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MEMBERS OF THE PUBLIC WISHING TO SUBMIT WRITTEN COMMENT TO THE BOARD UNDER PUBLIC COMMENT OR ON A SPECIFIC AGENDA ITEM MAY SUBMIT COMMENTS TO OUR BOARD SECRETARY BY EMAIL AT DWASHBURN@RAINBOWMWD.COM OR BY MAIL TO 3707 OLD HIGHWAY 395, FALLBROOK, CA 92028. ALL WRITTEN COMMENTS RECEIVED **AT LEAST ONE HOUR IN ADVANCE OF THE MEETING** WILL BE READ TO THE BOARD DURING THE APPROPRIATE PORTION OF THE MEETING. THESE PUBLIC COMMENT PROCEDURES SUPERSEDE THE DISTRICT’S STANDARD PUBLIC COMMENT POLICIES AND PROCEDURES TO THE CONTRARY.

RAINBOW MUNICIPAL WATER DISTRICT BOARD MEETING

Tuesday, August 22, 2023

Closed Session 8:00 a.m.

Open Session 1:00 p.m.

THE PURPOSE OF THE REGULAR BOARD MEETING IS TO DISCUSS THE ATTACHED AGENDA

District Office

3707 Old Highway 395

Fallbrook, CA 92028

Board Agenda Policies

Board of Directors Meeting Schedule Regular Board meetings are normally scheduled for the 4th Tuesday of the month with Open Session discussions starting time certain at 1:00 p.m.

Breaks It is the intent of the Board to take a ten-minute break every hour and one-half during the meeting.

Public Input on Specific Agenda Items and those items not on the Agenda, Except Public Hearings Any person of the public desiring to speak shall fill out a “Speaker’s Slip”, encouraging them to state their name, though not mandatory. Such person shall be allowed to speak during public comment time and has the option of speaking once on any agenda item when it is being discussed. Speaking time shall generally be limited to three minutes unless a longer period is permitted by the Board President.

Public Items for the Board of Directors' agenda must be submitted in writing and received by the District office no later than 10 business days prior to a regular Board of Directors' Meeting.

Agenda Posting and Materials Agendas for all regular Board of Directors' meetings are posted at least seventy-two hours prior to the meeting on bulletin boards outside the entrance gate and the main entrance door of the District, 3707 Old Highway 395, Fallbrook, California 92028. The agendas and all background material may also be inspected at the District Office.

You may also visit us at www.rainbowmwd.com.

Time Certain Agenda items identified as “time certain” indicate the item will not be heard prior to the time indicated.

Board meetings will be audio and video recorded with copies available upon request. Requests for audio recordings will be fulfilled once draft minutes for such meeting have been prepared. There are no costs associated with obtaining copies of audio and video recordings; however, these recordings will only be retained according to the policies provided in the District’s Administrative Code. Copies of public records are available as a service to the public; a charge of \$.10 per page up to 99 pages will be collected and \$.14 per page for 100 pages or more.

If you have special needs because of a disability which makes it difficult for you to participate in the meeting or you require assistance or auxiliary aids to participate in the meeting, please contact the District Secretary, (760) 728-1178, by at least noon on the Friday preceding the meeting. The District will attempt to make arrangements to accommodate your disability.

(*) - Asterisk indicates a report is attached.

Notice is hereby given that the Rainbow Municipal Water District Board of Directors will hold Closed Session at 8:00 a.m. and Open Session at 1:00 p.m. Tuesday, August 22, 2023, 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: Gasca___ Hamilton___ Johnson___ Mack___ Townsend-Smith___**
3. **ADDITIONS/DELETIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)**
4. **INSTRUCTIONS TO ALLOW PUBLIC COMMENT ON AGENDA ITEMS FROM THOSE ATTENDING THIS MEETING VIA TELECONFERENCE OR VIDEO CONFERENCE**

CHAIR TO READ ALOUD - "If at any point, anyone would like to ask a question or make a comment and have joined this meeting with their computer, they can click on the "Raise Hand" button located at the bottom of the screen. We will be alerted that they would like to speak. When called upon, please unmute the microphone and ask the question or make comments in no more than three minutes.

*Those who have joined by dialing a number on their telephone, will need to press *6 to unmute themselves and then *9 to alert us that they would like to speak.*

A slight pause will also be offered at the conclusion of each agenda item discussion to allow public members an opportunity to make comments or ask questions."

5. **ORAL/WRITTEN COMMUNICATIONS FROM THE PUBLIC OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD REGARDING CLOSED SESSION AGENDA ITEMS (Government Code § 54954.2).**

Under Oral Communications, any person in attendance wishing to address the Board regarding Closed Session agenda items should indicate their desire to speak by filling out and submitting a "Speaker's Slip" to the Board Secretary before the meeting begins. Any person attending the meeting remotely wishing to address the Board regarding Closed Session agenda items may email or mail in their comments to the Board Secretary one hour before the Closed Session scheduled start time to be read to the Board prior to their adjournment to Closed Session or may speak to the Board by calling (760) 728-1178, listening for "Thank you for calling Rainbow Municipal Water District", dialing Extension 429, and entering pin 8607 at the Closed Session scheduled start time. Once all public comment is heard, this call will be disconnected, and the Board will adjourn to Closed Session. To participate in the Open Session portion of the meeting, please follow the instructions provided at the top of Page 1 of this agenda. Speaking time shall generally be limited to three minutes unless a longer period is permitted by the Board President.

6. **CLOSED SESSION**
 - A. **Conference with Legal Counsel-Anticipated Litigation (Government Code § 54956.9(d)(2))**
 - * One Item
 - B. **Public Employee Appointment, Employment (Government Code § 54957(b)(1)) Position: General Manager**

(*) - Asterisk indicates a report is attached.

- C. Appointment; Employment; Evaluation of Performance—General Manager (Government Code § 54957)
- D. Conference with Labor Negotiators—Unrepresented Employees (Government Code § 54957.6 and § 54957)

Agency Designated Representatives
Tom Kennedy
Karleen Harp

7. REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

Time Certain: 1:00 p.m.

- 8. REPEAT CALL TO ORDER
- 9. PLEDGE OF ALLEGIANCE
- 10. REPEAT ROLL CALL
- 11. REPEAT REPORT ON POTENTIAL ACTION FROM CLOSED SESSION
- 12. REPEAT ADDITIONS/DELETIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)
- 13. REPEAT INSTRUCTIONS TO ALLOW PUBLIC COMMENT ON AGENDA ITEMS FROM THOSE ATTENDING THIS MEETING VIA TELECONFERENCE OR VIDEO CONFERENCE

CHAIR TO READ ALOUD - *"If at any point, anyone would like to ask a question or make a comment and have joined this meeting with their computer, they can click on the "Raise Hand" button located at the bottom of the screen. We will be alerted that they would like to speak. When called upon, please unmute the microphone and ask the question or make comments in no more than three minutes.*

*Those who have joined by dialing a number on their telephone, will need to press *6 to unmute themselves and then *9 to alert us that they would like to speak.*

A slight pause will also be offered at the conclusion of each agenda item discussion to allow public members an opportunity to make comments or ask questions."

- 14. **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 in attendance wishing to address the Board regarding 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. Any person attending remotely wishing to address the Board regarding matters not on this agenda should indicate their desire to speak or may email or mail their comments to the Board Secretary one hour before the Open Session scheduled start time. All written public comments received will be read to the Board during the appropriate portion of the meeting. 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.

15. EMPLOYEE RECOGNITIONS

- A. Excellence Coin Awards
 - 1. Ramon Zuniga
 - 2. Chris Hand

SPECIAL PRESENTATION

16. RANCHO WATER DISTRICT CROPSWAP PRESENTATION (ROBB GRANTHAM/JASON MARTIN)

***17. APPROVAL OF MINUTES**

- A. July 25, 2023 - Regular Board Meeting
- B. August 11, 2023 – Special Board Meeting

***18. BOARD OF DIRECTORS' COMMENTS/REPORTS**

Directors' comments are comments by Directors concerning District business, which may be of interest to the Board. This is placed on the agenda to enable individual Board members to convey information to the Board and to the public. There is to be no discussion or action taken by the Board of Directors unless the item is noticed as part of the meeting agenda.

- A. President's Report (Director Hamilton)
- B. Representative Report (Appointed Representative)
 - 1. SDCWA
 - A. Summary of Board Meeting June 22, 2023
 - B. Summary of Board Meeting July 27, 2023
 - 2. CSDA
 - 3. LAFCO
 - 4. Santa Margarita River Watershed Watermaster Steering Committee
 - 5. ACWA
- C. Meeting, Workshop, Committee, Seminar, Etc. Reports by Directors (AB1234)
 - 1. Board Seminar/Conference/Workshop Training Attendance Reports
- D. Directors Comments
- E. Legal Counsel Comments
 - 1. Attorney Report: Conflict of Interest Update for Elected Directors 501668-0002

19. COMMITTEE REPORTS

- A. Budget and Finance Committee
- B. Engineering and Operations Committee
- C. Communications and Customer Service Committee

Time Certain 1:00 p.m. – Public Hearings

PUBLIC HEARINGS

***20. DISCUSSION AND POSSIBLE ACTION TO APPROVE THE FORM OF AN ACQUISITION AGREEMENT BETWEEN THE DISTRICT AND NEIGHBORHOOD 1 AT THE HAVENS, LLC/BONSALL OAKS LLC DEVELOPER UNDER THE STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM ("SCIP") (DIVISION 1)**

(The Neighborhood 1 at the Havens, LLC/ Bonsall Oaks LLC Developer has begun the process to join the SCIP Program. As part of this process the District and the Developer will be entering into an Acquisition Agreement to negotiate the terms and conditions for financing and disbursement of bond proceeds.)

(*) - Asterisk indicates a report is attached.

- *21. DISCUSSION AND POSSIBLE ACTION TO APPROVE THE FORM OF AN ACQUISITION AGREEMENT BETWEEN THE DISTRICT AND OCEAN BREEZE RANCH, LLC. DEVELOPER UNDER THE STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM (“SCIP”) (DIVISION 1)**
(The Ocean Breeze Ranch Developer has begun the process to join the SCIP Program. As part of this process the District and the Developer will be entering into an Acquisition Agreement to negotiate the terms and conditions for financing and disbursement of bond proceeds.)

BOARD ACTION ITEMS

- *22. DISCUSSION AND POSSIBLE ACTION REGARDING THE APPOINTMENT, EMPLOYMENT, OR COMPENSATION OF THE GENERAL MANAGER**
(The Board of Directors will conduct final interviews and may select a candidate to appoint as General Manager in Closed Session at the August 22, 2023, Board Meeting. If a selection is made, the selected candidate will be announced in Open Session.)
- *23. DISCUSSION AND POSSIBLE ACTION TO APPROVE A CONTRACT CHANGE ORDER WITH HOCH CONSULTING FOR DESIGN OF THE HUTTON (WEST LILAC), TURNER (RANCHO AMIGOS), AND DENTRO DE LOMAS PUMP STATIONS IN THE AMOUNT OF \$40,323.50 (DIVISION 1)**
(The District entered into a design contract with Hoch Consulting in January 2021 for design of the permanent pump stations. A fifth change order requiring Board approval is needed to provide EFI submittal reviews.)
- *24. DISCUSSION AND POSSIBLE ACTION TO APPROVE NEW LOGO IN RECOGNITION OF THE DISTRICT’S 70TH ANNIVERSARY**
(The District will celebrate the 70th anniversary of its formation on December 30, 2023. Staff will present options for a new logo to commemorate this milestone and refresh the District’s brand image to honor its agricultural roots and align with its core values.)
- *25. DISCUSSION AND POSSIBLE ACTION REGARDING ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) REGION 10 BOARD ELECTION**
(ACWA provided a new ballot for the Region 10 Board election from which RMWD can place its vote.)
- *26. DISCUSSION AND POSSIBLE ACTION REGARDING ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) BOARD OFFICERS’ ELECTION**
(ACWA has launched two separate but concurrent election processes for the 2024-2025 term including the Board officers’ election for President and Vice President with a ballot from which RMWD can place its vote(s)).
- *27. DISCUSSION AND POSSIBLE ACTION REGARDING THE APPOINTMENT, EMPLOYMENT; EVALUATION OF PERFORMANCE; OR COMPENSATION OF THE GENERAL MANAGER (TOM KENNEDY)**
(The Board may take action regarding the appointment, employment, performance or compensation of General Manager, Tom Kennedy.)
- 28. BOARD MEMBER REQUESTS FOR AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS**

STAFF PRESENTATION

- 29. SAN LUIS REY GROUNDWATER PRESENTATION**

BOARD INFORMATION ITEMS

- 30. DISCUSSION TO REVIEW AUDIO RECORDING RETENTION POLICY**

(*) - Asterisk indicates a report is attached.

31. RECEIVE AND FILE INFORMATION AND FINANCIAL ITEMS

A. General Manager Comments

1. Meetings, Conferences and Seminar Calendar

B. Operations Comments

1. Operations Report

C. Engineering Comments

1. Engineering Report
2. As-Needed Services Expenditures Summary
3. RMWD Sewer Equivalent Dwelling Units (EDU's) Status

D. Administrative Services Comments

1. Administrative Services Report

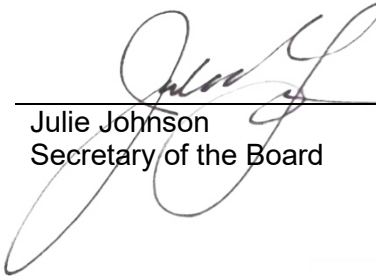
E. Finance Comments

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

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

33. ADJOURNMENT - To Tuesday, September 26, 2023, at 1:00 p.m.

ATTEST TO POSTING:



Julie Johnson
Secretary of the Board

8-16-23 @ 9:15 a.m.

Date and Time of Posting
Outside Display Cases

(*) - Asterisk indicates a report is attached.

**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
RAINBOW MUNICIPAL WATER DISTRICT
JULY 25, 2023**

1. **CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on July 25, 2023, was called to order by President Hamilton at 11:32 a.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. President Hamilton presiding.

2. **ROLL CALL**

Present: Directors Gasca, Director Hamilton, Director Johnson, Director Mack, Director Townsend-Smith (*via teleconference*).

Also Present: General Manager Kennedy, Legal Counsel Smith, Executive Assistant Washburn, Information Technology, Administrative Services Manager Harp.

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

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

There were no amendments to the agenda.

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

There were no members of the public in attendance via teleconference or video conference; therefore, the instructions were not read aloud.

5. **ORAL/WRITTEN COMMUNICATIONS FROM THE PUBLIC OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD REGARDING CLOSED SESSION AGENDA ITEMS (Government Code § 54954.2).**

Director Gasca requested that the secretary record the names of all the Board Members going into this Closed Session. It was noted this would be reflected as part of the roll call.

The meeting adjourned to Closed Session at 11:33 a.m.

6. **CLOSED SESSION**

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

* One Item

B. Appointment of Public Employee – General Manager (Government Code §54957)

Director Townsend-Smith recused herself from the discussion related to Item #6A at 12:22 p.m.

The meeting reconvened at 1:06 p.m.

(*) - Asterisk indicates a report is attached.

7. REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

This was addressed under Item #11.

Time Certain: 1:00 p.m.

8. REPEAT CALL TO ORDER - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on July 25, 2023, was called to order by President Hamilton at 1:10 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. President Hamilton presiding.

9. PLEDGE OF ALLEGIANCE

10. REPEAT ROLL CALL

Present: Director Gasca, Director Hamilton, Director Johnson, Director Mack, Director Townsend-Smith (*via teleconference*).

Also Present: General Manager Kennedy, Legal Counsel Smith, Executive Assistant Washburn, Information Technology Manager Khattab, Operations Manager Gutierrez, Finance Manager Largent, Administrative Services Manager Harp.

Also Present Via Teleconference or Video Conference:

Engineering and CIP Program Manager Williams, Grant Specialist Kim, Administrative Analyst Rubio, Administrative Analyst Weber, Wastewater Superintendent Zuniga, Construction and Meters Supervisor Lagunas.

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

11. REPEAT REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

Legal Counsel reported the Board met in Closed Session to discuss two items and there was no reportable action.

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

There were no amendments to the agenda.

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

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

(*) - Asterisk indicates a report is attached.

**14. 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.

***15. APPROVAL OF MINUTES**

A. June 27, 2023 - Regular Board Meeting

Motion:

To approve the minutes.

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

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

Ayes: Director Gasca, Director Hamilton, Director Johnson, Director Mack, Director Townsend-Smith.

***16. BOARD OF DIRECTORS' COMMENTS/REPORTS**

Directors' comments are comments by Directors concerning District business, which may be of interest to the Board. This is placed on the agenda to enable individual Board members to convey information to the Board and to the public. There is to be no discussion or action taken by the Board of Directors unless the item is noticed as part of the meeting agenda.

A. President's Report (Director Hamilton)

There was no report.

B. Representative Report (Appointed Representative)

1. SDCWA

Mr. Kennedy reported SDCWA held two meetings since RMWD's last meeting. He noted there was a Closed Session item to consider litigation against some party which he presumes to be LAFCO based on the fact RMWD and FPUD were ejected from the first meeting and again at the second SDCWA Special meeting along with Supervisor Desmond. He reported at the first meeting, the SDCWA Board lost its quorum resulting in their not being able to take any action. He stated at the special meeting the Board met in Closed Session for over two hours during which time they reported out that the SDCWA general manager and general counsel had been authorized to enter "settlement negotiations" with FPUD, RMWD, and LAFCO. He pointed out there were limited details due to the information being confidential at this time.

2. CSDA

Director Mack mentioned the CSDA Annual Conference will take place in Monterey the last week of August. Mr. Kennedy added he, Mr. Tamimi, and Mr. Gutierrez will be leading two sessions at this conference.

Mr. Kennedy added the CSDA Quarterly Dinner meeting will be held on August 17, 2023.

(*) - Asterisk indicates a report is attached.

3. LAFCO

Mr. Kennedy announced on July 10, 2023, LAFCO voted to approve the detachment from SDCWA and concurrent annexation into Eastern Municipal Water District. He noted LAFCO staff prepared what many would be consider a fair, albeit expensive, that was able to be passed to allow RMWD to detach with an exit fee of approximately \$3.1M-\$3.2M per year over five years. He stated detaching would still provide for a significant savings during those years; however, not as much as preferred in that it would restrict RMWD’s ability to provide rate relief that it has anticipated but would still beat the ever-increasing SDCWA water rates that will continue to escalate. He mentioned SDCWA was continuing to work on pushing through AB399 in the State Senate who will go back into session on August 14, 2023, where this matter is expected to be pushed for a vote quickly following which it will need to be brought before the Assembly. He stated unfortunately, RMWD will need to expend funds to try to block this effort. He concluded with noting although it is expected RMWD will be successful, at the very least, it may create a new court battle.

4. Santa Margarita River Watershed Watermaster Steering Committee

President Hamilton reported on the recent committee meeting noting Metropolitan Water District was reporting Diamond Valley Lake was at 76% of capacity with expectations it will be at 98% of capacity by the end of 2023. He mentioned Lake Skinner is at almost 89% full. He explained the problem with not filling the reservoirs faster was due to one of the conveyance pipelines being down. He also talked about what is transpiring at Camp Pendleton and how the levy is still not repaired due to supply issues.

President Hamilton reported one of the matters that may slightly impact RMWD is the court ordered the Watermaster to conduct data collection on substantial users including groundwater; however, they did not provide a definition for substantial user; therefore, the Watermaster has been using eight acres plus irrigated property for such. He explained how this may be problematic with those who own ten irrigated acres subdivided into two parcels in that they are still using the same amount of water but are below the threshold for substantial user. He mentioned they were also going to include a portion of RMWD; therefore, he was interested in whether RMWD could filter its data in terms of what parcel is connected as well as which parcels are known to have groundwater access. Mr. Kennedy noted RMWD has information from the county; however, it may be outdated.

President Hamilton mentioned the budget was down from last year, but that has to do with most of the settlement issues being finalized resulting in not having to utilize much of the Watermaster’s time and efforts.

5. ACWA

Director Gasca talked about the three bills noted into the ACWA news that would have provided extensive powers to the State Water Resources Control Board that would impact water rights but were opposed by ACWA. He suggested staff investigate how the District can support ACWA’s negotiations with the Senator for modifications to Senate Bill 389. He mentioned the Governor signed budget trailer bills intended to streamline infrastructure projects on July 10th which included changes to judicial processes related to CEQA, the California Endangered Species Act, and the Project Contracting Authority of the Department of Water Resources as well as Department of Transportation.

(*) - Asterisk indicates a report is attached.

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Director Gasca mentioned there was a recent Region 10 event held in Oceanside. He said he found it interesting in the report that one of the speakers was the Yorba Linda General Manager who is leading projects that range from a treatment plant to a heli-hydrant for helping fight fires. Discussion followed.

Director Gasca concluded with announcing the 2023 Fall ACWA Conference will be held in Indian Wells November 28-29, 2023.

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

Director Johnson said she and Ms. Largent attended the ACWA Region 10 event on June 29, 2023 at the City of Oceanside consisting of two panels and excellent speakers that she found to be very informative. She also mentioned she participated in a tour of RMWD during which Mr. Gutierrez shared what happens around the district operationally.

- D.** Directors Comments

Director Gasca shared samples of Truckee Meadows Water Authority inserts as samples of other perspectives of the types of information other water agencies share with their customers for RMWD to possibly consider as part of its communications with its ratepayers.

- E.** Legal Counsel Comments
 - 1.** Attorney Report: Government Immunity and Clean Water Act – 6176406-1

Legal Counsel summarized the information contained in the written report.

17. COMMITTEE REPORTS

- A.** Budget and Finance Committee

Mr. Nelson reported this committee met on July 11, 2023 during which time the committee voted unanimously in favor of recommending the Board approve Item #19 on today's agenda.

- B.** Engineering and Operations Committee

Mr. Nelson noted this committee did not meet in July and will resume meeting on August 2, 2023.

- C.** Communications and Customer Service Committee

Ms. Harp reported the committee met in July at which time they reached a conclusion related to the submetering outreach topic, discussed upcoming newsletter topics, received the first customer service metric reporting, as well as continued to work on soliciting additional responses to RMWD's customer service survey, and talked about some logo design concepts for RMWD's 70th anniversary. She concluded with noting staff was in the process of updating the welcome packet using some of the feedback offered by customers during the recent public rate hearing.

(*) - Asterisk indicates a report is attached.

BOARD ACTION ITEMS

***18. DISCUSSION AND POSSIBLE ACTION TO APPROVE ORDINANCE NO. 23-05 - AMENDING AND UPDATING ADMINISTRATIVE CODE SECTION 1.02.020 – CONFLICT OF INTEREST**

Mr. Kennedy explained this was a housekeeping item to update the Conflict of Interest Code to reflect the new position title changes.

President Hamilton inquired as to whether the new communications position was listed in the Conflict of Interest Code. Ms. Harp explained the title for that position is Administrative Analyst which has a broadly written job description and was included in the list.

Motion:

To approve the changes.

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

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

Ayes: Director Gasca, Director Hamilton, Director Johnson, Director Mack, Director Townsend-Smith.

***19. CONSIDER APPROVAL OF THE FORM OF A LEASE FINANCING AGREEMENT WITH FIRST AMERICAN RBC/CITY NATIONAL BANK FOR \$5,000,000 AT 5.49% (+/- 1%) INTEREST FOR 10 YEARS**

Ms. Largent explained this loan was the one proposed in conjunction with the Cost of Service Study and budget plan for the wastewater capital plan. She stated staff sent Request for Proposals to ten financial institutions asking for bids on a \$5M ten-year loan to which three responses were received. She pointed out of the three, First American RBC had the lowest rate as well as the only financial institution that would allow RMWD to have financing with them without having deposits with the bank. She noted this action is a request for the Board to give Mr. Kennedy the authority to sign for the loan which will replenish the wastewater reserve funds which have been depleted after having paid 95% of the cost associated with the Thoroughbred Lift Station project.

Ms. Largent confirmed the Budget and Finance Committee did vote to recommend the Board approve this item.

Motion:

To approve Option 1 - Authorize the General Manager to execute the financing agreement for \$5,000,000 at the rate of not more than 1% above the 5.49% preliminary rate.

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

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

Ayes: Director Gasca, Director Hamilton, Director Johnson, Director Mack, Director Townsend-Smith.

(*) - Asterisk indicates a report is attached.

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***19A. DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 23-17 AUTHORIZING THE GENERAL MANAGER TO PROCEED WITH ALL DUE HASTE TO FULFILL THE TERMS AND CONDITIONS OF THE JULY 10, 2023, APPROVAL OF THE APPLICATION FOR REORGANIZATION FROM RAINBOW MUNICIPAL WATER DISTRICT BY THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION**

Mr. Kennedy explained this item was to consider formalizing the Board’s direction to him. He pointed out this was not a legal or regulatory requirement, but rather a way for the Board of Directors to publicly signal their intention to proceed.

Motion:

To approve Resolution No. 23-17.

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

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

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

Abstain: Director Townsend-Smith.

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

Directors Mack, Johnson, Hamilton, and Gasca stated they would like to attend the 2023 ACWA Fall Conference in Indian Wells.

Director Townsend-Smith CSDA’s Special Districts Leadership Academy in October.

BOARD INFORMATION ITEMS

21. STATUS OF GRANT FUNDING

Ms. Kim announced RMWD was awarded the Community Grant Award in the amount of \$1.5M-\$1.6M which will go toward the Thoroughbred Lift Station and Sewer Improvements Project. She shared the backstory of what took place in relation to applying for this grant. Discussion ensued.

Ms. Kim reported RMWD was also awarded two smaller grants; one being a \$2,000 wellness grant that will be used for employee well-being and the other a leadership program grant that will cover all costs associated with Mr. Khattab participating in JPIA’s Leadership Essentials for the Water Industry Program.

Director Johnson stated as a fellow grant writer, she wanted to commend Ms. Kim for her hard work. Discussion followed.

Ms. Kim mentioned she had identified another grant that is specifically for projects involving multiple jurisdictions working together to address significant climate changes in their regions including but not limited to wildfires. She said after conducting some research, this one may be good for another heli-hydrant.

(*) - Asterisk indicates a report is attached.

22. GRANT PROGRESS UPDATE

This item was addressed under Item #21.

23. CROPSWAP PROGRAM BRIEFING

Mr. Kennedy explained this was a program initiated by Rancho Water District that they are now looking to expanding to other surrounding areas since they have secured a few million dollars of extra federal money. He noted this program pays farmers to change their crops; however, RMWD would be more interested in a root swap program where people could get paid for the cost of putting in salt-tolerant avocado strains. He stated someone from Rancho Water will be invited to attend a future RMWD Board meeting to talk about the program in more detail.

Ms. Harp mentioned this opportunity in a recent RMWD newsletter due to the fact Rancho Water needed to know that there was interest from the neighboring agencies to have regional expansion. She stated RMWD received replies from twenty ratepayers who are desperate for some type of relief and how an overview of information related to this program has been prepared to mail to these interested parties. She concluded with noting staff was waiting for more information from Rancho Water and that Ms. Weber will be reaching out the those in charge of the program following which she may be able to provide the Board with an update in either August or September.

PRESENTATION

24. NEW WEBSITE AND EMAIL DOMAIN PRESENTATION

Mr. Khattab presented information related to RMWD being approved by the California Department of Technology for the state-provided domain “rainbowmwd.ca.gov” for both its website and email addresses for all staff and board members. He pointed out RMWD will continue to own the domain “rainbowmwd.com” and have this new one in addition to that. He reviewed the changes and costs, benefits of using “.ca.gov” domain, as well as disadvantages.

Director Gasca asked if this would be a transition from the old to the new. Mr. Khattab explained the transition will take place as emails are sent out from the new domain which will take approximately five years to complete.

President Hamilton inquired as to whether the servers would change as well. Mr. Khattab confirmed the servers will not change. It was noted RMWD should keep the “rainbowmwd.com” domain. President Hamilton asked how soon before this would be rolled out. Mr. Kennedy explained staff did not want to roll this out without first presenting it to the Board of Directors; however, upon receipt of the Board’s approval, staff was ready to start the process immediately.

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

- A. General Manager Comments**
 - 1. Meetings, Conferences and Seminar Calendar
- B. Communications**
 - 1. Staff Training Report - Gutierrez
- C. Operations Comments**
 - 1. Operations Report

(*) - Asterisk indicates a report is attached.

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- D. Engineering Comments**
 - 1. Engineering Report
 - 2. As-Needed Services Expenditures Summary
 - 3. RMWD Sewer Equivalent Dwelling Units (EDU's) Status
- E. Administrative Services Comments**
 - 1. Administrative Services Report
- F. Finance Comments**
 - 1. Board Information Report
 - A. Budget vs. Actuals
 - B. Fund Balance & Developer Projections
 - C. Treasury Report
 - D. Five Year Water Purchases Demand Chart
 - E. Water Sales Summary
 - F. Check Register
 - G. Directors' Expenses Report
 - H. Credit Card Breakdown
 - I. RMWD Properties
 - J. Grant Progress Report

Mr. Guttierrez shared information related to the incident that occurred at the District headquarters the early morning of July 24, 2023. Discussions ensued.

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

It was noted the feasibility study for San Luis Rey Groundwater and two SCIP public hearings will be on the next agenda.

27. ADJOURNMENT

The meeting was adjourned by President Hamilton to a regular meeting on August 24, 2023, at 1:00 p.m.

The meeting was adjourned at 2:19 p.m.

Hayden Hamilton, Board President

Dawn M. Washburn, Board Secretary

(*) - Asterisk indicates a report is attached.

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**MINUTES OF THE SPECIAL BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
RAINBOW MUNICIPAL WATER DISTRICT
AUGUST 11, 2023**

1. **CALL TO ORDER** - The Special Meeting of the Board of Directors of the Rainbow Municipal Water District on August 11, 2023, was called to order by President Hamilton at 2:01 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. President Hamilton presiding.

2. **ROLL CALL:**

Present: Director Gasca, Director Hamilton, Director Johnson, Director Mack, Director Townsend-Smith.

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

Also Present Via Teleconference or Video Conference:

Legal Counsel Smith, Legal Counsel Pellman

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

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

Mr. Kennedy stated should the Board desire, Items #18, #19, #20 can be deferred. There were no objections.

Mr. Kennedy also pointed out the words "County of San Diego" has been added to the title of Resolutions #23-20 and #23-23, respectively.

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

There were no members of the public in attendance via teleconference or video conference; therefore, the instructions were not read aloud.

5. **ORAL/WRITTEN COMMUNICATIONS FROM THE PUBLIC OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD REGARDING CLOSED SESSION AGENDA ITEMS (Government Code § 54954.2).**

There were no comments.

The meeting adjourned to Closed Session at 2:03 p.m.

Director Townsend-Smith recused herself from Closed Session at 2:12 p.m.

(*) - Asterisk indicates a report is attached.

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6. CLOSED SESSION

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

* One Item

The meeting reconvened at 2:31 p.m.

7. REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

This item was addressed under Item #11.

Time Certain: 1:00 p.m.

8. REPEAT CALL TO ORDER - The Special Meeting of the Board of Directors of the Rainbow Municipal Water District on August 11, 2023, was called to order by President Hamilton at 2:31 p.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. President Hamilton presiding.

9. PLEDGE OF ALLEGIANCE

10. REPEAT ROLL CALL

Present: Director Gasca, Director Hamilton, Director Johnson, Director Mack.

Also Present: General Manager Kennedy, Executive Assistant Washburn, Billing Specialist Kilmer, Finance Manager Largent, Information Technology Manager Khattab.

Absent: Director Townsend-Smith.

Also Present Via Teleconference or Video Conference:

Legal Counsel Smith, Legal Counsel Pellman, Engineering and CIP Program Manager Williams, Administrative Services Manager Harp.

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

11. REPEAT REPORT ON POTENTIAL ACTION FROM CLOSED SESSION

Legal Counsel Smith reported the Board met in Closed Session to discuss one item and there was no reportable action. He stated for the record that Director Townsend-Smith recused herself from the discussion.

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

President Hamilton noted per Item #3, agenda Items #18, #19, and #20 would be deferred to a future Board meeting.

(*) - Asterisk indicates a report is attached.

Ms. Washburn stated there was an amendment to the titles of both Resolutions Nos. 23-20 and 23-23 to include the words "County of San Diego". Mr. Kennedy noted Resolution No. 23-23 has been deferred per agenda Item #3.

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

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

14. ORAL/Written COMMUNICATIONS FROM THE PUBLIC OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD REGARDING ITEMS ON THIS AGENDA

There were no comments.

BOARD ACTION ITEMS

***15. CONSIDER ADOPTING RESOLUTION NO. 23-18, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RAINBOW MUNICIPAL WATER DISTRICT, SAN DIEGO COUNTY CALIFORNIA, CALLING FOR THE PLACEMENT OF A MEASURE ON THE BALLOT AT THE NOVEMBER 7, 2023 SPECIAL DISTRICT ELECTION FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF A PROPOSED RESOLUTION DETACHING THE DISTRICT FROM THE SAN DIEGO COUNTY WATER AUTHORITY**

Mr. Kennedy noted this was the first of three resolutions needed in order to instruct the Registrar of Voters to put a ballot measure out for ratepayers in the Rainbow service area this November. He pointed out today was the last day to file these resolutions; therefore, assuming they are approved by the Board, a staff member will be taking these documents to be recorded immediately thereafter.

Motion:

To approve Option 1 – Approve Resolution No. 23-18.

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

Vote: Motion carried by unanimous roll call vote (summary: Ayes = 4).

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

Absent: Director Townsend-Smith.

(*) - Asterisk indicates a report is attached.

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- *16. CONSIDER ADOPTING RESOLUTION NO. 23-19, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RAINBOW MUNICIPAL WATER DISTRICT, SAN DIEGO COUNTY, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO TO RENDER FULL SERVICES TO THE DISTRICT RELATING TO THE CONDUCT OF A SPECIAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 7, 2023 FOR THE DISTRICT'S VOTERS TO CONSIDER A BALLOT MEASURE DETACHING THE DISTRICT FROM THE SAN DIEGO COUNTY WATER AUTHORITY**

President Hamilton clarified this item was to consider approval of Resolution No. 23-19.

Motion:

To approve Option 1 – Approve Resolution No. 23-19.

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

Vote: Motion carried by unanimous roll call vote (summary: Ayes = 4).

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

Absent: Director Townsend-Smith.

- *17. CONSIDER ADOPTING RESOLUTION NO. 23-20, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RAINBOW MUNICIPAL WATER DISTRICT, SAN DIEGO COUNTY CALIFORNIA, PROVIDING FOR THE FILING OF PRIMARY AND REBUTTAL ARGUMENTS AND SETTING RULES FOR THE FILING OF WRITTEN ARGUMENTS REGARDING A DISTRICT MEASURE TO BE SUBMITTED AT THE NOVEMBER 7, 2023 SPECIAL DISTRICT ELECTION**

Motion:

To approve Option 1 - Approve Resolution No. 23-20.

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

Vote: Motion carried by unanimous roll call vote (summary: Ayes = 4).

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

Absent: Director Townsend-Smith.

- *18. CONSIDER ADOPTING RESOLUTION NO. 23-21, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RAINBOW MUNICIPAL WATER DISTRICT, SAN DIEGO COUNTY CALIFORNIA, CALLING FOR THE PLACEMENT OF A MEASURE ON THE BALLOT AT THE MARCH 5, 2024 SPECIAL DISTRICT ELECTION PURSUANT TO WATER CODE SECTION 71450(C) FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF A PROPOSED RESOLUTION DETACHING THE DISTRICT FROM THE SAN DIEGO COUNTY WATER AUTHORITY**

This item was deferred per agenda Item #3.

(*) - Asterisk indicates a report is attached.

- *19. CONSIDER ADOPTING RESOLUTION NO. 23-22, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RAINBOW MUNICIPAL WATER DISTRICT, SAN DIEGO COUNTY, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO TO RENDER FULL SERVICES TO THE DISTRICT RELATING TO THE CONDUCT OF A SPECIAL ELECTION PURSUANT TO WATER CODE SECTION 71450(C) TO BE HELD ON TUESDAY, MARCH 5, 2024 FOR THE DISTRICT’S VOTERS TO CONSIDER A BALLOT MEASURE DETACHING THE DISTRICT FROM THE SAN DIEGO COUNTY WATER AUTHORITY**

This item was deferred per agenda Item #3.

- *20. CONSIDER ADOPTING RESOLUTION NO. 23-23, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RAINBOW MUNICIPAL WATER DISTRICT, SAN DIEGO COUNTY, CALIFORNIA, PROVIDING FOR THE FILING OF PRIMARY AND REBUTTAL ARGUMENTS AND SETTING RULES FOR THE FILING OF WRITTEN ARGUMENTS REGARDING A DISTRICT MEASURE TO BE SUBMITTED AT THE MARCH 5, 2024 SPECIAL DISTRICT ELECTION PURSUANT TO WATER CODE SECTION 71450 (C)**

This item was deferred per agenda Item #3.

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

There were no requests.

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

It was noted Resolution Nos. 23-21, 23-22, and 23-23 may be on the next Board meeting agenda.

- 23. ADJOURNMENT**

The meeting was adjourned by President Hamilton to a regular meeting on September 26, 2023, at 1:00 p.m.

The meeting was adjourned at 2:39 p.m.

Hayden Hamilton, Board President

Dawn M. Washburn, Board Secretary

(*) - Asterisk indicates a report is attached.



**SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING
JUNE 22, 2023**

1. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed the Treasurer's report

2. Contract Amendment for DCSE, Inc., for maintenance for the Water Authority's Data Archival and Invoicing System.
The Board authorized the General Manager to amend the DCSE, Inc., professional services contract to extend the agreement term for an additional two years, in the amount of \$220,000, for continued maintenance of the Data Archival and Invoicing System (DAIS), increasing the authorized contract amount from \$149,500 to \$369,500.

3. Approve amendments to the consolidated Memorandum of Understanding with the represented employees, approve amendments to the compensation plan for represented and unrepresented employees, and approve corresponding Classification and Salary Schedules.
The Board adopted Resolution No. 2023-22, a resolution of the Board of Directors of the San Diego County Water Authority approving amendments to and extension of the consolidated memorandum of understanding with the Teamsters Local 911 Union representing the technical/support, professional/administrative, and managerial / supervisory bargaining groups; approving compensation plan adjustments for executive, senior management, and confidential employees; and approving classification and salary schedules for the period from July 1, 2023 through June 30, 2026.

4. Adopt the Water Authority Board's Recommended Rates and Charges for Calendar Year 2024.
The Board conducted the Public Hearing; adopted the Finance Planning Work Group Recommendation for Calendar Year 2024 Rates and Charges using Rate Alternative 1B: Maintaining Board Policy & Defeasance of Outstanding Debt, with an effective rate impact of 9.5%, and adopted Ordinance No. 2023-01 setting rates and charges for the delivery and supply of water, use of facilities, and provision of services; adopted Resolution No. 2023-23 continuing the Standby Availability Charge; and Found that the actions are exempt from CEQA.

5. General Manager's Recommended Budget for Fiscal Years 2024 and 2025.
The Board adopted the General Manager's Recommended Budget for Fiscal Years 2024 and 2025, using Rate Alternative 1B: Use Reserves Maintaining Board Policy and Defeasance bonds for an 9.5% Effective Rate Increase for rates and charges for Calendar Year 2024; and, adopted Resolution No. 2023-24, approving the General Manager's Recommended Budget for Fiscal Years 2024 and 2025, for operations and capital improvements and appropriating \$1,855,823,366 consistent with the approved budget.

6. Purchase of Water Authority Business Insurance for Fiscal Year 2024.
The Board authorized the General Manager to purchase property insurance for fiscal year 2024 from Swiss Reinsurance Company Ltd in the amount of \$315,600, \$31 million in liability insurance from Allied World Assurance Company – CalMutuals JPRIMA in the amount of \$488,698, and workers' compensation insurance from Zenith Insurance Company – CalMutuals JPRIMA in the amount of \$390,765, for a total amount of \$1,195,063.
7. Notice of Completion for Dulin Hill Erosion Repair project.
The Board authorized the General Manager, or designee to accept the Dulin Hill Erosion Repair project as complete, record Notice of Completion, and release funds in retention to Mac Dad Builders Inc., in accordance with the contract and applicable law.
8. Notice of Completion for Pipeline 5 Relining, North Twin Oaks Valley Road to Crossover Pipeline Turnout project.
The Board authorized the General Manager, or designee, to accept the Pipeline 5 Relining, North Twin Oaks Valley Road to Crossover Pipeline project as complete, record the Notice of Completion, and release all funds held in retention to J.F. Shea Construction, Inc. in accordance with the contract and applicable law.
9. Rescind Resolution No. 2021-24, A Resolution of the Board of Directors of the San Diego County Water Authority Activating Level 1 of the Water Authority's Water Shortage Contingency Plan.
The Board approved rescinding Resolution No. 2021-24, to deactivate Level 1 of the Water Authority's Water Shortage Contingency Plan, effective July 1, 2023 (WSCP).
10. Extension of Water Conservation Garden Operation Agreement.
The Board approved a \$96,000 financial contribution for the one-year extension of the current Operation Agreement between the Water Conservation Garden Authority and the Friends of the Water Conservation Garden (IRS 501(c)(3)) for the continued operation and maintenance of the Water Conservation Garden through June 30, 2024.
11. Adopt positions on various bills.
The Board adopted a position of Oppose on AB 1205 (Bauer-Kahan), relating to Water Rights: sale, transfer, or lease: agricultural lands; and, position of Support, if Amended, on AB 1373 (Garcia), relating to Energy.
12. Adopt a resolution supporting Ernesto (Ernie) A. Avila for Vice President of the Association of California Water Agencies.
The Board adopted Resolution No. 2023-26 supporting Ernesto A. Avila for Vice President of the Association of California Water Agencies.

13. Retirement of Director.
The Board adopted Resolution No. 2023-25 honoring Keith Lewinger upon his retirement from the Board of Directors.

14. Approval of Minutes.
The Board approved the minutes of the Special Administrative and Finance Committee meeting of May 16, 2023 and the Formal Board of Directors' meeting of May 25, 2023.



SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING JULY 27, 2023

1. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed the Treasurer's report
2. Agreement with Oracle USA, Inc. to renew the Enterprise Resource Planning System software annual maintenance and support agreements.
The Board authorized the General Manager to renew the Enterprise Resource Planning System software annual maintenance and support agreements with Oracle USA, Inc. for two years at a total cost of \$674,846.94.
3. Approve the Recommended Debt Management Activities to Defeas Outstanding Debt.
The Board adopted Resolution No. 2023-27, authorizing defeasance of a portion of the outstanding Series 2020A Bonds in a principal amount not to exceed \$12,000,000 in Calendar Year 2023.
4. Contract with Meiden America Switchgear, Inc. for the purchase of vacuum circuit breakers for the Lake Hodges Hydroelectric and Pumped Storage Facility.
The Board authorized the General Manager to award a purchase order contract to Meiden America Switchgear, Inc. to purchase two 72.5kV vacuum circuit breakers for the electrical switchyard at Lake Hodges Hydroelectric and Pumped Storage Facility, in the amount of \$230,000.
5. Notice of Completion for the Hauck Mesa Storage Reservoir project.
The Board authorized the General Manager, or designee, to accept the Hauck Mesa Storage Reservoir project as complete, record the Notice of Completion, and release all funds held in retention to Pacific Hydrotech Corporation in accordance with the contract and applicable law.
6. Adopt positions on various bills.
The Board adopted a position of Support on the ARROW Act (Senator Padilla), relating to Atmospheric Rivers, Reconnaissance, Observation and Warnings Act.
7. Approve the Audit Committee's recommendation of Davis Farr LLP (Davis Farr) to serve as independent auditor for a three-year period covering the financial audits of fiscal years 2024, 2025 and 2026, with two one-year extension options for fiscal years 2027 and 2028.
The Board approved the selection of Davis Farr to serve as the Water Authority's and QSA JPA's independent auditor, and authorize the General Manager to enter into an agreement with Davis Farr. The agreement will provide for independent audits, in-house training, and performance of agreed upon (AUP) engagements for a three-year period covering fiscal years 2024, 2025 and 2026, with two one-year extension options for fiscal years 2027 and 2028, for a not-to-exceed amount for the three-and five-year periods totaling \$243,720 and \$411,200, respectively.
8. Employment of retired employee as Interim Assistant General Manager and exception of 180-day wait period.
The Board adopted Resolution No. 2023-28, a resolution of the Board of Directors of the San Diego County Water Authority appointing a retired annuitant pursuant to the exception to the 180-day wait period under government code sections 7522.56 and 21224.



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San Diego County Water Authority

9. Approval of Minutes.
The Board approved the minutes of the Formal Board of Directors' meeting of June 22, 2023.



TO: Rainbow Municipal Water District
FROM: Alfred Smith
DATE: August 22, 2023
RE: Attorney Report: Conflict of Interest Update for Elected Directors
501668-0002

I. INTRODUCTION.

This attorney report provides an update on new regulations adopted by the Fair Political Practices Commission (“FPPC”) to implement SB 1439 – the bill adopted last year that extended the Levine Act’s conflict of interest requirements to local elected officials. SB 1439 provides that local elected officials – including water district and other special district board members, city council members, and school district board members – are now required to “conflict out” of certain proceedings involving persons that made contributions to their respective political campaigns.

SB 1439 prohibits directors from accepting, soliciting, or directing contributions exceeding \$250 from a party to a proceeding (such as those seeking a license, permit, contract or other entitlement from the District). The restrictions apply to parties and affiliated persons, such as agents or employees, while such a proceeding is pending, during the preceding 12 months, and for 12 months after the final decision in the proceeding. Prior to the passage of SB 1439, the Levine Act only applied to officials serving on appointed boards.

Additionally, a contractor or anyone appearing before a water district with a contracting request must disclose if they made contributions over \$250 during the prior 12 months.

II. THE LEVINE ACT.

The Levine Act, California Government Code Section 84308, originally prohibited “pay-to-play” contributions to certain officials such as planning commissions and the California Coastal Commission. The Act was adopted in 1982, in response to reports that several members of the Coastal Commission solicited and received large campaign contributions from individuals with applications pending before the commission.

The Act originally required covered officials to recuse themselves from voting on a matter involving a license, a permit or other entitlement if the official received a

campaign contribution of \$250 or more within the preceding 12 months. The Act also originally prohibited a party with a pending matter from contributing to a member while a proceeding is pending and for three months after, and it prohibited officials from soliciting contributions of \$250 or more during the same time period.

III. **SENATE BILL 1439.**

Senate Bill 1439 makes a number of changes to the Levine Act, which is a part of the Political Reform Act. SB 1439 extends the Act's coverage to locally elected or appointed governing boards, including water districts. Water district board members now have to "conflict out" of certain proceedings involving persons that made contributions to their respective political campaigns.

