

**MINUTES OF THE ENGINEERING AND OPERATIONS COMMITTEE MEETING
OF THE RAINBOW MUNICIPAL WATER DISTRICT
JULY 3, 2019**

1. **CALL TO ORDER** – The Engineering and Operations Committee Meeting of the Rainbow Municipal Water District on July 3, 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 Prince, Member Stitle, Member Taufer, Member Brazier, Member Ratican, Member Marnett, Member Nelson.

Also present: General Manager Kennedy, District Engineer Strapac, Associate Engineer Powers, Operations Manager Gutierrez, Engineering Tech Rubio.

Public members present: Mr. and Mrs. Coulter, Mr. Knox, Ms. Cervantes, Mr. Brown.

4. **SEATING OF ALTERNATES**

None.

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

Mr. Nelson added Item #15A to discuss the As-Needed Contract Status Report. He clarified that Agenda Item #11 was to discuss the Jade property ownership. Ms. Brazier recommended that in the future agenda items spell out what the committee was going to address. Mr. Strapac requested he be copied on any requests for additions to the agenda.

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

Mr. Coulter said he wanted to discuss his water bill. He mentioned he and his wife were retired and were striving to live inexpensively. He said they installed solar for electricity and drilled a well for water which produces good water with District comparable water pressure. He stated he has not used any water in four months and receives a monthly bill of \$119 which is excessive just to have a meter sit on his property. He stated he did not have a problem paying a service fee, the amount was the problem. He asked if the District could provide any assistance.

Mr. Kennedy stated the committee could not waive any fees but provided options available such as discontinuing service completely or downsizing based on consumption patterns eligibility. He explained District policy regarding connections to the system and how just having service available costs were incurred regardless of the water being utilized or not. He pointed out if the customer chooses to remove the meter and decides to reconnect, there would be an associated cost. Discussion ensued.

Mr. Kennedy explained State of California case law states if service is provided to your property it is the same cost for someone using 100 units or zero units. He said those costs within the District's rate structure are shared equally and do not vary with the amount of water used. He added the cost of the water component varies and that they keep all the pipelines, tanks, pressure regulator stations, pump stations and all other equipment intact and ready to use regardless of whether the water is used by the customer. Discussion ensued.

COMMITTEE ACTION ITEMS

7. COMMITTEE MEMBER COMMENTS

Mr. Prince inquired regarding the District's complaint process. Mr. Kennedy said when customers call, they were referred to the Engineering Department by the Customer Service Department. Mr. Strapac stated Engineering Staff spent extensive time with Mr. and Mrs. Coulter working through the available options and how they were not interested in the options available to them but rather wanted to voice their complaint.

Ms. Brazier recommended not sending customers to the committee meetings to complain. She said the committees were unable to help and Customer Service Staff could direct them to the appropriate staff for assistance. She noted this practice would eliminate an extra step as well as added frustration to the customer. Discussion ensued.

***8. APPROVAL OF MINUTES**

A. May 1, 2018

Motion: Approve the minutes as written.

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

Vote: Motion carried by unanimous vote (summary: Ayes = 7).

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

Mr. Strapac requested moving forward to Agenda Item 10 and then returning to Agenda Item 9. Mr. Nelson stated there was no objection.

9. PRESENTATION REGARDING H&A SPACE PLANNING FOR DISTRICT HEADQUARTERS

Mr. Stapac said in August 2016 the Board hired HB&A Architects to prepare a concept study report for the District site. He provided a map showing the conceptual office layout per square footage. Mr. Kennedy pointed out the study was the first step in looking into replacing the District facility and was to provide solutions and associated costs for a new site as well as an alternative solution for remodeling the existing site. Discussion ensued.

Mr. Kennedy stated the District could build a new facility without having to go through the County since it was already zoned. He added the study was a preliminary review to determine the size of lot and square footage required for the buildings.

Mr. Nelson asked what the next steps would be in addition to obtaining the Caltrans land. Mr. Kennedy stated there was still some information required including the consultant preparing a competent scope of work. Discussion ensued.

