

**MINUTES OF THE ENGINEERING AND OPERATIONS COMMITTEE MEETING
OF THE RAINBOW MUNICIPAL WATER DISTRICT
APRIL 5, 2023**

1. **CALL TO ORDER** – The Engineering and Operations Committee Meeting of the Rainbow Municipal Water District on April 5, 2023 was called to order by Chairperson Nelson at 3:30 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 Brazier (*arrived at 3:44 p.m. via teleconference*), Member Gasca, Member Marnett, Member McKesson, Member Nelson.

Also Present: General Manager Kennedy, Executive Assistant Washburn, Engineering and CIP Manager Williams, Operations Manager Gutierrez, Information Systems Specialist Espino.

Absent: Member Johnson.

Also Present Via Teleconference or Video Conference:

Alternate Largent, Human Resources Manager Harp, Senior Project Manager Parra, Senior Project Manager Tamimi, Engineering Technician Rubio.

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

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

Mr. Nelson read aloud the instructions for those attending the meeting via teleconference or video conference.

5. **SEATING OF ALTERNATES**

No alternates were seated.

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

There were no amendments to the agenda.

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

There were no comments.

***8. APPROVAL OF MINUTES**
A. March 1, 2023

Motion:

To approve the minutes.

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

Vote: Motion passed by vote (summary: Ayes = 3, Noes = 0, Abstain = 1, Absent = 2).

Ayes: Member Marnett, Member McKesson, Member Nelson.

Abstain: Member Gasca.

Absent: Member Brazier, Member Johnson.

9. GENERAL MANAGER COMMENTS

Mr. Kennedy reported the current main topic is the drastically changed water supply conditions in the State of California since the previous six months ago noting all the reservoirs needing filling were now full. He also talked about SDCWA's proposed rate increase of 14%.

Discussion ensued regarding whether there are plans for doing something with the aqueduct.

10. ENGINEERING AND CIP PROGRAM MANAGER COMMENTS

Mr. Williams commented on the continued atmospheric river conditions created by the recent rainy weather impacting projects as well as facilities.

11. OPERATIONS MANAGER COMMENTS

Mr. Gutierrez presented a slide show of various facilities impacted by the recent severe rains and what steps crew members had to take to address issues as they occurred.

Member Brazier joined the meeting at 3:44 p.m.

Mr. Nelson inquired as to why RMWD's pipeline between North River Road and the City of Oceanside was troublesome. Mr. Gutierrez explained a big project did occur a few years ago on North River Road that addressed many of the issues; however, there was so much sewage and rain water coming into the last lift station, crews were trying to evacuate as much as possible to the City of Oceanside quickly without incurring any spillage. Discussion ensued.

12. COMMITTEE MEMBER COMMENTS

Ms. Brazier thanked Mr. Nelson for his comments made at the last Board meeting about furthering our investment in outside help. She stated although Mr. Nelson did not prevail, the opinion throughout the area did not prevail either based on calls she received from others who do not want RMWD to outsource the district which they believe is being done. Mr. Gasca pointed out this was certainly something that can be visited periodically.

Mr. Gasca said he wanted to formally check whether Director Townsend-Smith has attended any of these committee meetings. Mr. Nelson pointed out Director Townsend-Smith was appointed by the Board to the Budget and Finance Committee; however, she has not attended any of those to date. Mr. Gasca explained he was asking because when she ran for election to the Board, Director Townsend-Smith had stated she had ideas for getting cleaner water based on different projects and was unsure as to what type of projects she would suggest unless she understood what was being done by engineering.

Mr. Marnett stated when he read through the minutes related to the discussion about working in-house or outsourcing, there was a concept implied that PE's solely do AutoCAD work, something he had never experienced. He said if RMWD hires a PE, they can do all the engineering as well as assist with project management; therefore, he does not think it is necessary to make work to pick up a PE.

Mr. Nelson inquired about what was transpiring at the Thoroughbred Lift Station project in terms of digging. Mr. Williams explained the actual wet well is completed; however, there are some headings still taking place requiring excavations.

13. BOARD ACTION UPDATES

Mr. Nelson noted the two items discussed by this committee were approved by the Board (Monserate Winery Notice of Completion as well as the consultancy change order).

14. SAN LUIS REY GROUND WATER STUDY UPDATE (GENERAL MANAGER)

Mr. Kennedy noted the study was still ongoing; however, he provided an update on the preliminary work that has been completed. He noted part of this study was to look at the appropriate yields under reported return flow RMWD could get mainly from septic flows as well as some from agricultural irrigation. He mentioned he has requested the septic flows be mainly used since the agricultural irrigation levels would not be known ten years from now when the project is completed.

Mr. Kennedy referenced the displayed charts as he pointed out private groundwater pumping sites. He pointed out one of the things that must be taken into consideration is issues that may arise should RMWD extract near privately owned wells.