SB 1439 imposes several new requirements on water district board members. First, the bill prohibits accepting, soliciting or directing a campaign contribution of \$250 or more if the donor is involved in a proceeding involving a license, permit or other entitlement for use, including a contract award, that is pending before the District. Under SB 1439, this prohibition continues for 12 months following the proceeding. (It was previously three months.)

Second, the Act now requires water district board members to recuse from any proceeding involving a license, permit or other entitlement for use, including a contract award, if the member has received a campaign contribution from a person involved in the proceeding within the previous 12 months.

The Act applies to both the parties directly involved in the proceeding, such as an applicant for an entitlement, as well as to other participants who actively support or oppose a particular decision in the proceeding. As with other provisions of the Political Reform Act, officials with a Levine Act conflict of interest cannot make, participate in making, or attempt to influence any such proceeding.

The rule does not apply to labor contracts, personal employment contracts or contracts that are competitively bid.

In light of SB 1439, both elected and appointed officials of a local government agency must now do all of the following:

- **Disclose.** Before participating in any decision in a proceeding involving a license, permit or other entitlement for use (including certain contracts), a director who received a contribution over \$250 in the preceding 12 months from a party or any participant in the proceeding must disclose that fact on the record.
- **Recuse.** If the director knows or has reason to know that the party or participant who made the contribution has a financial interest in the decision, the director must not make – or participate in making – the decision.

- Or Return. If the director returns the contribution within 30 days from the time the director knows or should have known about the contribution and relevant proceeding, the director may participate in the decision.
- Refuse. While the proceeding is pending for 12 months after a final decision is rendered, a director must not accept, solicit or direct a contribution of more than \$250 from the party or participant if the director knows or has reason to know the party or participant has a financial interest in the decision.
 - Or Return. If a director accepts, solicits or directs a contribution of more than \$250 during the 12 months after the date a final decision is rendered in the proceeding, the director may cure the violation by returning the contribution, or the portion of the contribution that exceeds \$250, within 14 days of accepting, soliciting or directing the contribution, whichever comes latest. This opportunity to cure is only available if the director did not knowingly and willfully accept, solicit or direct the prohibited contribution, and the director keeps a record of curing the violation.

IV. NEW FPPC GUIDANCE.

On June 15, 2023, the FPPC adopted new regulations regarding SB 1439. This new guidance comes after a lawsuit challenging SB 1439 as unconstitutional. (*Family Business Association of California, et al. v. Fair Political Practices Commission*, Case No. 34-2023-00335169-CU-MC-GDS). This lawsuit was dismissed last month. It is not yet clear if the court's decision will be appealed.

The FPPC stated that the new regulations are intended to help clarify some of the questions raised by public agencies as to how to implement SB 1439. Highlights of the new and amended regulations include:

- **Applicability.** The FPPC confirmed that the Levine Act's amended provisions do not apply to contributions made or received, or proceedings participated in, prior to January 1, 2023, for elected officials. This essentially codifies the FPPC's Kendrick Opinion, No. O-22-002, which was issued last year. Note that this regulation does not impact officials serving on appointed boards.
- **Definition of "Pending" Proceeding.** The FPPC created a context-specific approach to determining when a proceeding is "pending" for purposes of the Levine Act.
 - *With respect to officers,* a proceeding is considered "pending" when (1) the decision is before the officer (for members of the governing body, this includes when the item is placed on the agenda for discussion or decision

- at a public meeting of the body) or (2) it is reasonably foreseeable the decision will come before the officer and the officer knows or has reason to know the decision is within the jurisdiction of the agency.
- With respect to a *party or participant*, a proceeding is “pending” once the entitlement for use decision is within the jurisdiction of the agency (e.g., once the application has been filed). This means parties and participants must refrain from making contributions exceeding \$250 to an officer, once an application has been filed with the agency, even though the decision has not yet come before the officer. However, officers would not be at risk of violating the Levine Act by accepting a contribution from a party or participant in instances where the officer does not know or have any reason to know about the proceeding.
 - **Definition of “Knows or Has Reason to Know.”** Under the Levine Act, when an officer knows or has reason to know that a participant has a financial interest in a proceeding, the officer is prohibited from accepting, soliciting, or directing a contribution exceeding \$250 from the participant. Likewise, an officer is prohibited from taking part in a proceeding if, within the preceding 12 months, the officer has willingly or knowingly received a contribution exceeding \$250 from a party or party’s agent, or participant or participant’s agent if the officer knows or has reason to know of the participant’s financial interest in the decision.
 - The FPCC has clarified that an officer knows or has reason to know of a participant’s financial interest in a decision only if the officer has actual knowledge of the financial interest, or the *participant reveals facts in written or oral statements during the proceeding* before the officer that make the person’s financial interest apparent.
 - While all relevant facts should be considered, an official aware of the following facts has reason to know of a participant’s potential financial interest and may not take part in the proceeding if the official has received a disqualifying contribution from that participant or participant’s agent:
 - The participant has an interest in property within 500 feet of the real property at issue in the proceeding;
 - The participant has an economic interest in a business entity that may see a significant increase or decrease in customers as a result of the proceeding; or
 - The participant has a business relationship with the applicant that may result in additional services provided to the applicant.
 - An officer *does not know* or have reason to know of a participant’s financial interest in a decision solely as a result of the participant identifying an economic interest located in the general vicinity of a business entity or real property at issue in the proceeding.

- **Willful or Knowing Receipt of a Contribution.** The FPPC has provided details as to when an officer is considered to have willfully or knowingly received a contribution, and has clarified that an officer without actual knowledge of the contribution from a party or participant does not have reason to know of the contribution based solely on the fact that the contribution was reported as required by law.
 - However, an officer does have reason to know of a contribution previously reported under the Act's reporting provisions made by a *party* in a proceeding *noticed on an agenda* for a public meeting before the body or board or, for officers not on a body or board, where the proceeding is otherwise before the officer in the officer's decision-making capacity.
- **Learning of a Contribution During a Meeting.** An officer who learns of a participant's financial interest or contribution *during the proceeding* must disclose the contribution prior to any further participation in the meeting. The officer may still take part in the proceeding if the official discloses the disqualifying contribution on the record, confirms that it will be returned within 30 days following the time the officer knew or should have known about the contribution, and the contribution is returned within that timeframe.
- **Party's Obligation to Disclose Contributions.** On the date a party to a proceeding files an application or other request initiating the proceeding, the party must disclose the amount of any contribution(s) made within the preceding 12 months and the names of the contributors. For a contribution made during any stage of the proceeding, the party must disclose the contribution within 30 days of making the contribution, or on the date on which the party makes its first appearance before or communication with the agency regarding the proceeding following the contribution, whichever is earliest.
- **Definition of "Officer."** The FPPC revised the definition of "officer of the agency" to provide that an "officer" is an individual who may make, participate in making, or attempt to influence a decision in the proceeding or who exercises authority over officers who may do so. The definition specifically includes an individual who is a candidate for elected office or who has ***been a candidate in the 12 months prior to the decision***. This means that the Levine Act applies to an officer even if the officer has already lost the election.
- **Definition of "Agent."** The FPPC clarified that a person acting as the representative of a party or participant in a proceeding must also be ***compensated*** in order to be considered an "agent" for purposes of the Levine Act.
- **Aggregation.** Contributions made by a party and a party's agent, or a participant and a participant's agent, are aggregated for purposes of the Levine Act's \$250 limit. The FPPC clarified the rules regarding aggregation, and specifically excluded *uncompensated officers of nonprofit organizations* from the aggregation requirement.

V. CONCLUSION.

SB 1439 presents a significant change for water district board members because campaign donations previously did not give rise to the Levine Act's conflict of interest rules. Accordingly, directors are now required to disclose, recuse, refuse or return campaign contributions over \$250 from pending contractors within the preceding 12 months (or for 12 months following the final decision).

SB 1439 also imposes new requirements on potential contractors. Now parties seeking contracts, permits or licenses from the District will have to disclose if they made contributions over \$250 within the prior 12 months. This will require companies and individuals seeking contracts, permits or licenses from the District to (1) refrain from making any prohibited contributions; (2) be on the lookout for any prohibited contributions from principals or employees who might be unaware of the rule; (3) ask employees and agents about their campaign contribution history; and (4) put in place a compliance process to avoid inadvertent violations.

SB 1439 took effect on January 1, 2023. Violation of the Act is punishable as a misdemeanor.

AES

BOARD OF DIRECTORS

August 22, 2023

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE THE FORM OF AN ACQUISITION AGREEMENT BETWEEN THE DISTRICT AND NEIGHBORHOOD 1 AT THE HAVENS, LLC/BONSALL OAKS LLC DEVELOPER UNDER THE STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM (“SCIP”) (DIVISION 1)

BACKGROUND

The California Statewide Communities Development Authority (CSCDA) is a joint powers authority sponsored by the League of California Cities and the California State Association of Counties. The member agencies of CSCDA include approximately 391 cities and 56 counties throughout California, including the Rainbow Municipal Water District (District).

The Statewide Community Infrastructure Program (SCIP) was initially created by CSCDA in 2002 to allow owners of property in participating CSCDA member agencies to finance the development impact fees that would be payable by property owners upon receiving development entitlements or building permits. The program has since been expanded to include financing of public capital improvements directly. If a property owner chooses to participate, the selected public capital improvements and/or the development impact fees owed to the District will be financed by the issuance of tax-exempt bonds by CSCDA. CSCDA will impose a special assessment on the owner’s property to repay the portion of the bonds issued to finance the fees paid with respect to the property. With respect to impact fees, the property owner will either pay the impact fees at the time of permit issuance and will be reimbursed from the SCIP bond proceeds when the SCIP bonds are issued; or the fees will be funded directly from the proceeds of the SCIP bonds. The 142-page CSCDA SCIP Manual is available at the District for review.

The District presented Resolution No. 20-06 on May 26, 2020 to the Board of Directors (Board), authorizing the District to join the SCIP; authorizing the CSCDA to accept applications from property owners, conduct special assessment proceedings and levy assessments within the territory of the District; approving a form of acquisition agreement; and authorizing related actions; this original resolution was adopted on May 26, 2020.

The District also presented Resolution No. 22-18 on June 28, 2022 to the Board, authorizing the Resolution of Intention to be adopted by the Authority in connection with assessment proceedings (the “ROI”). The territory within which assessments would be levied for SCIP (provided that each Participating Developer consented to such assessment) would be coterminous with the District’s official boundaries of record at the time of adoption of such ROI (the “Proposed Boundaries”). Reference was made to such boundaries for the plat or map required to be included in the Amended and Restated Resolution pursuant to Section 10104 of the Streets and Highways Code; this amended and restated resolution was adopted on June 28, 2022.

The Bonsall Oaks development was originally set to have 164 single family homes, a wine tasting room and a bed and breakfast. On November 23, 2021, part of the development was sold to Neighborhood 1 at the Havens, LLC, and the development was divided into different neighborhoods/planning areas. The

name of the development was also changed to Provence. The individual neighborhoods are scheduled to be built one at a time and only Neighborhood 1 is currently under construction.

The item was presented to the Engineering and Operations Committee on August 2, 2023. The Committee recommended Option 1.

DESCRIPTION

Neighborhood 1 at the Havens, LLC/Bonsall Oaks, LLC Developer for the Provence development, formally known as the Bonsall Oaks development, which is a proposed project of 59 units, located on the North side of Gopher Canyon Road, across the street from Vista Valley Country Club. The Developer has started the process to join the SCIP Program and is currently listed under the SCIP 2023B (Series D). The estimated amount of water and sewer capacities fees to be paid to the District by issuance of this program is \$2,000,000. The supporting documentation is provided as Attachment 1, which includes the Interested Parties List, Project Funding Matrix, Rate and Method of Apportionment, Cashflow Analysis, Timetable and Vicinity Map.

Under the SCIP, the District and the Developer will be required to enter into an Acquisition Agreement to negotiate the terms and conditions under which financing for public capital improvements will be provided and to establish the procedure for disbursement of bond proceeds to pay for completed facilities. It also authorizes miscellaneous related actions and makes certain findings and determinations required by law. District staff and General Counsel have been working with the Developer on the draft Acquisition Agreement provided as Attachment 2.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Two: Asset Management. By taking this action, the SCIP provides another financing mechanism for facilitating this project. This will allow the District more flexibility in addressing the pipe rehabilitation and pressure reduction programs.

Strategic Focus Area Four: Fiscal Responsibility. This action will help bring additional water and sewer customers to the District, increasing revenue needed for maintenance and CIP.

Strategic Focus Area Five: Customer Service. This action eases impacts for the developer on constructing projects in the District. Additional water and sewer accounts will benefit all RMWD ratepayers by increasing District revenues from fixed charges.

ENVIRONMENTAL

In accordance with California Environmental Quality Act (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 are minimal direct costs to the District as the Developer is responsible for paying the costs related to this action.

Option 1:

- Make a determination that approval of the Acquisition Agreement does not constitute a project that is subject to CEQA guidelines.
- Authorize the General Manager and General Counsel to continue negotiating with the Developer and execute the Acquisition Agreement on behalf of the District.

Option 2:

- Provide other direction to staff

STAFF RECOMMENDATION

Staff recommends Option 1.



Chad Williams
Engineering and CIP Program Manager

8/22/2023

ATTACHMENT 1



CSCDA
SCIP
Statewide Community Infrastructure Program

FOUNDED AND SPONSORED BY
California State
Association of
Counties
CAC
LEAGUE
OF CALIFORNIA
CITIES



CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
SCIP REVENUE BONDS, SERIES 2023 (E & F)
SCIP 2023B

INTERESTED PARTIES LIST
(AS OF MAY 2, 2023)

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SCIP 2023D Project Matrix							Latest Data Available from Engineer's Report/Application																				
CFD / AD																											
Series	No.	County	Local Agency	Project	Developer	Land Use	Land Use Type	Units	Gross Fees	Gross Imprvmts	Total Gross	Est. Dev. Contrib.	Net Total Funded	Engineer's Report	Est. Par Amount	Percent	Assessment Per Lot	Direct Debt Per Lot	Acreage	Assessed Value	Appraised Value	Building Permit Values	Overlap Debt	Total Value to Debt	Assessed Value to Debt	Remainin \$ Per Lot	
2023D		Contra Costa	Antioch, City of	Deer Valley	Meritage Homes of California, Inc.	Single-Family	Residential	120	-	9,568,489	9,568,489	7,787,593	1,780,896	-	2,250,000	5.80%	18,762	18,750	38.00	-	-	-	-	-	-	-	-
2023D		Kern	Bakersfield, City of	Morningstar Ranch (Phase 2)	LGI Homes - California, LLC	Single-Family	Residential	77	856,086	-	856,086	-	856,086	-	1,095,000	2.83%	14,236	14,221	40.20	-	-	-	-	-	-	-	-
2023D	CFD	Sacramento	Elk Grove, City of	Sheldon Farms North Commercial	Capital Rivers Commercial	Retail / Medical	Commercial	n/a	1,269,453	45,350	1,314,803	32,860	1,281,943	-	1,630,000	4.21%	n/a	n/a	5.70	-	-	-	-	-	-	-	
2023D	CFD	Sacramento	Elk Grove, City of	Sheldon Grove	The New Home Company	Single-Family	Residential	122	6,404,239	-	6,404,239	4,204,239	2,200,000	-	2,775,000	7.15%	22,748	22,746	19.81	-	-	-	-	-	-	-	
2023D	22-07	Sacramento	Galt, City of	Parlin Oaks	Blue Mountain Communities	Single-Family	Residential	144	4,183,632	-	4,183,632	1,890,671	2,292,961	2,882,780	2,885,000	7.43%	20,019	20,035	7.50	-	15,550,000	-	-	5.39	-	36,111	
2023D	22-08	Sacramento	Sacramento, County of	Park Place	Northwest Home Company, Inc.	Single-Family	Residential	48	1,020,665	-	1,020,665	-	1,020,665	1,325,861	1,325,000	3.42%	27,622	27,604	3.25	-	4,700,000	-	-	3.55	-	31,250	
2023D	CFD	Sacramento	Sacramento, County of	The Lakes at Antelope (Unit 1)	KB Home Sacramento Inc.	Single-Family	Residential	38	953,306	400,000	1,353,306	153,306	1,200,000	-	1,530,000	3.94%	40,255	40,263	5.80	-	-	-	-	-	-	-	
2023D		Sacramento	Sacramento, County of	Sycamore Grove	FDC Nor-Cal Corp	Single-Family	Residential	24	1,268,342	-	1,268,342	-	1,268,342	1,616,504	1,615,000	4.19%	67,354	67,292	7.14	-	-	-	-	-	-	-	
2023D		San Bernardino	Yucaipa, City of	4th Street Senior Housing Project	Shaoul Levy	Multi-Family (Senior housing)	Residential	32	1,143,223	-	1,143,223	-	1,143,223	-	1,455,000	3.75%	45,443	45,469	2.49	-	-	-	-	-	-	-	
2023D		San Diego	San Diego, City of	3 Roots - District 3	Lennar Homes of California, LLC	Multi-Family	Residential	360	7,641,751	-	7,641,751	-	7,641,751	-	9,540,000	24.58%	26,493	26,500	23.07	-	-	-	-	-	-	-	
2023D	CFD	San Diego	San Diego, County of	Provence (Phase 1)	Neighborhood 1 at the Havens, LLC	Single-Family	Residential	59	3,292,570	-	3,292,570	-	3,292,570	-	4,125,000	10.63%	69,934	69,915	13.60	-	-	-	-	-	-	-	
2023D	22-02	San Joaquin	Manteca, City of	Denali - Unit 2 (Phase 1)	Trumark Homes	Single-Family	Residential	142	-	11,286,638	11,286,638	7,421,967	3,864,671	4,848,746	4,850,000	12.50%	34,146	34,155	41.37	-	20,590,000	-	-	4.25	-		
2023D		San Joaquin	Manteca, City of	The Trails of Manteca (Units 1 - 3)	Lennar Homes of California, LLC	Single-Family	Residential	203	-	3,534,055	3,534,055	1,504,055	2,030,000	-	2,560,000	6.60%	12,616	12,611	31.64	-	-	-	-	-	-	-	
2023D		Shasta	Redding, City of	Sonata	Generation Communities, LLC	Single-Family	Residential	58	1,427,844	-	1,427,844	527,844	900,000	-	1,155,000	2.97%	19,883	19,914	3.83	-	-	-	-	-	-	-	
Total								1,427	\$29,461,110	\$24,834,531	\$54,295,642	\$23,522,534	\$30,773,107	\$10,673,891	\$38,790,000	100.00%			243.40	\$0	\$40,840,000	\$0	\$0	1.05	-		

 Preliminary Engineer's Report/Draft Appraisal
 Final Engineer's Report/Final Appraisal
 Community Facilities District

Matrix				g Dev. Costs	Value after	Adj.	Notes
County	Local Agency	Project	Developer	\$ Total	Dev. Costs	VTL	
Contra Costa	Antioch, City of	Deer Valley	Meritage Homes of California, Inc.	-			
Kern	Bakersfield, City of	Morningstar Ranch (Phase 2)	LGI Homes - California, LLC	-			
Sacramento	Elk Grove, City of	Sheldon Farms North Commercial	Capital Rivers Commercial	-			
Sacramento	Elk Grove, City of	Sheldon Grove	The New Home Company	-			
Sacramento	Galt, City of	Parlin Oaks	Blue Mountain Communities	5,199,984	20,749,984	7.19	
Sacramento	Sacramento, County of	Park Place	Northwest Home Company, Inc.	1,500,000	6,200,000	4.68	
Sacramento	Sacramento, County of	The Lakes at Antelope (Unit 1)	KB Home Sacramento Inc.	-			
Sacramento	Sacramento, County of	Sycamore Grove	FDC Nor-Cal Corp	-			
San Bernardino	Yucaipa, City of	4th Street Senior Housing Project	Shaoul Levy	-			
San Diego	San Diego, City of	3 Roots - District 3	Lennar Homes of California, LLC	-			
San Diego	San Diego, County of	Provence (Phase I)	Neighborhood 1 at the Havens, LLC	-			
San Joaquin	Manteca, City of	Denali - Unit 2 (Phase I)	Trumark Homes	-	20,590,000	4.25	
San Joaquin	Manteca, City of	The Trails of Manteca (Units 1 - 3)	Lennar Homes of California, LLC	-			
Shasta	Redding, City of	Sonata	Generation Communities, LLC	-			
Total				\$6,699,984	\$47,539,984	1.23	

Engineer's Report/Draft Appraisal
 #1's Report/Final Appraisal
 Facilities District

Participant Information

Project	Provence (Phase I)
County	San Diego
Local Agency	San Diego, County of
Developer	Neighborhood 1 at the Havens, LLC
Owner	Neighborhood 1 at the Havens, LLC / Bonsall Oaks LLC
Date of Application/Check	3/13/23

[Overview ↻](#)

Project Overview

Type	Residential
Land Use	Single-Family
Gross Acres	76.40
Net Acres	13.60
Number of Units	59
Map Status	Tentative Map
Project Proceeds Requested	\$3,292,570
Number of Building Permits	0
Value of Building Permits	\$0

Key Statistics

Assessed Value

AV - Land	\$0.00
AV - Structure	\$0.00
Total AV	\$0.00
Secured Roll AV current as of	\$0.00

Appraisal

Land Appraisal	\$0.00
Permit value	\$0.00
Total Adjusted Value	\$0.00

Fees & Improvements

Gross Fees	\$3,292,570.00
Gross Improvements	\$0.00
Developer Contribution	\$0.00
Net Project Fund	\$3,292,570.00

Assessment (Estimated)

Assessment	\$0.00
Assessment / Lot	\$0.00

Direct Bonded Debt

Direct Bonded Debt	
Direct Debt / Lot	
Est. Annual Payment / Lot	\$0.00

Overlapping Debt

Overlapping CFD Debt	\$0
Overlapping AD Debt	\$0
Total Overlapping Debt	\$0

APNs

Summary of Net Project Fund

Impact Fee	Amount Per Lot	Total Fees
Water Capacity Fee - RMWD	\$26,730.00	\$1,577,070.00
Sewer Capacity Fee - RMWD	\$7,038.03	\$415,244.00
School Fees - Bonsall USD	\$14,422.58	\$850,932.00
Transportation Fee - County	\$5,910.22	\$348,703.00
Fire Mitigation Fee - County	\$1,705.44	\$100,621.00
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
Total Impact Fees	\$55,806.27	\$3,292,570.00

Public Improvements

Public Improvements	Amount Per Lot	Total Improvements
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
Total Improvements	-	-

Lien Payoff

Lien Payoff	Amount Per Lot	Total Lien Payoff
	-	-
	-	-
	-	-
	-	-
Total Lien Payoff	-	-

Developer Contribution

Developer Contribution	Amount Per Lot	Total Developer Contribution
Developer Contribution	-	-
Total Contribution	-	-

Total

Total	Amount Per Lot	Total Net Funds
Total Impact Fees	\$55,806.27	\$3,292,570.00
Total Public Improvements	-	-

**RATE AND METHOD OF APPORTIONMENT FOR
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2023-06 (PROVENCE)
COUNTY OF SAN DIEGO, STATE OF CALIFORNIA**

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels in California Statewide Communities Development Authority Community Facilities District No. 2023-06 (Provence), County of San Diego, State of California ("CFD No. 2023-06") and collected each Fiscal Year commencing in Fiscal Year 2023-2024, in an amount determined by the CSCDA Program Manager, through the application of this Rate and Method of Apportionment as described below. All Taxable Property in CFD No. 2023-06, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre" or "Acreage" means the land area expressed in acres of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final subdivision map, parcel map, condominium plan, record of survey, or other recorded County map or the land area calculated to the reasonable satisfaction of the CSCDA Program Manager using the boundaries set forth on such map or plan.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2 of Title 5 (commencing with Section 53311) of the California Government Code.

"Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of CFD No. 2023-06, including, but not limited to, the following: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the CSCDA Program Manager or designee thereof or both); the costs of collecting the Special Tax (whether by the County or otherwise); the costs of remitting the Special Tax levies to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to CSCDA, CFD No. 2023-06, or any designee thereof of complying with arbitrage rebate requirements, or responding to questions from the Securities and Exchange Commission or Internal Revenue Service pertaining to any CFD No. 2023-06 Bonds or any audit of any CFD No. 2023-06 Bonds by the Securities and Exchange Commission or Internal Revenue Service; the costs to CSCDA, CFD No. 2023-06, or any designee thereof of complying with CSCDA, CFD No. 2023-06, or major property owner disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax levy disclosure statements and responding to public inquiries regarding the Special Tax levies; the costs of CSCDA, CFD No. 2023-06, or any designee thereof related to the reduction of the Special Tax in accordance with Section C herein; the costs of CSCDA, CFD No. 2023-06, or any designee thereof related to an appeal of the levy or application of the Special Tax; the costs associated with the release of funds from an

escrow account; and CSCDA's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by CSCDA or CFD No. 2023-06 for any other administrative purposes of CFD No. 2023-06, including, but not limited to, attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Tax levies.

"Assessor" means the Assessor of the County.

"Assessor's Parcel" means a lot or parcel to which an Assessor's parcel number is assigned as determined from an Assessor's Parcel Map or the applicable assessment roll.

"Assessor's Parcel Map" means an official map of the Assessor designating parcels by Assessor's Parcel number.

"Assigned Special Tax" means the Special Tax for each Land Use Class of Developed Property, as determined in accordance with Section C.1.b, below.

"Authorized Facilities" means the facilities authorized to be financed by CFD No. 2023-06.

"Backup Special Tax" means the Special Tax applicable to each Assessor's Parcel of Developed Property, as determined in accordance with Section C.1.c, below.

"Building Permit" means a permit issued by the County, or other governmental agency, for the construction of one or more residential or non-residential structure or facilities.

"Buildout" means, for CFD No. 2023-06, that all expected Building Permits for residential dwelling units and/or non-residential development to be constructed within CFD No. 2023-06 have been issued, as determined by the CSCDA Program Manager.

"CFD No. 2023-06" means California Statewide Communities Development Authority Community Facilities District No. 2023-06 (Provence), County of San Diego, State of California.

"CFD No. 2023-06 Bonds" means any bonds or other debt (as defined in Section 53317(d) of the Act), whether in one or more series, authorized by CFD No. 2023-06 under the Act and issued by CSCDA and secured by Special Taxes.

"Contractual Impositions" means (a) a voluntary contractual assessment established and levied on an Assessor's Parcel pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (commencing with Section 5898.10 *et seq.*), as amended from time to time, (b) a special tax established and levied on an Assessor's Parcel pursuant to Section 53328.1 of the California Government Code and related provisions of the Act, as amended from time to time, and (c) any other fee, charge, tax or assessment established and levied on an individual Assessor's Parcel pursuant to a contractual agreement or other voluntary consent by the owner thereof.

"Commission" means the governing board of CSCDA acting as the legislative body of CFD No. 2023-06.

"County" means the County of San Diego.

"CSCDA" means the California Statewide Communities Development Authority.

"CSCDA Program Manager" means the Community Facilities District program manager for CSCDA, or its designee.

"Developed Property" means, for each Fiscal Year, all Taxable Property, exclusive of

Taxable Public Property and Taxable Property Owner Association Property, for which the Final Subdivision was recorded on or before January 1 of the Fiscal Year preceding the Fiscal Year for which the Special Taxes are being levied, and for which a Building Permit for new construction, other than the construction of a garage, parking lot, or parking structure, was issued after January 1, 2023 and on or before May 1 of the Fiscal Year preceding the Fiscal Year for which the Special Taxes are being levied.

"Dwelling Unit" means one (1) residential unit of any configuration, including, but not limited to, a single family attached or detached dwelling, condominium, townhome, or otherwise.

"Final Mapped Property" means, for each Fiscal Year, all Taxable Property, exclusive of Developed Property, Taxable Property Owner Association Property, and Taxable Public Property, located in a Final Subdivision recorded as of January 1 of the Fiscal Year preceding the Fiscal Year for which the Special Taxes are being levied.

"Final Subdivision" means (i) a subdivision of property by recordation of a final map, parcel map, or lot line adjustment approved by the County pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) that creates individual lots or parcels for which building permits may be issued, or (ii) for condominiums, a final map approved by the County and a condominium plan recorded pursuant to California Civil Code Section 4285 that creates an individual lot(s) for which a building permit(s) may be issued without further subdivision. The term "Final Subdivision" shall not include any Assessor's Parcel Map or subdivision map or portion thereof that does not create individual lots for which a building permit may be issued, including Assessor's Parcels that are designated as remainder parcels.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Formation Proceedings" means the date on which the Commission approved documents to form CFD No. 2023-06, including all resolutions, ordinances, reports and notices.

"Goals and Policies" means the Mello-Roos Community Facilities Act of 1982 Goals and Policies, as adopted by the Commission.

"Indenture" means the indenture, fiscal agent agreement, resolution, or other instrument pursuant to which CFD No. 2023-06 Bonds are issued, as modified, amended, and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Land Use Class" means any of the land use classes listed in Table 1, herein.

"Lower Income Households Welfare Exemption Property" means, for each Fiscal Year, an Assessor's Parcel within the boundaries of CFD No. 2023-06 that is subject to a welfare exemption under subdivision (g) of Section 214 of the California Revenue and Taxation Code (or any successor statute), as indicated in the County's assessment roll finalized as of the last preceding January 1.

"Maximum Special Tax" means the maximum Special Tax, determined in accordance with Section C herein, that can be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Minimum Sale Price" means the minimum price at which parcels of a given Land Use Class have sold or are expected to be sold in a normal marketing environment and shall not include prices for such parcels that are sold at a discount to expected sales prices

for the purpose of stimulating the initial sales activity with respect to such Land Use Class.

"Non-Residential Property" means all Assessor's Parcels of Developed Property for which a Building Permit(s) has been issued permitting the construction of one or more non-residential structures or facilities.

"Outstanding Bonds" means all CFD No. 2023-06 Bonds which remain outstanding under the Indenture.

"Price Point Consultant" means any consultant or firm of such consultants selected by the CSCDA Program Manager that (a) has substantial experience in performing price point studies for residential dwelling units within community facilities districts or otherwise estimating or confirming pricing for residential dwelling units in community facilities districts, (b) has recognized expertise in analyzing economic and real estate data that relates to the pricing of residential dwelling units in community facilities districts, (c) is in fact independent and not under the control of CFD No. 2023-06 or CSCDA, (d) does not have any substantial interest, direct or indirect, with or in (i) CFD No. 2023-06, (ii) CSCDA, (iii) any owner of real property in CFD No. 2023-06, or (iv) any real property in CFD No. 2023-06, and (e) is not connected with CFD No. 2023-06 or CSCDA as an officer or employee thereof, but who may be regularly retained to make reports to CFD No. 2023-06 or CSCDA.

"Price Point Study" means a price point study or a letter updating a previous price point study prepared by the Price Point Consultant pursuant to Section C herein.

"Property Owner Association Property" means, (i) any property within the boundaries of CFD No. 2023-06 that was owned by a property owner association, including any master or sub-association, as of January 1 of the prior Fiscal Year, (ii) any property located in a Final Subdivision that was recorded as of the January 1 preceding the Fiscal Year in which the Special Tax is being levied and which, as determined from such Final Subdivision, is or will be open space, a common area recreation facility, or a private street, or (iii) any property which, as of the January 1 preceding the Fiscal Year for which the Special Tax is being levied, has been conveyed, irrevocably dedicated, or irrevocably offered to a property owner's association, including any master or sub-association, provided such conveyance, dedication, or offer is submitted to the CSCDA Program Manager by May 1 preceding the Fiscal Year for which the Special Tax is being levied.

"Proportionately" means, for Developed Property, that the ratio of the actual Special Tax levy to the Assigned Special Tax is equal for all Assessor's Parcels of Developed Property. For each of the Final Mapped Property, Undeveloped Property, Taxable Property Owner Association Property, and Taxable Public Property categories, "Proportionately" means that the ratio of the actual Special Tax levy per Acre to the Maximum Special Tax per Acre within each of these Taxable Property categories is equal for all Assessor's Parcels in that specific Taxable Property category.

"Public Property" means, for each Fiscal Year, any property within the boundaries of CFD No. 2023-06 that is (i) owned by, irrevocably offered or dedicated to the federal government, the State, the County, or any local government or other public agency, provided, however, that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use; or (ii) encumbered by a public utility easement making impractical its use for any

purpose other than that set forth in the easement.

"Rate and Method of Apportionment" means this Rate and Method of Apportionment for CFD No. 2023-06.

"Residential Floor Area" means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area for an Assessor's Parcel shall be as set forth in the Building Permit(s) issued for such Assessor's Parcel and/or as set forth in the appropriate records kept by the Building Division of the County, or any other applicable County department, as determined by the CSCDA Program Manager. Such determination shall be final following the issuance of a certificate of occupancy for the residential Dwelling Unit.

"Residential Property" means all Assessor's Parcels of Developed Property for which a Building Permit has been issued for purposes of constructing one or more Dwelling Units.

"Special Tax" or "Special Taxes" means the special tax authorized to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property within CFD No. 2023-06 to fund the Special Tax Requirement as set forth in Section C herein.

"Special Tax Requirement" means that amount of Special Taxes required, if any, in any Fiscal Year to (i) pay debt service on Outstanding Bonds payable in the calendar year commencing in such Fiscal Year, (ii) pay any amounts required to establish or replenish any reserve funds for all CFD No. 2023-06 Bonds to the extent such replenishment has not been included in the computation of the Special Tax Requirement in a previous Fiscal Year, (iii) pay for Administrative Expenses, (iv) without duplicating any amounts described in clause (ii), above, pay for reasonably anticipated annual Special Tax delinquencies based on the delinquency rate for the Special Taxes levied in the previous Fiscal Year, as said levy for delinquencies shall be limited by the Act, and (v) pay directly for the acquisition or construction of Authorized Facilities, provided that the inclusion of such amount does not increase the Special Tax levy beyond the first step in Section D herein, less (vi) a credit for funds available per the Indenture to reduce the Special Tax levy, as determined by the CSCDA Program Manager, so long as the amount required is not less than zero.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of CFD No. 2023-06 that are not exempt from the Special Tax pursuant to applicable law or Section E herein.

"Taxable Property Owner Association Property" means all Assessor's Parcels of Property Owner Association Property that are not exempt from the Special Tax pursuant to Section E herein.

"Taxable Public Property" means all Assessor's Parcels of Public Property that are not exempt from the Special Tax pursuant to Section E herein.

"Total Tax Burden" means, for a parcel of residential property within a Land Use Class, for the Fiscal Year in which the Total Tax Burden is being calculated, the sum of (a) the Assigned Special Tax for such Fiscal Year, plus (b) the *ad valorem* property taxes, special assessments, special taxes for any overlapping community facilities districts, and any other governmental fees, charges (other than fees or charges for services such as sewer and trash), taxes and assessments (which, for purposes of clarity, do not include

Contractual Impositions) collected by the County on *ad valorem* tax bills and that the CSCDA Program Manager estimates would be levied or imposed on such residential property in such Fiscal Year if the residential dwelling unit thereon or therein had been completed and sold, and was subject to such fees, charges, taxes and assessments in such Fiscal Year.

"Trustee" means the trustee or fiscal agent under the Indenture.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Final Mapped Property, Taxable Property Owner Association Property, or Taxable Public Property.

Please refer to additional definitions in Section H herein relating to the Prepayment of Special Tax.

B ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, commencing with Fiscal Year 2023-2024, all Taxable Property within CFD No. 2023-06 shall be classified as Developed Property, Final Mapped Property, Undeveloped Property, Taxable Property Owner Association Property or Taxable Public Property, and shall be subject to Special Taxes in accordance with this Rate and Method of Apportionment determined pursuant to Sections C and D below.

C MAXIMUM SPECIAL TAX RATE

At least 30 days prior to the issuance of the first series of CFD No. 2023-06 Bonds, the Assigned Special Tax for Residential Property (set forth in Table 1 below) shall be analyzed in accordance with and subject to the conditions set forth in this Section C. At such time, the CSCDA Program Manager shall request a Price Point Consultant to prepare a Price Point Study setting forth the Minimum Sale Price of residential property within each Land Use Class. If based upon such Price Point Study the CSCDA Program Manager calculates that the Total Tax Burden applicable to one or more Land Use Classes of Residential Property constructed or to be constructed within CFD No. 2023-06 exceeds the CSCDA's maximum overlapping debt burden objective set forth in the Goals and Policies in effect at the time of the Formation Proceedings, the CSCDA Program Manager shall reduce the Assigned Special Tax for such Land Use Classes of Residential Property to the amount necessary so that the Total Tax Burden is equal to such maximum overlapping debt burden level without need for any additional Commission proceedings. Each Assigned Special Tax reduction for a Land Use Class of Residential Property shall be calculated separately, and it shall not be required that such reduction be proportionate among Land Use Classes. In connection with any reduction in the Assigned Special Tax for any Land Use Class of Residential Property, the CSCDA Program Manager shall also reduce the Backup Special Tax in accordance with Section C.1.c herein. Upon determining the reductions, if any, in the Assigned Special Tax and Backup Special Tax required pursuant to this Section C, the CSCDA Program Manager shall complete the Certificate to Amend Special Tax substantially in the form attached hereto as Exhibit A (the "Certificate to Amend") and shall deliver such Certificate to Amend to CSCDA. Upon receipt thereof, if in satisfactory form, CSCDA shall execute such Certificate to Amend. The reduced Assigned Special Tax and Backup Special Tax specified in such Certificate to Amend shall become effective upon the execution of such Certificate to Amend by CSCDA. The Assigned Special Tax and Backup Special Tax reductions permitted pursuant to this Section C shall be reflected in an amended notice of Special Tax lien which the CSCDA Program Manager shall cause to be recorded with the San Diego County Recorder as soon as practicable after execution of the Certificate to

Amend by CSCDA. If based upon such Price Point Study the CSCDA Program Manager calculates that the Total Tax Burden applicable to each Land Use Class of Residential Property constructed or to be constructed within CFD No. 2023-06 does not exceed the CSCDA's maximum overlapping debt burden objective set forth in the Goals and Policies in effect at the time of the Formation Proceedings, then there shall be no reduction in the Assigned Special Tax, nor shall there be a reduction in the Backup Special Tax.

C.1 Developed Property

C.1.a Maximum Special Tax

The Maximum Special Tax for each Assessor's Parcel classified as Developed Property shall be the greater of (i) the amount derived by application of the Assigned Special Tax or (ii) the amount derived by application of the Backup Special Tax.

C.1.b Assigned Special Tax

Residential Property shall be assigned to Land Use Classes 1 through 3 as listed in Table 1 below based on the Residential Floor Area for the Dwelling Unit located on such Assessor's Parcel. Non-Residential Property shall be assigned to Land Use Class 4. The Fiscal Year 2023-2024 Assigned Special Tax that shall be levied for each Land Use Class is shown below in Table 1.

Table 1
Assigned Special Tax for Developed Property
CFD No. 2023-06 (Provence)
Fiscal Year 2023-2024

Land Use Class	Description	Residential Floor Area (square feet)	Assigned Special Tax
1	Residential Property	2,600 or greater	\$5,108 per Dwelling Unit
2	Residential Property	2,200 to less than 2,600	\$4,897 per Dwelling Unit
3	Residential Property	Less than 2,200	\$4,580 per Dwelling Unit
4	Non-Residential Property	NA	\$24,650 per Acre

C.1.c Backup Special Tax

The Fiscal Year 2023-2024 Backup Special Tax for an Assessor's Parcel of Developed Property within CFD No. 2023-06 shall equal the lesser of (a) \$27,390 per Acre, or (b) in connection with any reduction in the Assigned Special Tax as set forth in Section C herein, the amount per Acre calculated pursuant to the formula below:

$$BFST = AFST \div ATP$$

These terms have the following meaning:

BFST = the reduced Backup Special Tax for Developed Property

AFST = The total estimated Assigned Special Taxes based on the reduced Assigned Special Taxes for Developed Property permitted pursuant to Section C herein which could be levied on all expected development assuming Buildout.

ATP =The sum of the Acreage of all Taxable Property within a Final Subdivision(s) (assuming Buildout) (after excluding Public Property and Property Owner Association Property as set forth in Section E herein) multiplied by 90%.

Furthermore, all Assessor's Parcels within CFD No. 2023-06 shall be relieved simultaneously and permanently from the obligation to pay and disclose the Backup Special Tax if the CSCDA Program Manager calculates that (i) the annual debt service required for the Outstanding Bonds, when compared to the Assigned Special Tax that shall be levied against all Assessor's Parcels of Developed Property in CFD No. 2023-06, results in 110% debt service coverage (i.e., the Assigned Special Tax that shall be levied against all Developed Property in CFD No. 2023-06 in each remaining Fiscal Year based on the then existing development is at least equal to the sum of (a) 1.10 times the debt service necessary to support the remaining Outstanding Bonds in each corresponding Fiscal Year, and (b) Administrative Expenses), and (ii) all authorized CFD No. 2023-06 Bonds have already been issued or the Commission has covenanted that it shall not issue any additional CFD No. 2023-06 Bonds (except refunding bonds) to be supported by the Special Tax in CFD No. 2023-06.

C.1.d Increase in the Assigned Special Tax and Backup Special Tax

The Fiscal Year 2023-2024 Assigned Special Taxes, identified in Table 1, above, as such table may be amended and restated in full pursuant to this Rate and Method of Apportionment, and the Fiscal Year 2023-2024 Backup Special Tax for CFD No. 2023-06 shall increase annually, commencing on July 1, 2024 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2.00%) of the amount in effect for the previous Fiscal Year.

C.1.e Multiple Land Uses

In some instances, an Assessor's Parcel may contain Developed Property, Final Mapped Property and Undeveloped Property. In such cases, the Acreage of the Assessor's Parcel shall be allocated between Developed Property, Final Mapped Property and/or Undeveloped Property based on the portion of the Assessor's Parcel for which Building Permits had been issued prior to May 1 of the prior Fiscal Year and the portion of the Assessor's Parcel for which Building Permits had not been issued prior to May 1 of the prior Fiscal Year.

Furthermore, Developed Property may contain more than one Land Use Class. In such cases, the Acreage that is considered Developed Property shall be allocated between Residential Property and Non-Residential Property based on the amount of Acreage designated for each land use as determined by reference to the site plan approved for such Assessor's Parcel. The Maximum Special Tax that can be levied on such Assessor's Parcel shall be the sum of the Maximum Special Tax that can be levied on each type of property located on that Assessor's Parcel.

The CSCDA Program Manager's allocation to each type of property shall be final.

C.2 Final Mapped Property, Undeveloped Property, Taxable Property Owner Association Property, and Taxable Public Property

The Fiscal Year 2023-2024 Maximum Special Tax for each Assessor's Parcel of Final Mapped Property, Undeveloped Property, Taxable Property Owner Association Property, and Taxable Public Property shall be \$27,390 per Acre, and shall increase annually thereafter, commencing on July 1, 2024 and on July 1 of each Fiscal Year thereafter, by an amount

equal to two percent (2.00%) of the applicable Maximum Special Tax for the previous Fiscal Year.

D METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2023-2024, and for each following Fiscal Year, the CSCDA Program Manager shall determine the Special Tax Requirement and shall levy the Special Taxes as prioritized below until the amount of Special Taxes levied equals the Special Tax Requirement. The Special Taxes shall be levied in each Fiscal Year as follows:

Annual Levy

First: The Special Tax shall be levied on each Assessor's Parcel of Developed Property in an amount equal to 100% of the applicable Assigned Special Tax for Developed Property;

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Final Mapped Property until (i) the total Special Tax levied under the first two steps listed in this Section D equals the Special Tax Requirement, or (ii) the Special Tax levied on Final Mapped Property equals 100% of the Maximum Special Tax for Final Mapped Property, whichever occurs first;

Third: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property until (i) the total Special Tax levied under the first three steps listed in this Section D equals the Special Tax Requirement, or (ii) the Special Tax levied on Undeveloped Property equals 100% of the Maximum Special Tax for Undeveloped Property, whichever occurs first;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the levy of the Special Tax on each Assessor's Parcel of Developed Property for which the Maximum Special Tax is determined through the application of the Backup Special Tax shall be increased in equal percentages from the Assigned Special Tax up to 100% of the Maximum Special Tax for each such Assessor's Parcel of Developed Property until (i) the total Special Tax levied under the first four steps listed in this Section D equals the Special Tax Requirement, or (ii) the Special Tax levied on all Developed Property equals 100% of the Maximum Special Tax for Developed Property, whichever occurs first;

Fifth: If additional monies are needed to satisfy the Special Tax Requirement after the first four steps have been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Property Owner Association Property and Taxable Public Property until (i) the total Special Tax levied under the first five steps listed in this Section D equals the Special Tax Requirement, or (ii) the Special Tax levied on all Taxable Property Owner Association Property and Taxable Public Property equals 100% of the Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property, whichever occurs first;

Notwithstanding the above, the CSCDA Program Manager or its designee may, in any Fiscal Year, levy Proportionately less than 100% of the Assigned Special Tax in the first step (above), when (i) CSCDA is no longer required to levy the Special Tax beyond the first step (above) in order to meet the Special Tax Requirement; and (ii) all authorized CFD No. 2023-06 Bonds have already been issued or the Commission has covenanted that it shall not issue any additional CFD No. 2023-06

Bonds (except refunding bonds) to be supported by the Special Tax in CFD No. 2023-06.

Further notwithstanding the above, under no circumstances shall the Special Tax levied in any Fiscal Year against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued (in accordance with Section 53321(d)(3) of the California Government Code), be increased as a consequence of delinquency or default by the owner of any other Assessor's Parcel within CFD No. 2023-06 by more than ten percent above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults. To the extent that the levy of the Special Tax on Residential Property is limited by the provision in the previous sentence, the levy of the Special Tax on each Assessor's Parcel of Non-Residential Property shall continue in equal percentages up to 100% of the applicable Maximum Special Tax.

E EXEMPTIONS

All property in CFD No. 2023-06 exempted by law or by the provisions hereof shall be exempt from the Special Tax. Furthermore, Taxable Property that is acquired by a public entity after the Formation Proceedings shall remain subject to the applicable Special Tax, except as provided in Section 53317.3 of the Act.

Notwithstanding the above, Public Property or Property Owner Association Property that is not exempt from the Special Tax under this Section E shall be subject to the levy of the Special Tax and shall be taxed Proportionately as part of the fifth step in Section D herein, at up to 100% of the applicable Maximum Special Tax for Taxable Public Property and Property Owner Association Property.

In addition, no Special Tax shall be levied on Lower Income Households Welfare Exemption Property, provided that if, in any Fiscal Year, applicable law does not require that an Assessor's Parcel that is Lower Income Households Welfare Exemption Property be exempt from the Special Tax, then the Special Tax shall be levied on such Assessor's Parcel in accordance with this Rate and Method of Apportionment as if such Assessor's Parcel were not classified as Lower Income Households Welfare Exemption Property.

