

~~ NOTICE OF PUBLIC HEARING ~~

PROPOSED INCREASE IN WATER SERVICE CHARGES

Rainbow Municipal Water District will hold a public hearing on **April 26, 2011 at 7:00 p.m. at the Pala Mesa Resort, 2001 Old Highway 395, Fallbrook, CA** in compliance with article XIID, section 6(a) of the California Constitution prior to the proposed adoption of water and sewer service charges. **This meeting was previously scheduled for April 26th at 1:00 p.m. in our board room but the time and venue has been changed to encourage public attendance.**

District staff and the Finance Committee have recommended specific increases in water meter charges. The District Board of Directors will consider adoption of those rates and charges after receiving public input.

THE PROPOSED WATER RATES AND CHARGES WOULD BE EFFECTIVE FOR THE BILLING CYCLES BEGINNING JULY 1, 2011, UNLESS NOTED OTHERWISE.

RESERVOIR UPGRADE METER CHARGE

The Department of Public Health Services has mandated that all four of RMWD's open reservoirs (Morro, Northside, North, and Beck) either be covered or have a treatment plant constructed. RMWD has already constructed covers for North and Northside reservoirs, and have awarded a contract to cover Morro. After evaluating options for Beck we determined that the most cost effective means of compliance is to construct a new water tank at the Pala Mesa Reservoir site to temporarily replace Beck. The cost estimate for completing these DPHS mandates is more than \$25 million. The long-term solution for Beck Reservoir will be the construction of a disinfection plant, composite liner and new pipelines which is estimated to cost an additional \$10 to \$25 million. RMWD currently has a combination of cash and loans to fund most of these projects with the exception of portions of the Pala Mesa tanks and the Beck Reservoir disinfection plant. The RMWD Board of Directors will consider funding the balance through a flat meter charge of \$14.79 per month assessed on all water meters in the District.

The funds collected through the Reservoir Upgrade Meter Charge can only be used to fund the North, Northside, Morro and Beck reservoirs and the Pala Mesa tank projects. Once those projects are paid for the Reservoir Upgrade Meter Charge will cease and RMWD will be in full compliance with the DPHS regulations for open-air drinking water storage reservoirs.

No. of Meters	Proposed Monthly Rate	Annual Revenue
7,761	\$ 14.79	\$ 1,377,422

Even with the proposed rate increase, RMWD is still a revenue neutral public agency, meaning that only those charges sufficient to support your service are billed to you. Each customer pays a fair share of the cost of water acquisition and delivery, as well as the rehabilitation, operation and maintenance of the public water facilities. We will continue to honor our commitment to provide the most reliable service at the lowest possible cost.

The District will accept written comments or protests prior to the public hearing. A valid protest must contain a description of the property that is sufficient to identify the property and identify the owner(s) of the property for which the protest is entered. The protest must be signed by the property owner. If a majority of the affected property owners file written protests, the proposed rate changes will be reconsidered.

**RAINBOW
MUNICIPAL
WATER
DISTRICT**

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**2011
BOARD OF DIRECTORS**

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Dave Seymour

Operations Manager
Chuck Sneed

Finance Manager
Gene Buckley

Human Resources
René Bush

District Engineer
Brian Lee

**RAINBOW MWD ANNOUNCES
OPENING FOR
DIVISION 5 DIRECTOR**

The Rainbow Municipal Water District is accepting applications from residents of Division 5 who are interested in being appointed to the district's governing board.

The current director has accepted a job opportunity out of the area and will be stepping down from his position on the board.

We will post the opening for at least 15 days, and then the board will evaluate potential candidates and select the replacement. We hope to make the appointment at the April 26 board meeting.

Following are a few facts relating to service as a board member:

How often are the meetings?
Usually once a month on the 4th Tuesday, but we sometimes have special meetings. The meetings usually start around 11:00 and last until about 3:00, but sometimes last longer.

What does it pay?
Board members are eligible for a \$150 payment for each meeting, with a maximum of two meetings per month. They are also eligible for mileage reimbursement. There are no other benefits and they must pay taxes on the \$150.

How long is the appointment for?
The appointment expires in November 2012, at which time they could run for reelection.

Do I have to actually live in the District?
Yes, you must reside in Division 5.

Division 5 is in the northeastern portion of the district, and incorporates the community of Rainbow. **Interested residents should contact RMWD'S customer service staff to find out if they live in the Division 5 area or to request additional information at 760-728-1178.**

RAINBOW MONITORING GROUP

RMWD has submitted our member database to the Regional Water Quality Control Board (RWQCB) so all members who submitted their application prior to December 31, 2010, are in compliance with Conditional Waiver #4. We have been waiting for additional information from the RWQCB regarding what they want us to monitor, but at this point they are not moving too quickly. In fact a meeting scheduled for early March was cancelled by the RWQCB because the one staff member assigned to the program left the agency.

There is nothing extra you need to do at this point. Once we receive direction from the RWQCB we can prepare our monitoring program and will provide you with additional information. For those of you who have not yet joined a monitoring group we are accepting applications and will forward information regarding new members to the RWQCB at the end of each quarter. Applications are available on our web site under the heading *Conservation*.

**RMWD ENDS MANDATORY CONSERVATION
FOR DOMESTIC USERS**

The Rainbow Municipal Water District ended mandatory restrictions on water use for their domestic rate customers, although voluntary usage restrictions remain in effect. The Board of Directors evaluated a variety of factors including forecasts of improved water supplies before taking the vote. The action also means the moratorium on new water meter connections has been lifted in the district.

The mandatory restrictions for customers with agricultural discount programs remain in effect. We expect the Metropolitan Water District will make a similar determination when the final measurement of the snowpack is completed in a few months; at that time customers in the agricultural rate programs should have their restrictions eased or eliminated. In the mean time, agricultural customers can contact our customer service staff if they need to increase their water allocation.