Mr. Ratican suggested including the time frame when a developer partner would be brought in. Mr. Strapac responded until the zoning has been completed, developers would not be open for discussion. Discussion ensued.

10. PRESENTATION REGARDING DEVELOPMENT OF DISTRICT HEADQUARTERS SITE

Mr. Strapac introduced Mr. Knox and Ms. Cervantes from Sunwood Development to present feasible development options for the District's headquarters.

Mr. Kennedy introduced Mr. Brown a District consultant for land use development and LAFCO consultant. He mentioned Mr. Kovacs was to present information but was unable to attend the meeting. He explained by obtaining various perspectives, the District would be able to compare and contrast.

Mr. Knox pointed out until a great deal of the engineering was completed, this step would serve as the highest and best use feasibility stage. He said with minimum scope he could only provide the following opinions:

- Multi-Family comps ranged from \$50K to over \$110K per site.
- Residential apartments would yield a higher value as opposed to retail.
- In general, favorable approvals from the Fallbrook Community Planning Committee included some retail for the community.
- Met with the County to obtain costs and timing for preparing a general plan amendment.
- Met with an engineering consultant to obtain preliminary costs for the site plan.
- The parcel owned by Caltrans next to the District and Highway 76 would have to be obtained by the District.
- The District's lower yard next to the San Luis Rey riverbed could be used for mitigation land.
- Currently the District parcels were zoned as institutional.
- The general plan amendment would provide the opportunity to rezone the parcels to multi-use site, such as multi-family or retail use.

Discussion ensued.

Mr. Kennedy pointed out the main objective was how to leverage the District owned land to offset the cost of replacement for the District facility. He mentioned the H&A study provided estimated costs for new facilities. He noted the forecasted potential revenues from multi-family and retail was \$15M and the net cost to the District for the new facility would be approximately \$5M. Discussion ensued.

Mr. Nelson requested a copy of the Aerial Topographic Survey map. Mr. Strapac offered to email the map to the committee members.

Mr. Brown said he worked with the County of San Diego for 19 years as a private consultant for development. He was very familiar with three developments near the District - Pardee, Pappas, and Passerelle. He mentioned working for Supervisor Bill Horn as a Senior Policy Advisor for land use. He provided the following information:

- In the March ballot there is an initiative for anyone preparing a general plan amendment would have to go to a vote of the entire county regardless of the project size. There was current resistance from BIA and the Farm Bureau due to the likelihood of obtaining a county wide vote of approval in that it would be very difficult and costly.

- A general plan takes approximately two years to complete and an environmental impact report would most likely be required.
- An overview of the County Development would provide an opinion as to why multi-family mixed use, ground floor retail with second/third floors apartments or condos would be recommended.
- Campus Park, including Palomar College, was sold to DR Horton. There is a ten-acre piece within the project that may be changed from office professional to multi-family.
- Campus Park (Pappas) approved for office professional and condos. They are considering reducing the office professional for residential.
- Two major developers are considering residential which confirms the current market is high for residential.
- Currently 65K people a day drive down I-15 from Riverside and according to SANDAG it will increase to 100K in 20 years.
- Keeping more people working, living and paying taxes in San Diego is a good thing for everyone.

Mr. Brown said his role would be advising Mr. Kennedy and the Board of Directors as to how to process with the County. He pointed out the County was not an easy place, although being an institution or community type organization was different than for a developer. He recommended the District prepare a specific plan, use the mitigation land to deal with the County, and consider the Caltrans property matter.

Discussion ensued.

Discussion went to Item #9.

11. DISCUSSION AND POSSIBLE RECOMMENDATION REGARDING EASEMENTS FOR DISTRICT FACILITIES ON PRIVATE PROPERTY NEAR GIRD ROAD

Mr. Strapac said Mr. Work is building a winery and has issues connecting to the sewer. He mentioned there were also issues with a network of new fire hydrants Mr. Work requires for new facilities currently under design. He said Mr. Works requested RMWD correct its easements on the existing waterlines.