F REVIEW/APPEAL PROCESS

Any taxpayer may file a written appeal of the Special Tax on his/her property with CSCDA, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CSCDA Program Manager or its designee shall review the appeal, meet with the appellant if the CSCDA Program Manager deems necessary, and advise the appellant of its determination within sixty (60) days after receipt of the appeal. If the CSCDA Program Manager agrees with the appellant, the CSCDA Program Manager shall make a recommendation to CSCDA to eliminate or reduce the Special Tax on the appellant's property or to provide a refund to appellant. The approval of CSCDA or its designee must be obtained prior to any such elimination or reduction. If the CSCDA Program Manager disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has thirty (30) days in which to appeal to CSCDA by filing a written notice of appeal with the CSCDA Program Manager, provided that the appellant is current in his/her payments of the Special Taxes. The second appeal must specify the reasons for the appellant's disagreement with the CSCDA Program Manager's determination. The CSCDA Program Manager shall schedule the appeal to be heard before CSCDA within sixty (60) days after

receipt of the second appeal.

Interpretations may be made by CSCDA, without Resolution or Ordinance of the Commission, for purposes of clarifying any vagueness or ambiguity as it relates to the Special Taxes, this Rate and Method of Apportionment, Land Use Classes, or any other definition applicable to CFD No. 2023-06.

Without Commission approval, the CSCDA Program Manager may make minor, non-substantive administrative and technical changes to the provisions of this document that do not materially affect this Rate and Method of Apportionment, and manner of collection of the Special Tax for purposes of administrative efficiency or convenience or to comply with new applicable federal, state, or local law.

G MANNER OF COLLECTION

The Special Tax will be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that CFD No. 2023-06 may directly bill the Special Tax, may collect Special Tax levies at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

H PREPAYMENT OF SPECIAL TAX

Under this Rate and Method of Apportionment, an Assessor's Parcel within CFD No. 2023-06 is permitted to prepay the Special Tax. The obligation of the Assessor's Parcel to pay the Special Tax may be fully prepaid and permanently satisfied or partially prepaid as described herein, provided that a prepayment may be made only for Assessor's Parcels of Developed Property, or for an Assessor's Parcel of Final Mapped Property or Undeveloped Property for which a Building Permit has been issued after January 1, 2023, and only if there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax obligation shall provide the CSCDA Program Manager with written notice of intent to prepay. Within thirty (30) days of receipt of such written notice, the CSCDA Program Manager shall notify such owner of the prepayment amount for such Assessor's Parcel. The CSCDA Program Manager may charge such owner a reasonable fee for providing this service. If there are Outstanding Bonds, prepayment must be made not less than thirty (30) days prior to a date that notice of redemption of CFD No. 2023-06 Bonds from the proceeds of such prepayment may be given by the Trustee pursuant to the Indenture that is specified in the report of the Special Tax Prepayment Amount (defined below).

The following additional definitions apply to this Section H:

"CFD Public Facilities Costs" means either [\$3,295,510] in 2023 dollars, which shall increase by the Construction Inflation Index on July 1, 2024, and on each July 1 thereafter, or such lower number as (i) shall be determined by the CSCDA Program Manager as sufficient to provide funding for the Authorized Facilities under the authorized bonding program for CFD No. 2023-06, or (ii) shall be determined by CSCDA concurrently with a covenant that it shall not issue any more CFD No. 2023-06 Bonds (except refunding bonds) to be supported by the Special Tax levy under this Rate and Method of Apportionment.

"Construction Inflation Index" means the annual percentage change in the Engineering News Record Building Cost Index for the City of Los Angeles, measured as of the month of December in the calendar year which ends in the previous Fiscal Year. In the event this

index ceases to be published, the Construction Inflation Index shall be another index as determined by the CSCDA Program Manager that is reasonably comparable to the Engineering News Record Building Cost Index for the City of Los Angeles.

“Future Facilities Costs” means the CFD Public Facilities Costs minus (i) costs of Authorized Facilities previously paid from the Improvement Fund, (ii) monies currently on deposit in the Improvement Fund available to pay costs of Authorized Facilities, (iii) monies currently on deposit in an escrow fund established pursuant to the Indenture and expected to be available to fund Authorized Facilities, and (iv) the amount the CSCDA Program Manager reasonably expects to derive from the reinvestment of these funds.

“Improvement Fund” means a fund or account specifically identified in the Indenture (or prior to the issuance of the first series of CFD No. 2023-06 Bonds a fund or account held by CSCDA) to hold funds which are currently available for expenditure to acquire or construct Authorized Facilities.

“Previously Issued Bonds” means, for any Fiscal Year, all Outstanding Bonds that are outstanding under the Indenture after the first interest and/or principal payment date following the current Fiscal Year.

H.1 Prepayment in Full

The Special Tax Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

Bond Redemption Amount
Plus Redemption Premium
Plus Future Facilities Amount
Plus Defeasance Amount
Plus Administrative Fees and Expenses
Less Reserve Fund Credit
Less Capitalized Interest Credit
Equals: Special Tax Prepayment Amount

As of the proposed date of prepayment, the Special Tax Prepayment Amount shall be calculated according to the following paragraphs:

1. Confirm that no Special Tax delinquencies apply to such Assessor’s Parcel.
2. For Assessor’s Parcels of Developed Property, compute the Assigned Special Tax and Backup Special Tax for the Assessor’s Parcel to be prepaid. For Assessor’s Parcels of Final Mapped Property or Undeveloped Property for which a Building Permit has been issued after January 1, 2023, compute the Assigned Special Tax and Backup Special Tax for that Assessor’s Parcel as though it was already designated as Developed Property, based upon the Building Permit which has already been issued for such Assessor’s Parcel.
3. (a) Divide the Assigned Special Tax computed pursuant to paragraph 2 by the total estimated Assigned Special Tax levy for CFD No. 2023-06 based on the Developed Property Assigned Special Taxes which could be levied on all expected development assuming Buildout of CFD No. 2023-06, excluding any Assessor’s Parcels for which the Special Tax has been prepaid, and

(b) Divide the Backup Special Tax computed pursuant to paragraph 2 by the total estimated Backup Special Taxes at Buildout for the entire CFD No. 2023-06,

excluding any Assessor's Parcels for which the Special Tax has been prepaid.

4. Multiply the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the Previously Issued Bonds to compute the amount of Previously Issued Bonds to be redeemed (the "Bond Redemption Amount").
5. Multiply the Bond Redemption Amount computed pursuant to paragraph 4 by the applicable redemption premium (e.g., the redemption price minus 100%) set forth in the Indenture, if any, on the Previously Issued Bonds to be redeemed (the "Redemption Premium").
6. Compute the current Future Facilities Costs.
7. Multiply the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the amount determined pursuant to paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the "Future Facilities Amount").
8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the redemption date for the Previously Issued Bonds specified in the report of the Special Tax Prepayment Amount.
9. Determine the Special Tax levied on the Assessor's Parcel in the current Fiscal Year which has not yet been paid.
10. Compute the minimum amount the CSCDA Program Manager reasonably expects to derive from the reinvestment of the Special Tax Prepayment Amount, less any interest earnings attributed to the Future Facilities Amount, and less any interest earnings attributed to the Administrative Fees and Expenses (defined below) from the date of prepayment until the redemption date for the Previously Issued Bonds to be redeemed with the prepayment.
11. Add the amounts computed pursuant to paragraphs 8 and 9 and subtract the amount computed pursuant to paragraph 10 (the "Defeasance Amount").
12. The administrative fees and expenses of CFD No. 2023-06 are as calculated by the CSCDA Program Manager and include the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming CFD No. 2023-06 Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").
13. The reserve fund credit (the "Reserve Fund Credit") shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture), if any, associated with the redemption of Previously Issued Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture) in effect after the redemption of Previously Issued Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. No Reserve Fund Credit shall be granted if the amount then on deposit in the reserve fund for the Previously Issued Bonds is below 100% of the reserve requirement (as defined in the Indenture).
14. If any capitalized interest for the Previously Issued Bonds will not have been expended as of the date immediately following the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be

calculated by multiplying the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the expected balance in the capitalized interest fund or account under the Indenture after such first interest and/or principal payment date (the "Capitalized Interest Credit").

15. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to paragraphs 4, 5, 7, 11 and 12, less the amounts computed pursuant to paragraphs 13 and 14 (the "Special Tax Prepayment Amount").

H.2 Prepayment in Part

The owner of any Assessor's Parcel who desires a partial prepayment of the Special Tax shall notify the CSCDA Program Manager of such owner's intent to partially prepay the Special Tax and the percentage by which the Special Tax shall be prepaid. The amount of the prepayment shall be calculated as in Section H.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = (PE - A) \times F + A.$$

These terms have the following meaning:

- PP = The partial prepayment;
- PE = The Special Tax Prepayment Amount calculated according to Section H.1;
- F = The percentage, expressed as a decimal, by which the owner of the Assessor's Parcel is partially prepaying the Special Tax; and
- A = The Administration Fees and Expenses calculated according to Section H.1.

H.3 General Provisions Applicable to the Prepayment of Special Tax

H.3.a Use of the Special Tax Prepayment Amount

The Special Tax Prepayment Amount, less (i) the Administrative Fees and Expenses calculated according to Sections H.1 and H.2 which shall be retained by CFD No. 2023-06, and (ii) the Future Facilities Amount calculated according to Section H.1 which shall be deposited into the Improvement Fund, shall be deposited into specific funds established under the Indenture, to fully or partially redeem as many Outstanding Bonds as possible, and, if amounts are less than \$5,000, to make debt service payments on the Outstanding Bonds.

H.3.b Full Prepayment of Special Tax

Upon confirmation of the payment of the current Fiscal Year's entire Special Tax obligation, the CSCDA Program Manager may remove the current Fiscal Year's Special Tax levy for such Assessor's Parcel from the County tax rolls. With respect to any Assessor's Parcel that is prepaid in accordance with Section H.1, the CSCDA Program Manager shall cause a suitable notice to be recorded in compliance with the Act, to indicate the prepayment of the Special Tax and the release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay the Special Tax shall cease.

H.3.c Partial Prepayment of Special Tax

With respect to any Assessor's Parcel that is partially prepaid, the CSCDA Program Manager shall (i) distribute or cause to be distributed the funds remitted to it according to Section H.3.a and (ii) indicate in the records of CFD No. 2023-06 that there has been a partial prepayment of the Special Tax and that a portion of the Special Tax with respect to such

Assessor's Parcel, equal to the outstanding percentage (1.00 – F) of the Maximum Special Tax, shall continue to be levied on such Assessor's Parcel pursuant to Section D herein.

H.3.d Debt Service Coverage

Notwithstanding the foregoing, no prepayment of the Special Tax shall be allowed unless the amount of Special Tax that may be levied on Taxable Property (assuming Buildout) within CFD No. 2023-06 in each future Fiscal Year (after excluding Public Property and Property Owner Association Property, as set forth in Section E herein), after the proposed prepayment, is at least equal to the sum of (i) 1.10 times the debt service necessary to support the remaining Outstanding Bonds in each corresponding Fiscal Year, and (ii) Administrative Expenses.

I TERM OF SPECIAL TAX

The Special Tax shall be levied for a period not to exceed fifty years commencing with Fiscal Year 2023-2024, provided however that Special Taxes will cease to be levied in an earlier Fiscal Year if the CSCDA Program Manager has determined that all required interest and principal payments on the CFD No. 2023-06 Bonds have been paid and the Commission has covenanted that it shall not issue any additional CFD No. 2023-06 Bonds (except refunding bonds) to be supported by the Special Tax in CFD No. 2023-06.

EXHIBIT A
CERTIFICATE TO AMEND SPECIAL TAX
CFD NO. 2023-06 CERTIFICATE

1. Pursuant to Section C of the Rate and Method of Apportionment (the "Rate and Method") for California Statewide Communities Development Authority ("CSCDA") Community Facilities District No. 2023-06 ("CFD No. 2023-06"), the Assigned Special Tax and the Backup Special Tax for Developed Property within CFD No. 2023-06 has been reduced as described herein.

(a) The information in Table 1 of the Rate and Method relating to the Assigned Special Tax for Developed Property within CFD No. 2023-06 shall be amended and restated in full as follows:

Table 2
Assigned Special Tax for Developed Property
CFD No. 2023-06 (Provence)
Fiscal Year 20XX-20XX

Land Use Class	Description	Residential Floor Area (square feet)	Assigned Special Tax
1	Residential Property	2,600 or greater	\$_[_____] per Dwelling Unit
2	Residential Property	2,200 to less than 2,600	\$_[_____] per Dwelling Unit
3	Residential Property	Less than 2,200	\$_[_____] per Dwelling Unit
4	Non-Residential Property	NA	\$_[_____] per Acre

(b) The Fiscal Year 20XX-20XX Backup Special Tax for Developed Property, as stated in Section C.1.c of the Rate and Method, shall be reduced to \$_[_____] per Acre.

2. Upon execution of this certificate by CSCDA, the CSCDA Program Manager shall cause an amended notice of Special Tax lien for CFD No. 2023-06 to be recorded reflecting the modifications set forth herein.

All capitalized terms used herein shall have the meanings set forth in the Rate and Method.

By execution hereof, the undersigned acknowledges, on behalf of CSCDA and CFD No. 2023-06, receipt of this certificate and modification of the Rate and Method as set forth in this certificate.

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

By: _____

Date: _____

California Statewide Communities Development Authority Community Facilities District No. 2023-06 (Provence) Summary of Projected Special Taxes

PROJECTED AD VALOREM TAX RATES AND OVERLAPPING PROPERTY TAXES

	<i>Plan Types within Provence (Phase I)</i>			
<u>Residential Development Information</u> ^[1]	<u>Plan 1</u>	<u>Plan 2</u>	<u>Plan 3</u>	
Projected Unit Count	19	20	20	
Estimated Unit Size	1,942	2,419	2,842	
Estimated Sales Price	\$885,000	\$945,000	\$985,000	
<u>Ad Valorem Property Taxes</u> ^[2]	<u>Percent of Total AV</u>	<u>Projected Amount</u>	<u>Projected Amount</u>	<u>Projected Amount</u>
Base Property Tax Rate	1.0000%	\$8,850	\$9,450	\$9,850
Palomar Community Coll Prop M 11/07/06, Ser 2006B	0.0024%	\$21	\$22	\$23
MWD D/S Remainder of SDCWA 15019999	0.0035%	\$31	\$33	\$34
Unified Bond Bonsall Prop C 11/08/2005, 2018 Ref	0.0032%	\$28	\$30	\$31
Palomar Community Coll Prop M 11/07/06, 2020 Ref	0.0038%	\$34	\$36	\$37
Palomar Community Coll Prop M 11/07/06, Ser 2017D	0.0038%	\$34	\$36	\$38
Palomar Community Coll Prop M 11/07/06, 2015 Ref	0.0032%	\$29	\$30	\$32
Unified Bond Bonsall Prop C 11/08/2005, Ser 2007B	0.0061%	\$54	\$58	\$60
Palomar Community Coll Prop M 11/07/06, 2017 Ref	0.0024%	\$21	\$22	\$23
Unified Bond Bonsall Prop C 11/08/2005, 2015 Ref	0.0131%	\$116	\$124	\$129
Palomar Community Coll Prop M 11/07/06, 2021 Ref	0.0030%	\$27	\$29	\$30
Palomar Health 2005A - Debt Service	0.0370%	\$327	\$350	\$364
Palomar Community Coll Prop M 11/07/06, Ser 2006C	0.0005%	\$4	\$4	\$4
Subtotal Ad Valorem Tax Rate	1.0820%	\$9,576	\$10,225	\$10,658
<u>Parcel Charges, Assessments and Special Taxes</u> ^[3,4]		<u>Projected Amount</u>	<u>Projected Amount</u>	<u>Projected Amount</u>
MWD Water Standby Charge		\$31	\$31	\$31
Mosquito Surveillance		\$2	\$2	\$2
Vector Disease Control		\$2	\$2	\$2
Water Availability I.D. #1		\$28	\$28	\$28
CWA Water Availability		\$27	\$27	\$27
SD County Street Lighting Zone A		\$2	\$2	\$2
Proposed CFD No. 2023-06 Assigned Special Tax ^[5]		\$4,580	\$4,897	\$5,108
Subtotal Parcels Charges, Assessments and Special Taxes		\$4,673	\$4,990	\$5,201
Projected Total Property Taxes		\$14,248	\$15,214	\$15,858
Projected Total Property Tax Rate		1.61%	1.61%	1.61%

Notes:

[1] Based on information provided by Corman Leigh.

[2] Based on the fiscal year 2022-2023 ad valorem rates for the tax rate area(s) encompassing the Project. Rates subject to change in future years.

[3] Based on charges identified on the fiscal year 2022-2023 property tax bills for the Project, property tax bills for adjacent properties, and discussions with representatives of the project. Rates subject to change in future years.

[4] Assumes no annexations into any applicable maintenance districts, as directed by Corman Leigh, and as discussed with San Diego County.

[5] Proposed CFD No. 2023-06 special tax sufficient to fund eligible impact fees for the Project. Preliminary, subject to change.

**California Statewide Communities Development Authority
Community Facilities District No. 2023-06 (Provence)
Projected Special Taxes and Bonded Indebtedness**

I. DEVELOPMENT ASSUMPTIONS & PROPOSED FISCAL YEAR 2023-2024 SPECIAL TAXES

<i>Proposed Residential Land Use Class</i>	<i>Estimated Unit Size ^[1]</i>	<i>Anticipated No. of Units ^[1]</i>	<i>Proposed Assigned Special Tax</i>	<i>Proposed Assigned Special Taxes</i>
Residential Property (=> 2,600 SF)	2,842	20	\$5,108	\$102,160
Residential Property (2,200 - 2,599 SF)	2,419	20	\$4,897	\$97,940
Residential Property (< 2,200 SF)	1,942	19	\$4,580	\$87,020
Residential Total / Average	2,409	59	\$4,866	\$287,120

II. ESTIMATED ACREAGE SUMMARY & PROPOSED SPECIAL TAX PER ACRE ASSUMPTIONS

11.65 = Project Net Taxable Acreage ^[2]
\$24,650 = Average Assigned Special Tax (Per Acre) Fiscal Year 2023-2024
\$27,390 = Undeveloped Special Tax (Per Acre) Fiscal Year 2023-2024
\$27,390 = Backup Special Tax (Per Acre) Fiscal Year 2023-2024

III. CFD BONDING ASSUMPTIONS ^[3]

1-Nov-2023 = Estimated Closing Date
5.50% = Average Coupon
30 = Bond Term
111.81% = Minimum Debt Service Coverage
\$25,000 = First Year Administration Expense
2.00% = Special Tax and Annual Administration Escalation
2.50% = Reinvestment Interest Rate

IV. ESTIMATED SOURCES AND USES

Projected Bonded Indebtedness ^[4]	\$ 4,235,000
9.30% = Less: Reserve Requirement	(\$394,016)
4.51% = Less: Capitalized Interest (10 Months)	(\$191,074)
2.00% = Less: Estimated Underwriter's Discount	(\$84,700)
2.00% = Less: Estimated Legal Services and Issuer Costs	(\$84,700)
\$185,000 = Less: Estimated Fixed Costs of Issuance	(\$185,000)
Estimated Bond Financed Facilities - Total	\$3,295,510
Estimated Bond Financed Facilities - Per Unit	\$55,856

Notes:

- [1] Based on information provided by Corman Leigh.
- [2] Represents acreage from recorded Amended Map No. 16566 for Lots 2 - 60.
- [3] Preliminary, subject to change based on market conditions at time of issuance(s).
- [4] Assumes that a minimum 3 to 1 land value to lien ratio is satisfied.

**California Statewide Communities Development Authority
Community Facilities District No. 2023-06 (Provence)
Estimated Debt Service Coverage**

Period Ending	Principal Payment	Interest Payment	Total Debt Service	Priority Administration Expenses ^[1]	Assigned Special Taxes ^[2]	Debt Service Coverage ^[3]
09/01/24	\$0	\$194,104	\$194,104	\$25,000	\$287,120	135.04%
09/01/25	\$5,000	\$232,925	\$237,925	\$25,500	\$292,862	112.37%
09/01/26	\$10,000	\$232,650	\$242,650	\$26,010	\$298,720	112.39%
09/01/27	\$15,000	\$232,100	\$247,100	\$26,530	\$304,694	112.57%
09/01/28	\$20,000	\$231,275	\$251,275	\$27,061	\$310,788	112.91%
09/01/29	\$25,000	\$230,175	\$255,175	\$27,602	\$317,004	113.41%
09/01/30	\$35,000	\$228,800	\$263,800	\$28,154	\$323,344	111.90%
09/01/31	\$40,000	\$226,875	\$266,875	\$28,717	\$329,811	112.82%
09/01/32	\$50,000	\$224,675	\$274,675	\$29,291	\$336,407	111.81%
09/01/33	\$55,000	\$221,925	\$276,925	\$29,877	\$343,135	113.12%
09/01/34	\$65,000	\$218,900	\$283,900	\$30,475	\$349,998	112.55%
09/01/35	\$75,000	\$215,325	\$290,325	\$31,084	\$356,998	112.26%
09/01/36	\$85,000	\$211,200	\$296,200	\$31,706	\$364,138	112.23%
09/01/37	\$95,000	\$206,525	\$301,525	\$32,340	\$371,420	112.46%
09/01/38	\$105,000	\$201,300	\$306,300	\$32,987	\$378,849	112.92%
09/01/39	\$120,000	\$195,525	\$315,525	\$33,647	\$386,426	111.81%
09/01/40	\$130,000	\$188,925	\$318,925	\$34,320	\$394,154	112.83%
09/01/41	\$145,000	\$181,775	\$326,775	\$35,006	\$402,037	112.32%
09/01/42	\$160,000	\$173,800	\$333,800	\$35,706	\$410,078	112.15%
09/01/43	\$175,000	\$165,000	\$340,000	\$36,420	\$418,280	112.31%
09/01/44	\$190,000	\$155,375	\$345,375	\$37,149	\$426,645	112.77%
09/01/45	\$210,000	\$144,925	\$354,925	\$37,892	\$435,178	111.94%
09/01/46	\$225,000	\$133,375	\$358,375	\$38,649	\$443,882	113.07%
09/01/47	\$245,000	\$121,000	\$366,000	\$39,422	\$452,759	112.93%
09/01/48	\$265,000	\$107,525	\$372,525	\$40,211	\$461,815	113.17%
09/01/49	\$290,000	\$92,950	\$382,950	\$41,015	\$471,051	112.30%
09/01/50	\$310,000	\$77,000	\$387,000	\$41,835	\$480,472	113.34%
09/01/51	\$335,000	\$59,950	\$394,950	\$42,672	\$490,081	113.28%
09/01/52	\$365,000	\$41,525	\$406,525	\$43,526	\$499,883	112.26%
09/01/53	\$390,000	\$21,450	\$411,450	\$44,396	\$509,881	113.13%
TOTAL	\$4,235,000	\$5,168,854	\$9,403,854	NA	NA	NA

Notes:

[1] Estimate, pending confirmation from district.

[2] Based on the levy of Assigned Special Taxes assuming full development, incorporating a 2% annual escalation.

[3] Assigned Special Taxes assuming full development, less Priority Administrative Expenses, divided by Total Debt Service.

**California Statewide Communities Development Authority
Community Facilities District No. 2023-06 (Provence)
Proposed Budget of Development Impact Fees**

Proposed Impact Fee Description	Applicable Impact Fee Unit / Bldg. SF	Number of Units / Bldg. SF	Estimated Impact Fee Total
<u>Rainbow Municipal Water District</u>			<u>\$1,994,082</u>
Water Capacity Fee ^[1]	\$26,760.00	59	\$1,578,840
Sewer Capacity Fee ^[2]	\$7,038.00	59	\$415,242
<u>Bonsall Unified School District</u>			<u>\$850,932</u>
School Development Impact Fee ^[3]	\$4.79	142,118	\$680,746
Estimated 25% Premium ^[3]	\$1.20	142,118	\$170,186
<u>County of San Diego</u>			<u>\$448,497</u>
Transportation Impact Fees ^[4]	\$5,896.21	59	\$347,876
Fire Mitigation Impact Fees ^[5]	\$1,705.44	59	\$100,621
PROPOSED IMPACT FEE TOTAL	NA	NA	\$3,293,511

Notes:

[1] Represents the rate for a 1" meter size and is comprised of the RMWD material and capacity fee and SDCWA capacity and treatment fee components (effective January 1, 2018).

[2] Represents the \$415,242 in sewer capacity fees paid in September 2021, for which the project proponent is seeking reimbursement. Amount reflects 50% of fees due upon approval of Sewer Service Agreement dated September 16, 2021, excluding \$1,038,366 in fees previously paid in 1999 and credited to project proponent.

[3] Pursuant to the Mitigation Agreement approved by the Bonsall Unified School District on September 28, 2022, the project proponent is responsible for 125% of then-current Level 1 or 2 fees, currently at \$4.79 per sq. ft. of assessable residential development, or \$5.99 per sq. ft., which is due at building permit issuance.

[4] Traffic impact fee is comprised of the San Diego County Transportation Impact Fee ("TIF") and the San Diego Association of Governments ("SANDAG") Regional Transportation Congestion Improvement Program ("RTCIP") fee. The TIF portion is 3,208.00 per unit and the RTCIP portion is \$2,688.21 per unit, for a total of \$5,896.21 per unit (effective July 1, 2022).

[5] Based on information provided by Corman Leigh and subject to review and confirmation.



CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
SCIP REVENUE BONDS, SERIES 2023 (E & F)
SCIP 2023B

TIMETABLE
(AS OF APRIL 28, 2023)

APRIL						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

JULY						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

MAY						
S	M	T	W	T	F	S
30	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

AUGUST						
S	M	T	W	T	F	S
30	31	1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

JUNE						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

SEPTEMBER						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

1 CSCDA Meeting (1st & 3rd Thursdays) **1** Holiday

<u>DATE*</u>	<u>TASK</u>	<u>PARTY</u>
04/26/2023	<ul style="list-style-type: none"> Invoices Sent Out 	Dev
05/01/2023	<ul style="list-style-type: none"> Developer's Questionnaire's Distributed Appraisal Questionnaire's Distributed 	DC App
05/22/2023 (week of)	<ul style="list-style-type: none"> Draft Preliminary Engineer's Reports Distributed Questionnaires Due 	Eng Dev
05/29/2023 (week of)	<ul style="list-style-type: none"> Commence Local Agency Due Diligence Calls 	LA / UW
06/08/2023	<ul style="list-style-type: none"> Agenda Deadline for February 17th Meeting 	All
06/12/2023 (week of)	<ul style="list-style-type: none"> Distribute Draft Appraisals 	App
06/15/2023	<ul style="list-style-type: none"> Approve Preliminary Engineer's Reports (Resolution of Intention) 	CSCDA
06/19/2023 (week of)	<ul style="list-style-type: none"> Draft Preliminary Official Statement Developer Sections Distributed 	DC

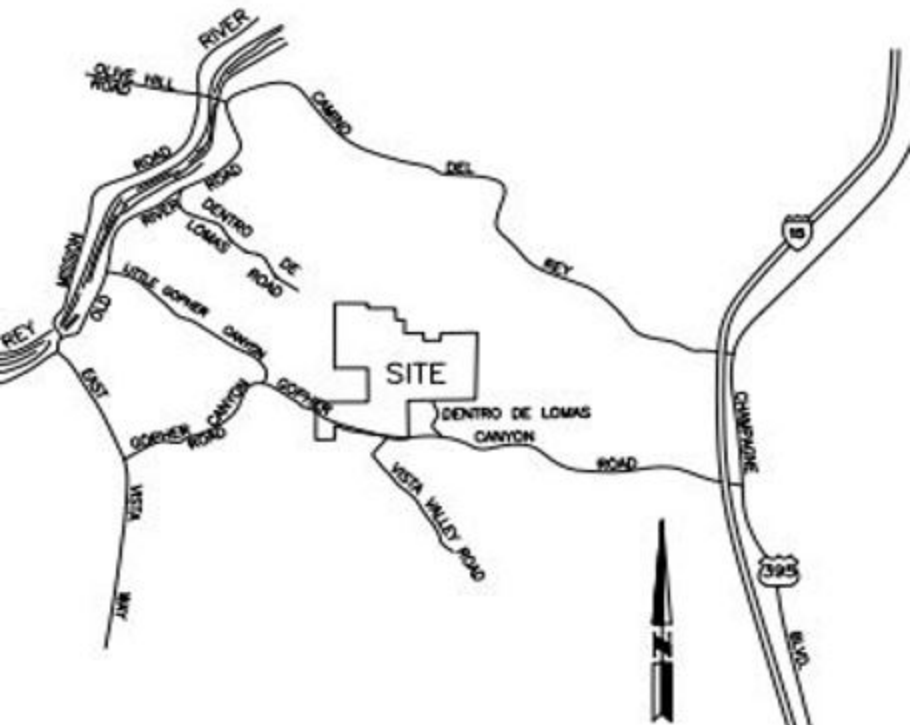
*Preliminary; Subject to change

<u>DATE*</u>	<u>TASK</u>	<u>PARTY</u>
06/26/2023 (beginning week of)	<ul style="list-style-type: none"> Commence Developer Due Diligence Calls 	Dev / UW
07/24/2023	<ul style="list-style-type: none"> Distribute Revised Preliminary Official Statement and Legals 	DC
07/27/2023	<ul style="list-style-type: none"> Agenda Deadline for Public Hearing Date (Ballots Due) 	All
08/01/2023	<ul style="list-style-type: none"> Final Appraisals Due 	App
08/03/2023	<ul style="list-style-type: none"> Public Hearing/Form Districts/Authorize Sale of Bonds 	All
08/07/2023	<ul style="list-style-type: none"> Post Preliminary Official Statement 	DC / UW
08/22/2023	<ul style="list-style-type: none"> Pre-Pricing 	UW / CSCDA
08/23/2023	<ul style="list-style-type: none"> Price and Sell Bonds 	UW / CSCDA
09/06/2023	<ul style="list-style-type: none"> Pre-Closing (Local Agency and Developer Certificates Due) 	All
09/13/2023	<ul style="list-style-type: none"> Close / Deliver Funds 	All

WORKING GROUP PARTICIPANTS		
<u>ROLE</u>	<u>PARTICIPANTS</u>	<u>SHORT NAME</u>
Issuer	<ul style="list-style-type: none"> California Statewide Communities Development Authority 	CSCDA
Bond & Disclosure Counsel	<ul style="list-style-type: none"> Orrick, Herrington & Sutcliffe 	B&DC
Underwriter	<ul style="list-style-type: none"> RBC Capital Markets 	UW
Underwriter's Counsel	<ul style="list-style-type: none"> Kutak Rock 	UWC
Engineer	<ul style="list-style-type: none"> David Taussig & Associates 	Eng
Appraiser	<ul style="list-style-type: none"> Integra Realty Resources 	App
Local Agency	<ul style="list-style-type: none"> All Local Agencies 	LA
Developer	<ul style="list-style-type: none"> All Developers 	Dev
Trustee	<ul style="list-style-type: none"> Wilmington Trust 	Trust
Printer	<ul style="list-style-type: none"> Elabra 	Printer

BONSALL OAKS

**T.M. NO. 4736 RPL4
COUNTY OF SAN DIEGO**



VICINITY MAP

ATTACHMENT 2

FORM OF ACQUISITION AGREEMENT

**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM**

ACQUISITION AGREEMENT

**BY AND BETWEEN
RAINBOW MUNICIPAL WATER DISTRICT
AND
[DEVELOPER]**

Dated as of _____, 20__

ACQUISITION AGREEMENT

Recitals

- A. The parties to this Acquisition Agreement (the “Agreement”) are the RAINBOW MUNICIPAL WATER DISTRICT, (the “Local Agency”), and [DEVELOPER], a [indicate type of legal entity] (the “Developer”).
- B. The effective date of this Agreement is _____, 20__.
- C. The Developer has applied for the financing of, among other things, certain public capital improvements to be owned by the Local Agency (collectively, the “Acquisition Improvements”) through the California Statewide Communities Development Authority (the “Authority”) and its Statewide Community Infrastructure Program (“SCIP”). [For CFDS:][The Acquisition Improvements are to be owned and operated by the Local Agency, and the financing is to be accomplished through a community facilities district which will be administered by the Authority under and pursuant to the Mello-Roos Community Facilities Act of 1982 – California Government Code Sections 53311 and following (the “Act”). On [____], 20[], the Local Agency entered into a Joint Community Facilities Agreement authorizing the Authority to form a community facilities district (the “District”) within the territorial limits of the Local Agency to finance, among other things, the Acquisition Improvements. On [____], 20[], the Authority formed the District and, on the same date, a landowner election was conducted in which all of the votes were cast unanimously in favor of conferring the District authority on the Authority Commission.] [For Assessment Districts:][The Acquisition Improvements are to be owned and operated by the Local Agency, and the financing is to be accomplished through an assessment district (the “District”) which will be administered by the Authority under and pursuant to Municipal Improvement Act of 1913 (Streets and Highways Code Sections 10000 and following) (the “1913 Act”) and the issuance of improvement bonds (the “Local Obligations”) under the Improvement Bond Act of 1915 (Streets and Highways Code Sections 8500 and following) (the “1915 Act” and, together with the “1913 Act” the “Act”).]
- D. The administration, payment and reimbursement of the capital facilities fees is agreed to be governed by the provisions of the SCIP Manual of Procedures as it may be amended from time to time. The administration, payment and reimbursement of the Acquisition Improvements shall be as provided herein.
- E. Under SCIP, the Authority intends to levy [assessments] [special taxes] and issue bonds, in one or more series, to fund, among other things, all or a portion of the costs of the Acquisition Improvements. The portion of the proceeds of the [special taxes and] bonds allocable to the cost of the Acquisition Improvements, together with interest earned thereon, is referred to herein as the “Available Amount”.
- F. The Authority will provide financing for the acquisition by the Local Agency of the Acquisition Improvements and the payment of the Acquisition Price (as defined herein) of the Acquisition Improvements from the Available Amount. Attached hereto as Exhibit A is a description of the Acquisition Improvements, which includes authorized discrete and usable portions, if any, of the public capital improvements, [pursuant to Section 53313.51 of the Act,] to be acquired from the Developer.
- G. The parties anticipate that, upon completion of the Acquisition Improvements and subject to the terms and conditions of this Agreement, the Local Agency will acquire such completed Acquisition Improvements with the Available Amount.
- H. Any and all monetary obligations of the Local Agency arising out of this Agreement are the special and limited obligations of the Local Agency payable only from the Available Amount, and no other funds whatsoever of the Local Agency shall be obligated therefor.
- I. Attached to this Agreement are Exhibit A (*Acquisition Improvements and the Eligible Portions*

thereof) and Exhibit B (*Form of Requisition*), which are incorporated into this Agreement for all purposes. In consideration of Recitals A through I, inclusive, and the mutual covenants, undertakings and obligations set forth below, the Local Agency and the Developer agree as stated below.

Agreement

ARTICLE I

DEFINITIONS; DISTRICT FORMATION AND FINANCING PLAN

Section 1.01. Definitions. As used herein, the following capitalized terms shall have the meanings ascribed to them below:

“Acceptable Title” means free and clear of all monetary liens, encumbrances, assessments, whether any such item is recorded or unrecorded, and taxes, except those items which are reasonably determined by the Local Agency Engineer not to interfere with the intended use and therefore are not required to be cleared from the title.

“Acquisition and Construction Fund” means the “Rainbow Municipal Water District Acquisition and Construction Fund” established by the Authority pursuant to Section 1.03 hereof for the purpose of paying the Acquisition Price of the Acquisition Improvements and which fund may be held as a subaccount within a fund established under the Authority Trust Agreement and may be commingled with acquisition and construction fund monies available for other public capital improvements.

“Acquisition Improvement” shall have the meaning assigned to such term in the recitals and are further described in Exhibit A.

“Acquisition Price” means the total amount eligible to be paid to the Developer upon acquisition of an Acquisition Improvement as provided in Section 2.03 not to exceed the Actual Cost of the Acquisition Improvement.

“Act” has the meaning ascribed thereto in Recital C.

“Actual Cost” means the total cost of an Acquisition Improvement, as documented by the Developer to the satisfaction of the Local Agency and as certified by the Local Agency Engineer in an Actual Cost Certificate including, without limitation, (a) the Developer’s cost of constructing such Acquisition Improvement including grading, labor, material and equipment costs, (b) the Developer’s cost of designing and engineering the Acquisition Improvement, preparing the plans and specifications and bid documents for such Acquisition Improvement, and the costs of inspection, materials testing and construction staking for such Acquisition Improvement, (c) the Developer’s cost of any performance, payment and maintenance bonds and insurance, including title insurance, required hereby for such Acquisition Improvement, (d) the Developer’s cost of any real property or interest therein that is either necessary for the construction of such Acquisition Improvement (e.g., temporary construction easements, haul roads, etc.), or is required to be conveyed with such Acquisition Improvement in order to convey Acceptable Title thereto to the Local Agency or its designee, (e) the Developer’s cost of environmental evaluation or mitigation required for such Acquisition Improvement, (f) the amount of any fees actually paid by the Developer to governmental agencies in order to obtain permits, licenses or other necessary governmental approvals and reviews for such Acquisition Improvement, (g) the Developer’s cost for construction and project management, administration and supervision services for such Acquisition Improvement, (h) the Developer’s cost for professional services related to such Acquisition Improvement, including engineering, accounting, legal, financial, appraisal and similar professional services, and (i) the costs of construction financing incurred by

the Developer with respect to such Acquisition Improvement.

“Actual Cost Certificate” means a certificate prepared by the Developer detailing the Actual Cost of an Acquisition Improvement, or an Eligible Portion thereof, to be acquired hereunder, as may be revised by the Local Agency Engineer pursuant to Section 2.03.

“Agreement” means this Acquisition Agreement, dated as of [_____], 20[___].

“Authority” means the California Statewide Communities Development Authority.

“Authority Trust Agreement” means a Trust Agreement entered into by the Authority and an Authority Trustee in connection with the issuance of bonds.

“Authority Trustee” means the financial institution identified as trustee in an Authority Trust Agreement.

“Available Amount” shall have the meaning assigned to the term in Recital E.

“Bonds” means bonds or other indebtedness issued by the Authority as tax-exempt or taxable bonds or other indebtedness, in one or more series, that is to be repaid by the District.

“Code” means the Streets and Highways Code or the Government Code of the State of California, as applicable.

“Developer” means [*Developer*], its successors and assigns.

“Disbursement Request Form” means a requisition for payment of funds from the Acquisition and Construction Fund for an Acquisition Improvement, or an Eligible Portion thereof in substantially the form contained in Exhibit B hereto.

“District” shall have the meaning assigned to the term in Recital C.

“Eligible Portion” shall have the meaning ascribed to it in Section 2.03 below.

“Installment Payment” means an amount equal to ninety percent (90%) of the Actual Cost of an Eligible Portion.

“Local Agency” means the Rainbow Municipal Water District.

“Local Agency Engineer” means the Engineer of the Local Agency or his/her designee who will be responsible for administering the acquisition of the Acquisition Improvements hereunder.

“Project” means the Developer’s development of the property in the District, including the design and construction of the Acquisition Improvements and the other public and private improvements to be constructed by the Developer within the District.

[“Special Taxes” means annual special taxes, and prepayments thereof, authorized by the District to be levied by the Commission of the Authority.]

“Title Documents” means, for each Acquisition Improvement acquired hereunder, a grant deed or similar instrument necessary to transfer title to any real property or interests therein (including easements), or an irrevocable offer of dedication of such real property with interests therein necessary to the operation, maintenance, rehabilitation and improvement by the Local Agency of the Acquisition Improvement (including, if necessary, easements for ingress and egress) and a bill of sale or similar instrument evidencing transfer of title to the Acquisition Improvement (other than said real property interests) to the Local Agency, where applicable.

Section 1.02. Participation in SCIP. [*For CFDs:*][The Local Agency has entered into a Joint Community Facilities Agreement with the Authority for the purpose of accepting applications from time to time of developers within the Local Agency’s jurisdictional boundaries.] Developer has applied for financing through SCIP of the Acquisition Improvements, and such

application has been approved by the Local Agency. Developer and Local Agency agree that until and unless such financing is completed by the Authority and the Available Amount is deposited in the Acquisition Account (as defined in Section 1.03 below), neither the Developer nor the Local Agency shall have any obligations under this agreement. Developer agrees to cooperate with the Local Agency and the Authority in the completion of SCIP financing for the Acquisition Improvements.

Section 1.03. Deposit and Use of Available Amount.

(a) Upon completion of the SCIP financing, the Available Amount will be deposited by the Authority in the Acquisition Account.

(b) The Authority will cause the SCIP Trustee to establish and maintain an account (the “Acquisition Account”) for the purpose of holding all funds for the Acquisition Improvements. All earnings on amounts in the Acquisition and Construction Fund shall remain in the Acquisition and Construction Fund for use as provided herein and pursuant to the Authority Trust Agreement. Money in the Acquisition and Construction Fund shall be available to respond to delivery of a Disbursement Request Form and to be paid to the Developer or its designee to pay the Acquisition Price of the Acquisition Improvements, as specified in Article II hereof. Upon completion of all of the Acquisition Improvements and the payment of all costs thereof, any remaining funds in the Acquisition and Construction Fund (less any amount determined by the Local Agency as necessary to reserve for claims against the account) (i) shall be applied to pay the costs of any additional Acquisition Improvements eligible for acquisition with respect to the Project as approved by the Authority and, to the extent not so used, (ii) shall be applied by the Authority [to call Bonds or to reduce Special Taxes as the Authority shall determine][as provided in Section 10427.1 of the Code to pay a portion of the assessments levied on the Project property in the District].

Section 1.04. No Local Agency Liability; Local Agency Discretion; No Effect on Other Agreements. In no event shall any actual or alleged act by the Local Agency or any actual or alleged omission or failure to act by the Local Agency with respect to SCIP subject the Local Agency to monetary liability therefor. Further, nothing in this Agreement shall be construed as affecting the Developer’s or the Local Agency’s duty to perform their respective obligations under any other agreements, public improvement standards, land use regulations or subdivision requirements related to the Project, which obligations are and shall remain independent of the Developer’s and the Local Agency’s rights and obligations under this Agreement.

ARTICLE II

DESIGN, CONSTRUCTION AND ACQUISITION OF ACQUISITION IMPROVEMENTS

Section 2.01. Letting and Administering Design Contracts. The parties presently anticipate that the Developer has awarded and administered or will award and administer engineering design contracts for the Acquisition Improvements to be acquired from Developer. All eligible expenditures of the Developer for design engineering and related costs in connection with the Acquisition Improvements (whether as an advance to the Local Agency or directly to the

design consultant) shall be reimbursed at the time of acquisition of such Acquisition Improvements. The Developer shall be entitled to reimbursement for any design costs of the Acquisition Improvements only out of the Acquisition Price as provided in Section 2.03 and shall not be entitled to any payment for design costs independent of or prior to the acquisition of Acquisition Improvements.

Section 2.02. Letting and Administration of Construction Contracts; Indemnification. State law requires that all Acquisition Improvements not completed prior to the formation of the District shall be constructed as if they were constructed under the direction and supervision, or under the authority, of the Local Agency. In order to assure compliance with those provisions, except for any contracts entered into prior to the date hereof, Developer agrees to comply with the requirements set forth in Exhibit C hereto with respect to the bidding and contracting for the construction of the Acquisition Improvements. The Developer agrees that all the contracts shall call for payment of prevailing wages as required by the Labor Code of the State of California. The Developer's indemnification obligation set forth in Section 3.01 of this Agreement shall also apply to any alleged failure to comply with the requirements of this Section, and/or applicable State laws regarding public contracting and prevailing wages.

Section 2.03. Sale of Acquisition Improvements. The Developer agrees to sell to the Local Agency each Acquisition Improvement to be constructed by Developer (including any rights-of-way or other easements necessary for the Acquisition Improvements, to the extent not already publicly owned), when the Acquisition Improvement is has been constructed and is complete to the satisfaction of the Local Agency for an amount not to exceed the lesser of (i) the Available Amount or (ii) the Actual Cost of the Acquisition Improvement. Exhibit A, attached hereto and incorporated herein, contains a list of the Acquisition Improvements. Portions of an Acquisition Improvement eligible for Installment Payments prior to completion of the entire Acquisition Improvement are described as eligible, discrete and usable portions in Exhibit A (each, an "Eligible Portion"). At the time of completion of each Acquisition Improvement, or Eligible Portion thereof, the Developer shall deliver to the Local Agency Engineer a written request for acquisition, accompanied by an Actual Cost Certificate, and by executed Title Documents for the transfer of the Acquisition Improvement where necessary. In the event that the Local Agency Engineer finds that the supporting paperwork submitted by the Developer fails to demonstrate the required relationship between the subject Actual Cost and eligible work, the Local Agency Engineer shall advise the Developer that the determination of the Actual Cost (or the ineligible portion thereof) has been disallowed and shall request further documentation from the Developer. If the further documentation is still not adequate, the Local Agency Engineer may revise the Actual Cost Certificate to delete any disallowed items and the determination shall be final and conclusive.

Certain soft costs for the Acquisition Improvements, such as civil engineering, may have been incurred pursuant to single contracts that include work relating also to the private portions of the Project. In those instances, the total costs under such contracts will be allocated to each Acquisition Improvement as approved by the Local Agency Engineer. Where a specific contract has been awarded for design or engineering work relating solely to an Acquisition Improvement, one hundred percent (100%) of the costs under the contract will be allocated to that Acquisition Improvement. Amounts allocated to an Acquisition Improvement will be further allocated among the Eligible Portions of that Acquisition Improvement, if any, in the same proportion as the amount to be reimbursed for hard costs for each Eligible Portion bears to the amount to be reimbursed for hard costs for the entire Acquisition Improvement. Costs will be allocated to each Acquisition Improvement as approved by the Local Agency Engineer. The costs of certain

environmental mitigation required to mitigate impacts of the public and private portions of the Project will be allocated to each Acquisition Improvement as approved by the Local Agency Engineer.

In the event that the Actual Cost is in excess of the Available Amount, the Local Agency shall withdraw the Available Amount from the Acquisition Account and transfer said amount to the Developer. In the event that the Actual Cost is less than the Available Amount, the Local Agency shall withdraw an amount from the Acquisition Account equal to the Actual Cost, and shall transfer said amount to the Developer. Any amounts then remaining in the Acquisition Account shall be applied as provided in Section 1.03.

In no event shall the Local Agency be required to pay the Developer more than the amount on deposit in the Acquisition Account at the time such payment is requested.

Section 2.04. Conditions Precedent to Payment of Acquisition Price. Payment to the Developer or its designee of the Acquisition Price for an Acquisition Improvement from the Acquisition and Construction Fund shall in every case be conditioned first upon the determination of the Local Agency Engineer, pursuant to Section 2.03, that the Acquisition Improvement satisfies all Local Agency regulations and ordinances and is otherwise complete and ready for acceptance by the Local Agency, and shall be further conditioned upon satisfaction of the following additional conditions precedent:

(a) The Developer shall have provided the Local Agency with lien releases or other similar documentation satisfactory to the Local Agency Engineer as evidence that none of the property (including any rights-of-way or other easements necessary for the operation and maintenance of the Acquisition Improvement, to the extent not already publicly owned) comprising the Acquisition Improvement, and the property which is subject to the [assessments/Special Taxes] of the District, is not subject to any prospective mechanics lien claim respecting the Acquisition Improvements.