Mr. Kennedy talked about the appropriate extraction and diversion permits as well as a number of factors taken into consideration. He stated until pump testing and work done on specific locations, it is unknown the number of wells it will take to produce the given yield.

Mr. Gasca inquired as to why Valley Center would be part of the yield production. Mr. Kennedy pointed out on the map displayed shows the watershed extending up to parts of Valley Center. He noted the watershed analysis is taken into consideration for this study as opposed to just RMWD's boundaries.

Mr. Kennedy clarified the information provided in the images being displayed as well as talked about brine management components related to this project. He pointed out although RMWD has capacity rights in the ocean outfall from the San Luis Rey Plant, the full economic report for related to relocating stuff will not be available until later. He noted the greatest option would be if RMWD could get far enough east to avoid having to desalinate. He mentioned some of the potential options that have been identified.

Mr. Gasca inquired as to whether RMWD knows the sites of every single well within its boundaries that has pre 1914 rights so that if any of those become available, they can be picked up. Mr. Kennedy confirmed RMWD does have this information as well as mentioned Legal Counsel was researching whether a process exists for getting the rights converted via the State Board so they can be utilized for municipal purposes.

Ms. Parra noted alternative descriptions are scheduled to be available at the end of April and the economic analysis on May 3, 2023.

Mr. Kennedy pointed out this study was necessary to take to the Bureau of Reclamation in order to start the grant application process.

Discussion ensued.

Ms. Parra clarified as it relates to the Board action approving the feasibility study, all the proposed scheduled deadlines are being met, we are 50% built-out, and consultants and sub-consultants have been conducting quite a bit of work to provide RMWD with some decent options from which to choose. She stated as more information becomes available, it will assist RMWD in outlining a path forward as well as gear the district up for grant opportunities as well.

15. HEADQUARTERS UPDATE (GENERAL MANAGER)

Mr. Kennedy reported the North County Fire Protection Board voted to halt work on putting their station across the road from the District and instead decided to build it at their current location. He explained the County was pushing the project out by 5-7 years and that because they could not wait that long, North County Fire decided to pull out of the deal which was unfortunate for RMWD which will now have to start over with looking at doing this on its own.

Mr. Nelson stated although this was unfortunate, it may be a blessing in disguise in the long run in that it will provide for the project to become smaller as well as the path for entitlement to be easier. Mr. Kennedy noted staff will ensure there are enough funds in next year's budget to start the earnest work without other partners.

Mr. Kennedy mentioned there was someone in Texas interested in developing the land across Highway 76 as well as inquiring about RMWD's property as well; however, that developer has not contacted him directly as of yet. He noted in the interim, Chris Brown with Alchemy Consulting is actively involved with land use consulting on behalf of RMWD as part of his contract who may be able to provide some assistance to staff in moving this process forward.

Ms. Parra provided an update on the Dulin property noting there was a tentative map approved on that parcel. She stated it was no longer for sale, has been zoned residential, and something will be coming in eventually.

Mr. Kennedy mentioned the Bonsall Unified School District Superintendent was also looking for a place for a high school; however, the problem would be this would be a land swap as opposed to turning RMWD's current property into cash to avoid having to increase water rates to build the necessary facilities.

Mr. Nelson said he was glad to hear staff would be populating the upcoming budget with funds to proceed with at least entitlement work for this site to help get closer to making it viable while researching alternate locations. He asked whether it was presumptuous to ask staff to start going through the consultant selection process now so that when the money becomes available, the time between now and then has been utilized profitably. Mr. Kennedy stated this was possible;

however, since this change only became official recently, staff will now be able to regroup. Ms. Parra noted it helps to have this decision in that the path forward is now known. She pointed out Planning and Development Services will help define the RFP for bringing a consultant on board as well as somebody familiar with the Land Use Planning in the County in addition to real estate expertise that can provide guidance on the next steps going forward. She mentioned staff will put together consultant qualifications as well as flush out details in terms of the scope of work in hopes of getting a robust consultant team together that has familiarity with this area but also working with various aspects of the County to get some traction on this project.

Mr. Kennedy pointed out it will take a few years to complete; however, it was something that needs to be done.

16. METERS UPDATE (OPERATIONS)

Mr. Gutierrez provided an update regarding the water losses totaling approximately 8% which was more than what was anticipated following the meter replacement project. He explained staff has worked with manufacturer representatives and how it was found that essentially some customers who use large volumes of water and that are on 1" meters as opposed to 2" meters were basically disintegrating the gears which in turn caused those meters to not register water going through. He noted different style registers have been ordered for these Neptune meters which after some testing and experimenting seem to hold up much better.