Mr. Kennedy stated since the new fire hydrants would be on private property Mr. Work should install a fire detector check and build his own fire system. Mr. Strapac agreed. Discussion ensued.

12. UPDATE ON MISCELLANEOUS PIPELINE REPLACEMENT PROJECT

Mr. Strapac explained the Board approved the extra design work for additional pipe segments on Gopher Canyon and Integrity Court. He noted the base map portion of the design work has been completed and the consultant was moving forward with the new segments. He mentioned within the next couple of months a complete design package should be completed. He added the first submittal would be brought to the committee. Discussion ensued.

Mr. Nelson said based on the schedule, the design should be completed by the end of August 2019 and then construction would begin. Mr. Strapac confirmed.

13. OPERATIONS DEPARTMENT PRESENTATION

Mr. Gutierrez provided a presentation on the Maintenance and Construction section of the Operations Department. He mentioned there were nine staff members responsible for maintaining and repairing fire hydrants, water mains, valves, and new construction. He provided the following staff requirements:

- Working emergency calls 24 hours/365 days.
- Holding welding certificates.
- Commercial Class A” licenses.
- California State Certified

Mr. Gutierrez presented pictures of District maintenance and construction work as he spoke on the planning, equipment, and work involved for valves, water mains and fire hydrants. Discussion ensued.

Mr. Gutierrez mentioned discussions with Mr. Kennedy regarding optimizing the work flow by prioritizing leaks. He said by prioritizing work that may result in potential mitigation will ensure staff stays focused on completing the work and handling any property damage.

Mr. Gutierrez said based on current contractor costs of \$350-\$400 per linear feet, the District has been considering utilizing in-house staff for new construction. He said in order to determine if performing the work in-house would be less expensive, a detailed cost comparison would need to be conducted. Discussion ensued.

Mr. Gutierrez pointed out Maintenance and Construction work involves skill and creativity, strict safety rules, and is very labor intensive when crews must stay until the repair is completed which can be difficult on their families.

14. UPDATE ON PRESSURE REDUCING STATION REPLACEMENT SCHEDULE

Mr. Strapac said he has worked with the Operations crew regarding the parts required in the premanufactured pressure station facilities. He mentioned the District has been working with Engineering Fluid Inc. (EFI) regarding purchasing a bulk quantity of premanufactured pressure reducing stations and how RMWD was expecting a quote to purchase approximately ten at a quantity discount rate.

15. UPDATE ON CAPITAL IMPROVEMENT PROGRAM SCHEDULE AND COST STRUCTURE

Mr. Strapac presented the updated Gant Chart noting it was a working copy that will constantly change. He discussed the following CIP Projects:

- Sewer Pipe Lining construction was expected to start shortly.
- ABM Water Service Upgrade has been assigned to the new Project Manager under Operations.
- North/South Connectivity will become multiple projects that may be moved up on the priority list depending on the potential separation from SDCWA.

Mr. Nelson mentioned the reason he requested this agenda item was because one of the primary functions of the Engineering and Operations Committee is to stay on top of the overall capital program. He continued to ensure the projects were getting to the construction phase and the work was moving forward.

15A. AS-NEEDED CONTRACT SERVICES REPORT

Mr. Nelson asked the committee to review the As-Needed Contract Report to be included in the next Board agenda packet. He pointed out the civil engineering and real estate consultants have not been tasked so far, the surveyors have been used substantially. Mr. Strapac explained some of the contracts were still in the process of being executed. Discussion ensued.

Ms. Brazier mentioned she would inquire as to the length of contract for each as-needed contract and how they are affected by the change in each fiscal year.

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

- Pipeline Replacement Update
- Via Ararat Pipeline Improvement Project Update
- Sewer Lining Project Update

17. ADJOURNMENT

Meeting adjourned at 5:25 p.m. to August 7, 2019.

Flint Nelson, Committee Chairperson

Dawn M. Washburn, Board Secretary