(b) All due and payable property taxes, and installments of [assessments/Special Taxes] shall be current on property owned by the Developer or under option to the Developer that is subject to the lien of the District.

(c) The Developer shall certify that it is not in default with respect to any loan secured by any interest in the Project.

(d) The Developer shall have provided the Local Agency with Title Documents needed to provide the Local Agency with title to the site, right-of-way, or easement upon which the subject Acquisition Improvements are situated. All such Title Documents shall be in a form acceptable to the Local Agency (or applicable governmental agency) and shall convey Acceptable Title. The Developer shall provide a policy of title insurance as of the date of transfer in a form acceptable to the Local Agency Engineer insuring the Local Agency as to the interests acquired in connection with the acquisition of any interest for which such a policy of title insurance is not required by another agreement between the Local Agency and the Developer. Each title insurance policy required hereunder shall be in the amount equal to or greater than the Acquisition Price.

Section 2.05. SCIP Requisition. Upon a determination by the Local Agency Engineer to pay the Acquisition Price of the Acquisition Improvements pursuant to Section 2.04, the Local Agency Engineer shall cause a SCIP Requisition to be submitted to the Program Administrator. The Program Administrator will review the SCIP Requisition and forward it with instructions to the SCIP Trustee and the SCIP Trustee shall make payment directly to the

Developer of such amount pursuant to the SCIP Trust Agreement. The Local Agency and the Developer acknowledge and agree that the SCIP Trustee shall make payment strictly in accordance with the SCIP Requisition and shall not be required to determine whether or not the Acquisition Improvements have been completed or what the Actual Costs may be with respect to such Acquisition Improvements. The SCIP Trustee shall be entitled to rely on the SCIP Requisition on its face without any further duty of investigation.

ARTICLE III

MISCELLANEOUS

Section 3.01. Indemnification and Hold Harmless. The Developer hereby assumes the defense of, and indemnifies and saves harmless the Local Agency, the Authority, and each of its respective officers, directors, employees and agents, from and against all actions, damages, claims, losses or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from or alleged to have resulted from the acts or omissions of the Developer or its agents and employees in the performance of this Agreement, or arising out of any contract for the design, engineering and construction of the Acquisition Improvements or arising out of any alleged misstatements of fact or alleged omission of a material fact made by the Developer, its officers, directors, employees or agents to the Authority's underwriter, financial advisor, appraiser, district engineer or bond counsel or regarding the Developer, its proposed developments, its property ownership and its contractual arrangements contained in the official statement relating to the SCIP financing (provided that the Developer shall have been furnished a copy of such official statement and shall not have objected thereto); and provided, further, that nothing in this Section 3.01 shall limit in any manner the Local Agency's rights against any of the Developer's architects, engineers, contractors or other consultants. Except as set forth in this Section 3.01, no provision of this Agreement shall in any way limit the extent of the responsibility of the Developer for payment of damages resulting from the operations of the Developer, its agents and employees. Nothing in this Section 3.01 shall be understood or construed to mean that the Developer agrees to indemnify the Local Agency, the Authority or any of its respective officers, directors, employees or agents, for any negligent or wrongful acts or omissions to act of the Local Agency, Authority its officers, employees, agents or any consultants or contractors.

Section 3.02. Audit. The Local Agency shall have the right, during normal business hours and upon the giving of ten days' written notice to the Developer, to review all books and records of the Developer pertaining to costs and expenses incurred by the Developer (for which the Developer seeks reimbursement) in constructing the Acquisition Improvements.

Section 3.03. Cooperation. The Local Agency and the Developer agree to cooperate with respect to the completion of the SCIP financing for the Acquisition Improvements. The Local Agency and the Developer agree to meet in good faith to resolve any differences on future matters which are not specifically covered by this Agreement.

Section 3.04. General Standard of Reasonableness. Any provision of this Agreement which requires the consent, approval or acceptance of either party hereto or any of their respective employees, officers or agents shall be deemed to require that such consent, approval or

acceptance not be unreasonably withheld or delayed, unless such provision expressly incorporates a different standard. The foregoing provision shall not apply to provisions in the Agreement which provide for decisions to be in the sole discretion of the party making the decision.

Section 3.05. Third Party Beneficiaries. The Authority and its officers, employees, agents or any consultants or contractors are expressly deemed third party beneficiaries of this Agreement with respect to the provisions of Section 3.01. It is expressly agreed that, except for the Authority with respect to the provisions of Section 3.01, there are no third party beneficiaries of this Agreement, including without limitation any owners of bonds, any of the Local Agency's or the Developer's contractors for the Acquisition Improvements and any of the Local Agency's, the Authority's or the Developer's agents and employees.

Section 3.06. Conflict with Other Agreements. Nothing contained herein shall be construed as releasing the Developer or the Local Agency from any condition of development or requirement imposed by any other agreement between the Local Agency and the Developer, and, in the event of a conflicting provision, such other agreement shall prevail unless such conflicting provision is specifically waived or modified in writing by the Local Agency and the Developer.

Section 3.07. Notices. All invoices for payment, reports, other communication and notices relating to this Agreement shall be mailed to:

If to the Local Agency:

Rainbow Municipal Water District
[Address to come]

If to the Developer:

[Developer]
[Address to come]

Either party may change its address by giving notice in writing to the other party.

Section 3.08. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

Section 3.09. Governing Law. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

Section 3.10. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement.

Section 3.11. Singular and Plural; Gender. As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine.

Section 3.12. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

Section 3.13. Successors and Assigns. This Agreement is binding upon the heirs, assigns and successors-in-interest of the parties hereto. The Developer may not assign its rights or obligations hereunder, except to successors-in-interest to the property within the District, without the prior written consent of the Local Agency.

Section 3.14. Remedies in General. It is acknowledged by the parties that the Local Agency would not have entered into this Agreement if it were to be liable in damages under or with respect to this Agreement or the application thereof, other than for the payment to the Developer of any (i) moneys owing to the Developer hereunder, or (ii) moneys paid by the Developer pursuant to the provisions hereof which are misappropriated or improperly obtained, withheld or applied by the Local Agency.

In general, each of the parties hereto may pursue any remedy at law or equity available for the breach of any provision of this Agreement, except that the Local Agency shall not be liable in damages to the Developer, or to any assignee or transferee of the Developer other than for the payments to the Developer specified in the preceding paragraph. Subject to the foregoing, the Developer covenants not to sue for or claim any damages for any alleged breach of, or dispute which arises out of, this Agreement.

[The remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year written above.

RAINBOW MUNICIPAL WATER DISTRICT

By: _____
Board [Vice] President

ATTEST:
Secretary the Board of Directors

By: _____

[DEVELOPER],
a [here indicate type of legal entity]

By: _____
Signature

Print Name

Exhibit A to the Acquisition Agreement

DESCRIPTION OF ACQUISITION IMPROVEMENTS AND BUDGETED AMOUNTS

[To be completed based on Final Engineer's Report]

Funding includes amounts for incidental costs associated with the capital improvements, including, but not limited to, contingency, design, engineering, and construction management.

<u>ACQUISITION IMPROVEMENTS</u>	<u>TOTAL AMOUNT*</u>
[.....]	\$[.....]
[.....]	\$[.....]

* Estimated. Acquisition Price will be determined based on Actual Cost as further described in this Acquisition Agreement.

Exhibit B to the Acquisition Agreement

FORM OF SCIP REQUISITION

To: BLX Group LLC
SCIP Program Administrator
777 S. Figueroa St., Suite 3200
Los Angeles, California 90017
Attention: Vo Nguyen
Fax: 213-612-2499

Re: Statewide Community Infrastructure Program

The undersigned, a duly authorized officer of the RAINBOW MUNICIPAL WATER DISTRICT hereby requests a withdrawal from the [DEVELOPER] ACQUISITION ACCOUNT, as follows:

Request Date: [Insert Date of Request]
Name of Developer: [Developer]
Withdrawal Amount: [Insert Acquisition Price]
Acquisition Improvements: [Insert Description of Acquisition Improvement(s) from Ex. A]
Payment Instructions: [Insert Wire Instructions or Payment Address for Developer]

The undersigned hereby certifies as follows:

1. The Withdrawal is being made in accordance with a permitted use of such monies pursuant to the Acquisition Agreement, and the Withdrawal is not being made for the purpose of reinvestment.
2. None of the items for which payment is requested have been reimbursed previously from other sources of funds.
3. If the Withdrawal Amount is greater than the funds held in the Acquisition Account, the SCIP Program Administrator is authorized to amend the amount requested to be equal to the amount of such funds.
4. To the extent the Withdrawal is being made prior to the date bonds have been issued on behalf of SCIP, this withdrawal form serves as the declaration of official intent of the RAINBOW MUNICIPAL WATER DISTRICT, pursuant to Treasury Regulations 1.150-2, to reimburse with respect expenditures made from the Acquisition Account listed above in the amount listed above.

RAINBOW MUNICIPAL WATER DISTRICT

By: _____
Title: _____

BOARD OF DIRECTORS

August 22, 2023

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE THE FORM OF AN ACQUISITION AGREEMENT BETWEEN THE DISTRICT AND OCEAN BREEZE RANCH, LLC. DEVELOPER UNDER THE STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM (“SCIP”) (DIVISION 1)

BACKGROUND

The California Statewide Communities Development Authority (CSCDA) is a joint powers authority sponsored by the League of California Cities and the California State Association of Counties. The member agencies of CSCDA include approximately 391 cities and 56 counties throughout California, including the Rainbow Municipal Water District (District).

The Statewide Community Infrastructure Program (SCIP) was initially created by CSCDA in 2002 to allow owners of property in participating CSCDA member agencies to finance the development impact fees that would be payable by property owners upon receiving development entitlements or building permits. The program has since been expanded to include financing of public capital improvements directly. If a property owner chooses to participate, the selected public capital improvements and/or the development impact fees owed to the District will be financed by the issuance of tax-exempt bonds by CSCDA. CSCDA will impose a special assessment on the owner’s property to repay the portion of the bonds issued to finance the fees paid with respect to the property. With respect to impact fees, the property owner will either pay the impact fees at the time of permit issuance and will be reimbursed from the SCIP bond proceeds when the SCIP bonds are issued; or the fees will be funded directly from the proceeds of the SCIP bonds. The 142-page CSCDA SCIP Manual is available at the District for review.

The District presented Resolution No. 20-06 to the Board of Directors (Board) on May 26, 2020, authorizing the District to join the SCIP; authorizing the CSCDA to accept applications from property owners, conduct special assessment proceedings and levy assessments within the territory of the District; approving a form of acquisition agreement; and authorizing related actions; this original resolution was adopted on May 26, 2020.

The District also presented Resolution No. 22-18 to the Board on June 28, 2022, authorizing the Resolution of Intention to be adopted by the Authority in connection with assessment proceedings (the “ROI”). The territory within which assessments would be levied for SCIP (provided that each Participating Developer consented to such assessment) would be coterminous with the District’s official boundaries of record at the time of adoption of such ROI (the “Proposed Boundaries”). Reference was made to such boundaries for the plat or map required to be included in the Amended and Restated Resolution pursuant to Section 10104 of the Streets and Highways Code; this amended and restated resolution was adopted on June 28, 2022.

This item was presented to the Engineering and Operations Committee on August 2, 2023. The Committee recommended Option 1.

DESCRIPTION

Ocean Breeze Ranch, LLC., the Developer for the Ocean Breeze Ranch development a proposed project of 381 units, which is located south of Pala Road (Highway 76), west of Interstate 15 and north of West Lilac Road. The Developer has started the process to join the SCIP Program and is currently in the early stages of the application process. The estimated amount of water and sewer capacities fees to be paid to the District by issuance of this program is \$12,000,000. The Developer's proposed letter of application, bond sizing/total tax rate analysis, and vicinity map are provided in Attachment 1.

Under the SCIP the District and the Developer will be required to enter into an Acquisition Agreement to negotiate the terms and conditions under which financing for public capital improvements will be provided and to establish the procedure for disbursement of bond proceeds to pay for completed facilities. It also authorizes miscellaneous related actions and makes certain findings and determinations required by law. District staff and General Counsel have been working with the Developer on the draft Acquisition Agreement provided as Attachment 2.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Two: Asset Management. By taking this action, the SCIP provides another financing mechanism for facilitating this project. This will allow the District more flexibility in addressing the pipe rehabilitation and pressure reduction programs.

Strategic Focus Area Four: Fiscal Responsibility. This action will help bring additional water and sewer customers to the District, increasing revenue needed for maintenance and CIP.

Strategic Focus Area Five: Customer Service. This action eases impacts for the developer on constructing projects in the District. Additional water and sewer accounts will benefit all RMWD ratepayers by increasing District revenues from fixed charges.

ENVIRONMENTAL

In accordance with California Environmental Quality Act (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 are minimal direct costs to the District as the Developer is responsible for paying the costs related to this action.

Option 1:

- Make a determination that approval of the Acquisition Agreement does not constitute a project that is subject to CEQA guidelines.
- Authorize the General Manager and General Counsel to continue negotiating with the Developer and execute the Acquisition Agreement on behalf of the District.

Option 2:

- Provide other direction to staff

STAFF RECOMMENDATION

Staff recommends Option 1.



Chad Williams
Engineering and CIP Program Manager

8/22/2023



James Hamill
Managing Director
1700 N. Broadway, Suite 405
Walnut Creek, CA 94596

March 28, 2022

RE: Proposed CSCDA CFD for Rainbow Municipal Water District

Mr. Hamill,

On behalf of Ocean Breeze Ranch, LLC (“Developer”), please accept this letter as a formal request for the formation of a CSCDA CFD to finance the Rainbow Municipal Water District (“RMWD”) fees and facilities. The property lies within the jurisdictional boundaries of RMWD and County of San Diego (“County”) and is proposed to be developed with 381 single-family detached homes (“Project”) within two planning areas.

The Developer wishes to form a new CSCDA CFD with RMWD to finance (see Exhibit B for more details):

- Water and Sewer Capacity fees
- In-tract Water and Sewer facilities

Please refer to Exhibit A for the overall tax rate and estimated amount of proceeds that could be generated. We appreciate your consideration and look forward to discussing the next steps and timeline for this request. Should you have any questions or comments, please feel free to contact me at (949) 388-9269 Ext. 1143.

Sincerely,
Manju Pokharel
DPFG

Page 81 of 201



PRELIMINARY DRAFT
SUBJECT TO CHANGE

I. Home Prices and Combined Tax Rates:

BOND SIZING & TOTAL TAX RATE ANALYSIS												
Plan No.	Proposed RMWD CFD SF Category	Home Size (Sq. Ft.)	No. Units	Base Home Price	Ad Valorem Tax Rate 1.04696%	Other Fixed Charges and Assess.	ESTIMATED County Maintenance CFD Special Tax	Existing Total Tax Rate	Proposed CSCDA RMWD CFD Special Tax	Total Tax w/ Proposed CSCDA CFD	Total Tax Rate w/ Proposed CSCDA CFD	Proposed CSCDA RMWD CFD Revenue
Planning Area 1												
1	< 2,900	2,752	48	\$1,087,040	\$	373	\$ 1,140	\$ 12,894	1.19%	\$ 4,140	\$ 17,034	\$ 198,711
2	2,900 - 3,199	3,054	48	1,175,790	12,310	373	1,140	13,823	1.18%	4,601	18,425	220,864
3	> 3,199	3,400	48	1,275,000	13,349	373	1,140	14,862	1.17%	5,117	19,979	245,629
Planning Area 2												
1	< 2,900	2,752	79	1,087,040	11,381	373	1,140	12,894	1.19%	4,140	17,034	327,044
2	2,900 - 3,199	3,054	79	1,175,790	12,310	373	1,140	13,823	1.18%	4,601	18,425	363,506
3	> 3,199	3,400	79	1,275,000	13,349	373	1,140	14,862	1.17%	5,117	19,979	404,264
										\$ 4,619	\$ 18,479	\$ 1,760,018

II. POTENTIAL CSCDA RMWD CFD - BOND SIZING AND CONSTRUCTION PROCEEDS:

Total Annual Special Taxes for Bonding
 (Annual CFD Revenue less \$40,000 annual administration / 110% Coverage)

Bond Amount (4.50% Interest, 30 Year Term, 29 Year Amortization)

Underwriter Discount (2.0%)	
Reserve Fund (Annual Debt Service)	
Capitalized Interest (12 mos)	
Incidental Costs (Estimate)	
Total Net Construction Proceeds	
<i>Per Unit</i>	

III. Allocation of Net Construction Proceeds:

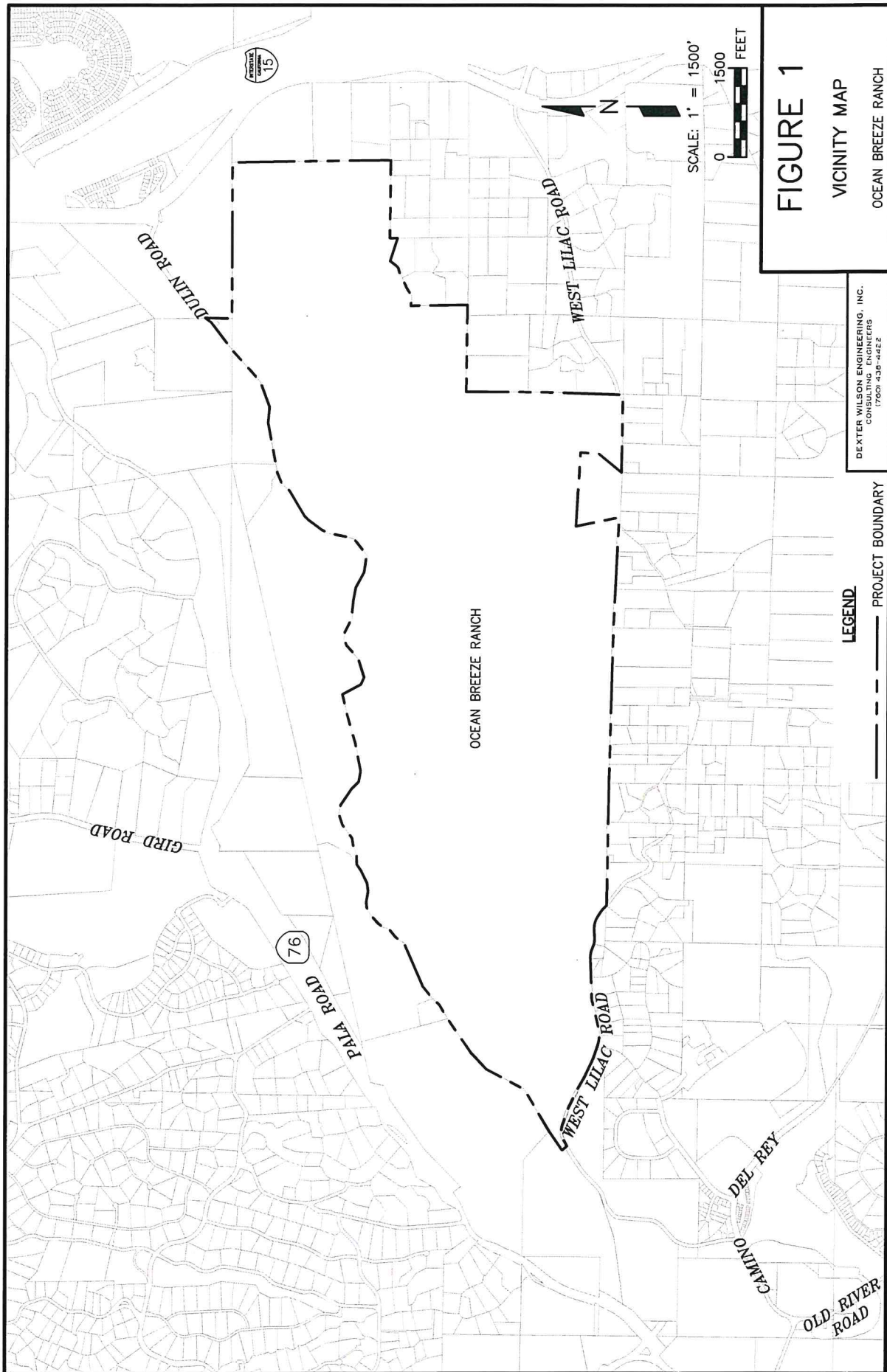
RMWD Water and Sewer Capacity Fees (100% of \$31,502 per unit)	
RMWD Water and Sewer Facilities (100% of \$25,094 per unit)	
Total Allocation of Net Construction Proceeds	

IV. Footnotes:

- (a) Product, mix, and pricing per Colliers International on 3/1/2022.
- (b) Includes 1.00% plus the following:
 A tax of 0.02402% is charged for fiscal year 2021-22 by the Bonsall Elementary School District to all parcels to pay debt service for outstanding bonds.
 A tax of 0.01944% is charged for fiscal year 2021-22 by the Palomar Community College District to all parcels to pay debt service for outstanding bonds.
 A tax of 0.00350% is charged for fiscal year 2021-22 by the Metropolitan Water District to all parcels to pay debt service for outstanding bonds.
- (c) Includes the following estimates:
 County of San Diego levies an annual assessment of \$8.36 per parcel for vector control services.
 San Diego County Water Authority levies a standby charge of \$10.00 per acre, or \$10.00 per parcel if less than an acre.
 County of San Diego levies a standby charge of \$10.54 per acre, or \$10.54 per parcel if less than an acre.
 County of San Diego levies an annual assessment of \$2.28 per parcel for mosquito surveillance services.
 MWD levies a standby charge of \$11.50 per acre, or \$11.50 per parcel if less than an acre.
 County of San Diego levies an annual assessment of \$321 per parcel for stormwater maintenance.
 County of San Diego Street Lighting District Zone A levies an annual assessment of \$10.00 per parcel for street light maintenance.
- (d) Represents the **ESTIMATED** future County of San Diego Maintenance CFD special tax for the maintenance of Public Neighborhood Park (Lot C), Trail Head Park (Lot O) per the Conditions of Approval. This special tax escalates each fiscal year by the annual percentage change in the CPI, but not less than 2% and not greater than 6%. This special tax is a **PRELIMINARY ESTIMATE** and subject to change until a maintenance exhibit is prepared and a maintenance budget is prepared by the County.
- (e) Represents the proposed special tax for proposed CSCDA RMWD CFD to finance water and sewer fees and facilities.

Exhibit B
Ocean Breeze Ranch, LLC (Bonsall)
Proposed CSCDA Rainbow Municipal Water District CFD
Preliminary List of Authorized Facilities

PROPOSED CSCDA RMWD CFD						
Description of Eligible Fees	Rate	per	No. of Units	Total	per DU	
<u>Rainbow Municipal Water District - Fees</u>						
Water Capacity Fees (3/4" Meter)	\$ 10,401	Meter	381	\$ 3,962,781	\$ 10,401	
Meter Fee (3/4" Meter)	225	Meter	381	85,725	225	
Sewer Capacity Fee (2,001 - 3,000 SF)	18,051	DU	127	2,292,477	6,017	
Sewer Capacity Fee (3,001 - 4,500 SF)	22,289	DU	254	5,661,406	14,859	
Total RMWD Fees				\$ 12,002,389	\$ 31,502	
<u>Rainbow Municipal Water District - Facilities</u>						
Sanitary Sewer System	\$ 13,005	DU	381	\$ 4,954,956	\$ 13,005	
Water Line & Fire Hydrant System	8,816	DU	381	3,358,834	8,816	
Prevailing Wage (15%)	3,273	DU	381	1,247,069	3,273	
Total RMWD Facilities				\$ 9,560,859	\$ 25,094	
Total RMWD Fees and Facilities				\$ 21,563,248	\$ 56,596	



CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM

ACQUISITION AGREEMENT

BY AND BETWEEN
RAINBOW MUNICIPAL WATER DISTRICT
AND
OCEAN BREEZE RANCH, LLC

For the project known as Ocean Breeze Ranch

Dated as of **[INSERT DATE FOLLOWING BOARD APPROVAL]**

DRAFT

DRAFT

ACQUISITION AGREEMENT

Recitals

A. The parties to this Acquisition Agreement (the “Agreement”) are the RAINBOW MUNICIPAL WATER DISTRICT, (the “Local Agency”), and OCEAN BREEZE RANCH, LLC, a limited liability company (the “Developer”).

B. The effective date of this Agreement is _____.

C. The Developer has applied for the financing of, among other things, certain public capital improvements to be owned by the Local Agency (collectively, the “Acquisition Improvements”) through the California Statewide Communities Development Authority (the “Authority”) and its Statewide Community Infrastructure Program (“SCIP”). The Acquisition Improvements are to be owned and operated by the Local Agency, and the financing is to be accomplished through a community facilities district which will be administered by the Authority under and pursuant to the Mello-Roos Community Facilities Act of 1982 – California Government Code Sections 53311 and following (the “Act”). In anticipation of the formation of a community facilities district by the Authority, the Developer and the Local Agency propose to enter into this Agreement.

D. The administration, payment and reimbursement of the capital facilities fees is agreed to be governed by the provisions of the SCIP Manual of Procedures as it may be amended from time to time. The administration, payment and reimbursement of the Acquisition Improvements shall be as provided herein.

E. Under SCIP, the Authority intends to levy special taxes and issue bonds, in one or more series, to fund, among other things, all or a portion of the costs of the Acquisition Improvements. The portion of the proceeds of the special taxes and bonds allocable to the cost of the Acquisition Improvements, together with interest earned thereon, is referred to herein as the “Available Amount”.

F. The Authority will provide financing for the acquisition by the Local Agency of the Acquisition Improvements and the payment of the Acquisition Price (as defined herein) of the Acquisition Improvements from the Available Amount. Attached hereto as Exhibit A is a description of the Acquisition Improvements, which includes authorized discrete and usable portions, if any, of the public capital improvements, pursuant to Section 53313.51 of the Act, to be acquired from the Developer.

G. The parties anticipate that, upon completion of the Acquisition Improvements and subject to the terms and conditions of this Agreement, the Local Agency will acquire such completed Acquisition Improvements with the Available Amount.

H. Any and all monetary obligations of the Local Agency arising out of this Agreement are the special and limited obligations of the Local Agency payable only from the Available Amount, and no other funds whatsoever of the Local Agency shall be obligated therefor.

I. Attached to this Agreement are Exhibit A (*Acquisition Improvements and the Eligible Portions thereof*) and Exhibit B (*Form of Requisition*), which are incorporated into this Agreement for all purposes.

In consideration of Recitals A through I, inclusive, and the mutual covenants, undertakings and obligations set forth below, the Local Agency and the Developer agree as stated below.

Agreement

ARTICLE I

DEFINITIONS; DISTRICT FORMATION AND FINANCING PLAN

Section I.01. Definitions. As used herein, the following capitalized terms shall have the meanings ascribed to them below:

“Acceptable Title” means free and clear of all monetary liens, encumbrances, assessments, whether any such item is recorded or unrecorded, and taxes, except those items which are reasonably determined by the Local Agency Engineer not to interfere with the intended use and therefore are not required to be cleared from the title.

“Acquisition and Construction Fund” means the “Rainbow Municipal Water District Acquisition and Construction Fund” established by the Authority pursuant to Section 1.03 hereof for the purpose of paying the Acquisition Price of the Acquisition Improvements and which fund may be held as a subaccount within a fund established under the Authority Trust Agreement and may be commingled with acquisition and construction fund monies available for other public capital improvements.

“Acquisition Improvement” shall have the meaning assigned to such term in the recitals and are further described in Exhibit A.

“Acquisition Price” means the total amount eligible to be paid to the Developer upon acquisition of an Acquisition Improvement as provided in Section 2.03 not to exceed the Actual Cost of the Acquisition Improvement.

“Act” has the meaning ascribed thereto in Recital C.

“Actual Cost” means the total cost of an Acquisition Improvement, as documented by the Developer to the satisfaction of the Local Agency and as certified by the Local Agency Engineer in an Actual Cost Certificate including, without limitation, (a) the Developer’s cost of constructing such Acquisition Improvement including grading, labor, material and equipment costs, (b) the Developer’s cost of designing and engineering the Acquisition Improvement, preparing the plans and specifications and bid documents for such Acquisition Improvement, and the costs of inspection, materials testing and construction staking for such Acquisition Improvement, (c) the Developer’s cost of any performance, payment and maintenance bonds and

insurance, including title insurance, required hereby for such Acquisition Improvement, (d) the Developer's cost of any real property or interest therein that is either necessary for the construction of such Acquisition Improvement (e.g., temporary construction easements, haul roads, etc.), or is required to be conveyed with such Acquisition Improvement in order to convey Acceptable Title thereto to the Local Agency or its designee, (e) the Developer's cost of environmental evaluation or mitigation required for such Acquisition Improvement, (f) the amount of any fees actually paid by the Developer to governmental agencies in order to obtain permits, licenses or other necessary governmental approvals and reviews for such Acquisition Improvement, (g) the Developer's cost for construction and project management, administration and supervision services for such Acquisition Improvement, (h) the Developer's cost for professional services related to such Acquisition Improvement, including engineering, accounting, legal, financial, appraisal and similar professional services, and (i) the costs of construction financing incurred by the Developer with respect to such Acquisition Improvement.

"Actual Cost Certificate" means a certificate prepared by the Developer detailing the Actual Cost of an Acquisition Improvement, or an Eligible Portion thereof, to be acquired hereunder, as may be revised by the Local Agency Engineer pursuant to Section 2.03.

"Agreement" means this Acquisition Agreement, dated as of **INSERT DATE FOLLOWING BOARD APPROVAL.**

"Authority" means the California Statewide Communities Development Authority.

"Authority Trust Agreement" means a Trust Agreement entered into by the Authority and an Authority Trustee in connection with the issuance of bonds.

"Authority Trustee" means the financial institution identified as trustee in an Authority Trust Agreement.

"Available Amount" shall have the meaning assigned to the term in Recital E.

"Bonds" means bonds or other indebtedness issued by the Authority as tax-exempt or taxable bonds or other indebtedness, in one or more series, that is to be repaid by the District.

"Code" means the Streets and Highways Code or the Government Code of the State of California, as applicable.

"Developer" means Ocean Breeze Ranch, LLC, its successors and assigns.

"Disbursement Request Form" means a requisition for payment of funds from the Acquisition and Construction Fund for an Acquisition Improvement, or an Eligible Portion thereof in substantially the form contained in Exhibit B hereto to be submitted to the Authority Trustee by the Local Agency.

"District" shall have the meaning assigned to the term in Recital C.

"Eligible Portion" shall have the meaning ascribed to it in Section 2.03 below.

"Installment Payment" means an amount equal to ninety percent (90%) of the Actual Cost of an Eligible Portion.

4144-4536-9655.1

“Local Agency” means the Rainbow Municipal Water District.

“Local Agency Engineer” means the Engineer of the Local Agency or his/her designee who will be responsible for administering the acquisition of the Acquisition Improvements hereunder.

“Project” means the Developer’s development of the property in the District, including the design and construction of the Acquisition Improvements and the other public and private improvements to be constructed by the Developer within the District.

“Special Taxes” means annual special taxes, and prepayments thereof, authorized by the District to be levied by the Commission of the Authority.

“Title Documents” means, for each Acquisition Improvement acquired hereunder, a grant deed or similar instrument necessary to transfer title to any real property or interests therein (including easements), or an irrevocable offer of dedication of such real property with interests therein necessary to the operation, maintenance, rehabilitation and improvement by the Local Agency of the Acquisition Improvement (including, if necessary, easements for ingress and egress) and a bill of sale or similar instrument evidencing transfer of title to the Acquisition Improvement (other than said real property interests) to the Local Agency, where applicable.

Section I.02. Participation in SCIP. The Local Agency has approved a form of Joint Community Facilities Agreement with the Authority for the purpose of accepting applications from time to time of developers within the Local Agency’s jurisdictional boundaries. Developer has applied for financing through SCIP of the Acquisition Improvements, and such application has been approved by the Local Agency. Developer and Local Agency agree that until and unless such financing is completed by the Authority and the Available Amount is deposited in the Acquisition Account (as defined in Section 1.03 below), neither the Developer nor the Local Agency shall have any obligations under this agreement. Developer agrees to cooperate with the Local Agency and the Authority in the completion of SCIP financing for the Acquisition Improvements.

Section I.03. Deposit and Use of Available Amount.

(a) Upon the recording of the map but no later than 60 days thereafter, one third of the total “Water and Sewer Fee Obligation” which shall not be less than \$4,00,796.33 (referred to as the “1st Payment”) shall be due to the Local Agency. Furthermore, upon issuance of the first building permit, but no later than 60 days thereafter, a second payment equal to the amount of the 1st payment shall be due to the Local Agency. Additionally, a third payment, which will be equal to the remaining fee obligation for the entire Project, will be due no later than 60 days following one year after the date of the second payment. If funds are not available in the Acquisition and Construction Fund, the Developer shall advance the funds to Local Agency.

(b) Upon the issuance of the Bonds, the Authority will cause the SCIP Trustee to establish and maintain an account (the “Acquisition Account”) for the purpose of holding all funds for the “Water and Sewer Fee Obligation”. All earnings on amounts in the Acquisition and Construction Fund shall remain in the Acquisition and Construction Fund for use as provided

herein and pursuant to the Authority Trust Agreement. Money in the Acquisition and Construction Fund shall be available to respond to delivery of a Disbursement Request Form by the Local Agency and to be paid to the Developer or its designee to pay the Acquisition Price of the Acquisition Improvements, as specified in Article II hereof in accordance with the following priority:

(1) First, to fund the “Water and Sewer Fee Obligation” (as defined in and determined in accordance with Exhibit A), in the estimated amount of \$12,002,389 shall be set aside in a separate subaccount of the Acquisition and Construction Fund towards payment of the “Water and Sewer Fee Obligation”.

(2) Second, to reimburse the Developer advanced “Water and Sewer Fee Obligation”; and

(3) Third, to pay the Acquisition Improvements of any or all other with respect to the Project as approved by the Authority and, to the extent not so used, (i) shall be applied by the Authority to call Bonds or to reduce Special Taxes as the Authority shall determine.

(c) . Upon completion of all of the Acquisition Improvements and the payment of all costs thereof, any remaining funds in the Acquisition and Construction Fund (less any amount determined by the Local Agency as necessary to reserve for claims against the account) (ii) shall be applied to pay the costs of any additional Acquisition Improvements eligible for acquisition with respect to the Project as approved by the Authority and, to the extent not so used, (ii) shall be applied by the Authority to call Bonds or to reduce Special Taxes as the Authority shall determine.

Section I.04. No Local Agency Liability; Local Agency Discretion; No Effect on Other Agreements. In no event shall any actual or alleged act by the Local Agency or any actual or alleged omission or failure to act by the Local Agency with respect to SCIP subject the Local Agency to monetary liability therefor. Further, nothing in this Agreement shall be construed as affecting the Developer’s or the Local Agency’s duty to perform their respective obligations under any other agreements, public improvement standards, land use regulations or subdivision requirements related to the Project, which obligations are and shall remain independent of the Developer’s and the Local Agency’s rights and obligations under this Agreement.

ARTICLE II

DESIGN, CONSTRUCTION AND ACQUISITION OF ACQUISITION IMPROVEMENTS

Section II.01. Letting and Administering Design Contracts. The parties presently anticipate that the Developer has awarded and administered or will award and administer engineering design contracts for the Acquisition Improvements to be acquired from Developer. All eligible expenditures of the Developer for design engineering and related costs in connection with the Acquisition Improvements (whether as an advance to the Local Agency or directly to the design

consultant) shall be reimbursed at the time of acquisition of such Acquisition Improvements. The Developer shall be entitled to reimbursement for any design costs of the Acquisition Improvements only out of the Acquisition Price as provided in Section 2.03 and shall not be entitled to any payment for design costs independent of or prior to the acquisition of Acquisition Improvements.

Section II.02. Letting and Administration of Construction Contracts; Indemnification. State law requires that all Acquisition Improvements not completed prior to the formation of the District shall be constructed as if they were constructed under the direction and supervision, or under the authority, of the Local Agency. In order to assure compliance with those provisions, except for any contracts entered into prior to the date hereof, Developer agrees to comply with the requirements set forth in Exhibit C hereto with respect to the bidding and contracting for the construction of the Acquisition Improvements. The Developer agrees that all the contracts shall call for payment of prevailing wages as required by the Labor Code of the State of California. The Developer's indemnification obligation set forth in Section 3.01 of this Agreement shall also apply to any alleged failure to comply with the requirements of this Section, and/or applicable State laws regarding public contracting and prevailing wages.

Section II.03. Sale of Acquisition Improvements. The Developer agrees to sell to the Local Agency each Acquisition Improvement to be constructed by Developer (including any rights-of-way or other easements necessary for the Acquisition Improvements, to the extent not already publicly owned), when the Acquisition Improvement is has been constructed and is complete to the satisfaction of the Local Agency for an amount not to exceed the lesser of (i) the Available Amount or (ii) the Actual Cost of the Acquisition Improvement. Exhibit A, attached hereto and incorporated herein, contains a list of the Acquisition Improvements. The parties hereto acknowledge that the cost figures assigned to the Acquisition Improvements in Exhibit A are estimates of those costs and the Actual Costs may be higher or lower than the estimates as demonstrated to the satisfaction of the Local Agency Engineer. Portions of an Acquisition Improvement eligible for Installment Payments prior to completion of the entire Acquisition Improvement are described as eligible, discrete and usable portions in Exhibit A (each, an "Eligible Portion"). At the time of completion of each Acquisition Improvement, or Eligible Portion thereof, the Developer shall deliver to the Local Agency Engineer a written request for acquisition, accompanied by an Actual Cost Certificate, by executed Title Documents for the transfer of the Acquisition Improvement where necessary and by information submitted by the Developer demonstrating that Developer has met the conditions precedent to payment set forth in Section II.04 hereof. In the event that the Local Agency Engineer finds that the supporting paperwork submitted by the Developer fails to demonstrate the required relationship between the subject Actual Cost and eligible work or that Developer has failed to satisfy the conditions precedent to payment set forth in Section II.04 hereof, the Local Agency Engineer shall advise the Developer that the determination of the Actual Cost (or the ineligible portion thereof) has been disallowed or the condition precedent to payment that has not been satisfied and shall request further documentation from the Developer. If the further documentation is still not adequate, the Local Agency Engineer may revise the Actual Cost Certificate to delete any disallowed items or items

where the conditions to payment have not been satisfied and the determination shall be final and conclusive.

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Certain soft costs for the Acquisition Improvements, such as civil engineering, may have been incurred pursuant to single contracts that include work relating also to the private portions of the Project. In those instances, the total costs under such contracts will be allocated to each Acquisition Improvement as approved by the Local Agency Engineer. Where a specific contract has been awarded for design or engineering work relating solely to an Acquisition Improvement, one hundred percent (100%) of the costs under the contract will be allocated to that Acquisition Improvement. Amounts allocated to an Acquisition Improvement will be further allocated among the Eligible Portions of that Acquisition Improvement, if any, in the same proportion as the amount to be reimbursed for hard costs for each Eligible Portion bears to the amount to be reimbursed for hard costs for the entire Acquisition Improvement. Costs will be allocated to each Acquisition Improvement as approved by the Local Agency Engineer. The costs of certain environmental mitigation required to mitigate impacts of the public and private portions of the Project will be allocated to each Acquisition Improvement as approved by the Local Agency Engineer.

In the event that the Actual Cost is in excess of the Available Amount, the Local Agency shall withdraw the Available Amount from the Acquisition Account and transfer said amount to the Developer. In the event that the Actual Cost is less than the Available Amount, the Local Agency shall withdraw an amount from the Acquisition Account equal to the Actual Cost, and shall transfer said amount to the Developer. Any amounts then remaining in the Acquisition Account shall be applied as provided in Section 1.03.

In no event shall the Local Agency be required to pay the Developer more than the amount on deposit in the Acquisition Account at the time such payment is requested.

Section II.04. Conditions Precedent to Payment of Acquisition Price. Payment to the Developer or its designee of the Acquisition Price for an Acquisition Improvement from the Acquisition and Construction Fund shall in every case be conditioned first upon the determination of the Local Agency Engineer, pursuant to Section 2.03, that the Acquisition Improvement satisfies all Local Agency regulations, policies and ordinances and is otherwise complete and ready for acceptance by the Local Agency, and shall be further conditioned upon satisfaction of the following additional conditions precedent:

(a) The Developer shall have provided the Local Agency with lien releases or other similar documentation satisfactory to the Local Agency Engineer as evidence that none of the property (including any rights-of-way or other easements necessary for the operation and maintenance of the Acquisition Improvement, to the extent not already publicly owned) comprising the Acquisition Improvement, and the property which is subject to the Special Taxes of the District, is not subject to any prospective mechanics lien claim respecting the Acquisition Improvements.

(b) All due and payable property taxes, and installments of Special Taxes shall be current on property owned by the Developer or under option to the Developer that is subject to the lien of the District.

(c) The Developer shall certify that it is not in default with respect to any loan secured by any interest in the Project.

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(d) The Developer shall have provided the Local Agency with Title Documents needed to provide the Local Agency with title to the site, right-of-way, or easement upon which the subject Acquisition Improvements are situated. All such Title Documents shall be in a form acceptable to the Local Agency (or applicable governmental agency) and shall convey Acceptable Title. The Developer shall provide a policy of title insurance as of the date of transfer in a form acceptable to the Local Agency Engineer insuring the Local Agency as to the interests acquired in connection with the acquisition of any interest for which such a policy of title insurance is not required by another agreement between the Local Agency and the Developer. Each title insurance policy required hereunder shall be in the amount equal to or greater than the Acquisition Price.

Section II.05. SCIP Requisition. Upon a determination by the Local Agency Engineer to pay the Acquisition Price of the Acquisition Improvements pursuant to Section 2.04, the Local Agency Engineer shall cause a SCIP Requisition to be submitted to the Program Administrator. The Program Administrator will review the SCIP Requisition and forward it with instructions to the SCIP Trustee and the SCIP Trustee shall make payment directly to the Developer of such amount pursuant to the SCIP Trust Agreement. The Local Agency and the Developer acknowledge and agree that the SCIP Trustee shall make payment strictly in accordance with the SCIP Requisition and shall not be required to determine whether or not the Acquisition Improvements have been completed or what the Actual Costs may be with respect to such Acquisition Improvements. The SCIP Trustee shall be entitled to rely on the SCIP Requisition on its face without any further duty of investigation.

ARTICLE III

MISCELLANEOUS

Section III.01. Indemnification and Hold Harmless. The Developer hereby assumes the defense of, and indemnifies and saves harmless the Local Agency, the Authority, and each of its respective officers, directors, employees and agents, from and against all actions, damages, claims, losses or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from or alleged to have resulted from the acts or omissions of the Developer or its agents and employees in the performance of this Agreement, or arising out of any contract for the design, engineering and construction of the Acquisition Improvements or arising out of any alleged misstatements of fact or alleged omission of a material fact made by the Developer, its officers, directors, employees or agents to the Authority's underwriter, financial advisor, appraiser, district engineer or bond counsel or regarding the Developer, its proposed developments, its property ownership and its contractual arrangements contained in the official

statement relating to the SCIP financing (provided that the Developer shall have been furnished a copy of such official statement and shall not have objected thereto); and provided, further, that nothing in this Section 3.01 shall limit in any manner the Local Agency's rights against any of the Developer's architects, engineers, contractors or other consultants. Except as set forth in this Section 3.01, no provision of this Agreement shall in any way limit the extent of the responsibility of the Developer for payment of damages resulting from the operations of the Developer, its agents and employees. Nothing in this Section 3.01 shall be understood or construed to mean that the Developer agrees to indemnify the Local Agency, the Authority or any of its respective officers, directors, employees or agents, for any negligent or wrongful acts or omissions to act of the Local Agency, Authority its officers, employees, agents or any consultants or contractors.

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Section III.02. Audit. The Local Agency shall have the right, during normal business hours and upon the giving of ten days' written notice to the Developer, to review all books and records of the Developer pertaining to costs and expenses incurred by the Developer (for which the Developer seeks reimbursement) as well as compliance with the contracting procedures required by this Agreement in constructing the Acquisition Improvements.

Section III.03. Cooperation. The Local Agency and the Developer agree to cooperate with respect to the completion of the SCIP financing for the Acquisition Improvements. The Local Agency and the Developer agree to meet in good faith to resolve any differences on future matters which are not specifically covered by this Agreement.

Section III.04. General Standard of Reasonableness. Any provision of this Agreement which requires the consent, approval or acceptance of either party hereto or any of their respective employees, officers or agents shall be deemed to require that such consent, approval or acceptance not be unreasonably withheld or delayed, unless such provision expressly incorporates a different standard. The foregoing provision shall not apply to provisions in the Agreement which provide for decisions to be in the sole discretion of the party making the decision.

Section III.05. Third Party Beneficiaries. The Authority and its officers, employees, agents or any consultants or contractors are expressly deemed third party beneficiaries of this Agreement with respect to the provisions of Section 3.01. It is expressly agreed that, except for the Authority with respect to the provisions of Section 3.01, there are no third party beneficiaries of this Agreement, including without limitation any owners of bonds, any of the Local Agency's or the Developer's contractors for the Acquisition Improvements and any of the Local Agency's, the Authority's or the Developer's agents and employees.

Section III.06. Conflict with Other Agreements. Nothing contained herein shall be construed as releasing the Developer or the Local Agency from any condition of development or requirement imposed by any other agreement between the Local Agency and the Developer, and, in the event of a conflicting provision, such other agreement shall prevail unless such conflicting provision is specifically waived or modified in writing by the Local Agency and the Developer.

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Section III.07. Notices. All invoices for payment, reports, other communication and notices relating to this Agreement shall be mailed to:

If to the Local Agency:

Rainbow Municipal Water District
Tom Kennedy

General Manager

3707 Old Highway 395

Fallbrook, CA 92028

If to the Developer:

Ocean Breeze Ranch, LLC

Attn: Jim Conrad

5820 W. Lilac Road

Bonsall, CA 92003

Either party may change its address by giving notice in writing to the other party.

Section III.08. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

Section III.09. Governing Law. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

Section III.10. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement.

Section III.11. Singular and Plural; Gender. As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine.

Section III.12. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

Section III.13. Successors and Assigns. This Agreement is binding upon the heirs, assigns and successors-in-interest of the parties hereto. The Developer may not assign its rights or obligations hereunder, except to successors-in-interest to the property within the District, without the prior written consent of the Local Agency.

