**SEWER EQUIVALENT DWELLING UNITS (EDUs) STATUS REPORT
FEBRUARY 2019**

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	4,670.22 *
EDUs Unconnected/Committed	366.93
Total EDUs Available for Purchase:	2,819.52

DEVELOPMENTS WITH UNCONNECTED/COMMITTED EDUs	EDUs	CAPACITY FEES PAID
Golf Green Estates (Dev. Solutions) - 102.46	51.16	\$ 1,053,042
Horse Creek Ridge (DR Horton/RAH) - 754	96.70	\$ -
Passarelle (HRC Commercial) - 96.57	96.57	\$ -
Polo Club (Vista Valley Dev.) - 165 Lots	59.85	\$ 1,022,775 **
Pala Mesa Highlands (Beazer Homes) - 159.3	47.25	\$ 671,686 ***
Others (5 or less)	15.40	\$ 235,233
TOTAL UNCONNECTED:	366.93	\$ 2,982,736

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

**Deferred total payment until building permits are issued.

***PMH paid funds to cover the initial 50%(79.65 EDUs/\$1,125,127) of sewer installment.