Mr. Gutierrez stated staff has identified 533 users that will need to have the meter heads changed out. He said the order has been placed with a delivery date slated for the end of summer; however, soon after thirty new meter heads were received and were in the process of being replaced. He noted staff was hopeful more will become available and shipped to RMWD prior to the end of summer.

Mr. Gasca inquired as to whether RMWD was purchasing the replacement meter heads. Mr. Gutierrez confirmed RMWD was making the purchase due to Neptune stating RMWD was using these meters past their design capabilities. Mr. Nelson clarified RMWD was not purchasing entire meters, but rather register components.

Mr. Gutierrez talked about the ongoing discussions with Neptune and how both parties would like a favorable outcome to this resolution and good relations within the industry. Mr. Nelson stated although he understands how the problem occurred and Neptune not having any real responsibility since the usage is beyond the usage parameters of their device, he was concerned with not receiving the bulk of the components until the end of summer resulting in RMWD incurring a substantial amount of water loss for several months. Mr. Gutierrez agreed this was a fair assessment, but pointed out during this lead time, crews were actively inventorying the properties identified to determine and document the reason for the negative usage as a means of reprioritizing the meter head replacements as the components are delivered.

Mr. Gasca asked whether the meters exceeding the amount of water that would normally go through 1" meters are to a point where they need to be recategorized. Mr. Gutierrez stated this was discussed internally and how the short answer would be yes, but the long answer is if the District were to require these meters to be changed to 2", there is a question as to who would be responsible for paying for the upgrade from the water main to the meter, difference in monthly fees, the work to be done in the streets, as well as additional capacity charges. He pointed out even if RMWD were to require the meters to be replaced with 2" meters, the new meters would only be fed with a 1" piece of copper resulting in RMWD still not able to deliver the amount of water the customer actually needs.

Mr. Marnett stated since the customer has only been receiving 1" pipe worth of water, he would recommend putting in 2" meters just for the purpose of accuracy. Mr. Gutierrez explained this could be done; however, complete replumbing as well as the need to purchase full 2" meters would be necessary. He pointed out since the E-Coders provided pretty decent results in handling the high flows, it was decided purchasing these would be the least expensive and less time-consuming first approach at addressing the issue.

Mr. McKesson asked how much RMWD was paying for the E-Coders. Mr. Gutierrez answered \$350 each. Mr. Marnett inquired as to whether there was enough full data to provide confidence this would not need to be done again in another year. Mr. Gutierrez pointed out these identified meters showed consistent high usage over a one-year period. Mr. Gasca noted the cost to purchase the E-Coders would total approximately \$188,000. Mr. Gutierrez mentioned the water loss totaled approximately \$1M.

Mr. Nelson stated there was great value in having replaced all these meters, but with taking into account the total project costs after conducting a full accounting of such, the water loss experienced in the first year due to the technical hiccups, having to replace these components for approximately \$200,000, and more water loss expected to be incurred during high use season, he was beginning to ask himself if this project was economically viable. He agreed these were unknown occurrences; however, it was still concerning.

Mr. Gutierrez noted out of the 8,771 meters exchanged, only a little more than 500 experienced problems. He pointed out it the project was not to capture water loss for these high users, but rather to the water loss throughout the entire district resulting in other benefits to RMWD including the installation of valves on the customer side where valves did not exist so they can shut off their own water in the event of emergencies as opposed to crews having to respond to these types of calls. He also mentioned there were rumors milling about throughout the industry that the EPA will be requiring a nationwide inventory of all water lines between meters and homes as part of the Lead and Copper Rules and how RMWD was able to already accomplish this by taking before and after pictures of all the pipes as part of the meter replacement project. Mr. Nelson said he understands and agrees the replacement project was very good; however, it may be appropriate to take a look at what the actual true cost benefit of this project, especially when there appears to be \$1.5M-\$2M of problems that were not anticipated.

Mr. Kennedy stated when looking at ROI, it is important to take rate escalators into consideration. He said although it is disappointing some customers have spun meters out, most of those high priority ones will be changed out and ready for the irrigation season. Mr. Gutierrez agreed to circle back after this group of meters is complete and prepare a report for the total cost of the replacement project. Mr. Gasca added the only way to get to a perfect analysis of budget versus cost would be if an entirely new system was installed with everyone laid out properly for the amount of water they consume; however, when it comes to these types of projects, there are so many layers over which there is no control. Discussion followed.

Mr. Nelson requested staff keep the committee updated.

***17. AS-NEEDED SERVICES EXPENDITURES SUMMARY**

Mr. Nelson noted there was only one yellow line on the list for staking of an easement.

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

It noted the updates on the groundwater study, meters, and detachment, as well as the environmental and construction management proposals should be on the next committee agenda.

19. ADJOURNMENT

The meeting was adjourned by Chairperson Nelson.

The meeting adjourned at 5:08 p.m.

Flint Nelson, Committee Chairperson

Dawn M. Washburn, Board Secretary