Section III.14. Remedies in General. It is acknowledged by the parties that the Local Agency would not have entered into this Agreement if it were to be liable in damages under or with respect to this Agreement or the application thereof, other than for the payment to the Developer of any (i) moneys owing to the Developer hereunder, or (ii) moneys paid by the Developer pursuant to the provisions hereof which are misappropriated or improperly obtained, withheld or applied by the Local Agency.

In general, each of the parties hereto may pursue any remedy at law or equity available for the breach of any provision of this Agreement, except that the Local Agency shall not be liable in damages to the Developer, or to any assignee or transferee of the Developer other than for the payments to the Developer specified in the preceding paragraph. Subject to the foregoing, the Developer covenants not to sue for or claim any damages for any alleged breach of, or dispute which arises out of, this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year written above.

RAINBOW MUNICIPAL WATER DISTRICT

By:
Authorized Officer

OCEAN BREEZE RANCH, LLC, a limited liability company

By:
Signature

Print Name

Exhibit A to the Acquisition Agreement

DESCRIPTION OF ACQUISITION IMPROVEMENTS, FEES AND BUDGETED AMOUNTS

Funding includes amounts for incidental costs associated with the capital improvements, including, but not limited to, contingency, design, engineering, and construction management.

WATER AND SEWER FEES	RATE	PER	NO. OF UNITS	TOTAL AMOUNT*
Water Capacity Fees (3/4" Meter)	\$10,401	Meter	381	\$3,962,781
Meter Fee (3/4" Meter)	\$225	Meter	381	\$85,725
Sewer Capacity Fee (Average)	\$ 20,876	EDU	381	\$7,953,883
Total RMWD Water and Sewer Fees				\$12,002,389

Funding of RMWD Water and Sewer Fee Obligation will be made in two payments as follows:

- (a) Within 60 days of map recordation , one third of the total "Water and Sewer Fee Obligation" but not less than \$4,000,796.33 shall be due to RMWD. Upon issuance of the first building permit, another payment equal to the 1st payment is due within 60 days. A third payment in the amount equal to the remaining fee obligation of the entire project is due within 60 days after one year from the date of second payment will be due to RMWD. If funds are not available in the Acquisition and Construction Fund, the Developer shall advance the funds to RMWD.
- (b) Upon the issuance of bonds, the net proceeds will be prioritized as follows:
 - First, to fund the Water and Sewer Fee Obligation
 - Second, reimburse the Developer advanced "Water and Sewer Fee Obligation",

ACQUISITION IMPROVEMENTS	TOTAL AMOUNT*
Sanitary Sewer System	\$5,867,527
Backbone Domestic Water Improvements	\$4,729,002
Prevailing Wage and Construction Management (15%)	\$1,589,479
Total Acquisition Improvements	\$12,186,008
TOTAL ACQUISITION IMPROVEMENTS AND WATER AND SEWER FEES	\$24,188,397

* Estimated. Water and Sewer Fees will be based on the applicable fee at the time the fees are being paid. Acquisition Price will be determined based on Actual Cost as further described in this Acquisition Agreement.

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Exhibit B to the Acquisition Agreement

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FORM OF SCIP REQUISITION

To: BLX Group LLC
SCIP Program Administrator
777 S. Figueroa St., Suite 3200
Los Angeles, California 90017
Attention: Vo Nguyen
Fax: 213-612-2499

Re: Statewide Community Infrastructure Program

The undersigned, a duly authorized officer of the RAINBOW MUNICIPAL WATER DISTRICT hereby requests a withdrawal from the Ocean Breeze Ranch, LLC ACQUISITION ACCOUNT, as follows:

Request Date: [Insert Date of Request]

Name of Developer: Ocean Breeze Ranch, LLC

Withdrawal Amount: [Insert Acquisition Price]

Acquisition Improvements: [Insert Description of Acquisition Improvement(s) from Ex. A]

Payment Instructions: [Insert Wire Instructions or Payment Address for Developer]

The undersigned hereby certifies as follows:

1. The Withdrawal is being made in accordance with a permitted use of such monies pursuant to the Acquisition Agreement, and the Withdrawal is not being made for the purpose of reinvestment.
2. None of the items for which payment is requested have been reimbursed previously from other sources of funds.
3. If the Withdrawal Amount is greater than the funds held in the Acquisition Account, the SCIP Program Administrator is authorized to amend the amount requested to be equal to the amount of such funds.
4. To the extent the Withdrawal is being made prior to the date bonds have been issued on behalf of SCIP, this withdrawal form serves as the declaration of official intent of the RAINBOW MUNICIPAL WATER DISTRICT, pursuant to Treasury Regulations 1.150-2, to reimburse with respect expenditures made from the Acquisition Account listed above in the amount listed above.

RAINBOW MUNICIPAL WATER DISTRICT

By: _____

Title: _____

BOARD OF DIRECTORS

August 22, 2023

SUBJECT

DISCUSSION AND POSSIBLE ACTION REGARDING THE APPOINTMENT, EMPLOYMENT, OR COMPENSATION OF THE GENERAL MANAGER

BACKGROUND

General Manager Tom Kennedy has given notice of his intention to retire by October 4, 2023. In November 2022, the Board of Directors contracted with Alliance Resource Consulting to assist with recruiting and selecting a successor General Manager candidate. The Board President appointed an Executive Search ad-hoc committee to work with Alliance Resource Consulting to screen applicants and select finalists for the Board's consideration.

The position was posted and open for applications between June 6 and July 7, 2023. A total of 49 applications were received; 26 applicants were asked to complete a supplemental questionnaire, and 17 were selected for screening calls by Alliance Resources Consulting. The Executive Search Ad-Hoc Committee reviewed the application packets and selected five candidates to interview. The preliminary interviews took place on August 10, 2023, and the Executive Search Ad-Hoc Committee selected three finalists to be interviewed by the Board of Directors to make the appointment.

DESCRIPTION

The Board of Directors will conduct final interviews and may make a selection for a candidate to appoint as General Manager in Closed Session at the August 22, 2023, Board Meeting. If a selection is made, the selected candidate will be announced in open session, and the Board may direct labor negotiators Tom Kennedy and/or Karleen Harp and/or Cindy Krebs to immediately negotiate employment terms and conditions with the selected candidate for the Board's approval. The attached draft Employment Agreement sets forth the proposed terms and conditions that would be presented to the selected candidate.

Under the proposed terms, the selected candidate would be appointed for a three-year term, with an employment start date no later than October 2, 2023. Other proposed terms include the following:

- The base pay offered would be within the District's pay grade for the General Manager classification established by Board Resolution No. 23-15, with a minimum annual salary of \$220,000 and a maximum of \$319,000.
- The employee will be eligible for an annual cost of living base pay adjustment each year on the employment anniversary date, based on the most recently published 12-month change in CPI for San Diego County, with a maximum adjustment of 3%.
- The employee will be eligible for a base pay merit increase of up to 6% each year at the Board's sole discretion.

- The employee will be eligible for a performance-based bonus of up to \$15,000 annually at the Board's sole discretion.
- The District would make matching contributions to the employee's 457(b) retirement savings account of up to \$100 per pay period and up to \$50 per pay period into the employee's 401(a) account.
- The District would provide the employee with a leased take-home vehicle.
- The employee will accrue Paid Time Off (PTO) at the same rate as other exempt employees and may cash out up to 120 unused PTO hours each January if the employee maintains a balance of at least 80 hours after the cashout.
- Except as outlined in the draft Employment Agreement, the employee shall be entitled to the same benefits and employee cost-sharing terms as represented employees, including medical, dental, vision, short-term and long-term disability insurance, and CalPERS retirement.
- Should the Board terminate the contract without cause before the end of its term, the employee shall be entitled to the lesser of six months of severance pay and COBRA benefits; or salary and COBRA benefits for the remainder of the contract term, subject to execution of a separately negotiated Settlement Agreement and release of claims.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

California Government Code §54953(c)(3) requires that before taking final action, the Board shall orally report a summary of the recommendation for final action on the salaries or compensation paid in the form of fringe benefits of a local agency executive during the open meeting in which the final action is to be taken.

BOARD OPTIONS/FISCAL IMPACTS

A member of the Board is required by Government Code §54953(c)(3) to orally report the summary of the recommendations before taking action.

Option 1:

Appoint a successor General Manager. A member of the Board is required to orally report the summary of the compensation recommendations before taking action. A proposed script outline is below:

"I move to appoint _____ (name) as General Manager of the Rainbow Municipal Water District, under the terms and conditions outlined in the draft Employment Agreement with the following specific terms:

[read aloud only the applicable line(s) below]

- "The employee's first day of employment will be _____.
- "The employee's annual salary shall be \$ _____.

Option 2:

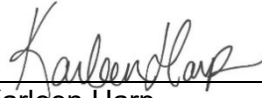
Other action at the Board's discretion. A member of the Board is required by Government Code §54953(c)(3) to orally report the summary of the recommendations before taking action.

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 defers to the Board for discussion and possible action.



Karleen Harp
Administrative Services Manager

August 22, 2023

**RAINBOW MUNICIPAL WATER DISTRICT
EMPLOYMENT AGREEMENT FOR THE GENERAL MANAGER**

This Employment Agreement (“Agreement”) is made and entered into as of the 22nd day of August 2023 (“Effective Date”), by and between the Rainbow Municipal Water District (“District”) and _____ (EMPLOYEE NAME) (“Employee”).

RECITALS

WHEREAS, Rainbow Municipal Water District is a municipal water district organized and operating under California Water Code sections 71000 et seq. and located at 3707 Old Hwy 395, Fallbrook, CA 92028.

WHEREAS, District wishes to engage the services of Employee as the General Manager of the District beginning _____ (start date) and to induce the Employee to remain in such position on the terms and conditions outlined in this Agreement;

WHEREAS, Employee represents and warrants that he has the skill and ability to fulfill the requirements of the General Manager position and wishes to accept such employment on the terms and conditions outlined in this Agreement.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants herein contained, the parties hereto agree as follows:

1. EMPLOYMENT.

A. District hereby offers, and the Employee hereby accepts, the position of General Manager under the terms and conditions stated herein, beginning _____ (employment start date), as an at-will employee serving at the pleasure of the Board of Directors.

B. In the capacity of General Manager, Employee shall be the Chief Executive Officer of the District. Employee shall do and perform all services, acts, or things necessary or advisable to manage and conduct the business of the District, including hiring and firing all employees other than the Board selected officers of the District, subject at all times to the policies set by the District’s Board of Directors, and to the Rules, Regulations, Policies, and Ordinances of the District, and in conformance with State and Federal laws.

C. Employee shall devote such time, interest, and effort to performing his duties to fulfill the above requirements. Employee agrees to perform such services to the best of his ability efficiently and competently, consistent with the profession’s standards. Employee understands and agrees that

this position is an exempt, salaried, full-time position with regular required work hours Monday through Friday and may require work in the evenings and weekends to fulfill the job responsibilities.

2. TERM AND RENEWAL.

A. This Agreement shall be effective as of August 22, 2023. The Term of this Agreement shall be for three (3) years, through August 22, 2026, unless sooner terminated or extended by the parties as outlined in this Agreement.

B. If the Board determines that the Employee is not to be reemployed upon expiration of this Agreement, he shall be given written notice thereof by the Board at least forty-five (45) days before the expiration of the Term of this Agreement. Should the Board fail to re-employ the Employee and the written notice provided for in this Section 2 has not been given at least forty-five (45) days before the end of the initial Term of this Agreement, then this Agreement shall thereafter continue in full force and effect beyond the expiration date of the Term unless and until either party gives at least forty-five (45) days' written notice to the other of its intent to terminate this Agreement.

3. COMPENSATION AND REIMBURSEMENT.

A. Salary. The District agrees to pay Employee for services rendered pursuant hereto at a rate of _____ (\$ _____) annually, according to the procedures regularly established and as the District may amend them in its sole discretion.

B. The Employee shall be entitled to annual Cost of Living increases equal to the average 12-month increase, if any, of the most recently published Consumer Price Index (CPI) for San Diego County, with a maximum increase of 3%, effective on the anniversary of the Employee's first day of employment.

C. The Employee may receive an annual lump-sum bonus of up to \$15,000 based on achieving his goals and objectives, as determined by the Board in its sole discretion. Any lump-sum bonus will not be subject to CalPERS contributions and must be expressly memorialized in a subsequent written and executed Amendment to this Agreement. All compensation and comparable payments to be paid to Employee shall be subject to withholdings and taxes required by law.

4. BENEFITS.

In addition to the compensation and reimbursement outlined in Section 4, the Employee shall be entitled to the following benefits.

A. Automobile. The Employee shall be allowed to use a District-owned or District-leased vehicle for all use related to District business and personal use, subject to the District's vehicle use

policy. Employee agrees not to allow anyone who is not a District employee to operate a District vehicle and agrees not to drive a District vehicle under the influence of alcohol, legal or illegal drugs, or otherwise in any condition where his ability to operate a vehicle safely may be impaired.

B. Job-Related Expense Reimbursement. The District will pay the Employee's legitimate good faith business expenses incurred in connection with District business, as required under law or provided for other employees of the District and upon the same terms and conditions as those which apply to other employees of the District.

C. Dues and Subscriptions. The District shall budget and pay for the Employee's professional dues and subscriptions necessary for his continued full participation in Board-approved national, regional, state, and local associations and organizations necessary and desirable for continued professional growth and advancement and the good of the District.

D. Health Benefits. Except as otherwise provided herein, while employed with the District, Employee shall be entitled to participate in District-sponsored benefit plans, including health (medical, dental, vision, EAP, Health Savings Account benefits) and to receive the District's standard employee benefits to the extent that Employee is otherwise qualified to participate under the same cost-sharing terms as represented employees and any applicable plan eligibility rules. Consistent with applicable law, the District reserves the right to modify, supplement, rescind, or revise any provision of District benefit plans, to cease providing certain benefits, or to add new benefits from time to time as it deems necessary or appropriate in its sole discretion.

E. CalPERS Benefit. The Employee shall participate in the California Public Employment Retirement System (CalPERS) as either a "Classic Member" or a "new member," as outlined in Assembly Bill (AB) 34, which created the Public Employees' Pension Reform Act (PEPRA) effective January 1, 2013. Except as otherwise provided herein, while employed with the District, Employee shall be required to participate in the District-sponsored California Public Employees Retirement System (CalPERS) and to receive the District's standard employee pension benefits to the extent that the Employee is otherwise qualified to participate under the terms of CalPERS or District rules relating to those benefits. The District is prohibited by law from paying any portion of the mandatory employee contribution. The District will contribute the employer contribution rate as calculated by CalPERS.

F. Paid Time Off. The employee will accrue Personal Time Off (PTO) at 9.23 hours each bi-weekly pay period for 240 hours of PTO annually for the first three (3) years of employment with a maximum allowable accrual of 480 PTO hours. At the start of the fourth year of employment, the Employee will accrue at the rate of 10.77 hours per pay period or 280 hours per year, with a maximum limit for accrual of 560 hours,

G. PTO Buy Back. If the Employee has used at least 80 hours of PTO in the previous year, he may cash out up to 120 hours of PTO in January of each year, as long as he maintains a minimum

balance of 80 hours.

H. Deferred Compensation. The Employee may participate in the District's deferred compensation 457(b) and 401(a) programs. The District will match up to \$100 per pay period of the Employee's voluntary contributions to the 457(b) plan; and the District will match up to \$50 per pay period of the employee's voluntary contributions to the 401(a) plan.

I. Professional Development. The District shall budget and pay for travel and subsistence expenses for Employee (as set out by applicable District practice, as it may be amended from time to time in the District's sole discretion) for Board-approved professional and official travel and meetings. Similarly, necessary functions, including, but not limited to, Board approved groups and committees of which the Employee is a member, as well as short courses, institutes and seminars necessary for the Employee's professional development and the good of the District.

J. Other Benefits. Except as otherwise provided herein, and once eligibility requirements have been met, the District agrees to provide the Employee with the same fringe benefits, including but not limited to life insurance, short-term and long-term disability insurance coverage, and all other benefits which the District, in its discretion as may be revised from time to time during the continuance of this Agreement, provides for other employees of the District and upon the same terms and conditions as those which apply to other employees of the District.

5. PERFORMANCE EVALUATION.

A. At the commencement of this Agreement, the Board and the Employee shall identify mutually defined goals and objectives for the Employee as he proceeds during the first year of this Agreement. In addition, the Board shall review and evaluate the Employee's performance in writing annually at a Board meeting in August of each year. The evaluation will also set forth mutually defined goals to be achieved by the Employee in the subsequent year. The Employee will be provided an adequate opportunity to discuss his evaluation with the Board at a Board meeting. The Employee shall be eligible, if warranted in the Board's sole discretion, to receive a merit increase of up to 6% of Employee's base salary at the conclusion of such evaluation and at any additional time determined by the Board. Any agreed salary increase must be expressly memorialized in a subsequent written and executed Amendment to this Agreement. Failure of the Board to conduct a performance evaluation shall not prohibit the Board from terminating this Agreement in accordance with Section 7 of this Agreement.

B. The performance review and evaluation process set forth herein is intended to provide review and feedback to the Employee to facilitate more effective management of the District. Nothing herein shall be deemed to alter or change the employment status of Employee, nor shall this Section be construed as requiring "cause" to terminate this Agreement or the services of Employee hereunder.

6. OUTSIDE EMPLOYMENT, CONDUCT, AND BEHAVIOR.

A. Except as authorized in section 1.C., above, during the Term of this Agreement, Employee shall not, whether directly or indirectly, render any services of a commercial or professional nature to any other person or organization, whether for compensation or otherwise, without the prior written consent of Employer. However, the expenditure of reasonable amounts of time for educational, charitable, or professional activities shall not be deemed a breach of this Agreement if those activities do not materially interfere with the services required under this Agreement and shall not require the prior written consent of Employer.

B. Employee shall comply with all local and state requirements regarding conflicts of interest and shall avoid personal involvement in situations that are inconsistent or incompatible with the position of General Manager or which give rise to the appearance of impropriety.

C. Employee agrees that all files, records, documents, equipment, software, and similar items, whether maintained in hard copy or electronically relating to District business, whether prepared by Employee or others, are and shall remain exclusively the property of the District and that they shall be removed from the premises, or if electronic, from the computer systems of the District only with the express prior written consent of the District's Board of Directors.

D. Employee covenants and agrees with Employer that Employee will not, during the initial or extended Term of this Agreement and thereafter, directly or indirectly use, communicate, disclose, or disseminate to anyone (except to the extent reasonably necessary for Employee to perform Employee's duties hereunder, except as required by law, or except if generally available to the public otherwise than through use, communication, disclosure, or dissemination by Employee) any Confidential Information (as hereinafter defined) concerning the business or affairs of Employer or of any of its affiliates or subsidiaries which Employee may have acquired in the course of or as incident to Employee's employment or prior dealings with Employer or with any of its affiliates or subsidiaries.

1. "Confidential Information" shall mean (a) all knowledge, information, trade secret, process, procedure, and/or material concerning Employer or its business or the business of any of its affiliates or subsidiaries that shall become known to Employee as a consequence of Employee's relationship with Employer, (b) all information that has been disclosed to Employer by any third party under an agreement or circumstances requiring such information to be kept confidential, and (c) all knowledge, information, trade secret, process, procedure, and/or material concerning inventions that are owned by Employer or assigned to Employer; provided that the Confidential Information shall not include knowledge, information, process, procedure, and/or material that is or becomes generally known or available to others in businesses engaged in by Employer or to the public (other than through unauthorized disclosure). Confidential Information shall include without limitation (a) information of a technical nature, such as information regarding past, present, and future research, financial data, product information, marketing plans, computer programs (whether in source or object code form or other form and whether contained on program listings, magnetic tape,

magnetic disks, CD ROMS or any other media), logic, flow charts, specifications, documentation and ideas relating to the activities of Employer, (b) information of a business nature, such as information regarding past, present, and future client development, strategies, procurement specifications, costs and financial data, contracts, quotations, and names of actual and prospective clients or customers, and (c) all documents, drawings, reports, client lists, and other physical embodiments of all such information.

- E. The Employer may set such other terms and conditions of employment as it may determine from time to time, in its sole discretion, relating to the performance of Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement or any federal, state, or local law. Employee shall also adhere to the District's Administrative Code and all of Employer's Rules, Regulations, and Policies so long as they do not conflict with this Agreement's terms. Failure to do so shall constitute a material breach of this Agreement.

7. TERMINATION AND SEVERANCE.

A. It is expressly understood that Employee, in his capacity as General Manager, is a contracted employee serving "at will" and at the pleasure of the Board, subject to termination according to the terms of this Agreement, and with no right to any hearing or appeal, including any so-called *Skelly* conference, other than the rights expressly provided in this Agreement. To the extent any District rule, regulation, or policy purports to provide rights to the Employee beyond what is articulated within this Agreement, the Employee expressly waives said rights.

B. This Agreement shall automatically terminate upon Employee's death, retirement, or permanent incapacity. As used herein, disability shall have the same meaning and be determined in the same manner as provided under the Public Employees Retirement System (PERS). Neither Employee nor his heirs, administrators, successors, or assigns shall have any right under this Agreement to salary after such death or disability, but they shall have such rights and benefits as may be provided by law.

C. The Employee serves at the will and pleasure of the Board. At any time during the Term of this Agreement or any extension thereof, the Board reserves the right to terminate the employment of Employee and determine his last day of employment upon vote of three or more members of the Board at a duly noticed Board meeting. In the event of any termination, whether with or without cause, Employee shall have no right to a hearing or other review of the reason for his termination by the District. Employee expressly waives any right to such a hearing or other review which may otherwise be granted by law.

1. If this Agreement is terminated before the end of its term "for cause" as defined

below, no further compensation or benefit shall be made to the Employee. Cause shall mean severe abuse, such as fraud, embezzlement, misappropriation of District property, sexual harassment, or undue use of influence as a District official, criminal activities, whether or not prosecution or conviction occurs, Employee's repeated failure to perform the essential functions of the job satisfactorily, including those circumstances where such failure is due the use of illegal drugs or abuse of legal drugs, including alcohol.

2. In the event the District terminates Employee's employment for a reason other than those outlined in Section 7(C)(1), the Employee shall be entitled to the following severance per the terms of California Government Code sections 53260, *et seq.*: An amount equal to six (6) months/13 pay periods of the Employee's then base salary and six (6) months of COBRA continuation coverage (medical, dental, vision, and EAP) provided the Employee requests such coverage; or an amount equal to his then base monthly salary multiplied by the number of months remaining on the unexpired Term of this Agreement and the same number of months of COBRA coverage, whichever is less. The Employee shall be entitled to this severance pay in a lump sum within 30 days of termination, subject to a separately negotiated Separation Agreement and General Release of Claims. Employee's entitlement to COBRA continuation coverage under this section 7.C(2) will expire immediately upon the Employee's eligibility to enroll in group health insurance benefits through any subsequent employer.

3. Suppose the termination of this employment contract results from the merger, consolidation, reorganization, or other change of organization of the District. In that case, the Employee shall be entitled to severance compensation equal to 12 months/26 pay periods of the Employee's then base compensation, which will be paid in a lump sum by the District within 30 days after the termination of employment, subject to a separately negotiated Separation Agreement and Release of Claims. In addition to such severance pay, the District shall pay for COBRA continuation coverage (medical, dental, vision, and EAP) for up to 18 months following termination, provided the Employee requests coverage. Employee's entitlement to COBRA continuation coverage under this section 8.C(3) will expire immediately upon the Employee's eligibility to enroll in group health insurance benefits through any subsequent employer.

4. The provisions of California Government Code sections 53243 through 53243.4, as those sections now or hereafter exist, are hereby incorporated by reference into this Agreement. Thus, if Employee is convicted of a crime involving an abuse of his office or position, whether before or after release from employment, Employee shall fully reimburse the District for any severance pay, paid leave, or salary disbursed pending an investigation related to the crime, or legal criminal defense funds relevant to the crime.

D. The Employee may voluntarily terminate this Agreement upon written notice to the Board and forty-five (45) days prior notice unless the parties otherwise agree. The District shall have the option, in its complete discretion, to terminate the Employee any time before the end of such notice period, provided the District pays the Employee all compensation due and owing through the last day worked, plus an amount equal to the base salary the Employee would have earned through the remainder of the notice period. After that, all the District's obligations under this Agreement shall cease.

E. If the Employee elects to retire, he shall give the Board six (6) months' written notice of his intent to retire from the District and receive such benefits as specified in this agreement.

8. NOTICE.

A notice or communication required or permitted to be given under this Agreement shall be effective when deposited, postage prepaid, with the United States mail. Any notice to the District shall be addressed as follows:

Rainbow Municipal Water District
3707 Old Hwy 395
Fallbrook, Ca 92028

Notice to Employee shall be addressed to his last known residence as reflected in the District's records.

9. GENERAL PROVISIONS.

A. Integration. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and this Agreement supersedes all negotiations and previous agreements between the parties with respect to all or any part of the subject matter hereof. This Agreement wholly supersedes and replaces the terms of any prior agreements and any rights contained in such agreements. Each party to this Agreement acknowledges that no representation, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which is not embodied herein, and that no other agreement, statement, or promise not contained in this agreement shall be valid or binding on either party,

B. Duty to Defend and Indemnify. The District agrees to defend, indemnify, and hold harmless the Employee against any claim or action against him for an injury arising out of an act or omission occurring within the scope of his employment with the District as required by California Government Code Section 825, et seq. Employee must request for defense in writing not less than ten (10) days before the day of trial, and reasonably cooperate in good faith in defense of the claim or action. If Employee does so, the District shall pay any judgment based thereon or any compromise or

settlement of the claim or action to which the District has agreed. Notwithstanding the above, the District shall only indemnify the Employee for punitive or exemplary damages as authorized in Government Code Section 825 or its successor. The District shall also provide defense to Employee as required by California Government Code Section 995 or its successor.

C. Governing Law. This Agreement shall be governed by the laws of the State of California.

D. Venue. The venue for any litigation to interpret or enforce this Agreement shall be the northern district of the San Diego Superior Court.

E. Waiver. A waiver of any term or condition of this Agreement shall not be construed as a general waiver by either party. Neither party shall be free to reinstate any such term or condition, with or without notice to the other.

F. Amendment. This Agreement may be amended occasionally, as mutually agreed by the parties in writing. No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the Employee, and approved by the Board.

G. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of Employee. Still, nothing herein shall be construed as an authorization or right of any party to assign his/its rights or obligations hereunder. Any assignment of the rights or obligations of Employee hereunder without the express written approval of the District shall be void.

H. Partial Invalidity. If any provision or any portion contained in this Agreement is held to be unconstitutional, invalid, or unenforceable, the remainder of this Agreement or portion thereof shall not be affected and shall remain in full force and effect.

I. Legal Consultation. Employee acknowledges that he has had the opportunity to consult legal counsel regarding this Agreement, that he has read and understands this Agreement, that he is fully aware of its legal effect, and that he has entered into it freely and voluntarily and based on his own judgment and not on any representations or promises other than those contained in this Agreement.

J. Public Record. Employee acknowledges that this Agreement, upon final execution, will become a public record under California law and available for public inspection and copying.

K. Other Terms and Conditions of Employment. The District reserves the right but does not undertake the obligation, to fix other terms and conditions of employment consistent with the purpose of this Agreement and California law.

10. EFFECTIVE DATE.

The Parties agree that if signed by all Parties, this Agreement will take effect on the last date on which it or a counterpart hereto is signed by any Party.

I HAVE READ THIS AGREEMENT CAREFULLY AND UNDERSTAND AND AGREE TO ITS TERMS.

EMPLOYEE:

_____ (EMPLOYEE NAME), Employee

Dated: _____, 2023

DISTRICT:

Rainbow Municipal Water District

HAYDEN HAMILTON, Board President

Dated: _____

APPROVED AS TO FORM:

Alfred Smith, Esq. General Counsel

ALFRED SMITH, General Counsel

Dated: _____

ATTEST:

Rainbow Municipal Water District, Secretary to the Board

DAWN WASHBURN, Board Secretary

Dated: _____

BOARD OF DIRECTORS

August 22, 2023

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE A CONTRACT CHANGE ORDER WITH HOCH CONSULTING FOR DESIGN OF THE HUTTON (WEST LILAC), TURNER (RANCHO AMIGOS), AND DENTRO DE LOMAS PUMP STATIONS IN THE AMOUNT OF \$40,323.50 (DIVISION 1)

BACKGROUND

The Hutton, Turner, and Gopher Canyon tanks and associated pressure zones regularly receive water from San Diego County Water Authority (SDCWA) connections 3, 6, and 11. The SDCWA aqueduct is shutdown at least once per year for scheduled inspection and maintenance. These scheduled shutdowns impact the District's water supply. During these shutdowns, the District must rent, install and operate temporary pump stations in up to four strategic locations to pump water to its tanks. Rental pumps take about two to three weeks for delivery, setup and testing for water quality results and often must be placed alongside a road or home(s), which creates noise concerns. In addition to the scheduled SDCWA shutdown(s), there have also been emergency, unscheduled shutdowns in recent years, during which the District must perform the same sequence above.

The Board approved a design contract with Hoch Consulting (Hoch) on January 26, 2021, in the amount of \$166,148 for the replacement of the temporary pumps which supply the Hutton and Turner tanks located within Division 1. During the design of the two (2) pump stations, the project team determined that the design criteria established by earlier modelling efforts by HDR were not fully inclusive of the information needed to model the demands in the District's southern zone. Staff determined that a macro approach to the District's comprehensive hydraulic model was necessary to determine the sizing of the Hutton and Turner pump stations. Staff also discovered that there were limitations for the Turner Pump Station site (age of pipe, suction discharge limitation, and size of pipe). Change Order No.1 (CO#1) was a no-cost change order in November 2021 to reallocate funds to support efforts to calibrate the hydraulic model and run new design scenarios.

Based on Hoch Consulting's findings, staff determined that because of the Rancho Amigos Pump Station limitations, the Hutton Zone could be expanded, the Turner Zone shrunk and that a third pump station, Dentre De Lomas, was necessary. Based on revised modeling results, these three pump stations were determined to all be necessary to meet the District's current and future demands. This level of modeling by Hoch was unanticipated and not part of the original design contract with Hoch Consulting. In August of 2022, the Board of Directors approved Change Order No.2 (CO#2) in the amount of \$299,061 to include the design efforts for a third pump station and extend the contract through February 2023. Hoch's redesign of the West Lilac Pump Station resulted in a decrease in pump size and cost savings of \$286,000.

During design of the three (3) pump stations, additional engineering services were required for a Facility Out of Service Analysis for the Weese/Gopher Pump Station to address any constraints on potential infrastructure updates. In January 2023, the General Manager approved Change Order No.3 (CO#3) in the amount of \$14,582.50 and extend the contract to June 30, 2023 as it was within his signing authority. In June 2023, the General Manager approved Change Order No.4 (CO#4) for a no-cost contract extension

through July 31, 2024, for coverage of the rest of design services and potential support during the construction phase of the project.

CONTRACT SUMMARY			
Original Contract Amount	Previous Change Orders	This Change Order	Total Contract Amount
\$166,149.00	CO# 01: \$0		\$166,149.00
	*CO# 02: \$299,061.00		\$465,210.00
	CO# 03: \$14,582.50		\$479,792.50
	CO# 04: \$0.00		\$479,792.50
		CO# 05: \$40,323.50	\$520,116.00

Change Order No.5 was presented to the Engineering and Operations Committee on August 2, 2023. The Committee recommended Option 1.

DESCRIPTION

Staff is requesting additional engineering services from Hoch to provide EFI submittal reviews for the District’s proposed three (3) pump stations, West Lilac, Rancho Amigos, and Dentro De Lomas in addition to on-going modeling and coordination support.

The table below summarizes the increase in scope and cost. Hoch’s Scope of Work is Attachment 1 to this report and provides more detail on the increased scope of services and cost breakdown.

#	TASK	SCOPE DESCRIPTION	INCREASE COST
1.	Task 100-Project Management & Quality Control	Additional hours for contract extension.	\$2,437.50
2.	Task 101-Meetings, Research, Project Schedule	Includes additional meetings, data collection & review, and project schedule.	\$3,120
3.	Task 200a.1- Design Criteria	Additional review, modeling, and analysis for feasible study to serve enough water from MET connections to Morro and South Zones.	\$14,926
4.	Task 200g:-EFI Submittal Review	Review of the EFI submittals.	\$7,020
5	Task 200b: Contract Documents	Update construction contract documents.	\$12,820
		TOTAL	\$40,323.50

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area One: Water Resources. Designing and constructing the West Lilac, Rancho Amigos, and Dentro De Lomas Pump Stations for regular use in transporting water from the Morro Zone to the Hutton and Turner Tanks will allow the District to ensure the availability of water during SDCWA Aqueduct shutdowns.

ENVIRONMENTAL

In accordance with California Environmental Quality Act (CEQA) guidelines Section 15378, the action before the Board does not constitute a “project” as defined by CEQA.

BOARD OPTIONS/FISCAL IMPACTS

Funds were budgeted in the Five-Year CIP Plan for PN: 600013. This project falls under the Wholesale Water Efficiency Capital Project Budget with an approved budget of \$6,000,000 for this fiscal year. Sufficient funds are available currently to cover this increase of \$40,323.50.

Option 1:

- Authorize the General Manager to execute Change Order No.5 to the Professional Services Agreement with Hoch Consulting to provide additional scope of services in the amount of \$40,323.50.
- Make a determination that the action identified herein does not constitute a “project” as defined by CEQA.

Option 2:

- Provide other direction to staff.

STAFF RECOMMENDATION

Staff recommends Option 1.



Chad Williams
Engineering and CIP Program
Manager

8/22/2023



Hoch Consulting
804 Pier View Way, Suite 100
Oceanside, CA 92054
(tel.) 858-431-9767
ahoch@hochconsulting.com
www.hochconsulting.com

June 12, 2023

Rainbow Municipal Water District
Mr. Chad Williams
Engineering & CIP Program Manager
3707 Old Highway 395
Fallbrook, CA 92028

Subject: Hutton and Turner Pump Station Project – Amendment No. 4 Proposal

Dear Mr. Williams:

The District has requested that Hoch provide a proposal to review the EFI submittals, additional modelling support, and additional coordination. Our amendment proposal includes the additional services, schedule, and fees, which are further described below:

Proposed Scope:

Task 100a: Project Management

Hoch proposes additional project management related to contract extensions due to additional scope discussed further in this amendment proposal. The total proposed increase for this task is \$2,437.50.

Task 101a: Meetings/Research/Project Schedule

Our scope, as defined in Amendment 2, assumed review, QA/QC, and approval of the EFI designs would be performed by District staff or others. As requested by the District, Hoch proposes to attend additional project meetings necessary to coordinate with EFI and the District related to pump station review, QA/QC, and approval as well as meetings and coordination related to changes in the design of the West Lilac Pump station based on our modelling work associated with Amendment 3 and as are further proposed below in Task 200a.1. The total proposed increase for this task is \$3,120.

Task 200a.1: Design Criteria

Our scope, as defined in Amendment 1, included determination of the appropriate MET connection flow rates that were needed to stabilize the south zone tanks during max month demand conditions. During a recent meeting, Hoch learned that the published capacities of the MET connections were significantly higher than their physical capacity to deliver water. Accordingly, the previous model assumptions were determined as infeasible without additional improvements. Hoch and our subconsultant Mission Consulting will provide additional review, modelling, and analyses required to determine a feasible strategy to serve enough water from the District's MET connections to the District's Morro and South Zones. The total proposed increase for this task is \$14,926.

Task 200g: EFI Submittal Review

Our scope, as defined in Amendment 2, assumed Review, QA/QC, and approval of the EFI designs would be performed by District staff or others. Hoch will review EFI submittals, anticipated to include (1) Dentre Pump Station, (2) Rancho Amigos Pump Station, (3) Rancho Amigos Generator, and (4) West Lilac Pump

Station for conformance with the design intent and historic coorespondence. As specifications were not developed for this portion of the project, Hoch will use the Rainbow Heights Pump Station specifications as a surrogate for the quality of materials and equipment desired by the District. Hoch comments will be provided in spreadsheet form and as redlines to the original submittals. This level of effort includes review of one resubmittal for the West Lilac Pump Station, which is anticipated to change due to new system hydraulics determined under Task 200a.1 and review of the factory pump test curves prior to shipment. The total proposed increase for this task is \$7,020.

Task 200b: Contract Documents

Hoch and our subconsultant Gerry Green, Inc. will update the contract documents with revisions to the West Lilac Pump Station due to modifications required as a result of updated hydraulic conditions determined under Task 200a.1 and associated changes to the EFI pump station (e.g. modifying the suction header from below grade to above grade & reduced service entrance station breaker size), which require integration into the contract drawings. The total proposed increase for this task is \$12,820.

Budget:

Hoch Consulting proposes to perform the additional scope of services on a time-and-material basis not to exceed \$40,323.50, bringing the total contract value to \$520,115.50 as is summarized in the attached amended fee proposal.

We greatly appreciate the opportunity to work for RMWD and look forward to a highly successful project. If you have any questions about this proposal, please do not hesitate to contact me.

Sincerely,

Hoch Consulting



Adam Hoch, P.E., QSD, QISP
President/Principal Engineer
License No. C77635

Attachments: Amendment 4 Fee Proposal

Rainbow MWD - Hutton and Turner Pump Stations Amendment 4 Fee Proposal											Hoch Consulting
Project Task	Hoch Consulting Labor					Subconsultants				Direct Costs†	Total Fees*
	Director of Engineering	Prinicpal Engineer	Senior Designer	Associate Engineer	Total Hoch Consulting Labor	Briest Consulting	Gerry Green, Inc.	Kelsey Structural	Mission Consulting	Reproduction & Postage	Amendment 4 Proposal
	\$210.00	\$195.00	\$165.00	\$135.00							
Base Proposal											
Task 100: Project Management & Quality Control	52	123	0	13	\$ 36,660.00	\$ 8,880.00	\$ -	\$ -		\$ -	\$ 46,872.00
Task 100a: Project Management	40	85		13	\$ 26,730.00						\$ 26,730.00
Task 100b: Quality Assurance/Quality Control	12	38			\$ 9,930.00	\$ 8,880.00					\$ 20,142.00
Task 101: Meetings/Research/Project Schedule	86	84	44	107	\$ 56,145.00	\$ 1,850.00	\$ 1,200.00	\$ 900.00		\$ -	\$ 60,687.50
Task 101a: Meetings and Coordination	30	74	36	49	\$ 33,285.00	\$ 1,850.00	\$ 1,200.00	\$ 900.00			\$ 37,827.50
Task 101b: Data Collection & Review	24	8	8	32	\$ 12,240.00						\$ 12,240.00
Task 101c: Project Schedule	32	2		26	\$ 10,620.00						\$ 10,620.00
Task 200: Design Phase/Submittals	211	272	416	432	\$ 224,310.00	\$ 1,480.00	\$ 68,800.00	\$ 34,600.00	\$ 43,960.00	\$ 7,000.00	\$ 402,476.00
Task 200a: Preliminary Design Report	40	30	152	180	\$ 63,630.00	\$ 1,480.00	\$ 2,600.00				\$ 68,322.00
Task 200a.1: Design Criteria	120	164	80	112	\$ 85,500.00				\$ 43,960.00		\$ 136,054.00
Task 200b: Contract Documents	50	36	168	96	\$ 58,200.00		\$ 66,200.00	\$ 34,600.00		\$ 1,000.00	\$ 175,120.00
Task 200c: Utility Coordination		4	12	40	\$ 8,160.00						\$ 8,160.00
Task 200f: Landscaping	1	2	4	4	\$ 1,800.00					\$ 6,000.00	\$ 7,800.00
Task 200g: EFI Submittal Review		36			\$ 7,020.00						\$ 7,020.00
Task 201: Opinion of Probable Cost	12	12	12	24	\$ 10,080.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,080.00
Task 201a: Cost Estimate	12	12	12	24	\$ 10,080.00						\$ 10,080.00
Total Base Proposal	361	491	472	576	\$ 327,195.00	\$ 12,210.00	\$ 70,000.00	\$ 35,500.00	\$ 43,960.00	\$ 7,000.00	\$ 520,115.50
†Anticipated Direct Costs Include Reproduction and Landscaping Design Services											
* Includes 15% Markup on Subconsultants											

BOARD OF DIRECTORS

August 22, 2023

SUBJECT

DISCUSSION AND POSSIBLE ACTION TO APPROVE NEW LOGO IN RECOGNITION OF THE DISTRICT'S 70TH ANNIVERSARY

BACKGROUND

The current District logo is a blue, sans serif Arial font shown in three stacked lines, and a cropped rainbow icon frames the text at the left side. The logo icon incorporates a series of curved lines of various widths to represent the radius of a rainbow. Over the past twenty years, the monochromatic logomark has made a memorable impact with placement on apparel, collateral, signage, and vehicles.

However, the logo has presented challenges for the team, with limitations on the dimensions of the horizontal logo style. The value of the half-rainbow icon has lessened since it was first introduced in the late '90s, as it resembles what has since become the universal symbol for Wi-Fi. In addition, the three lines of text are challenging to replicate on apparel due to the thin width of the last two lines of text. These obstacles are seen as an opportunity to update the logo and incorporate design elements that connect with the community. The 70th anniversary is an ideal time to commemorate the milestone and refresh the logo to reflect the celebration of our service to the community.

The research and development of the logo focused on team members sharing ideas and comments on the challenges with the application of the logo. District managers and team members gave feedback on the logo and ways to improve the design while remaining connected to the past logo. The information was used to formulate a design methodology and guidelines for the new logo design.

DESCRIPTION

The 70th-anniversary logo designs are a vibrant reflection of the District's service area. The bold colors fill the illustrations that depict the rural landscape of rolling hills and agricultural community. Staff created a series of logo designs using the Arial font from the current logo and integrating options for color. Full-color and one-color variations of the logo will provide translation across mediums in print and digital format.

In addition, the departure from focusing the logo design on a rainbow and instead on the community's distinct character would allow this design to remain relevant even if the District changed its name in the future.

The actual images of each design concept will be shared at the Board meeting.

Design Concept 1

The District’s unique topography and sweeping views inspired this logo design. The swooshes represent the rolling hills with accents in green, warm golden sunset, and cobalt blue. The design focuses on movement with the curved edges of the swoosh and gradual change in color from left to right. These design elements indicate the District’s consistent and smooth process for uninterrupted service delivery through peaks and valleys.

The hillside swooshes are an abstract representation of the many layers of the District’s core values through the use of color. The colors were selected based on color psychology concepts to evoke feelings of professionalism and integrity, represented by blue; growth and responsibility, represented by green; and innovation and teamwork, reflected in the warm orange.

The placement of the 70 in Concept 1 overlaps the design elements and District name, creating a design element that celebrates the 70th anniversary that is easy to remove at the end of the year, leaving a timeless stand-alone design to use beyond the 70th-anniversary celebration.

Design Concept 2

The logo concept is a colorful design inspired by the rolling hills and beautiful sunsets below the horizon. The 70th anniversary is reflected in the sans serif number 7 and zero in the round icon with years encircling. The overlapping half circles indicate the rows on an orchard, and those shapes celebrate the agricultural legacy of our community. In addition, the uniform alignment of the curved lines is a psychological cue that reflects the District’s long-standing relationships and open communication with the community and is reminiscent of the three lines representing the rainbow in the District’s current logo.

The gradient colors in the logo vary the Design and showcase movement forward to the future. The bold pop of color in the sun is a transition of tangerine, and golden yellow evokes confidence and innovation.

The logo concepts will enhance the image of the District and build upon the existing logo by utilizing the complementary fonts and the brand’s current blue color. These logo options will serve the District beyond the anniversary by transitioning away from the 70th tagline.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

Strategic Focus Area Six: Communication

BOARD OPTIONS/FISCAL IMPACTS

The fiscal impacts of the new logo were greatly diminished by creating the designs by District staff rather than hiring a consultant. The costs for brand assets that would need to be replaced with the new logo design are approximately \$15,000.

Costs To Roll Out New Logo (One-Time Expenses)	Cost
Property Signs / Tampering Notices on field assets	7,200
Vehicle decals	2,500
Reusable Event Signage	2,500
Updating Infor, Hexnode, Microsoft, Zoom	1,000
Building Signage	1,000
70th Anniversary Edition of Challenge Coin	900
ADDITIONAL COSTS SUBTOTAL	\$ 15,100

In addition to the one-time expenses, some brand assets are consumable products or products with a regular replacement interval. These expenses would be incurred with or without a new logo and total approximately \$15,000.

The products purchased this year would include the 70th-anniversary edition of the new logo, and products that would last longer than a year (such as the uniform contract) would use the new logo without the 70th-anniversary references. These include t-shirts, Excellence coins, promotional giveaway products, business cards, paper assets, and uniforms.

OPTION 1: Approve the adoption of logo Concept 1, Design # _____ (fill in the chosen design) and direct staff to implement the change.

OPTION 2: Approve the adoption of logo Concept 2, Design # _____ (fill in the chosen design) and direct staff to implement the change.

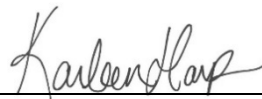
OPTION 3: Do not approve a new logo design now; provide staff with further direction.

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 Option 1. The concept will easily transfer to print and can be changed to a solid white or one-color logo for printing on apparel. The design concept can evolve post 70th anniversary by omitting the 70th numbers and changing the tagline to reflect the District’s service start date. Additionally, inventory is currently low on some logo consumable brand assets, and staff has deferred replenishment in anticipation of a possible new logo to avoid unnecessary duplicate expenses.



Karleen Harp
Administrative Services Manager

August 22, 2023

BOARD OF DIRECTORS

August 22, 2023

SUBJECT

DISCUSSION AND POSSIBLE ACTION REGARDING ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) REGION 10 BOARD ELECTION

BACKGROUND

At their May 23, 2023, meeting, the RMWD Board of Directors were provided with an opportunity to respond to ACWA's Call for Candidates for the Region 10 Board for the 2024-2025 term. The RMWD Board did not take any action on this item.

DESCRIPTION

On July 26, 2023, RMWD receive an email from ACWA addressed to all the Region 10 general managers and board presidents notifying them that ACWA has issued a new ballot for the Region 10 Board election due to an eligible candidate being unintentionally left off the original ballot. After much thought and consideration, it was decided the best means for addressing this situation was to issue a new ballot that includes the missing applicant in the individual candidate section. Bios for the Region 10 candidates are available at acwa.com/elections.

The deadline to receive votes from all authorized representatives are due to ACWA no later than September 15, 2023. Election results will be announced on September 27, 2023 and the newly elected Region 10 Board Members will begin their two-year term of service on January 1, 2024.

Attachments:

- Revised Region 10 Board Ballot
- Support Request from Dana Frieauf

POLICY/STRATEGIC PLAN KEY FOCUS AREA

As one of the leading lobbying organizations for water issues in California, ACWA's efforts can impact all key focus areas of District 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.

BOARD OPTIONS/FISCAL IMPACTS

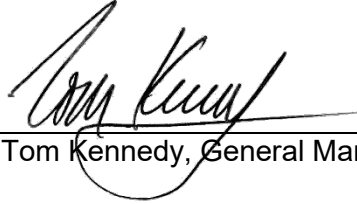
There are no known fiscal impacts of the election.

The Board has the following options:

1. Concur with the Region 10 Nominating Committee's recommended slate.
2. Not concur with the Region 10 Nominating Committee's recommended slate and vote for an individual candidate listed.
3. Take no action.

STAFF RECOMMENDATION

Staff supports direction.



Tom Kennedy, General Manager

August 22, 2023

OFFICIAL REGION 10 Board Ballot

2024-2025 TERM



**Please return completed ballot by
Sept. 15, 2023**

E-mail: regionelections@acwa.com

Mail: ACWA
980 9th Street, Suite 1000
Sacramento, CA 95814

General Voting Instructions:

1 You may either vote for the slate recommended by the Region 10 Nominating Committee, or vote for individual candidates to serve as chair, vice chair, and board members for each county (please note rules & regulations for specific qualifications). Mark the appropriate box to indicate your decision.

2 Complete your agency information. The authorized representative is determined by your agency in accordance with your agency's policies and procedures.

Region 10 Rules & Regulations:

The chair and vice chair shall be from different counties. At least one of the chair or vice chair positions must be an elected/appointed director from a member agency. The region board members shall alternate every two years with three from one county and two from the other. The county from which the chair comes from shall have two region board members and the county from which the vice chair comes from shall have three region board members.

Submitted board candidate bios and headshots are available on www.acwa.com/elections/2023-region-elections/.

1

Nominating Committee's Recommended Slate

I concur with the Region 10 Nominating Committee's recommended slate below.

CHAIR:

- **Dana Frieauf**, Board Member, Santa Fe Irrigation District (SD)

VICE CHAIR:

- **Charles T. Gibson**, Director, Santa Margarita Water District (OC)

BOARD MEMBERS:

- **Marice H. DePasquale**, Vice President, Board of Directors, Mesa Water District (OC)
- **George Murdoch**, Vice President, East Orange County Water District (OC)
- **Deborah Neev**, Commissioner, Laguna Beach County Water District (OC)
- **Jose Martinez**, General Manager, Otay Water District (SD)
- **Jennifer DeMeo**, Vice President, Fallbrook Public Utility District (SD)

OR

Individual Board Candidate Nominations

(See Rules & Regulations before selecting)

I do not concur with the Region 10 Nominating Committee's recommended slate. I will vote for individual candidates below as indicated.

CANDIDATES FOR CHAIR: (CHOOSE ONE)

- Dana Frieauf**, Board Member, Santa Fe Irrigation District (SD)

CANDIDATES FOR VICE CHAIR: (CHOOSE ONE)

- Charles T. Gibson**, Director, Santa Margarita Water District (OC)

SAN DIEGO COUNTY CANDIDATES FOR BOARD MEMBERS: (MAX OF 2 CHOICES)

Alexandra (Ally) Berenter, Senior Manager, External Affairs & Water Policy, City of San Diego (SD)

Manny Delgado, Director, Sweetwater Authority (SD)

Jennifer DeMeo, Vice President, Fallbrook Public Utility District (SD)

Jose Martinez, General Manager, Otay Water District (SD)

ORANGE COUNTY CANDIDATES FOR BOARD MEMBERS: (MAX OF 3 CHOICES)

Marice H. DePasquale, Vice President, Board of Directors, Mesa Water District (OC)

George Murdoch, Vice President, East Orange County Water District (OC)

Deborah Neev, Commissioner, Laguna Beach County Water District (OC)

2

 AGENCY NAME

 AUTHORIZED REPRESENTATIVE

 DATE

From: [Celina McDowell](#)
To: [Celina McDowell](#)
Subject: Vote for Dana Frieauf - Chair ACWA Region 10 Board
Date: Thursday, July 27, 2023 7:40:51 AM

EXTERNAL EMAIL – USE CAUTION WHEN OPENING ATTACHMENTS OR HYPERLINKS.

Santa Fe Irrigation District

July 27, 2023

Board President

RE: Vote for Dana Frieauf - Chair ACWA Region 10 Board

Dear Honorable Board of Directors,

I am excited to announce my candidacy for Chair of the Association of California Water Agencies Region 10 Board for the 2024-2025 Term. I am thrilled to have been included on the Nominating Committee's recommended slate. The official Region 10 Board Ballot was sent out mid-July. I kindly request that you consider casting your agency vote for me.

I am currently the Vice-President of the Santa Fe Irrigation District Board of Directors and serve on the Executive Committee and Administrative and Finance Committee. I retired from the San Diego County Water Authority, as a Water Resources Manager, in March 2019, after working 30 plus years in the areas of water planning and policy. Throughout my career at the Water Authority and now as an elected SFID Board member, my priority and passion has been to work collaboratively with others to ensure a reliable and affordable water supply for our customers.

Serving as Region 10 Vice-Chair this past term, I worked with the Region 10 Board to ensure ACWA is meeting its members' needs in Region 10, to discuss the critical water issues we face and provide relevant and educational events for the Region 10 membership. As an ACWA Board member, I strived to ensure that Region 10 members' issues and concerns are heard at the Board meetings. During this past term, I served on the ACWA Finance Committee, ACWA Finance Education Subcommittee, ACWA Climate Change Working Group and ACWA Board Infrastructure Task Force.

As Chair I commit to continued collaboration with water agencies in San Diego and Orange Counties to identify, discuss and resolve water issues of mutual concern and advocate for our interests on the ACWA Board. It would be my honor to serve as Chair on the Region 10 Board and I humbly ask for your vote.

I hope you will contact me via email at DFrieauf@SFIDWater.org with your questions. I would also welcome any thoughts you may have on how ACWA could better serve your agency in their advocacy and lobbying efforts.

Sincerely,



Dana Frieauf
Santa Fe Irrigation District
Director, Division 2

BOARD OF DIRECTORS

August 22, 2023

SUBJECT

DISCUSSION AND POSSIBLE ACTION REGARDING ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) BOARD OFFICERS' ELECTION

BACKGROUND

ACWA has launched two separate but concurrent election processes for the 2024-2025 term including the Board officers' election for President and Vice President.

DESCRIPTION

ACWA's Board officers' election is currently underway for the 2024-2025 term. There have been multiple changes to the election process this year, including the way ACWA members elect the President and Vice President. These major changes include:

- Member agencies must designate their voting representative by June 16. (RMWD completed this step in April 2023.)
- A candidate's nomination statement of qualifications or resume should highlight the candidate's active involvement in ACWA task forces, regional boards, committees, or the like. Candidates must also submit an abbreviated statement that will be included with the official ballot.
- The Election Committee will present an open ballot with all qualified candidates that will be distributed July 17. Including all qualified candidates on the ballot eliminates the need for last-minute floor nominations during fall conference.
- Members of ACWA will elect the President and Vice President by voting electronically before ACWA's annual meeting at fall conference. Since the voting period has been moved up, the results of the election will be formally announced on Sept. 27. **There will be no voting during fall conference.**
- Members who want to vote will need to submit their ballots via electronic communication or first class mail.
- If a candidate does not receive a majority of votes for President or Vice President, a run-off election will be held and a new ballot will be sent out on Sept. 26 with the two candidates that received the highest amount of votes. The run-off ballots need to be submitted by Nov. 10.

The deadline to receive votes from all authorized representatives is no later than 5:00 p.m. on September 15, 2023. Mailed ballots must be postmarked by September 15 and received by September 20th to be counted. Election results will be announced on September 27, 2023, and the new President and Vice President will be introduced at the 2023 ACWA Fall Conference.

For more information, please go to <https://www.acwa.com/elections/2023-board-officers-election/>.

Attachments:

- Bios and Resumes for Cathy Green for President
- Bios and Resumes for Ernesto Avila and Michael Saunders for Vice President

POLICY/STRATEGIC PLAN KEY FOCUS AREA

As one of the leading lobbying organizations for water issues in California, ACWA's efforts can impact all key focus areas of District 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.

BOARD OPTIONS/FISCAL IMPACTS

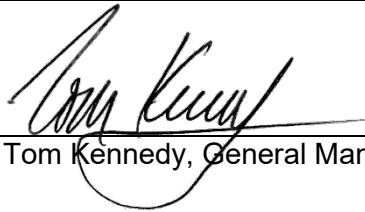
There are no known fiscal impacts of the election.

The Board has the following options:

1. Vote for one candidate listed for one or both seats.
2. Write-in and vote for eligible qualified candidate(s) for one or both seats.
3. Take no action.

STAFF RECOMMENDATION

Staff supports direction.



Tom Kennedy, General Manager

August 22, 2023



COMMITMENT · EXPERIENCE · LEADERSHIP

ACWA BOARD MEMBER

- ACWA Vice President (2022-current)
- Executive Committee (2020-current)
- Region 10 Chair (2018-2019)
- Region 10 Vice Chair (2016-2017, 2020-2021)
- Region 10 Board Member (2012-2021)

ACWA COMMITTEES

- Water Quality Committee (2012-current)
- Energy Committee (2019-current)
- State Legislative Committee (2012-2015)

ORANGE COUNTY WATER DISTRICT

- President (2015-2016, 2022-current)
- 1st Vice President (2013, 2014, 2019-2022)
- Director (2010-current)
- Joint Planning Committee: Chair
- Labor Ad Hoc Committee: Chair
- Communications/Legislative Liaison Committee: Vice Chair

CIVIC AND PROFESSIONAL EXPERIENCE

- Santa Ana River Flood Protection Agency: Chair
- CalDesal: Director
- City of Huntington Beach Mayor (2003, 2009)
- Councilwoman (2002-2010)
- Registered Nurse
- Law degree

My vision for ACWA is to embrace its motto -- Bringing Water Together -- which, for me, is about unifying ACWA members and working collaboratively with diverse stakeholders to find smart solutions to the challenges we are now facing.



CATHY GREEN BIOGRAPHY

In December of 2021, Cathy Green was elected vice president of the Association of California Water Agencies (ACWA) for a two-year term. She has served as an active member of ACWA since 2012, including serving on ACWA's executive committee since 2020, the ACWA Board since 2016, and the Region 10 Board from 2012-2021. She held the position of ACWA Region 10 chair from 2018-2019 and served as vice chair from 2016-2017 and 2020-2021. Cathy Green has also served on several ACWA committees including the water quality committee since 2012, the energy committee since 2019, and the state legislative committee from 2012-2015.

Cathy Green was elected to the Orange County Water District (OCWD) Board of Directors in November 2010 and was re-elected in 2012, 2016 and 2020. She was selected by the Board to serve as its 2015, 2016 and 2023 president. She served as 1st vice president in 2013, 2014 and from 2020 to 2022.

Cathy Green currently serves as vice chair of National Water Research Institute, a 501c3 nonprofit that collaborates with water utilities, regulators, and researchers in innovative ways to help develop new, healthy, and sustainable sources of drinking water.

Prior to Cathy Green's service on OCWD's Board, she was elected to two consecutive terms on the Huntington Beach City Council where she served two terms as mayor. Cathy Green has been involved as a council liaison and committee member on many city boards, commissions and committees. She served on the Orange County Transportation Authority Board and was a director of OC Clean Tech.

Cathy Green serves on the boards of the Huntington Valley Boys and Girls Club and the Orange County Explorer Program; serves on the Huntington Beach City School District Medi-Cal Collaborative; is a director of the Prime Health Foundation and the Huntington Beach Hospital; is a member of the American Legion Unit 133 Auxiliary, Huntington Beach Community Emergency Response Team (CERT) and the Elks Lodge 1959; and is on the advisory board of the Bolsa Chica Conservancy. She is a founding member of Amigos de Bolsa Chica.

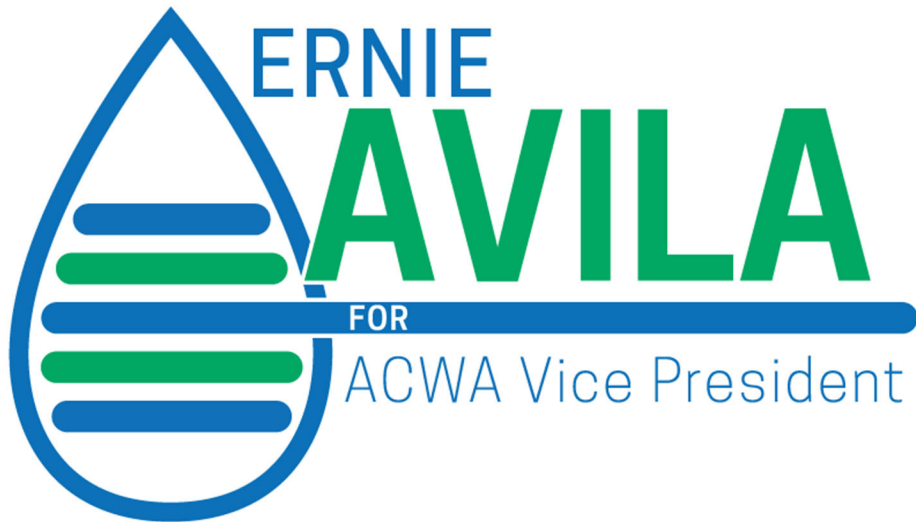
In addition, her community involvement has included serving as president of the Therapeutic Riding Center and the Huntington Beach Community Clinic, chair of the Orange County Emergency Medical Care Committee and of Explorer's/Learning for Life, first aid chair of Huntington Beach CERT, and board member of the OC Boy Scouts of America Council and American Family Housing.



Cathy Green is the recipient of many awards. Her most recent is a 2020 Boys and Girls Clubs of America National Service to Youth Award. In 2010, she was the recipient of the Spurgeon Award, and, in 2005, she was named Woman of the Year by then State Senator John Campbell. Other awards include the 2006 United Way Excellence in Child Care Planning, the 2007 Peace Maker Award from the Greater Huntington Beach Interfaith Council and the Golden West College Pillar of Achievement Award. She has also been recognized as Huntington Beach's Citizen of the Year by the Huntington Beach Chamber of Commerce, a Huntington Beach Soroptimist's Woman of Distinction and a Bolsa Chica Conservancy Conservator of the Year.

Cathy Green is a registered nurse and holds a degree in law. As a nurse, she worked in the health care areas of intensive care, student health, community health, and patient advocacy. In addition to nursing, she gained experience with a variety of environmental projects while associated with Lockhart and Associates.

Cathy Green has been a resident of Huntington Beach since 1970 where she raised her two children, Teresa and Tom, with her late husband Peter.



“The Association of California Water Agencies (ACWA) truly represents the nexus of knowledge and leadership in water for California. We are emerging from difficult times on many fronts, notably a multi-year drought and we need to lock into strategies to keep water in the public eye with ACWA and member agencies as the trusted sources of information. With over 40 years of experience in the water world, I am dedicated to continuing ACWA’s leading role on state-wide water issues, including the protection of water rights. United between all water users, we can inform the needed investments state-wide in storage, groundwater recharge, conveyance, desalination, recycling, reuse and conservation to strengthen our water systems for future generations.” – Ernesto (Ernie) Avila, P.E.

ACWA BOARD MEMBER

- Executive Committee of the ACWA Board of Directors
- ACWA Board of Directors
- ACWA Region 5 Board of Directors
- ACWA Foundation Steering Committee

ACWA COMMITTEES

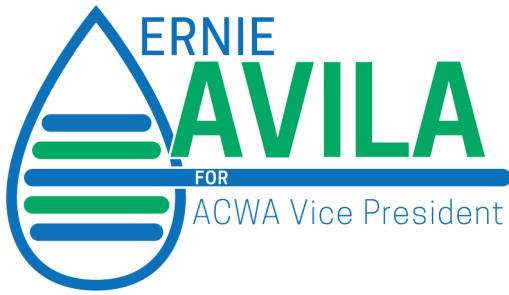
- Local Government Committee, Chair
 - Property Tax Working Group
 - Housing Densification Working Group
 - Paving Standards Working Group
- Federal Affairs Committee
- Foundation Fundraising Working Group

CONTRA COSTA WATER DISTRICT

- Contra Costa Water District, Board President
- Operations & Engineering, Committee Chair
- East Bay Leadership Council, Director
- Los Vaqueros Reservoir Joint Powers Authority, Director

PROFESSIONAL EXPERIENCE

- Vice-President, Avila and Associates Consulting Engineers, Inc.
- Monterey Peninsula Water Management District, General Manager
- Director of Engineering, Contra Costa Water District
- Northern California Salinity Coalition, Executive Director
- California Urban Water Agencies, Executive Director



Ernesto (Ernie) Avila, PE
Board President
Contra Costa Water District

Recent ACWA and Regional Water Coalition Experience

Association of CA Water Agencies (ACWA). I have had the pleasure of supporting ACWA over twenty years at the regional and state level. My recent ACWA experience has included serving on ACWA's:

- Executive Committee of the ACWA Board of Directors
- Board of Directors
- Region 5 Board
- Local Government Committee (Chair)
 - Property Tax Working Group
 - Housing Densification Working Group
 - Paving Standards Working Group
- Federal Affairs Committee
- Foundation Steering Committee
 - Foundation Fundraising Working Group



As part of these efforts, I led ACWA's assessment of potential water industry impacts associated with Sacramento-based housing initiatives including Auxiliary Dwelling Units, Commercial Properties and Transit Center Hubs and led a workshop to consider potential ACWA next steps associated with these new initiatives and their related changes to water agency fees and charges. I led the ACWA Region 5 session on *Safe Drinking Water Issues Affecting Disadvantaged Communities*, and helped with the development of the *ACWA New Water System Approval Fact Sheet*. I also participated in the ACWA Foundation Steering Committee including several related Ad Hoc committees and contributed to Federal Affairs Committee work groups associated with the Water Infrastructure Finance and Innovation Act (WIFIA) .

Multi-State Salinity Coalition (MSSC). For over 20 years, I have served as Program Director and Board member of MSSC which consists over 30+ water agencies from New Mexico, northern and southern California, Nevada, Colorado, Arizona and Texas. The MSSC mission is to promote advancements in technologies for desalination, reuse, salinity control strategies (watersheds and agriculture), water/energy efficiencies and related policies that will assist communities in meeting their water needs. I also helped to establish relationships regarding salinity management and desalination with water agencies in Australia, Mexico and Israel. In February 2023, the MSSC awarded me with the **MSSC "Salt of the Earth" National Award** for outstanding commitment, leadership, vision and dedication to our water industry.

Contra Costa Water District (CCWD). As President of CCWD, I helped to form the coalition of eight northern California water agencies that make up the Los Vaqueros Reservoir Joint Powers Authority (LVJPA). Once completed, the expanded reservoir will improve the Bay Area’s regional water supply reliability and water quality while protecting Delta fisheries and providing additional Delta ecosystem benefits. I currently serve as the CCWD Director to the LVJPA.

California Urban Water Agencies (CUWA). As Executive Director, I led CUWA’s effort in the development of Department of Water Resources (DWR) Methodologies for Calculating Baseline and Compliance Urban Per Capita Water Use as part of the Water Conservation Act of 2009 (Senate Bill X7-7) with our southern and northern California water agency members. I also made certain that CUWA’s finances and practices were sound and transparent.

Northern California Salinity Coalition. As Executive Director, I led a coalition of ten San Francisco Bay Area water agencies in crafting grant application strategies and DWR outreach that would demonstrate the value of supporting watershed management, brackish desalination and groundwater project associated with salinity management. Working with the Coalition agencies, we secured the largest Proposition 50 grant funding for our region.

Professional Work Experience (40 years)

- Vice-President, Avila and Associates Consulting Engineers, Inc.
- General Manager, Monterey Peninsula Water Management District
- Director of Engineering, Contra Costa Water District
- Associate Engineer, East Bay Municipal Water District
- Construction Manager, CH2M Hill
- Professional Civil Engineer (California – C41727)

Community Service Experience

- Contra Costa Water District, President of the Board
- John Muir Community Health Fund Board of Directors (Treasurer)
- Association of California Engineering Companies – Chair of the Healthcare Trust (non-profit)
- Knights of Columbus, Scholarship Chair
- St. Francis of Assisi School Board, President
- City of Concord, CA – Planning Commission, Chair
- City of Concord, CA – Design Review Board
- City of Walnut Creek, CA – Transportation Commission, Vice-Chair

Education and Related Credentials

- B.S. – Civil Engineering, Santa Clara University
- M.B.A. – St. Mary’s College of California
- Professional Civil Engineer (California – C41727)
- California Farm Bureau Member



Michael Saunders, MD
Georgetown Divide Utility District, Director
Candidate ACWA Vice-President
Outline and Statement of Qualifications

Appointed Offices:

Georgetown Divide Public Utility District - Finance Committee (2018)

Elected Offices:

Georgetown Divide Public Utility District - 5 years (2018-2022), (2022-2026)

Served as Treasurer, Vice-President, President

Currently Legislative Liaison

El Dorado County LAFCO - Alternate Special District Commissioner (2019 to present)

Budget Workgroup, Small to Medium Water District MSR workgroup, Recruitment Committee, Grand Jury committee

Regional Offices

Mountain Counties Water Resources Association - WUE workgroup

Regional Water Authority (RWA) - Board Member, Executive Board Member

Regional Activities:

Consumnes, American, Bear, Yuba (CABY) Integrated Regional Water Management Group

Participated in helping to define the vulnerability, economic, and support levels for the communities within El Dorado County.

State Level Workgroups

Department of Water Resources

DWR Workgroup Member for Water Use Efficiency Workgroups

- Water Loss Workgroup
- Annual Water Supply and Demand Assessment Workgroup

DWR Stakeholder participant

- County Drought Advisory Group
- Water Use Studies (LAM, Variances; Indoor, Outdoor, CII budgets)

Association of California Water Agencies (ACWA)

Workgroups:

- Diversity, Equity, and Inclusion Workgroup
- Headwaters Workgroup
- Water Use Efficiency Workgroup
- State Infrastructure Workgroup

Committees:

- Membership Committee

ACWA Region 3

- ACWA Region 3 Board Member (2022 - present)
- ACWA Region 3 Regional Issue Forum Planning workgroup
 - *“Protecting Communities in the New Era of Wildfire: The Important Role of Water Purveyors”*

My background includes a Bachelor of Science (BS) in Nutritional Biochemistry from Cornell University and a Doctor of Medicine (MD) from Howard University. My journey in water issues began with an empty horse water trough one hot summer day when there was no water. I began as a community volunteer on the Finance Committee where I began to learn about the finances of my water District. I was elected to the Georgetown Divide Public Utility District (GDPUD) Board in 2018. I am now in my 5th year as a Board member in my second term of office. I have served as the Treasurer, Vice-President, and President of the Board. I currently serve as the Board's Legislative Liaison.

I learned about water systems, delivery, infrastructure and our issues starting at the local level as a Board member, becoming more expansive through working with our Urban Water Management Plan and managing the District's water supply through drought mandates, water contingency plans, and wildfires. My understanding of the County water issues began as I actively participated in the Consumnes, American, Bear, Yuba (CABY) Integrated Regional Water Management Group including helping to define all of the vulnerability, economic, and support levels for the communities within El Dorado County. At the County level, I am the Alternate Special District Commissioner for LAFCO. I was part of the LAFCO workgroup for Small to Medium Water Districts Municipal Service Reviews and I have reviewed all the MSRs for the County learning of all of our County water districts infrastructures, finances, and challenges. As an Executive board member of the Regional Water Authority, I have had the opportunity to learn more on groundwater basins, and working on trying to get a Federally recognized water bank and working on conjunctive use efforts between surface water storage and groundwater storage.

At the State Level, I have worked on the Water Use Efficiency and County Drought Advisory Groups with the Department of Water Resources (DWR) beginning in 2019. This experience allowed me to understand about the challenges and issues throughout the State. This also gave me the opportunity to provide recommendations and solutions specific to rural, mountain counties that were not being addressed and began my active role in advocating for rural, mountain water agencies.

I have been an active participant with ACWA, attending conferences, workgroups, webinars, regional tours, board meetings, symposiums. I have been an advocate for issues attending State and Federal symposiums and legislative days, working and advocating through County, Regional, State and National committees, workgroups, task forces, legislative meetings, testimonies, letters, coalition letters, and hearings. The work with the DEI workgroup helped form ACWA's new foundation.

The ACWA Regional Board has allowed me to play a leadership role in our Region. Working closely with our regional board members and member agencies, we gathered information on issues in which we were able to work with ACWA staff to facilitate a meeting with State Water Resource Control Board members. I continue to outreach and work with our members and agencies to highlight the issues and challenges that our region faces and bring them to the various committees and workgroups.

BOARD OF DIRECTORS

August 22, 2023

SUBJECT

DISCUSSION AND POSSIBLE ACTION REGARDING THE APPOINTMENT, EMPLOYMENT; EVALUATION OF PERFORMANCE; OR COMPENSATION OF THE GENERAL MANAGER (TOM KENNEDY)

BACKGROUND

General Manager Tom Kennedy's employment anniversary date is August 28, and his contract is due to expire on August 31, 2023. Mr. Kennedy has given notice of his intention to retire no later than October 4, 2023. If the Board and Mr. Kennedy intend to extend the employment relationship beyond August 31, 2023, they may do so by mutual written agreement.

Mr. Kennedy's existing contract states that if its term is extended, Mr. Kennedy shall be entitled to annual cost-of-living increases based upon the average 12-month increase, if any, in the Consumer Price Index (CPI), with a maximum increase equal to the maximum cost of living adjustments in the collective bargaining agreements with other District employees, effective August 28.

Mr. Kennedy's existing contract states that Mr. Kennedy may be entitled to a retention bonus payable in two installments provided the milestones outlined in the contract are completed to the satisfaction of the District as determined by a majority vote of the District Board of Directors.

Retention Bonus 1:

The first retention bonus shall be in the amount of \$10,000.00. It shall be payable upon Mr. Kennedy's successful replacement and transition of a new District General Manager. Mr. Kennedy shall assist the District in finding a suitable replacement General Manager and provide transitional training to the new General Manager to the Board's satisfaction.

Retention Bonus 2:

Employee may be entitled to a second retention bonus of \$15,000.00 for the Employee's efforts to achieve goals and objectives as directed by the Board of Directors.

DESCRIPTION

The General Manager's current pay rate is \$10,474.31 biweekly (\$272,332.06 annually). The most recently published CPI data for San Diego County shows a 4.3% year-over-year change between July 2022 and July 2023. According to the labor agreements with the District's bargaining units, other District staff received a 2% COLA effective July 1, 2022. A 2% adjustment would bring the General Manager's new rate to \$10,683.80 biweekly (\$277,778.80 annually).

At its option, the Board may negotiate new contract terms with the General Manager, including merit base pay increase, or other terms.

POLICY/STRATEGIC PLAN KEY FOCUS AREA

California Government Code §54953(c)(3) requires that prior to taking final action, the Board shall orally report a summary of the recommendation for a final action on the salaries or compensation paid in the form of fringe benefits of a local agency executive during the open meeting in which the final action is to be taken.

BOARD OPTIONS/FISCAL IMPACTS

A member of the Board is required by Government Code §54953(c)(3) to orally report the summary of the recommendations before taking action.

Option 1: Extend the General Manager’s contract according to terms negotiated between the Board and Mr. Kennedy. A member of the Board is required to orally report the summary of the recommendations before taking action. A proposed script outline is below:

“I move to approve an extension to the contract between Rainbow Municipal Water District and Tom Kennedy with the following changes in terms:

[read aloud only the applicable line(s) below]

- *“Extend the expiration date of the contract to October 4, 2023; and*
- *“A 2% cost of living adjustment, bringing his annual salary to \$277,778.80 beginning August 28, 2022; and*
- *‘A _____% base pay merit increase, to bring the General Manager’s annual salary to \$ _____ beginning August 28, 2022; and*
- *“Authorize payment of the \$15,000 retention bonus outlined in the existing contract with Mr. Kennedy based on the achievement of his goals and objectives for the past year, to be paid on the next regular pay date; and*
- *“Authorize payment of the \$10,000 retention bonus outlined in the existing contract with Mr. Kennedy based on onboarding a new General Manager, to be paid on the first regular pay date after the start date of a new General Manager, but no later than October 5, 2023.”*

Option 2: Other action at the Board’s discretion. A member of the Board is required by Government Code §54953(c)(3) to orally report the summary of the recommendations before taking action.

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 defers to the Board for discussion and possible action.



Karleen Harp
Administrative Services Manager

August 22, 2023

MEETINGS/SEMINARS/CONFERENCES/WORKSHOPS

VARIABLE					
DATE	2023	MEETING	LOCATION	ATTENDEES	POST
September	14	SDCWA Special Board Meeting	SDCWA	GM	N/A
September	*	CSDA – San Diego Chapter Quarterly Dinner Meeting	The Butcher Shop – 6:00 p.m. 5255 Kearny Villa Road San Diego, CA 92123	Mack	N/A
September	*	LAFCO Special Meeting	County Admin Center, Room 302 – 9:30am	(As Advised by GM)	N/A
September	*	Santa Margarita River Watershed Watermaster Steering Committee	Rancho California Water District	Hamilton	N/A

* To Be Announced

MEETINGS/SEMINARS/CONFERENCES/WORKSHOPS

RECURRING					
DATE	2023	MEETING	LOCATION	ATTENDEES	POST
September	*	Council of Water Utilities	The Butcher Shop 5255 Kearny Villa Road San Diego, CA 92123 11:30 a.m. – 1:00 p.m.	All Directors, General Manager	N/A
September	6	Engineering & Operations Committee Meeting	RMWD Board Room 3:00 p.m.	Appointed Director, General Manager	8/30
September	7	Communications & Customer Service Committee Mtg.	RMWD Board Room 3:30 p.m.	Appointed Director, General Manager	8/30
September	11	LAFCO	County Admin. Center Room 302 9:00 am	As Advised by GM	N/A
September	12	Budget & Finance Committee Mtg.	RMWD Board Room 1:00 p.m.	Appointed Director, General Manager	9/6
September	15	NC Managers	Golden Egg 7:45 a.m.	General Manager	N/A
September	19	SDCWA Member Agency Meeting	SDCWA, San Diego 9:30 a.m.	General Manager	N/A
September	26	RMWD General Board	RMWD Board Room (Start Time to Be Determined)	All Directors	9/12
September	27	North County Work Group (NCWG)	Rincon Del Diablo, Escondido 7:30 a.m.	General Manager	N/A
September	28	SDCWA Full Board Meeting	SDCWA Board Room, 3-5 p.m.	General Manager	N/A

BOARD OF DIRECTORS

August 22, 2023

SUBJECT

Operations Report for July 2023

DESCRIPTION

Activities for Operations & Maintenance Division

CONSTRUCTION & MAINTENANCE DEPARTMENT:

July	Repairs	Installations	Leaks
Mainline	4		4
Service	1		2
Hydrants		2	
Valves	1	8	
Meters			
Blow-Offs	2		2
Air Vacs	1		1
Annual Totals	58	15 Valves, 5 appurtenances & 73-feet of new line	37

- 216 utility locates were completed this month - an Annual Total of 1,917.
- Repaired water main breaks at 2151 Rainbow Glen, 4006 Pala Mesa Oaks, 4025 Paso Del Lago and 4103 NE Mission Rd.
- Valve CIP with District Staff - repaired 1 plug valve at 2113 Via Monserate.
- Replaced 2 fire hydrants and 6" laterals at Saratoga Estates.
- Repaired Leaking Air Vac at 2113 Via Monserate.
- Repaired and eliminated leaking service at 31952 Calle De Talar.
- Repaired 2 Blow-Off leaks at 3617 Logwood Pl and near 979 Canyon Heights Rd.
- Assisted Meter Department with downsizing meters.
- Pressure Station CIP with District Staff– Via Mariposa West 100% complete.
- Installed 8 new valves at Saratoga Estates.

WATER OPERATIONS AND VALVE MAINTENANCE DEPARTMENT:

Water Operations:

- Assessed 4 Water Quality Complaints. **Annual Total 30.**
- Performed 2 fire flow test. **Annual total 5.**
- Performed routine maintenance and rebuilt 3 pressure stations (CLA VALs) — **annual total 47.**
- Collected all system tank and reservoir nitrification samples.
- Performed district wide reservoir cover inspections.
- Install new cover pump Rainbow Hills Reservoir.

Valve Maintenance:

Monthly Totals	Valves (Distribution)	Appurtenance Valves	Annual Totals
Exercised	32	65	804
Inoperable	1	11	69
Repaired			
Replaced	0	0	29
Installed	0	0	5

Valve Maintenance completed and oversaw the following:

- Performed 10 shutdowns - **Annual total 68.**
- Replaced 5 air vents - **Annual total 44.**
- Painted 79 appurtenances - **Annual total 547.**
- Replaced 0 Fire Hydrants - **Annual total 1.**

METERS DEPARTMENT:

- **215** Service Requests were resolved in JULY 2023 **YTD 1,223 total.** (Previous Year Month Comparison: JULY 2022: 231 Service Requests: **Down 7%**).
- **114** Check Bills were completed in JULY 2023. **YTD total 1,294.** (Previous Year Month Comparison: JUNE 2022: 248 Check Bills: **Down 54%**).
- **YTD** Service Requests and Check Bills combined: **2,517.** (Previous **YTD 2022** Comparison: **3,543** combined Service Requests & Check Bills: **Down 29%**).

Backflows:

- **410** backflows were tested in July, **3,477 YTD.**

WASTEWATER:

California Integrated Water Quality System (CIWQS) **New format updated:** Confirmation # 2651985 Reported: “No Spill Report for the Month of July 2023.

Category # 4 Private overflow reported: July 01, 2023, Address: 4375 Pala Mesa Road, Fire Station # 4. RMWD staff responded, cleaned up, and restored wastewater services.

Customer service:

Address: 3336 Via Altamira Private sewer root blockage - Staff responded via CCTV private sewer lateral, pointed out obstruction to the customer, and requested a plumber to make repairs at the residence.

Address: 4142 Bridlewood Road missing storm drain lid. It was a safety concern, thus, responded to the call. Upon arrival, made contact and found an open storm drain hole with no lid. RMWD placed a sheet of plywood over with caution cones and researched products for the association to order.

Lift Stations: July 5 and 6, 2023 – Called off the two 21,000-gallon capacity Rain for-rent tanks and cleaned internal tanks using full permit confined space. Vactored debris and returned rental equipment.

July 12, 2023 - Removed (3) portable eye wash stations and installed (3) permanent eye wash stations at B-Plant, Rancho Viejo, and Fallbrook Oaks per ACWA/JPIA recommendation.

July 20, 2023 - HCR wet-well plug 15” valve repair, performed a full permit confined space entry. Set up two teams to enter the 35’ wet-well pulled 30’ valve stem and made appropriate repairs.

Collection System: July 18, 2023 - FPUD at District locating buried lost manhole. Installed smart cover to monitor sewer flows from a private business – purpose is to check on EDUs and flows going into the collection system.

Projects:

- CIP - Thoroughbred sewer lift station
- Campus Park West (CPW)
- Odor control treatment USP - Collection System

Mutual Aid:

- FPUD
- Fallbrook Equipment Rental - Water truck
- USP Technologies - Odor control treatment
- Smartcover



Robert Gutierrez
Operations Manager

8/22/2023

BOARD OF DIRECTORS

August 22, 2023

SUBJECT

Engineering Report for July 2023

DESCRIPTION

CAPITAL IMPROVEMENT PROJECTS:

Emergency Generators at Huntley-Gomez & Magee Pump Stations (JW Fowler Co.): The project consists of the installation of emergency generators at the Huntley-Gomez and Magee Pump Stations. Southern Electric, a subcontractor to JW Fowler, installed emergency connections to the new generators in late April and a temporary start up solution was delayed due to long lead times on essential parts. A permanent solution, which involves connecting to automatic transfer switches is expected to be installed by the end of October 2023.

West Lilac, Rancho Amigos, and Dentro De Lomas Pump Stations (Hoch Consulting): The proposed project is for the installation of permanent pump stations to replace the annual rental of temporary pumps during the San Diego County Water Authority's aqueduct maintenance and any emergency, unscheduled shutdowns. Staff continues to work with Hoch Consulting on the development of design plans and updates to the hydraulic model. District completed review of submittals for the EFI pump stations (West Lilac, Rancho Amigos, and Dentro De Lomas) and released all three for fabrication. District staff submitted an application via PowerPlus to SDGE to provide power for the Gopher Skid Pump Site located off Wild Acres. Staff is working with a structural engineering firm and two crane companies to assess access via bridge for transport of the pump station to the Rancho Amigos pump station site. Staff is also working with SDGE to complete the final design for the power source to the West Lilac pump station. A final project design is anticipated to be received in mid-August. The design plans for all three pump stations are scheduled for completion in late August.

Live Oak Park Road Bridge Replacement – Water Improvements (Hazard Construction): The project will relocate an 8-inch and 16-inch water main along Live Oak Park Rd. District staff continue to coordinate with the County of San Diego (County) and Hazard Construction on the Live Oak Park Road Bridge Replacement Project and Water Main Relocation Project. The 16-inch main has been relocated and attached to the County's new bridge. Phase II of the County's bridge project is underway, which involves removing and re-installing the District's 8-inch water main. A section of 8-inch main will be demolished when the Contractor excavates for the new bridge abutments. The District's project is expected to be completed in September 2023, however, completion is contingent upon the County's bridge project.

LS-1 Replacement Project -Thoroughbred and Schoolhouse Lift Stations (JW Fowler Co.): The project is to replace Lift Station 1 (LS-1) and surrounding pipelines. JW Fowler Company (Contractor) completed the emergency storage basin and the CMU block wall around the LS. The Contractor continues to work on the electrical building and LS mechanical on site piping. Contractor completed the installation of the 18-inch sewer main between LS1 and Ostrich Creek. It is worth noting that the Contractor

experienced unanticipated groundwater issues during pipeline excavation due to the unprecedented amount of rainfall this year. The higher ground water table is causing the contractor to modify their trenching and shoring methods. These alternative methods have slowed production and are more expensive than what was being used previously. The remaining 18-inch sewer Ostrich Creek and Mission road will be completed after the contractor completes the 8-inch sewer between LS1 and MH 21. Approximately half of the 12-inch sewer force main on the south side of the Camino Del Rey bridge has been installed by a JWF subcontractor. They are expected to complete the remainder of the Camino Del Rey Bridge piping and Moosa Creek Piping in August. District staff continued to coordinate road closure on Camino Del Rey and Old River Road with Bonsall Unified School District. The road closures have temporarily ceased with the rescheduling of the force main until September when the Contractor is expected to bring a second crew on site.

Manual Transfer Switches (Harris & Associates): Project plans and specifications are finalized and advertisement will occur later this year.

Programmatic Environmental Impact Report (Helix Env.): The Board certified the final Programmatic Environmental Impact Report (PEIR) on August 30, 2022. The 30-day waiting period to challenge the PEIR was completed following certification. Training on the PEIR for staff was conducted in January 2023 and staff submitted data to Nobel for the addition of an environmental layer in GIS. The new GIS layer was added in April. The PEIR project was selected by the California Special Districts Association to be presented at the August 2023 conference. Staff completed the presentation and a video trailer on the presentation.

Rainbow Water Quality Improvement Project – Water Main & Service Laterals (Ortiz Corporation): The County of San Diego is proposing a water quality improvement project in the community of Rainbow, which impacts approximately 21 service laterals, 350 feet of 8-inch water main, 650 feet of 12-inch main and three (3) sections of 8-inch water main. To date, Ortiz completed relocation work at Site 4 in January 2023, Site 3 in April, Site 2 in June and Site 5 in July. Final paving is scheduled for mid-August and then all construction will be complete. Change orders # 4 and #5 were issued due to unidentified storm drain conflicts, relocation of a service lateral and the presence of hard rock.

CONTRACT SUMMARY			
Original Contract Amount	Previous Change Orders	This Change Order	Total Contract Amount
\$839,850.00	CO# 01: \$0		\$839,850.00
	*CO# 02: 109,288.12		\$949,138.12
	CO# 03: \$19,977.39		\$969,115.51
	CO# 04: \$3,149.39		\$972,264.90
		CO# 05: \$25,876.49	\$998,141.39

*Board Approved on 2/28/23.

Rice Canyon Tank 18-Inch Transmission Line (Cass Arrieta): The project is to install an 18-inch transmission main to deliver water from Rice Canyon Tank zone to Horse Creek Ridge and Citro developments. Cass Arrieta has completed all construction on the project, including punchlist items identified by the District and Engineer of Record. Ongoing coordination continues to occur with Tri-Pointe Homes, Cass Arrieta, and the District to close out the project. No cultural resources, biological resources or stormwater compliance concerns have been reported for the month of July 2023.

San Luis Rey Return Flow Recovery Project (DLM Engineering & Hoch Consulting): Hoch Consulting continues to investigate return flow estimates, develop a site suitability assessment tool (SSAT)

and evaluate water quality data. Findings from the Feasibility Study are expected to be presented at the August E&O and Board meetings. A separate focused analysis of the project's economic and overall feasibility is being conducted by an outside consultant to support an informed and confident decision by the District on whether to proceed with the next phase of project investigations, design and permitting. The Economic Feasibility Study will be presented to the Board later in 2023.

Camino Del Rey Drainage and Roadway Improvements: The County of San Diego (County) is proposing the Camino Del Rey Drainage and Roadway Improvements Project, which will improve a portion of Camino Del Rey by raising the roadbed by 10 feet, incorporating culvert crossings under the road, improving intersections, and installing Green Street Best Management Practices (BMPs) for water quality treatment. As a result of the County's project, District infrastructure will be impacted. There is currently a 14-inch water main that runs down Camino Del Rey, a 20-inch water main at Camino Del Cielo, a 6-inch main for the San Luis Rey Downs Racetrack and multiple gravity main crossings that will be impacted by the County's project. On January 17, 2023 the County confirmed the District has prior rights over the roadway, the County is solely responsible for designing and relocating all District facilities that are in conflict with the County's project. Ongoing coordination with the County continues to occur.

MAJOR DEVELOPER PROJECTS:

Bonsall Oaks (formally Polo Club): 164 SFR / 205.8 EDUs – Construction for Phase 1A is complete and construction is underway for Phase 1A-1. T. The Developer paid 50% of the sewer connection fees as required per the executed Sewer Agreement, which is effective for five (5) years from the date of execution (9/16/26). District staff continues to coordinate with the Developer on plan reviews for future phases (Phases 1B, 2A and 2B). The County approved the Amended Tract map, which dedicated non-exclusive water and sewer easements within the private roadways for all phases of the project; and exclusive water and sewer easements for the sewer main that will serve the development and future Dentro De Lomas pump station. In July 2023, the Developer's engineer notified the District that they will be revising all the roads and lots for future phases 1B, 2A, and 2B. This will require an Amended Tract map, which requires the District to again relinquish all recently dedicated easements and this will potentially impact the Joint Use Agreement legal description. The Developer sold part of the development to Neighborhood 1 on November 23, 2021 consisting of 59 units and this portion of the project was re-named Provence. The Developer has started the process to join the SCIP Program, which will require the District to enter into an Acquisition Agreement. Staff plans to bring this to the Board in August 2023.

Campus Park West (JPSD, LLC): Residential and Commercial development. The proposed Pressure Reducing Station located along Pala Mesa Drive was approved for construction in May 2023. The Developer informed the District that construction is scheduled to begin in September 2023. The fifth plan review for the proposed water and sewer improvements was received in June 2023 and the District is currently reviewing and coordinating with the Developer's engineers. A quitclaim has been approved for a District easement that contains no existing sewer facilities and was approved by the Board at the April 2023. The Developer requested a 6-foot-wide Fuel Management Zone (FMZ) easement that is within the District's property at Pankey Road. Staff met with the Developer regarding FMZ and determined that an easement is required. Following a review in June, the Developer agreed to the District's exclusive easement documents. Staff met with the Developer on May 17, 2023 to discuss their requested revisions to the Sewer Service Agreement for the project. Staff did not approve the Developer's proposed revisions. The Developer will return with more defined revisions when they are closer to starting construction in September 2024.

Citro (Tri Pointe Homes) (formally Meadowood by Pardee Homes): Approximately 844 Units, 926.6 Sewer EDUs - On Pala Road/Horse Ranch Creek Road. The contractor has constructed several of the improvements and is on site excavating and installing both water and sewer mains. A second crew is on site testing the water and sewer mains. The Developer has purchased 216 meters to date. The District continues to review the Developer's fee credit requests as received for the use of water capacity credits, for compensation of the construction work on the 18-inch Rice Canyon waterline and the 12-inch Horse Creek Road waterline.

Fairview-Lilac Del Cielo (Bonsall LLC): 73 Units / 77.8 Sewer EDUs – The Developer fulfilled their payment obligation of 100% sewer connection fees for this development as described in the Sewer Service and SCIP agreements. The SCIP allowed the Developer and the District to be reimbursed from bond proceeds for water and sewer capacity fees. All 75 required water meters have been purchased for this development. The water main has been tested and accepted. The project was accepted by the Board at the June 2023 meeting and is in its one-year warranty phase.

Horse Creek Ridge (D.R. Horton): 627 SFR/MF, 430 Water Meters / 723.9 Sewer EDUs – On Highway 76 and Horse Ranch Creek Road. The District is currently inspecting meter installations, meter releases and sewer connections. All 430 required water meters have been purchased. A final inspection is scheduled for July 2023, staff is working to close out the project and bring a Notice of Completion to the September 2023 Board meeting.

Horse Creek Ridge(HCR) Unit 6R5 Promontory (Richmond American Homes): 116 Units,113 Water Meters (plus irrigation meters and 3 SF meters previously purchased by D.R. Horton) / 169.5 Sewer EDUs – On Highway 76 and Horse Ranch Creek Road. D.R. Horton (DRH), master Developer of HCR sold Unit 6-R5, 124 lots, Promontory Subdivision to Richmond American Homes (RAH). Currently the sewer EDUs are covered under an agreement with DRH. All 116 required water meters have been purchased for this Development. The District's inspector is inspecting meter installations, meter releases and sewer connections. In 2022, staff were informed that they were working with DRH to raise some water valves and once this work was done DRH was to work with the County and the District to obtain project acceptance. Project close out is pending the contractor scheduling a final inspection.

Ocean Breeze Ranch: The District completed review of the revised water and sewer system analysis reports, conditions of approval, and improvement plans in December 2020. District staff also reviewed an exhibit showing a utility conflict and provided comments in January 2021. Staff responded to requests regarding expected costs for the Developer to move forward. The Developer has started the process to join the SCIP Program, which will require the District to enter into an Acquisition Agreement. Staff plans to bring this to the Board in August 2023.

Pala Mesa Highlands (Beazer Homes): 124 SFR / 160.2 Sewer EDUs – On Old Highway 395. One of the required Pressure Reducing Stations (PRS) has not yet been installed. The District is currently inspecting meter installations, meter releases and sewer connections. All 129 required water meters have been purchased for this development. The Contractor is waiting on the delivery of plug valves to complete construction of the PRS. A project status update request letter was sent to the Developer at the end of March 2023 to date no response has been received. Following status inquiries from staff to close out the project, the Developer responded they are waiting on the pressure reducing valve. . Staff is working with the Developer to procure a valve to finish up the project.

Rancho Alegre (Garrett Grp/Redhawk Communities): The Developer paid deposit for Sewer Analysis. District staff continue to work with Dexter Wilson Engineering, Inc. to produce a comprehensive analysis of the District's sewer infrastructure, which was completed January 31, 2023. Preliminary findings concerning the impact of the Rancho Alegre development on District sewer infrastructure were provided to the Developer in September 2022. The last correspondence received by the Developer was in October 2022.

San Luis Rey Racetrack Improvement Plan: The Developer paid deposit for Sewer and Water Analysis. Dexter Wilson Engineering, Inc. produced a memorandum discussing the expected impacts to sewer infrastructure related to one (1) of two (2) expansion scenarios proposed by the Developer. District staff is expecting data from the Developer related to the second expansion scenario to complete a second memorandum.

The Preserve at Riverbend (Cameron Development Grp.): The proposed development plan includes 1,309 mixed density residential units, mixed use commercial, a fire station, parks, agricultural spaces, and open space, development is going through preliminary planning with the District, County, LAFCO and the

Pala Tribe. Preliminary findings concerning the impact of The Preserve at Riverbend development on District sewer infrastructure are in process.

West Lilac Farms: 28 Lots – Via Ararat/Aqueduct Road. District staff are working with the Developer regarding preliminary planning efforts.

MINOR DEVELOPER PROJECTS:

Cal-A-Vie (Spa Havens) Water/Sewer Main Extension on Spa Havens Way: They are in the process of submitting plans for District review.

Carefield Senior Living: Inactive

Doud Waterline Extension: Inactive

Melanie Lane Waterline Extension (Monserate Place, LLC): Inactive

Pala Mesa Market Development Plan: Inactive

View Point Road Waterline Extension: The District completed plan check no.4. The Owner also potholed the District’s waterline and resubmitted plans for approval in late April 2023. Staff has approved the plans for construction in May 2023. The Owner’s Contractor is currently completing submittals for District review.

Vista Valley Country Club Water Service: The District signed project mylars in November 2022.

Walker Farm Road Waterline Extension: Inactive

Whitman Waterline Extension: Inactive

OTHER:

ITEMS	NO#
Water Meters Purchased	14
Sewer EDUs Purchased	00



Chad Williams
Engineering and CIP Program Manager

8/22/2023

**AS-NEEDED CONTRACT EXPENDITURES REPORT
JULY 2023**

Note: This report only shows the current year and the previous year assignments, per the E&O Committee's request.

CONTRACT INFO	FUND SOURCE	ASSIGN. NO.	STATUS	DATED	DESCRIPTION	CONTRACT AMOUNT	AUTHORIZED ASSIGNMENT	INVOICED TO DATE	
Title: On-Call Civil Engineering Services, PSA #22-25 Firm: Ardurra Expires: 11/2/25 CCO:									
CONTRACT AMOUNT:						\$ 150,000			
		2023-__							
					Unspecified		\$ 150,000.00	\$ -	
						TOTALS:	\$ 150,000	\$ 150,000.00	\$ -
Title: On-Call Civil Engineering Services, PSA #22-26 Firm: Dexter Wilson Eng. Expires: 11/2/22 CCO:									
CONTRACT AMOUNT:						\$ 150,000.00			
		2023-__							
					Unspecified		\$ 150,000.00		
						TOTALS:	\$ 150,000	\$ 150,000.00	\$ -
Title: On-Call Civil Engineering Services, PSA #22-27 Firm: Harris & Assoc. Expires: 11/2/25 CCO:									
CONTRACT AMOUNT:						\$ 150,000			
		2023-__							
					Unspecified		\$ 150,000.00		
						TOTALS:	\$ 150,000	\$ 150,000.00	\$ -
Title: On-Call Civil Engineering Services, PSA #22-28 Firm: Water Works Engineers Expires: 11/2/25 CCO:									
CONTRACT AMOUNT:						\$ 150,000			
		2023-__							
					Unspecified		\$ 150,000.00	\$ -	
						TOTALS:	\$ 150,000	\$ 150,000.00	\$ -
Title: On-Call Real Estate Services, PSA #22-29 Firm: Anderson & Brabant Expires: 11/3/25 CCO:									
CONTRACT AMOUNT:						\$ 50,000			
		2023-__							
					Unspecified		\$ 50,000.00	\$ -	
						TOTALS:	\$ 50,000	\$ 50,000.00	\$ -

**AS-NEEDED CONTRACT EXPENDITURES REPORT
JULY 2023**

CONTRACT INFO	FUND SOURCE	ASSIGN. NO.	STATUS	DATED	DESCRIPTION	CONTRACT AMOUNT	AUTHORIZED ASSIGNMENT	INVOICED TO DATE	
Title: On-Call Real Estate Services, PSA #22-30 Firm: Epic Land Solutions Expires: 11/3/25 CCO:									
CONTRACT AMOUNT:						\$ 50,000			
		2023-01	Closed	2/13/2023	Bonsall Reservoir - Appraisal for Rental & Sale of Property. Beck Reservoir - Apparials for Sale of Property.		\$ 7,000.00	\$ 7,000.00	
					Unspecified		\$ 43,000.00	\$ -	
						TOTALS:	\$ 50,000	\$ 50,000.00	\$ 7,000.00
Title: On-Call Land Surveying Services, PSA #22-33 Firm: GIS Surveyors, Inc. (GSI) Expires: 1/3/2026 CCO:									
CONTRACT AMOUNT:						\$ 100,000			
		2023-__							
					Unspecified		\$ 100,000.00	\$ -	
						TOTALS:	\$ 100,000	\$ 100,000.00	\$ -
Title: On-Call Land Surveying Services, PSA #22-34 Firm: KDM Meridian Expires: 1/3/2026 CCO:									
CONTRACT AMOUNT:						\$ 100,000			
	CIP	2023-01	Open	2/9/2023	Live Oak Park Bridge - Staking of 8" and 16" Water main.		\$ 7,480.00	\$ 1,120.00	
					Unspecified		\$ 92,520.00	\$ -	
						TOTALS:	\$ 100,000	\$ 100,000.00	\$ 1,120.00
Title: On-Call Land Surveying Services, PSA #22-35 Firm: Right-of-Way Eng. Expires: 1/3/2026 CCO:									
CONTRACT AMOUNT:						\$ 100,000			
	Non-CIP	2023-01	Open	2/1/2023	Genista Place - Staking of existing utility easements.		\$ 2,860.00	\$ 2,450.00	
	Non-CIP	2023-02	Open	2/6/2023	Via Monserate/Ramona - Staking of existing utility easements.		\$ 7,500.00	\$ 2,692.34	
	Non-CIP	2023-03	Open	2/28/2023	Via Mariposa - Staking of existing easment.		\$ 2,970.00	\$ 2,545.00	
					Unspecified		\$ 86,670.00	\$ -	
						TOTALS:	\$ 100,000	\$ 100,000.00	\$ 7,687.34
Title: On-Call Geotechnical Services, PSA #22-36 Firm: Atlas Tech Consultants Expires: 1/6/2026 CCO:									
CONTRACT AMOUNT:						\$ 100,000			
		2023-__							
					Unspecified		\$ 100,000.00	\$ -	
						TOTALS:	\$ 100,000	\$ 100,000.00	\$ -

**AS-NEEDED CONTRACT EXPENDITURES REPORT
JULY 2023**

CONTRACT INFO	FUND SOURCE	ASSIGN. NO.	STATUS	DATED	DESCRIPTION	CONTRACT AMOUNT	AUTHORIZED ASSIGNMENT	INVOICED TO DATE	
Title: On-Call Geotechnical Services, PSA #22-37 Firm: Leighton Consultants Expires: 1/6/2026 CCO:									
CONTRACT AMOUNT:						\$ 100,000			
		2023-__							
					Unspecified	\$ 100,000.00	\$	-	
						TOTALS:	\$ 100,000	\$ 100,000.00	\$ -
Title: On-Call Geotechnical Services, PSA #22-38 Firm: Ninyo & Moore Expires: 1/6/2026 CCO:									
CONTRACT AMOUNT:						\$ 100,000			
	CIP	2023-01	Closed	4/4/2023	Sumac Communication Tower Photovoltaic & Battery System -		\$ 9,732.00	\$ 562.50	
					Unspecified	\$ 90,268.00		\$ 562.50	
						TOTALS:	\$ 100,000	\$ 90,268.00	\$ 562.50
Title: As-Needed Construction Management & Insp. Services, PSA #20-01 Firm: Harris & Associates Expires: 6/30/23 CO-01 \$20K BoD 6/22/21, CO-02 \$0 NCE 2/7/23, CO-03 \$25K 4/20/23.									
CONTRACT AMOUNT:						\$ 195,000			
	CIP	2020-01	Closed	3/13/2020	CM Support Services for the WSUP.		\$ 100,000.00	\$ 99,972.50	
	CIP	2020-02	Closed	4/7/2020	Constructability design review of PUP-1.		\$ 6,270.00	\$ 5,280.00	
	NON-CIP	2020-03	Closed	4/21/2020	Sewer North River Road - Emergency Repair.		\$ 11,000.00	\$ 8,548.61	
	CIP	2020-04	Closed	9/21/2020	District Wide Inspection Services.		\$ 20,000.00	\$ 19,981.73	
	CIP	2022-05	Open	1/6/2022	Continued District Wide Inspection Services.		\$ 57,730.00	\$ 53,176.18	
					Unspecified	\$ -		\$ -	
						TOTALS:	\$ 195,000	\$ 195,000.00	\$ 186,959.02
Title: On-Call Construction Management & Insp. Services, PSA #23-04 Firm: Acroctic Expires: 5/23/26 CCO:									
CONTRACT AMOUNT:						\$ 100,000			
		2023-__							
					Unspecified	\$ 100,000.00		\$ -	
Title: On-Call Construction Management & Insp. Services, PSA #23-05 Firm: Ardurra Expires: 5/23/26 CCO:									
CONTRACT AMOUNT:						\$ 100,000			
		2023-__							
					Unspecified	\$ 100,000.00		\$ -	
						TOTALS:	\$ 100,000	\$ 100,000.00	\$ -

**AS-NEEDED CONTRACT EXPENDITURES REPORT
JULY 2023**

CONTRACT INFO	FUND SOURCE	ASSIGN. NO.	STATUS	DATED	DESCRIPTION	CONTRACT AMOUNT	AUTHORIZED ASSIGNMENT	INVOICED TO DATE
Title: On-Call Construction Management & Insp. Services, PSA #23-06 Firm: Valley CM Expires: 5/23/26 CCO:								
CONTRACT AMOUNT:						\$ 100,000		
		2023-__						
					Unspecified		\$ 100,000.00	\$ -
					TOTALS:	\$ 100,000	\$ 100,000.00	\$ -
Title: On-Call Environmental Services, PSA #23-07 Firm: Helix Expires: 5/23/26 CCO:								
CONTRACT AMOUNT:						\$ 100,000		
		2023-__						
					Unspecified		\$ 100,000.00	\$ -
					TOTALS:	\$ 100,000	\$ 100,000.00	\$ -
Title: On-Call Environmental Services, PSA #23-08 Firm: RECON Expires: 5/23/26 CCO:								
CONTRACT AMOUNT:						\$ 100,000		
		2023-__						
					Unspecified		\$ 100,000.00	\$ -
					TOTALS:	\$ 100,000	\$ 100,000.00	\$ -



**SEWER EQUIVALENT DWELLING UNITS (EDUs) STATUS REPORT
July 2023**

STATUS SUMMARY	EDUs
Total Treatment Capacity Purchased from Oceanside	8,333
Less 5% Contractual Allowance	417
EDUs Set Aside by Board for Emergencies	60
EDUs Connected	5,980 *
EDUs Unconnected/Committed	559
Total EDUs Available for Purchase:	1,317

DEVELOPMENTS WITH UNCONNECTED/COMMITTED EDUs	EDUs	CAPACITY FEES / CFD Bonds
Bonsall Oaks (Polo Club) - 164 (SF/Other)	206	\$ 1,453,560
Citro (fka Meadowood) - 947 (SF/MF/Other)	255	\$ 2,500,000
Passerelle (HRC Commercial)	97	\$ -
Other Development w/5 or less EDUs - (SF & Other)	2	\$ 21,189
TOTAL UNCONNECTED:	559	\$ 3,974,749

Notes:

*There is a delay between connections and new account activations.

1. Bonsall Oaks paid initial 50% of Sewer Capacity Fees. The remaining 50% \$1,453,560 is due prior to issuance of building permits.

2. CITRO Annexation Agreement 4/30/20 - Sewer Capacity \$10.5M to be paid by CFD bonds. Received \$8M payment from CFD bonds on 8/18/22. Remaining \$2.5M to pending from additional bond proceeds.

3. Passarelle last remaining EDUs.



BOARD INFORMATION

BOARD OF DIRECTORS

August 22, 2023

SUBJECT

ADMINISTRATIVE SERVICES REPORT FOR JULY/AUGUST 2023

DESCRIPTION

Personnel changes, human resources activities, safety, risk management, and communications report for August 2023.

HUMAN RESOURCES:

RECRUITMENT:

- Our new Safety and Risk Management Officer started on Monday, August 7. RMWD welcomes Luke Johnson, who has a background in Safety Management in the construction industry and prior experience with Emergency Response in the Coast Guard.
- The Administrative Assistant position is now open for internal applicants to fill an upcoming vacancy in the Engineering Department.

WORKFORCE ANALYTICS:

Current headcount:	58	FYTD new hires:	1
FYTD separations:	0	Average tenure:	9 years, 7 months
FYTD turnover:	0%	Projected annual turnover:	0%
YTD vs. Full Prior Year	-23%	Projected retirements this year:	3
Retention rate:	100%		
Retention rate vs Full Prior year	+16%		

AUGUST ANNIVERSARIES:

8/10/2020	Michael Gonzalez	3 years
8/14/2019	Malik Tamimi	4 years
8/26/2019	Amanda Constant	4 years
8/28/2014	Thomas Kennedy	9 years

RISK MANAGEMENT:

Incidents

There were no reportable accidents or injuries this month.

Claims in Progress/Completed

Flores – Claim was denied due to insufficient evidence the District caused the claimed damage.

Vista Valley Country Club – Settled claim for \$11,900 on July 21, 2023.

Molly Herman – Settled claim for \$4,400 on July 25, 2023.

COMMUNICATIONS:

District's 70th Anniversary Celebration

The Communications & Customer Service Committee was presented with 70th-anniversary logo design concepts. The feedback from the committee and team will be applied to the logos for the board to review.

Heli- hydrant Update

Gomez Tank is the second location with the site graded and approved by CAL Fire. A grant application is underway for funding the project.

Newsletter Features

August's newsletter articles included:

- RMWD awarded \$1.59M grant with support from Congressman Issa. The article covered the grant process, lift station and sewer improvement project, and community impact.
- Progress on the Thoroughbred Lift Station with an overview on the project and funding.
- Prepare your home for fire season article reviewed steps to follow for creating a defensible space around the property and developing an evacuation plan with tips from CAL Fire.
- Protecting the community: highlights the policies and procedures for emergencies with detail on Operations Team, communications in the field and Rapid Aerial Water Supply (RAWS)
- Customer Service survey: call to take the survey online or in person at the District office.



Karleen Harp
Administrative Services Manager

8/22/2023

BOARD OF DIRECTORS

August 22, 2023

SUBJECT

FINANCE REPORT FOR AUGUST 2023

DESCRIPTION

Summary:

Water Sales:

Budgeted 12,700 AF

Actual July FYTD 23/24 998 AF

Actual July FYTD 22/23 1,774 AF

Actual July FYTD 21/22 1,802 AF

Actual July FYTD 20/21 1,619 AF

July FYTD 2023/2024 Budget vs Actual:

For FY 2023/24 (FY24), the board followed the recommendation of staff and committee to budget future sales lower and more in line with the most recent years' trends at 12,700 AF.

Fund Balance Projections:

Operating Fund Balances have been adjusted to comply with the Board Cash Reserve Policy 5.03.220.

The *New Water Sources Reserve Fund*, established by the RMWD Board, sets aside funds to study and acquire alternate water sources for the purpose of reducing the District's reliance on imported water. The reserve is funded by the Water Service portion of the Standby Charge collected by the San Diego County Tax Collector from all parcels within the district. It reflects 38.1% of the revenue received from property tax revenues.

Capital Fund Balances have been updated to reflect the changes to developer projects for Water and Wastewater.

Treasury Report:

Interest Revenue for July 2023 was \$8,088 compared to \$37,093 for the prior month. There was zero gain/loss from asset sales this month compared to a loss of \$243,194 for the prior month.

Water Purchases & Water Sales:

The Five-Year Water Purchases Demand Chart (Attachment D) reports purchases; this data is available in real time. Purchases for the fiscal year ending June 30, 2024 are below the 5-year average (blue line). We ended FY23 with 11,835 in sales.

The Water Sales Summary Report (Attachment E) represents water that was billed to customers, so the data is time delayed in comparison to the Five-Year Water Purchases Demand Chart. Water Loss from meter inaccuracy and breaks is also not included in the Five-Year Demand Chart since this data is from purchases. These two reports will not correlate unless they are both presented for the same date; we provide the purchases report in real time to provide the board with the most current demand information available.

Monthly Call Volume:

The call volume for July 2023 included 890 calls to customer service compared to 966 for the same month one year prior. The average talk time was 4 minutes and 20 seconds. The average time in the queue was 47 seconds. The max time in queue was 19 minutes and 45 seconds compared to 32 minutes and 7 seconds for the same month one year prior.

Attachments:

- A. Budget vs Actuals (July FY24)
- B. Fund Balance & Developer Projections (FY24)
- C. Treasury Report (July FY24)
- D. Five-Year Water Purchases Demand Chart (through 08/01/2023)
- E. Water Sales Summary (July FY24)
- F. Check Register (June FY23)
- G. Directors' Expense Report (June FY23)
- H. Credit Card Breakdown (June FY23)
- I. RMWD Properties
- J. Grant Progress Report



Tracy Largent, CPA
Finance Manager

August 22, 2023

**Rainbow Municipal Water District
Operating Budget Summary by Fund
NET OPERATING INCOME**

Description	FY 2023 (Preliminary) Actuals YTD 6/30/23	FY 2024 Actuals YTD 7/31/23	Over (Under)	FY 2024 Approved Budget
<u>Water Operating Fund</u>				
Water Revenues	\$ 42,034,477	\$ 3,525,859	\$ 3,525,858	\$ 44,950,230
Water Expenses	39,595,195	3,868,142	3,868,142	41,901,026
Water Fund Net Income	\$ 2,439,282	\$ (342,283)	\$ (342,284)	\$ 3,049,204
<u>Wastewater Operating Fund</u>				
Wastewater Revenues	3,468,470	312,662	(86,338)	4,788,000
Wastewater Expenses	2,829,486	163,398	(182,879)	4,155,334
Wastewater Fund Net Income	\$ 638,984	\$ 149,264	\$ 96,541	\$ 632,666
<u>General Operating Fund</u>				
General Revenues	8,192,647	555,189	(191,848)	8,964,453
General Expenses	8,192,647	555,189	(191,848)	8,964,453
General Fund Net Income	\$ -	\$ -	\$ -	\$ -
CHANGE IN NET POSITION	\$ 3,078,266	\$ (193,019)	\$ (245,742)	\$ 3,681,870

% of Annual Budget

13% Water Purchases/Sales based on historical average

8% Fixed Fee Revenue & Expenses are based on time

**Rainbow Municipal Water District
Water Fund Operating Budget Summary**

Water Operating

Description	FY 2023 (Preliminary)			Over (Under)	FY 2024 Approved Budget
	Actuals YTD 6/30/23	FY 2024 Actuals YTD 7/31/23			
Operating Revenues					
Water Sales	\$ 40,539,845	\$ 3,493,456	\$ 41,311,374	\$ 43,769,565	
Other Water Services	297,537	24,314	\$ 346,737	324,665	
Total Operating Revenues	\$ 40,837,382	\$ 3,517,770	\$ 41,658,111	\$ 44,094,230	
Operating Expenses					
Purchased Water	22,273,944	2,683,179	(318,293)	24,886,134	
Pumping	856,050	105,380	30,086	903,529	
Operations	2,492,632	118,219	(108,753)	2,723,668	
Valve Maintenance	415,092	24,817	(9,142)	407,508	
Construction	2,571,511	185,074	(17,192)	2,427,196	
Meters	1,188,278	77,855	(11,580)	1,073,218	
General Fund Transfer	6,720,273	417,188	(116,363)	6,402,607	
Total Operating Expenses	\$ 36,517,780	\$ 3,611,712	\$ (551,238)	\$ 38,823,860	
Non-Operating Revenues					
Investment Income	273,504	8,088	(245)	100,000	
Property Tax Revenue	773,083	0	(54,167)	650,000	
Other Non-Operating Revenue	106,705	0	(8,833)	106,000	
Total Non-Operating Revenues	\$ 1,153,292	\$ 8,088	\$ (63,245)	\$ 856,000	
Non-Operating Expenses					
Debt Service	3,077,414	256,430	0	3,077,165	
Total Non-Operating Expenses	\$ 3,077,414	\$ 256,430	\$ -	\$ 3,077,165	
CHANGE IN NET POSITION	\$ 2,395,480	\$ (342,283)	\$ 42,146,103	\$ 3,049,205	
	11,835 AF			12,700AF	

% of Annual Budget

13% Water Purchases/Sales based on historical average

8% Fixed Fee Revenue & Expenses are based on time

**Rainbow Municipal Water District
Wastewater Fund Operating Budget Summary**

Wastewater Operating

Description	FY 2023 (Preliminary) Actuals YTD 6/30/23	FY 2024 Actuals YTD 7/31/23	Over (Under)	FY 2024 Approved Budget
Operating Revenues				
Wastewater Revenues	\$ 3,467,420	\$ 312,812	\$ (79,771)	\$ 4,711,000
Other Revenues	1,050	(150)	\$ (6,567)	77,000
Total Wastewater Revenues	\$ 3,468,470	\$ 312,662	\$ (86,338)	\$ 4,788,000
Operating Expenses				
Total Payroll Expenses	773,029	48,471	(12,770)	734,888
Total Maintenance & Supply	480,097	17,069	(142,814)	1,918,600
General Fund Transfer	1,576,360	97,859	(27,295)	1,501,846
Total Wastewater Expenses	\$ 2,829,486	\$ 163,398	\$ (182,879)	\$ 4,155,334
CHANGE IN NET POSITION	\$ 638,984	\$ 149,264	\$ 96,541	\$ 632,666

% of Annual Budget

13% Water Purchases/Sales based on historical average

8% Fixed Fee Revenue & Expenses are based on time

**Rainbow Muncipal Water District
General Fund Operating Budget Summary**

General Operating

Description	FY 2023 (Preliminary) Actuals YTD 6/30/23	FY 2024 Actuals YTD 7/31/23	Over (Under)	FY 2024 Approved Budget
Operating Revenues				
Water Overhead Transfer	\$ 6,720,273	\$ 417,188	\$ (116,363)	\$ 6,402,607
Wastewater Overhead Transfer	1,576,360	97,859	(27,295)	1,501,846
Other General Fund Revenue	-103,986	40,143	(48,190)	1,060,000
Total Operating Revenues	\$ 8,192,647	\$ 555,189	\$ (191,848)	\$ 8,964,453
Operating Expenses				
Board of Directors	\$ 37,234	\$ 331	\$ (4,049)	\$ 52,560
Garage	647,529	39,519	-13,696	638,585
Administration	1,683,859	70,859	-72,666	1,722,303
Human Resources	395,001	31,035	12,379	460,174
Risk Management	665,610	124,989	58,157	826,989
IT Services	1,240,731	119,424	-16,127	1,626,617
Public Relations	4,903	2,123	-14,421	104,522
Finance	1,091,418	64,161	-37,355	1,218,191
Customer Service	591,429	29,729	-19,095	585,884
Engineering	1,192,520	73,019	-16,867	1,078,629
GASB 68 Pension	642,412			650,000
Total Operating Expenses	\$ 8,192,647	\$ 555,189		\$ 8,964,453
CHANGE IN NET POSITION	\$ -	\$ -	\$ (191,848)	\$ -

% of Annual Budget

- 13% Water Purchases/Sales based on historical average
- 8% Fixed Fee Revenue & Expenses are based on time

Operating & Debt Service Fund Balances

	Water Operating	Wastewater Operating	General Operating	Rate Stabilization	New Water Sources	Debt Service	TOTAL
Fund Balances:	FY 22/23	FY 22/23	FY 22/23	FY 22/23	FY 22/23	FY 22/23	FY 22/23
Beginning Available Balance	\$2,314,196	\$719,913	\$1,524,713	\$3,308,176	\$1,722,262	\$847,692	\$10,436,952
Budgeted Operating Surplus (Loss)	2,805,571	(1,227,390)			200,000		1,778,181
Budgeted Transfer to Water Capital*				(3,308,176)	(600,000)		(3,908,176)
Transfer to/from Rate Stabilization							
Transfers In/(Out)							0
Projected Ending Available Balance	\$5,119,767	(\$507,477)	\$1,524,713	(\$0)	\$1,322,262	\$847,692	\$8,306,956

Water Projected Balance

	<i>Adjusted Budget</i> FY 22/23	Forecast FY 22/23	Year 1	Year 2 Planned	Year 3 Planned	Year 4 Planned	Year 5
			<i>Approved Budget</i> FY 23/24	<i>Budget</i> FY 24/25	<i>Budget</i> FY 25/26	<i>Budget</i> FY 25/27	<i>Planned Budget</i> FY 25/28
Capital Fund Balances:							
Beginning Available Balance	\$13,067,355	\$13,067,355	\$5,165,797	(\$1,919,967)	\$74,011	\$2,467,229	\$4,254,230
Budgeted Transfer from Operating			1,539,236	8,188,978	9,243,859	6,972,000	7,870,731
New Water Sources Funds	600,000	600,000	600,000	0	0	0	0
Capacity Fees	430,994	430,994	0	0	0	0	0
Total Available Funding	14,098,349	14,098,349	7,305,033	6,269,011	9,317,870	9,439,230	12,124,960
Less Water & Wholesale Water Capital Projects	(13,706,420)	(8,932,552)	(9,225,000)	(6,195,000)	(6,850,641)	(5,185,000)	(5,700,000)
Projected Ending Capital Balance	\$ 391,929	\$ 5,165,797	\$ (1,919,967)	\$ 74,011	\$ 2,467,229	\$ 4,254,230	\$ 6,424,960

Water Capital Project Budgets:

Project #	Project Name	Preliminary		Year-to-Date Expended 7/31/2023 FY 23/24	Year 1 Approved Budget FY 23/24	Year 2 Planned Budget FY 24/25	Year 3 Planned Budget FY 25/26	Year 4 Planned Budget FY 26/27	Year 5 Planned Budget FY 27/28
		Year-to-Date Expended 6/30/2023 FY 22/23	Adjusted Budget FY 22/23						
300007	Programatic EIR for Existing Easements	\$ 63,631	\$ 75,000	\$ 657	\$ -	\$ -	\$ -	\$ -	\$ -
300008	New District Headquarters	912	50,000		20,000	520,000	500,000	500,000	500,000
600003	San Luis Rey Imported Return Flow Recovery	424,986	600,000	3,197	600,000				
600007	Pressure Reducing Stations	601,897	150,000	18,274		150,000			
600009	Isolation Valve Installation Program	359,308	500,000	17,379					
600019	Water System Monitoring Program	142,597	185,000		25,000				
600026	Camino Del Rey Waterline Reloaction	10,161	25,000		25,000	25,000			
600030	Corrosion Prevention Program Development and Implementation	37,139	100,000		100,000	600,000	600,000		
600034	Rice Canyon Tank Transmission PL to I-15/SR76 Corridor	2,812,585	2,900,000	7,951	1,500,000				
600035	Morro Mixing	21,718							
600037	Live Oak Park Road Bridge Replacement	471,712	600,000	2,695	200,000				
600040	Vallecitos PS Relocation	-					500,000	1,400,000	
600043	Eagles Perch Water Pipeline Improvements (PUP)	-					300,000	300,000	1,000,000
600047	Communitty Power Resiliency Generator Grant (Generator at Sur)	311,686	675,000	1,478	375,000				
600048	Northside Zone Supply Redundancy	-							150,000
600050	Lookout Mountain Electrical Upgrade	-							1,000,000
600051	North Feeder and Rainbow Hills Water Line Replacements	-					150,000	1,850,000	
600058	Electrical Panel Switches	44,102			130,000				
600067	Pala Mesa Fairways 383 A and C	-							250,000
600068	Sarah Ann Drive Line 400 A	-	-					35,000	1,500,000
600069	Wilt Road (1331)	-					150,000	350,000	
600070	Katie Lendre Drive Line (PUP)	-							250,000
600071	Del Rio Estates Line Ext 503	-							250,000
600072	East Heights Line 147L	-							150,000
600073	East Heights Line 147A	-							250,000
600074	Via Zara - PUP	-					125,000	250,000	
600075	Roy Line Ext	-							250,000
600077	Rainbow Water Quality Improvement	641,907	1,160,000						
600080	Los Alisos South 243	-							150,000
600081	Heli-Hydrant on Tank	300							
600085	Gird to West Lilac Pipeline Rehabilitation	-			50,000				
N/A	Department Level Capital Expenses	221,631	186,420		200,000	500,000	500,000	500,000	
Total		\$ 6,166,272	\$ 7,206,420	\$ 51,631	\$ 3,225,000	\$ 1,795,000	\$ 2,825,000	\$ 5,185,000	\$ 5,700,000

Wholesale Water Efficiency Capital Project Budgets:

Funded by Western Alliance Loan @ 4.02% interest

Project #	Project Name	Preliminary Year-to-Date				Year 1	Year 2	Year 3
		Expended 6/30/2023	Adjusted Budget	Forecasted Spend	Year-to-Date Expended 7/31/2023	Approved Budget	Planned Budget	Planned Budget
		FY 22/23	FY 22/23	FY 22/23	FY 23/24	FY 23/24	FY 24/25	FY 25/26
600008	Weese WTP Permanent Emergency Interconnect Pump Station	\$ 73,967	\$ 1,825,000	\$ 100,000		\$ -	\$ -	\$ 1,725,000
600013	Hutton/Turner/Dentro Pump Stations (SDCWA Shutdowns)	416,374	4,375,000	1,500,000	5,558	6,000,000	4,400,000	
600084	Morro Pump Station	122		122				1,225,000
600078	Wilt Road Feeder (18 inch Water Line)	107,435		107,435				1,075,641
600079	Gird Road 1,600' upsize from 12" to 18" or larger	348,853	300,000	348,853				
Total Spending		\$946,751	\$6,500,000	\$2,056,410		\$6,000,000	\$4,400,000	\$4,025,641

Wastewater Capital Fund 52 & 53 Projected Fund Balance

	<i>Approved Budget</i> FY 22/23	<i>Forecast</i> FY 22/23	Year 1 <i>Approved Budget</i> FY 23/24	<i>Year 2 Planned Budget</i> FY 24/25	<i>Year 3 Planned Budget</i> FY 25/26	<i>Year 4 Planned Budget</i> FY 25/27	<i>Year 5 Planned Budget</i> FY 25/28
Capital Fund Balances:							
Beginning Available Balance	\$634,288	\$634,288	\$262,424	\$2,762,424	\$2,762,424	\$9,962,424	\$7,087,424
Restricted CFD Funds (Citro)	8,000,000	8,000,000	2,500,000				
Debt Financing			5,000,000		9,500,000		
Transfer from (to) Operating Reserves							330,158
Forecasted Sewer Connections	16,951	16,951					
Total Available Funding	8,651,239	8,651,239	7,762,424	2,762,424	12,262,424	9,962,424	7,417,582
Less: Capital Projects-Wastewater	(10,911,452)	(8,388,815)	(5,000,000)	0	(2,300,000)	(2,875,000)	(2,800,000)
Projected Ending Capital Balance	(\$2,260,213)	\$262,424	\$2,762,424	\$2,762,424	\$9,962,424	\$7,087,424	\$4,617,582

All Wastewater Balances:

Projected Ending Capital Balance	\$ 262,424	\$ 2,762,424	\$ 2,762,424	\$ 9,962,424	\$ 7,087,424	\$ 4,617,582
Projected Ending Operating Reserve Balance	(507,477)	58,016	225,405	109,535	489,665	1,116,636
Total Wastewater Funds	\$ (245,053)	\$ 2,820,440	\$ 2,987,829	\$ 10,071,959	\$ 7,577,089	\$ 5,734,218

Wastewater Capital Fund Project Budgets:

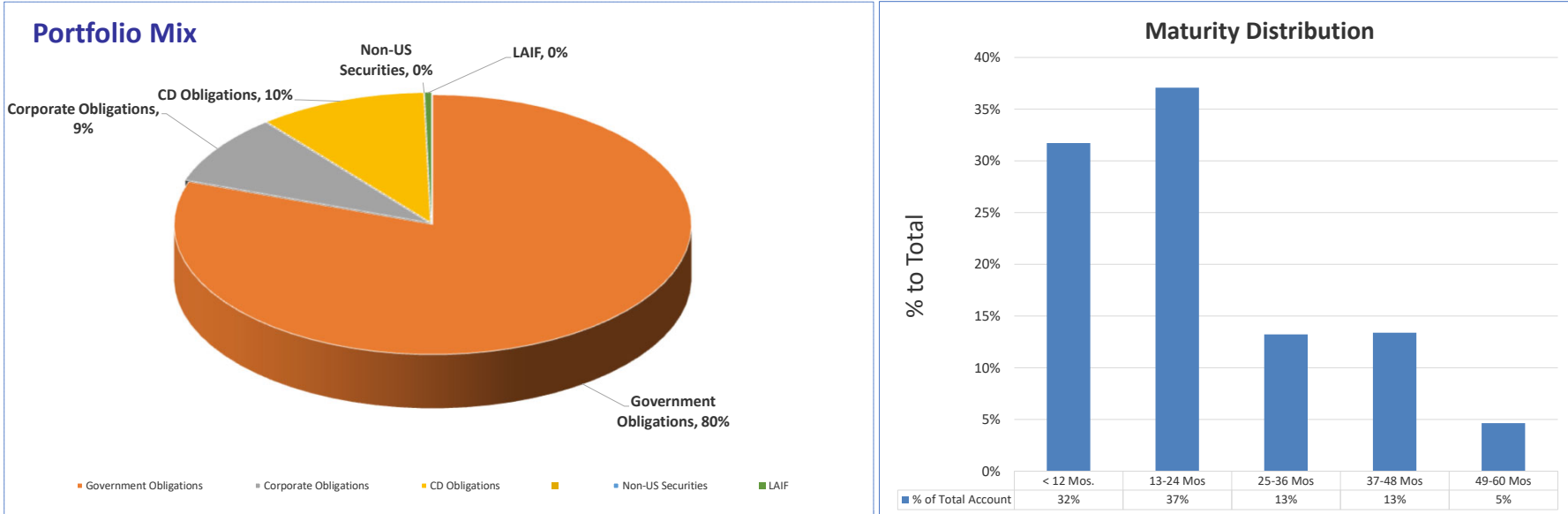
Project #	Project Name	Preliminary		Year-to-Date Expended 7/31/2023	Year 1 Approved Budget	Year 2 Planned Budget	Year 3 Planned Budget	Year 4 Planned Budget	Year 5 Planned Budget
		Year-to-Date Expended 6/30/2023	Forecasted Spend						
		FY 22/23	FY 22/23	FY 23/24	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28
530001	Thoroughbred Lane Lift Station and Pipeline Repair (LS1 Replacement)	\$ 7,110,665	\$ 8,268,815	\$ 11,793	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -
530018	Fallbrook Oaks Forcemain and Manhole Replacement	83						150,000	1,650,000
530019	CIPP 500' of line 8" VCP line near Pala Mesa/Palomar	-						100,000	
530020	Rancho Viejo LS Wet Well Expansion	-					500,000	1,000,000	
530023	Replace Rancho Monserate LS Emergency Generator							125,000	
XXXXX	HQ B-Plant Dry Well						250,000	1,000,000	
XXXXX	HQ B-Plant Generator Replacement						250,000	500,000	50,000
XXXXX	Pala Mesa Sewer CIPP Lining						650,000		50,000
XXXXX	Oakcliff Sewer CIPP Lining						650,000		50,000
XXXXX	Old River Road between LS#1 & LS#2								1,000,000
N/A	Department Level Capital Expenses		120,000						
Total		\$ 7,110,748	\$ 8,388,815	\$ 11,793	\$ 5,000,000	\$ -	\$ 2,300,000	\$ 2,875,000	\$ 2,800,000

RAINBOW MUNICIPAL WATER DISTRICT
 TREASURER'S MONTHLY REPORT OF INVESTMENTS
 PORTFOLIO SUMMARY
 7/31/2023



TYPE	ISSUER	CUSIP	Bond Rating	Date of Maturity	Par Value	Cost Basis	Market Value*	Interest Rate	Yield to Maturity	Semi-Annual Interest	Days to Maturity	Object
Money Market Funds	First American Government	31846V567			\$	275,074	\$ 275,074				0	11508
Trust	Willimington Trust	CSCDA 2017-01			\$	50,000	\$ 50,000				0	10301
Total Cash & Cash Equivalents					\$	-	\$ 325,074	\$ 325,074				
Callable 4/28/23 1X	FEDERAL FARM CR BKS	3130ARMQ1	Aaa	10/28/24	\$ 540,000	\$ 542,565	\$ 522,850	2.700%	2.500%	\$ 7,325	455	11508
	FEDERAL FARM CR BKS	3133EJFC8	Aaa	11/07/24	\$ 489,000	\$ 487,342	\$ 474,672	2.940%	2.940%	\$ 7,164	465	11508
Non-Callable	FEDERAL FARM CR BKS	3133EDJY9	Aaa	12/21/23	\$ 450,000	\$ 456,678	\$ 445,410	2.950%	2.050%	\$ 6,736	143	11508
	FEDERAL FARM CR BKS	3133EN3A6	Aaa	09/25/23	\$ 1,000,000	\$ 1,001,930	\$ 999,110	4.875%	4.875%	\$ 24,422	56	11508
Callable 10/14/22 1X	FEDERAL HOME LOAN BKS	3130APAM7	Aaa	10/14/26	\$ 1,000,000	\$ 497,500	\$ 445,005	0.900%	1.000%	\$ 2,239	1171	11508
Non-Callable	FEDERAL HOME LOAN BKS	3130AQF40	Aaa	12/20/24	\$ 500,000	\$ 499,710	\$ 471,795	1.000%	1.020%	\$ 2,499	508	11508
Callable 4/21/23 1X	FEDERAL HOME LOAN BKS STEP UP	3130ARQ61	Aaa	10/21/24	\$ 500,000	\$ 502,195	\$ 490,120	2.200%	2.900%	\$ 5,524	448	11508
Callable 8/17/22 QTR	FEDERAL HOME LOAN BKS STEP UP	3130ARTC5	Aaa	05/17/27	\$ 490,000	\$ 489,020	\$ 471,341	3.020%	4.020%	\$ 7,384	1386	11508
Callable 7/22/22 QTR	FEDERAL HOME LOAN BKS	3130ARJH5	Aaa	04/22/27	\$ 500,000	\$ 500,000	\$ 470,630	3.150%	3.150%	\$ 7,875	1361	11508
Callable 9/29/22 QTR	FEDERAL HOME LOAN BKS	3130ASKB4	Aaa	12/29/23	\$ 245,000	\$ 245,813	\$ 242,668	3.350%	3.120%	\$ 4,117	151	11508
	FEDERAL HOME LOAN BKS	3130ASZZ5	Aaa	08/28/25	\$ 500,000	\$ 501,820	\$ 490,445	3.375%	3.375%	\$ 8,468	759	11508
	FEDERAL HOME LOAN BKS	3130ARY62	Aaa	05/23/25	\$ 600,000	\$ 594,210	\$ 585,810	4.000%	4.000%	\$ 11,884	662	11508
	FEDERAL HOME LOAN BKS	3130AT2T3	Aaa	08/25/27	\$ 500,000	\$ 503,370	\$ 480,350	3.350%	3.120%	\$ 8,431	1486	11508
	FEDERAL HOME LOAN BKS	3130AV5C2	Aaa	09/15/23	\$ 1,000,000	\$ 1,001,000	\$ 999,560	5.150%	5.150%	\$ 25,776	46	11508
	TENNESSEE VALLEY AUTHORITY	880591ER9	Aaa	09/15/24	\$ 500,000	\$ 497,780	\$ 486,160	3.350%	3.120%	\$ 8,338	412	11508
Total Government Obligations					\$	8,814,000	\$ 8,320,934	\$ 8,075,925				
Callable 05/28/23	JPMORGAN CHASE & CO	48128G3N8	A2	05/28/26	\$ 1,000,000	\$ 1,000,000	\$ 879,480	1.200%	1.200%	\$ 6,000	1032	11508
Total Corporate Issues					\$	1,000,000	\$ 1,000,000	\$ 879,480				
FDIC Ins. CD	MERRICK BK SOUTH JORDAN UTAH	59013KBV7		07/31/24	\$ 249,000	\$ 249,000	\$ 241,002	2.200%	2.200%	\$ 2,739	366	11508
CD	MORGAN STANLEY PVT BK PURCHA	61760AL49		06/24/24	\$ 245,000	\$ 245,000	\$ 238,067	2.290%	2.250%	\$ 2,805	329	11508
	PNC BANK NA	69353REQ7		06/01/25	\$ 600,000	\$ 596,040	\$ 575,232	3.250%	3.250%	\$ 9,686	671	11508
Total CD Obligations					\$	1,094,000	\$ 1,090,040	\$ 1,054,301				
Total Non-US Securities					\$	-	\$ -	\$ -				
Subtotal Long Term												
Pooled Investment					\$	10,908,000	\$ 10,736,048	\$ 10,334,780				
Portfolio Totals	Local Agency Investment Fund (LAIF)**	0.989120279				\$	41,741	\$ 41,741			0	10103
						\$	10,777,789	\$ 10,376,522				

\$ 10,686,048.07 \$ 10,284,780.30



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 in compliance with the current Investment Policy.

Tracy Largent

8/9/2023

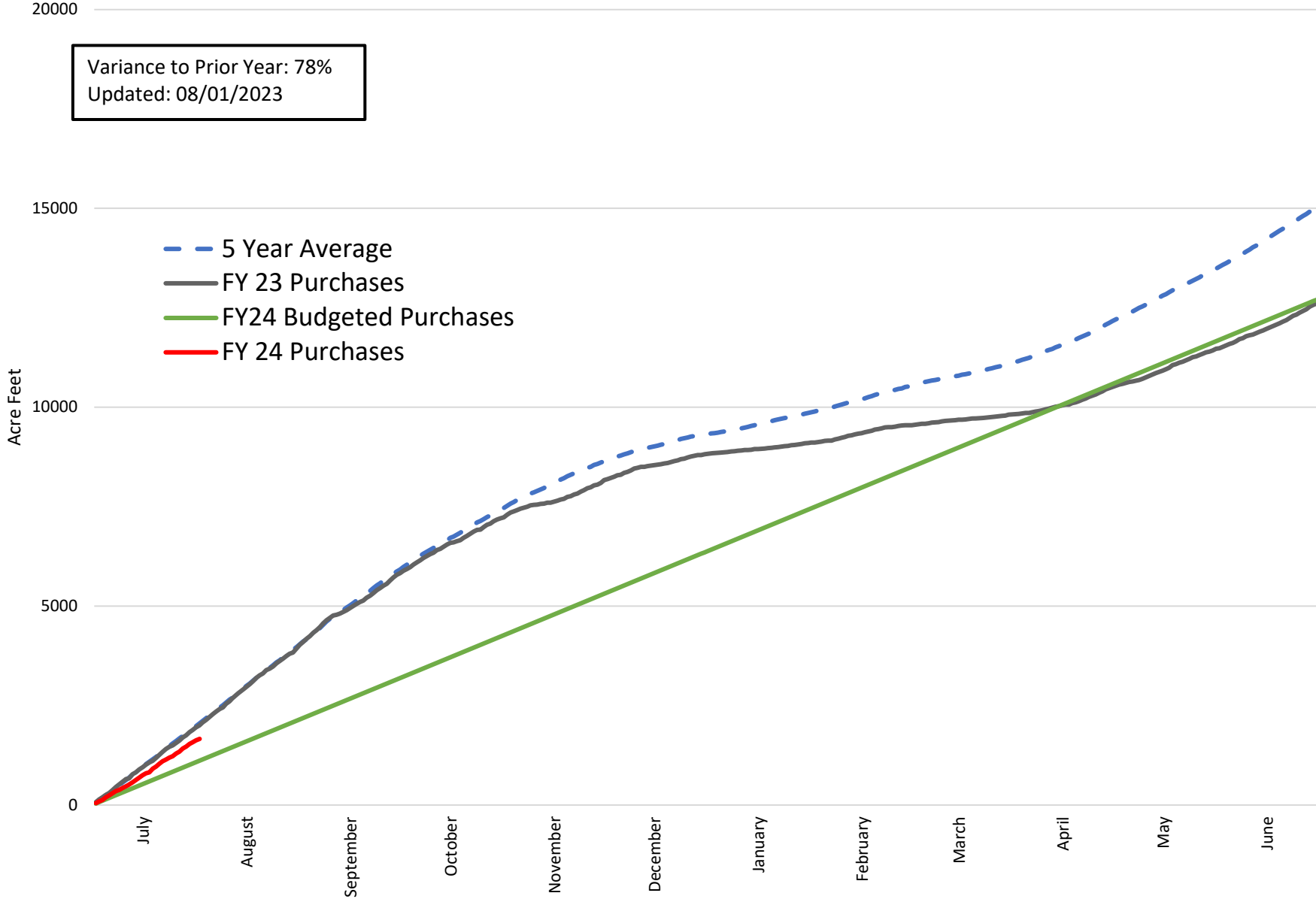
Tracy Largent, Treasurer

*Source of Market Value - US Bank monthly statements

**Source of LAIF FMV - CA State Treasurer Pooled Money Investment Account @ <https://www.treasurer.ca.gov/pmia-laif/reports/valuation.asp>

System Demands Comparison Chart

Variance to Prior Year: 78%
Updated: 08/01/2023



Comparative Water Sales YTD from Prior Years

FISCAL YEAR 2023-2024

Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
1,186	AD	73,075												168
513	AG	88,313												203
275	CM	28,891												66
37	CN	2,428												6
21	IS	1,834												4
124	MF	11,239												26
139	PC	43,776												100
300	PD	60,282												138
6,234	SF	124,919												287
8,829	Total	434,757	-	-	-	-	-	-	-	-	-	-	-	998

FISCAL YEAR 2022-2023

Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
1,186	AD	126,735												291
513	AG	190,990												438
275	CM	52,026												119
37	CN	13,891												32
21	IS	4,157												10
124	MF	14,020												32
139	PC	86,650												199
300	PD	102,297												235
6,234	SF	181,808												417
8,829	Total	772,574	-	-	-	-	-	-	-	-	-	536,055	-	1,774

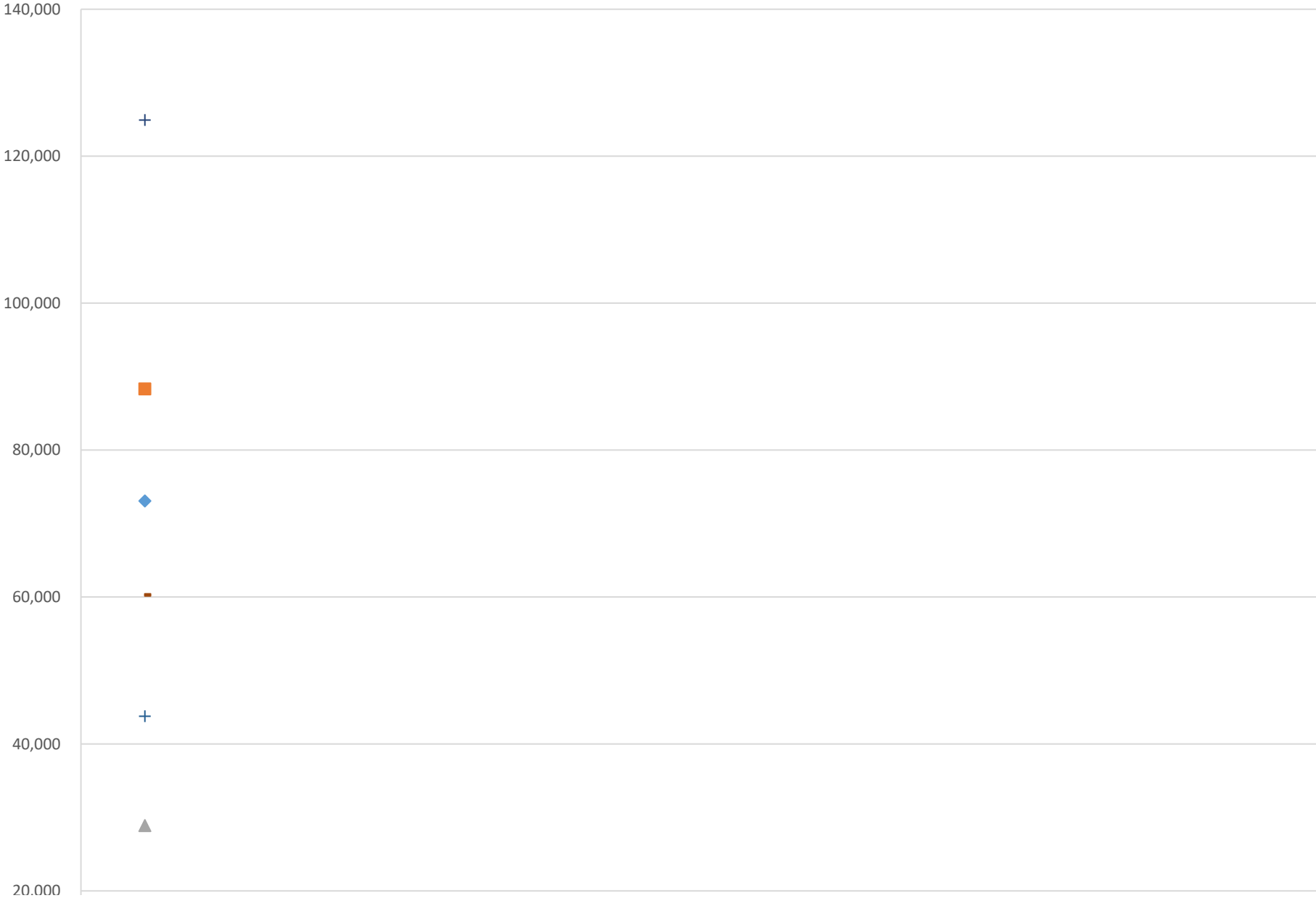
FISCAL YEAR 2021-2022

Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
1,227	AD	49,878												115
531	AG	126,020												289
276	CM	43,597												100
26	CN	9,809												23
21	IS	4,094												9
121	MF	14,171												33
148	PC	105,195												241
313	PD	104,423												240
-	SC	54,638												125
-	SD	86,465												198
6,012	SF	186,785												429
8675	Total	785,075	-	-	-	-	-	-	-	-	-	-	-	1,802

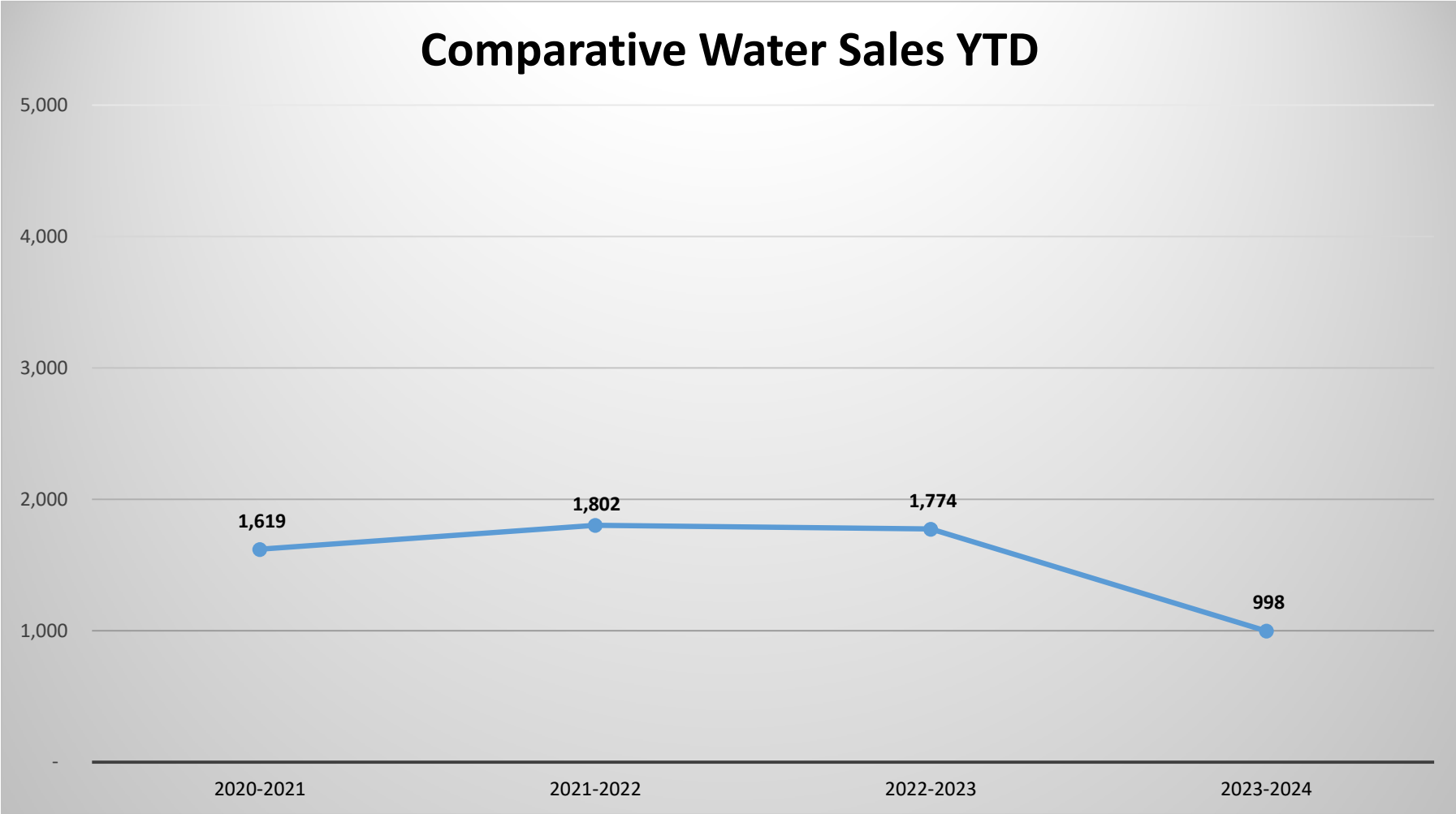
FISCAL YEAR 2020-2021

Quantity of Meters	User Code	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Acre Feet
549	AD	34,763												80
402	AG	109,886												252
271	CM	43,615												100
24	CN	6,330												15
21	IS	2,513												6
114	MF	14,151												32
	PC	-												-
	PD	-												-
319	SC	137,945												317
1,012	SD	186,337												428
5,851	SF	169,793												390
8,563	Total	705,333	-	-	-	-	-	-	-	-	-	-	-	1,619

USAGE BY CUSTOMER CLASS FY 23-24



Comparative Water Sales YTD from Prior Years







Check Register June 2023

Description	Bank Transaction Code	Issue Date	Amount
FREEWAY TRAILER SALES	ACH	06/01/2023	12.72
HOME DEPOT CC - ALL (MAY 2023 STATEMENT)	EFT	06/01/2023	873.68
MOBILE MINI, INC	CHECK	06/01/2023	1,132.42
AMERICAN EXPRESS - TK (MAY STATEMENT)	WIRE	06/08/2023	72,450.86
SDCWA WATER PURCHASE- APRIL 2023	WIRE	06/08/2023	1,458,028.50
UNION BANK CC - DEL RIO (MAY STATEMENT)	EFT	06/08/2023	195.00
UNION BANK CC - HARP (MAY STATEMENT)	EFT	06/08/2023	139.99
UNION BANK CC - KENNEDY (MAY STATEMENT)	EFT	06/08/2023	803.66
UNION BANK CC - LAGUNAS (MAY STATEMENT)	EFT	06/08/2023	91.61
UNION BANK CC - LARGENT (MAY STATEMENT)	EFT	06/08/2023	66.85
UNION BANK CC - NUNEZ (MAY STATEMENT)	EFT	06/08/2023	99.35
UNION BANK CC - RAMIREZ (MAY STATEMENT)	EFT	06/08/2023	931.57
49er COMMUNICATIONS, INC.	CHECK	06/09/2023	3,081.67
ACWA-JPIA	ACH	06/09/2023	78,637.10
ARAMARK UNIFORM SERVICES	CHECK	06/09/2023	1,374.03
AT&T	CHECK	06/09/2023	2,302.12
BOOT BARN INC	CHECK	06/09/2023	926.23
CDW GOVERNMENT, INC.	CHECK	06/09/2023	907.20
CHARTER COMMUNICATIONS	CHECK	06/09/2023	3,050.00
CLEMMON TAYLOR	CHECK	06/09/2023	100.00
COLETTE BARROW	CHECK	06/09/2023	75.50
COLONIAL LIFE & ACCIDENT INS.	CHECK	06/09/2023	60.71
CORE & MAIN LP	CHECK	06/09/2023	657.06
DEXTER WILSON ENGINEERING	CHECK	06/09/2023	15,610.00
DIAMOND ENVIRONMENTAL SERVICES	CHECK	06/09/2023	492.53
DS SERVICES OF AMERICA, INC.	CHECK	06/09/2023	684.88

Description	Bank Transaction Code	Issue Date	Amount
EUROSOURCE JANITORIAL SERVICE INC.	ACH	06/09/2023	3,365.00
EXL SERVICE/USAA	CHECK	06/09/2023	43,694.42
FALLBROOK ACE HARDWARE	CHECK	06/09/2023	71.78
FALLBROOK AUTO PARTS	CHECK	06/09/2023	1,649.94
FALLBROOK EQUIPMENT RENTAL	ACH	06/09/2023	2,854.94
FALLBROOK IRRIGATION SUPPLIES	CHECK	06/09/2023	2,083.27
FALLBROOK WASTE AND RECYCLING	CHECK	06/09/2023	487.47
FEDEX	CHECK	06/09/2023	34.37
FERGUSON WATERWORKS #1083	CHECK	06/09/2023	508.28
FLUME TECH	CHECK	06/09/2023	1,450.07
FLYERS ENERGY LLC	ACH	06/09/2023	5,021.46
FREEDOM AUTOMATION, INC.	CHECK	06/09/2023	15,374.00
GRANGETTO'S-FALLBROOK	CHECK	06/09/2023	155.12
HACH	CHECK	06/09/2023	7,308.47
HARRIS & ASSOCIATES, INC.	ACH	06/09/2023	1,081.50
HARRISON'S EQUIPMENT	CHECK	06/09/2023	167.72
HELIX ENVIRONMENTAL PLANNING INC	ACH	06/09/2023	3,800.00
HOCH CONSULTING, APC	CHECK	06/09/2023	164,194.40
ICON UTILITY SERVICES	CHECK	06/09/2023	1,825.00
ICONIX WATERWORKS (US) INC	ACH	06/09/2023	8,290.06
JERRY KRAFT	CHECK	06/09/2023	200.00
KNOCKOUT PEST CONTROL& TERMITE, INC.	CHECK	06/09/2023	300.00
KYOCERA DOCUMENT SOLUTIONS AMERICA, INC.	CHECK	06/09/2023	14.00
LANCE, SOLL & LUNGHARD LLP	CHECK	06/09/2023	295.00
LIQUID ENVIRONMENTAL SOLUTIONS OF CA, LLC	ACH	06/09/2023	1,095.00
METRON-FARNIER, LLC.	ACH	06/09/2023	1,686.39
MICHAEL & PATRICIA CASEY	CHECK	06/09/2023	1,750.49
MICHAEL MACK	CHECK	06/09/2023	222.55
MODULAR BUILDING CONCEPTS, INC	CHECK	06/09/2023	1,687.37
MONTANO PIPELINE INC	CHECK	06/09/2023	1,800.06
NATIONAL SAFETY COMPLIANCE,INC	CHECK	06/09/2023	98.95
NINYO & MOORE GEOTECHNICAL & ENVIRONMENTAL SCIENCES CONSULTA	CHECK	06/09/2023	562.50
NUTRIEN AG SOLUTIONS, INC	CHECK	06/09/2023	265.04
OCCUPATIONAL HEALTH CENTERS OF CA, A MEDICAL CORP	CHECK	06/09/2023	113.00

Description	Bank Transaction Code	Issue Date	Amount
OPR COMMUNICATIONS, INC.	CHECK	06/09/2023	7,500.00
PACIFIC PIPELINE SUPPLY	CHECK	06/09/2023	4,732.72
PALA BAND OF MISSION INDIANS	CHECK	06/09/2023	5,861.12
PARADISE CHEVROLET CADILLAC	ACH	06/09/2023	3,724.95
PERRAULT CORPORATION	CHECK	06/09/2023	2,897.53
PITNEY BOWES INC.	CHECK	06/09/2023	739.16
PRECISION MOBILE DETAILING	ACH	06/09/2023	1,262.35
QUALITY CHEVROLET	ACH	06/09/2023	1,124.77
ROTARY CLUB OF BONSALL	CHECK	06/09/2023	1,080.00
RT LAWRENCE CORPORATION	ACH	06/09/2023	609.30
SAFETY-KLEEN	ACH	06/09/2023	706.22
SALIZCO INC	CHECK	06/09/2023	3,039.80
SAN DIEGO FRICTION PRODUCTS, INC.	CHECK	06/09/2023	448.46
SAN DIEGO GAS & ELECTRIC	CHECK	06/09/2023	41,467.89
SHRED-IT USA LLC	CHECK	06/09/2023	300.33
SLUDGEBUSTERS INC	CHECK	06/09/2023	2,750.00
SONSRAY MACHINERY LLC.	ACH	06/09/2023	800.81
SPECIALTY MOWING SERVICES, INC.	ACH	06/09/2023	36,240.05
SUNBELT RENTALS, INC	CHECK	06/09/2023	379.72
T S INDUSTRIAL SUPPLY	CHECK	06/09/2023	1,472.95
TCN, INC	CHECK	06/09/2023	38.80
TUFF SHED	CHECK	06/09/2023	3,800.59
UNDERGROUND SERVICE ALERT	ACH	06/09/2023	297.77
UNION BANK CC - DAUGHERTY (MAY STATEMENT)	EFT	06/09/2023	682.49
US BANK	ACH	06/09/2023	291.67
WATERLINE TECHNOLOGIES INC.	CHECK	06/09/2023	3,646.26
WORKFORCE PRODUCTS INC.	CHECK	06/09/2023	952.03
ADP - ADVICE OF DEBIT #635252798	EFT	06/16/2023	1,429.13
APPLEONE EMPLOYMENT SERVICES	CHECK	06/21/2023	1,245.42
DENNIS MENDEZ	CHECK	06/21/2023	163.00
TRACY LARGENT	CHECK	06/21/2023	5,250.00
WELLS FARGO BANK_ESCROW/BECK & MORRO LN	WIRE	06/21/2023	552,448.93
UNION BANK CC - DEL RIO (JUNE STATEMENT)	EFT	06/22/2023	771.89
UNION BANK CC - HARP (JUNE STATEMENT)	EFT	06/22/2023	139.99

Description	Bank Transaction Code	Issue Date	Amount
UNION BANK CC - KENNEDY (JUNE STATEMENT)	EFT	06/22/2023	105.01
UNION BANK CC - RAMIREZ (JUNE STATEMENT)	EFT	06/22/2023	88.51
UNION BANK CC - WILLIAMS (JUNE STATEMENT)	EFT	06/22/2023	324.00
ACTIVE AUTO COLLISION	CHECK	06/23/2023	1,190.99
AGUILAR PLANT CARE, INC.	CHECK	06/23/2023	1,100.00
AHREND STUDIOS	CHECK	06/23/2023	134.69
AIRGAS USA, LLC	ACH	06/23/2023	641.92
ALPHA DOG TOWING LLC.	CHECK	06/23/2023	152.00
AMERICAN BUSINESS BANK	CHECK	06/23/2023	2,708.44
ARAMARK UNIFORM SERVICES	CHECK	06/23/2023	624.01
ARDURRA GROUP, INC.	CHECK	06/23/2023	10,300.00
AT&T	CHECK	06/23/2023	158.21
AT&T	CHECK	06/23/2023	627.65
AT&T LONG DISTANCE	CHECK	06/23/2023	47.20
ATLAS ENGINEERING WEST, INC.	CHECK	06/23/2023	561.00
AZUGA, INC.	CHECK	06/23/2023	238.95
BABCOCK LABORATORIES, INC	ACH	06/23/2023	782.93
BANNER BANK	CHECK	06/23/2023	11,319.91
BONSALL PEST CONTROL	CHECK	06/23/2023	210.00
BOOT BARN INC	CHECK	06/23/2023	576.66
BP BATTERY INC.	ACH	06/23/2023	471.45
COLONIAL LIFE & ACCIDENT INS.	CHECK	06/23/2023	60.71
COMPUTERSHARE TRUST COMPANY, N.A.	CHECK	06/23/2023	2,000.00
COPY 2 COPY	CHECK	06/23/2023	79.03
CORE & MAIN LP	CHECK	06/23/2023	2,673.00
COUNTY OF SAN DIEGO, RCS	CHECK	06/23/2023	1,233.12
COUNTY OF SAN DIEGO/REGISTRAR	CHECK	06/23/2023	2,002.00
CRAIG SHOBE	CHECK	06/23/2023	725.00
DELL BUSINESS CREDIT	CHECK	06/23/2023	1,363.31
DIAMOND ENVIRONMENTAL SERVICES	CHECK	06/23/2023	99.79
DLM ENGINEERING, INC.	CHECK	06/23/2023	2,300.00
EUROSOURCE JANITORIAL SERVICE INC.	ACH	06/23/2023	3,365.00
FALLBROOK ACE HARDWARE	CHECK	06/23/2023	38.37
FALLBROOK EQUIPMENT RENTAL	ACH	06/23/2023	700.00

Description	Bank Transaction Code	Issue Date	Amount
FALLBROOK LOCAL LOCKSMITH	CHECK	06/23/2023	70.00
FALLBROOK PUBLIC UTILITY DIST	CHECK	06/23/2023	693.90
FARWEST CORROSION CONTROL COMPANY	CHECK	06/23/2023	26,235.16
FEDEX	CHECK	06/23/2023	34.30
FERGUSON WATERWORKS #1083	CHECK	06/23/2023	100,138.31
FLYERS ENERGY LLC	ACH	06/23/2023	5,078.90
FREEWAY TRAILER SALES	ACH	06/23/2023	178.93
HAWTHORNE MACHINERY COMPANY	CHECK	06/23/2023	114.78
HAZARD CONSTRUCTION ENGR LLC	CHECK	06/23/2023	51,460.30
HILL BROTHERS CHEMICAL CO.	CHECK	06/23/2023	3,843.44
IB CONSULTING, LLC	CHECK	06/23/2023	19,400.00
ICONIX WATERWORKS (US) INC	ACH	06/23/2023	3,388.71
IMPACT DESIGN	CHECK	06/23/2023	379.65
INFOR PUBLIC SECTOR, INC.	ACH	06/23/2023	190.00
INFOSEND, INC.	CHECK	06/23/2023	16,403.33
JAMES W FOWLER CO	ACH	06/23/2023	215,078.20
JAUREGUI & CULVER, INC.	CHECK	06/23/2023	1,817.15
KENNEDY/JENKS CONSULTANTS INC	ACH	06/23/2023	1,347.50
KEVIN MILLER	ACH	06/23/2023	363.00
KNIGHT SECURITY & FIRE SYSTEMS	ACH	06/23/2023	90.00
KNOCKOUT PEST CONTROL& TERMITE, INC.	CHECK	06/23/2023	300.00
LANCE, SOLL & LUNGHARD LLP	CHECK	06/23/2023	10,890.00
LINCOLN NATIONAL LIFE INSURANCE COMPANY	CHECK	06/23/2023	5,351.15
MOBILE MODULAR	CHECK	06/23/2023	3,243.07
OPR COMMUNICATIONS, INC.	CHECK	06/23/2023	7,521.00
PACIFIC PIPELINE SUPPLY	CHECK	06/23/2023	15,004.79
PARADISE CHEVROLET CADILLAC	ACH	06/23/2023	199.95
PERRAULT CORPORATION	CHECK	06/23/2023	2,125.54
PRECISION MOBILE DETAILING	ACH	06/23/2023	751.90
PRINCIPAL LIFE INSURANCE COMPANY	ACH	06/23/2023	8,681.88
QUALITY CHEVROLET	ACH	06/23/2023	309.13
QUINN COMPANY	CHECK	06/23/2023	159.50
RAIN FOR RENT RIVERSIDE	CHECK	06/23/2023	4,689.93
RAINBOW HGHTS RD MAINT ORG	CHECK	06/23/2023	250.00

Description	Bank Transaction Code	Issue Date	Amount
RIGHT-OF-WAY ENGINEERING SERV	CHECK	06/23/2023	1,435.00
RMG COMMUNICATIONS	CHECK	06/23/2023	6,830.00
ROLLIN C BUSH	CHECK	06/23/2023	5,061.50
RT LAWRENCE CORPORATION	ACH	06/23/2023	615.50
SAN DIEGO COUNTY ASSESSOR/RECORDER/CLERK	CHECK	06/23/2023	20.00
SAN DIEGO GAS & ELECTRIC	CHECK	06/23/2023	47,964.12
SOUTHWEST ANSWERING SERVICE, INC.	CHECK	06/23/2023	1,071.00
T S INDUSTRIAL SUPPLY	CHECK	06/23/2023	163.78
THE ALCHEMY GROUP INC	CHECK	06/23/2023	15,000.00
TRAFFIC SUPPLY, INC.	CHECK	06/23/2023	1,395.90
VERIZON WIRELESS	CHECK	06/23/2023	7,128.80
WATERLINE TECHNOLOGIES INC.	CHECK	06/23/2023	10,596.95
WESTERN LANDSCAPE MAINTENANCE PLUS, INC.	ACH	06/23/2023	532.51
ZION BANCORPORATION, NATIONAL ASSOCIATION	CHECK	06/23/2023	1,209,316.90
WEX - ADMIN FEES (MAY 2023)	EFT	06/26/2023	89.90
CHRIS DAUGHERTY	CHECK	06/29/2023	92.15
		TOTAL:	4,466,689.23

**Director's Expenses
FY 2022-2023**

Disbursement Date	Description	Miguel Gasca	Claude Hamilton	Michael Mack	Pam Moss	William Stewart
07/31/22	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	\$ 150.00	\$ 150.00		\$ 150.00	\$ 150.00
	Monthly Totals	\$ 150.00	\$ 150.00	\$ -	\$ 150.00	\$ 150.00
08/31/22	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	\$ 650.00	\$ 690.00	\$ 690.00	\$ 40.00	\$ 40.00
	Monthly Totals	\$ 1,153.42	\$ 2,109.77	\$ 2,635.05	\$ 589.12	\$ 340.00

**Director's Expenses
FY 2022-2023**

Disbursement Date	Description	Miguel Gasca	Claude Hamilton	Michael Mack	Pam Moss	William Stewart
09/30/22	WATER AGENCIES ASSOC OF S.D. CSDA,SAN DIEGO CHAPTER CONFERENCES (CSDA, ACWA, etc.) TRAINING				\$ 600.00	
	COUNCIL OF WATER UTILITIES DIRECTORS' PER DIEMS	\$ 150.00	\$ 150.00	\$ 150.00	\$ 750.00	\$ 150.00
	TRAVEL EXPENSES				\$ 1,759.76	
	MILEAGE AND EXPENSES					
	REIMBURSEMENT FROM DIRECTORS					
	Monthly Totals	<u>\$ 150.00</u>	<u>\$ 150.00</u>	<u>\$ 150.00</u>	<u>\$ 3,109.76</u>	<u>\$ 150.00</u>
10/31/22	WATER AGENCIES ASSOC OF S.D. CSDA,SAN DIEGO CHAPTER CONFERENCES (CSDA, ACWA, etc.) TRAINING					
	COUNCIL OF WATER UTILITIES DIRECTORS' PER DIEMS	\$ 150.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 600.00
	TRAVEL EXPENSES					
	MILEAGE AND EXPENSES					
	REIMBURSEMENT FROM DIRECTORS					
	Monthly Totals	<u>\$ 150.00</u>	<u>\$ 300.00</u>	<u>\$ 300.00</u>	<u>\$ 300.00</u>	<u>\$ 600.00</u>

**Director's Expenses
FY 2022-2023**

Disbursement Date	Description	Miguel Gasca	Claude Hamilton	Michael Mack	Pam Moss	William Stewart
11/30/22	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	\$ 775.00	\$ 60.00	\$ 60.00 \$ 775.00	\$ 60.00	\$ 60.00
	Monthly Totals	\$ 2,306.43	\$ 60.00	\$ 3,020.63	\$ 60.00	\$ 660.00
12/31/22	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	\$ 150.00 \$ 47.50	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00
	Monthly Totals	\$ 197.50	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00

**Director's Expenses
FY 2022-2023**

	Miguel Gasca	Claude Hamilton	Michael Mack	Pam Moss	William Stewart
WATER AGENCIES ASSOC OF S.D.	\$ -	\$ -	\$ -	\$ -	\$ -
CSDA,SAN DIEGO CHAPTER	\$ -	\$ 125.00	\$ 125.00	\$ 125.00	\$ 60.00
CONFERENCES (CSDA, ACWA, etc.)	\$ 1,425.00	\$ 690.00	\$ 1,465.00	\$ 640.00	\$ 40.00
TRAINING	\$ -	\$ -	\$ -	\$ -	\$ -
COUNCIL OF WATER UTILITIES	\$ -	\$ -	\$ -	\$ -	\$ -
DIRECTORS' PER DIEMS	\$ 900.00	\$ 1,050.00	\$ 2,100.00	\$ 1,650.00	\$ 1,800.00
TRAVEL EXPENSES	\$ 1,687.35	\$ 680.13	\$ 2,185.68	\$ 1,909.76	\$ 150.00
MILEAGE EXPENSE	\$ 95.00	\$ 374.64	\$ 380.00	\$ 34.12	\$ -
REIMBURSEMENT FROM DIRECTORS	\$ -	\$ -	\$ -	\$ -	\$ -
REPORT TOTAL FOR 2022:	\$ 4,107.35	\$ 2,919.77	\$ 6,255.68	\$ 4,358.88	\$ 2,050.00

**Director's Expenses
FY 2022-2023**

Disbursement Date	Description	Miguel Gasca	Claude Hamilton	Michael Mack	Pam Moss	Pam Townsend-Smith
01/31/23	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	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00
	Monthly Totals	<u>\$ 150.00</u>	<u>\$ 150.00</u>	<u>\$ 150.00</u>	<u>\$ 150.00</u>	<u>\$ 150.00</u>
2/29/2023	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		\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00
	Monthly Totals	<u>\$ 150.00</u>	<u>\$ 210.00</u>	<u>\$ 360.00</u>	<u>\$ 254.50</u>	<u>\$ 360.00</u>

**Director's Expenses
FY 2022-2023**

Disbursement Date	Description	Miguel Gasca	Claude Hamilton	Michael Mack	Pam Moss	Pam Townsend-Smith
03/31/23	WATER AGENCIES ASSOC OF S.D. CSDA, SAN DIEGO CHAPTER CONFERENCES (CSDA, ACWA, etc.) TRAINING	\$ 325.00				
	COUNCIL OF WATER UTILITIES DIRECTORS' PER DIEMS	\$ 300.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00
	TRAVEL EXPENSES	\$ 323.48				
	MILEAGE EXPENSE	\$ 53.71				
	REIMBURSEMENT FROM DIRECTORS					
	Monthly Totals	<u>\$ 1,002.19</u>	<u>\$ 150.00</u>	<u>\$ 150.00</u>	<u>\$ 150.00</u>	<u>\$ 150.00</u>
04/30/23	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	\$ 450.00	\$ 150.00
	TRAVEL EXPENSES					
	MILEAGE EXPENSE				\$ 62.88	
	REIMBURSEMENT FROM DIRECTORS					
	Monthly Totals	<u>\$ -</u>	<u>\$ 150.00</u>	<u>\$ 150.00</u>	<u>\$ 512.88</u>	<u>\$ 150.00</u>

**Director's Expenses
FY 2022-2023**

Disbursement Date	Description	Miguel Gasca	Claude Hamilton	Michael Mack	Pam Moss	Pam Townsend-Smith	Julie Johnson
05/31/23	WATER AGENCIES ASSOC OF S.D. CSDA-SAN DIEGO CHAPTER CONFERENCES (CSDA, ACWA, etc.) TRAINING	\$ 815.00		\$ 815.00	\$ 815.00	\$ 815.00	
	COUNCIL OF WATER UTILITIES DIRECTORS' PER DIEMS	\$ 150.00	\$ 150.00	\$ 750.00		\$ 900.00	\$ 150.00
	TRAVEL EXPENSES	\$ 408.00		\$ 1,911.02	\$ 438.00	\$ 1,886.51	
	MILEAGE EXPENSE			\$ 72.05			
	REIMBURSEMENT FROM DIRECTORS						
	Monthly Totals	\$ 1,373.00	\$ 150.00	\$ 3,548.07	\$ 1,253.00	\$ 3,601.51	\$ 150.00
06/30/23	WATER AGENCIES ASSOC OF S.D. CSDA-SAN DIEGO CHAPTER CONFERENCES (CSDA, ACWA, etc.) TRAINING						\$ 60.00
	COUNCIL OF WATER UTILITIES DIRECTORS' PER DIEMS	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 300.00
	TRAVEL EXPENSES						
	MILEAGE EXPENSE						\$ 19.72
	REIMBURSEMENT FROM DIRECTORS						
	Monthly Totals	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 379.72

**Director's Expenses
FY 2022-2023**

	Miguel Gasca	Claude Hamilton	Michael Mack	Pam Moss	Pam Townsend-Smith	Julie Johnson
WATER AGENCIES ASSOC OF S.D.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CSDA,SAN DIEGO CHAPTER	\$ -	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ -
CONFERENCES (CSDA, ACWA, etc.)	\$ 1,140.00	\$ -	\$ 815.00	\$ 815.00	\$ 815.00	\$ 60.00
TRAINING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
COUNCIL OF WATER UTILITIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DIRECTORS' PER DIEMS	\$ 900.00	\$ 900.00	\$ 1,650.00	\$ 1,050.00	\$ 1,800.00	\$ 450.00
TRAVEL EXPENSES	\$ 731.48	\$ -	\$ 1,911.02	\$ 438.00	\$ 1,886.51	\$ -
MILEAGE EXPENSE	\$ 53.71	\$ -	\$ 72.05	\$ 107.38	\$ -	\$ 19.72
REIMBURSEMENT FROM DIRECTORS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
REPORT TOTAL FOR 2023:	\$ 2,825.19	\$ 960.00	\$ 4,508.07	\$ 2,470.38	\$ 4,561.51	\$ 529.72

	Miguel Gasca	Claude Hamilton	Michael Mack	Pam Moss	Pam Townsend-Smith	Julie Johnson
REPORT TOTAL (Fiscal Year 2022-23):	\$ 6,932.54	\$ 3,879.77	\$ 10,763.75	\$ 6,829.26	\$ 6,611.51	\$ 529.72



American Express
June 2023

GL Finance Code	GL Transaction Amount	Description
GL 03 20 75300	60.00	ACWA
GL 03 51 72000	60.00	ACWA
GL 01 32 72000	99.75	AIRPORT WINDSOCK
GL 03 42 72000	19.38	AMAZON
GL 03 41 72000	26.93	AMAZON #114-0798966-9102648
GL 03 44 72000	62.48	AMAZON #114-0879683-2930664
GL 03 44 60100	37.80	AMAZON #114-1098549-3987422
GL 03 44 60100	33.38	AMAZON #114-1187276-0985047
GL 03 44 60100	80.48	AMAZON #114-1272651-2078614
GL 01 32 72000	(17.14)	AMAZON #114-1365832-2896203
GL 01 32 72000	23.59	AMAZON #114-1365832-2896203
GL 03 44 60100	35.54	AMAZON #114-2481185-7538600
GL 03 44 60100	75.41	AMAZON #114-2501695-7612244
GL 03 41 63400	137.82	AMAZON #114-2533449-5808230
GL 03 44 60100	21.54	AMAZON #114-3060189-2882629
GL 03 44 60100	339.80	AMAZON #114-3133844-9839469
GL 03 44 60100	37.06	AMAZON #114-3499789-2096257
GL 03 44 60100	29.07	AMAZON #114-3879561-4151459
GL 03 44 60100	516.12	AMAZON #114-4004773-6959415
GL 03 41 63400	705.84	AMAZON #114-4124416-9033031
GL 03 44 60100	452.54	AMAZON #114-4716518-3671447
GL 03 44 72000	43.08	AMAZON #114-4989445-4984209
GL 03 44 60100	42.84	AMAZON #114-6234885-4086629
GL 03 44 60100	18.94	AMAZON #114-6234885-4086629
GL 03 44 60100	184.02	AMAZON #114-6521319-0514628
GL 03 44 72000	74.12	AMAZON #114-6735309-4546602
GL 03 44 60100	35.60	AMAZON #114-7522818-0814661

GL Finance Code	GL Transaction Amount	Description
GL 03 44 72000	143.08	AMAZON #114-8034734-3695465
GL 03 44 60100	430.98	AMAZON #114-8365160-1587405
GL 03 44 72000	2,154.98	AMAZON #114-9324286-2548259
GL 03 41 72900	26.87	AMAZON #114-9732813-0320221
GL 03 44 72400	0.49	AMAZON WEB SERVICES
GL 03 42 75500	595.00	APWA - WORK ZONE
GL 03 44 72400	94.00	ATLASSIAN
GL 03 44 60100	55.00	AUTHORIZE.NET
GL 01 32 72000	994.53	AUTOMATIONDIRECT.COM
GL 03 51 75300	37.00	AVENUE ARTS COSTA MESA
GL 03 42 75500	200.00	BROWN & CALDWELL
GL 03 44 72400	192.50	CORELOGIC
GL 03 44 72400	72.00	CRADLEPOINT
GL 03 41 63401	93.01	CULLIGAN
GL 03 44 72400	87.99	DIRECT TV
GL 01 34 72000	356.23	ENTERPRISE
GL 01 34 72000	46.81	EVERLINE RESORT
GL 01 34 72000	46.81	EVERLINE RESORT
GL 01 34 72000	36.41	EVERLINE RESORT
GL 01 34 72000	52.01	EVERLINE RESORT
GL 03 45 72000	300.00	FALLBROOK CHAMBER OF COMMERCE
GL 03 41 63400	96.50	FRUIT GUYS
GL 03 41 63400	48.25	FRUIT GUYS
GL 03 41 63400	96.50	FRUIT GUYS
GL 03 41 63400	48.25	FRUIT GUYS
GL 03 41 74100	1,284.82	GOTOCONNECT
GL 03 36 75300	195.00	HYATT
GL 03 36 75300	482.36	HYATT
GL 03 45 72000	210.00	ISTOCKPHOTO
GL 03 44 72400	182.50	KEEPERSECURITY
GL 01 34 72000	710.37	LOCK PEOPLE
GL 03 44 72400	191.17	MICROSOFT
GL 03 44 72400	130.00	MISAC
GL 03 42 75500	345.00	NEOGOV

GL Finance Code	GL Transaction Amount	Description
GL 03 41 70300	7,739.00	NOSSAMAN #548146
GL 03 91 70300	852.00	NOSSAMAN #548146
GL 03 42 70300	1,562.00	NOSSAMAN #548146
GL 03 43 70300	248.50	NOSSAMAN #548146
GL 53 99 70300	248.50	NOSSAMAN #548146
GL 60 99 70300	1,775.00	NOSSAMAN #548146
GL 03 43 70300	1,482.00	NOSSAMAN #548147
GL 03 41 70300	1,935.00	NOSSAMAN #548148
GL 03 91 70300	1,485.00	NOSSAMAN #548148
GL 03 91 70300	495.00	NOSSAMAN #548148
GL 60 99 70300	3,195.00	NOSSAMAN #548148
GL 03 91 70300	1,890.00	NOSSAMAN #548148
GL 03 91 70300	990.00	NOSSAMAN #548148
GL 53 99 70300	1,305.00	NOSSAMAN #548148
GL 03 41 70300	12,322.50	NOSSAMAN #548149
GL 03 41 70300	403.00	NOSSAMAN #548150
GL 53 99 70300	2,877.50	NOSSAMAN #548151
GL 03 42 56513	78.37	PANERA BREAD
GL 03 41 75300	17.65	PREPASS
GL 03 42 56513	111.50	PRIMOS
GL 03 20 75300	103.42	PROFLOWERS
GL 03 20 75300	17.18	RALPHS
GL 03 44 72400	10.00	RING
GL 03 44 72400	30.00	TWILIO
GL 03 44 72400	1,627.18	UI.COM
GL 03 44 72400	118.68	UI.COM
GL 01 34 72000	26.43	URBAN CRAV
GL 03 44 72400	3,051.84	VMWARE
GL 03 44 72400	333.39	WASABI
GL 03 41 63401	589.75	WAXIE
GL 03 36 72000	484.00	WHIP AROUND
GL 03 42 75500	598.00	YOURMEMBERSHIP.COM
GL 03 41 72000	72.92	Z SOUTH
GL 01 35 72000	40.25	ZOHO

GL Finance Code	GL Transaction Amount	Description
GL 03 44 72400	299.87	ZOOM
	61,687.84	American Express (June Statement)

Rainbow Municipal Water District
Property spreadsheet

APN	Description of Use	Acreage
1023000800	North Reservoir	4.8
1023001100	U-1 Pump Station	0.14
1023005000	Rainbow Creek Crossing near North Reservoir	0.89
1023005300	Connection 9	0.01
1024300900	Pump Station across PS1 (not in use)	0.12
1025702000	U-1 Tanks	1.08
1026305400	Pump Station #1	0.33
1026602000	Booster Pump Station #4	0.03
1027001600	Pump Station #3	0.67
1071702800	Connection 7	1.60
1071702900	Pala Mesa Tank	10.35
1080206900	Northside Reservoir	9.23
1082210600	Beck Reservoir	27.25
1082210900	Near Beck Reservoir	4.82
1082211000	Near Beck Reservoir	6.23
1082211800	Near Beck Reservoir - Excess Property (not in use)	4.68
1084210600	Rice Canyon Tank	1.00
1084410300	Canonita Tank	2.41
1091410700	Gomez Creek Tank	1.00
1092310900	Rainbow Heights Tank	0.35
1092330300	Rainbow Heights Tank	0.99
1092341000	Rainbow Heights Concrete Tank - used for SCADA	1.74
1093101800	Vallecitos Tank	0.55
1093822800	Magee Tank	1.03
1093912400	Magee Pump Station	0.3
1100721000	Huntley Road Pump Station	0.52
1102203700	Huntley Chlorination Station (not in use)	0.2
1212011000	Morro Tank	0.31
1212011100	Morro Tank	4.85
1212011200	Morro Reservoir	13.01
1213300900	Morro Reservoir	6.79
1250703200	Sumac Reservoir (Not in Use)	1.72
1250902600	Headquarters	7.38
1250903400	Headquarters	4.43
1250903500	Headquarters	3.40
1250903800	Headquarters	17.03
1251002100	Rancho Viejo Lift Station #5	0.05
1252311800	Hutton Tank	1.39
1252312600	Hutton Tank	0.89
1260803100	Via de los Cepillos Easement	0.47
1261708700	Lift Station #2	0.08
1261708900	Lift Station #2	0.12
1263004200	Lift Station #1	0.01
1270710500	Bonsall Reservoir (Not in Use)	6.19
1270710600	Connection 6	0.28
1271512300	Turner Tank	15.12
1721404300	Gopher Canyon Tank	1.84
	<i>Total</i>	167.68

Active Funding Requests

Grant or Loan applications that are in the process or being submitted, or awaiting selection announcement

Program Name & Agency	Status	Funding Requested	Important Dates	Purpose
<p>State and Local Cybersecurity Grant Program (SLCGP)</p> <p>CalOES</p>	06/22/23 District staff attended workgroup session to determine training program deficiencies	TBD	TBD	To address issues identified in State's Cybersecurity Plan. Funds will be passed down from the state (grantee) to eligible agencies (sub-grantees). Per first committee meeting on 12/16/22, the amount of federal funds allocated for California is not substantial. The type of projects they are looking to fund will be one-off projects that help establish more of an organized approach and framework for addressing cybersecurity projects, as opposed to individual projects.
<p>Sewer Overflow and Stormwater Reuse Municipal Grant</p> <p>EPA/State Water Board</p>	10/26/2022 5-year CIP plan as part of the CWNS; Awaiting announcement of approved projects	TBD	TBD	EPA's Clean Watersheds Needs Survey (CWNS) is an assessment of capital investment needed nationwide for publicly-owned wastewater collection and treatment facilities to meet the water quality goals of the Clean Water Act. The survey responses will be used to set the projects/allocation formula for the Sewer Overflow and Stormwater Reuse Municipal Grants Program.
<p>California Disaster Assistance Act - Winter Storm 2023</p> <p>FEMA/CalOES</p>	02/09/23 & 03/29/23 Submitted invoices and costs to date	TBD	TBD	FEMA and Cal OES completed their Preliminary Damage Assessments and discovered over \$20 million in municipal damages caused by the recent winter storms throughout the San Diego County Operational Area. If added to the Presidential Major Disaster Declaration, 75% of eligible costs could receive reimbursement. In addition (if approved), the California Disaster Assistance Act would provide an additional 18.75% reimbursement for eligible costs leaving the jurisdiction with a 6.25% cost share.
<p>Regional Conservation Partnership Program</p> <p>USDA Natural Resources Conservation Service</p>	02/21/23 Partners to hold meeting within week	\$368,832	Project Start: 03/01/2023	Evaluation of irrigation system uniformity and efficiency through on-farm irrigation audits. Soil quality limitation improvements on 400 acres will be measured as soil organic matter and soil respiration rates and sequestered carbon.

Active Funding Requests cont.

Grant or Loan applications that are in the process or being submitted, or awaiting selection announcement

Program Name & Agency	Status	Funding Requested	Important Dates	Purpose
<p>Regional Resilience Planning Grant Program</p> <p>CA Governor's Office of Planning and Research</p>	<p>Intent to Apply Submitted / Application in Progress</p>	<p>\$150,000</p>	<p>Applications due August 29, 2023</p>	<p>The Regional Resilience Grant Program (RRGP) is a new grant program that funds projects led by partnerships that involve multiple jurisdictions working together to address the most significant climate change risks in their regions, especially in communities that are most vulnerable to climate change impacts. These impacts could include but are not limited to wildfires, rising sea levels, droughts, floods, increasing temperatures, and extreme heat events.</p>
<p>Community Partnering Program</p> <p>Metropolitan Water District</p>	<p>07/24/2023 HR currently reviewing projects ideas</p>	<p>\$3,000</p>	<p>Rolling application process</p>	<p>Eligible projects include water-related educational outreach programs like community forums, workshops and water festivals, water-themed curriculum and supplies for grades K-12, after-school programs, exhibits, promotional materials and native plant and California Friendly® garden signage.</p>

Awarded Funding Requests

Approved Grant or Loan applications that are awaiting award or post-award reporting

Program Name	Status	Funding Awarded	Important Dates	Purpose
MWD Conservation Funding San Diego Integrated Regional Water Management	07/17/23 Project approved by MWD. Awaiting Funding MOU from SDCWA to approve fund pass-through terms	\$15,000	Expend funds by March 2024	Proposed project will assist HOA for the Terrace at San Luis Rey to conduct a pilot turf replacement project in a 3500 square foot communal space on their property. This pilot project includes irrigation system retrofits and upgrades and the installation of drought efficient landscaping.
Wellness Grant JPIA ACWA	07/12/2023 Award Notification	\$2,000	Expend funds by June 24, 2024	Funds will be used to enhance the well-being of our employees through two key initiatives: providing flu shots and massage canes.
Community Grants Program EPA	07/14/2023 Award Notification	\$1,596,762	TBD	Funds will be put towards the Thoroughbred Lift Station and Sewer Improvements project, including the replacement and expansion of a critical lift station, two gravity mains, and one force main.
Leadership Program JPIA ACWA	07/25/2023 Award Notification	All costs for selected attendee	TBD	To pay for participation in JPIA's Leadership Essentials for the Water Industry program for our selected attendee.
Wildfire Prevention Grant CalFire	07/26/2023 Award Notification	\$161,840	Grant agreement to arrive by October 31, 2023	To pay for vegetation mitigation around District infrastructure.

Unawarded Funding Requests

Approved Grant or Loan applications that are awaiting award or post-award reporting

Program Name	Funding Requested	Purpose
Local Community Grants Walmart	\$15,000	<ol style="list-style-type: none">1. \$5,000: To pay for Firewall Upgrades for IT2. \$5,000: To pay for Network Attached Storage for IT to increase security footage storage capabilities3. \$5,000: To fund a Flume installation program for residents