MINUTES FOR THE MEETING
OF THE BOARD OF DIRECTORS
OF THE RAMONA MUNICIPAL WATER DISTRICT
JUNE 13, 2017

PRESENT

Thomas Ace  President
Joe Zenovic  Vice President
Jim Hickle  Secretary
Jeff Lawler  Treasurer
Bryan Wadlington  Director

A.  Opening of Meeting

A.1.  Call to Order and Pledge of Allegiance

The Regular Meeting of the Board of Directors of the Ramona Municipal Water District was called to order by President Ace at 2:00 p.m., at the Ramona Community Center, 434 Aqua Lane, Ramona, County of San Diego, State of California.

President Ace led the Board and members of the audience in the Pledge of Allegiance. This was followed by an opening announcement of basic protocols to observe during the meeting.

A.2.  Consideration of Non-Agenda Items Which Arose Subsequent to the Posting of the Agenda

None.

A.3.  Adoption of Agenda for Meeting of June 13, 2017

MOTION TO ADOPT THE AGENDA FOR THE MEETING EXCLUSIVE OF ITEM B.1.E. WHICH IS NOT READY FOR BOARD ACTION AT THIS TIME (Zenovic/Wadlington)

AYES:  Ace, Hickle, Lawler, Wadlington, Zenovic
NOES:  None
ABSTAIN: None
ABSENT: None

A.4.  Opportunity for Members of the Public to Address the Board on any Subject within its Jurisdiction but not on the Agenda

A member of the public addressed the Board regarding a manhole repair done in his driveway.

A member of the public addressed the Board regarding a recent class action appeal decision on the District's sewer rate litigation.

A.5.  Announcements and/or Informational Reports from Board and/or Staff
A.5.a. General Manager's Report

None.

A.5.b. Committee Reports

None.

A.5.c. Staff Reports

A.5.c.-1. 2017 Fire Season Outlook

**Recommendation:** This is an informational item only. No action is required by the Board at this time.

CalFire Division Chief Ranalli presented information on current fire conditions, the need for defensible space and their defensible space inspection program.

B. Ministerial Items

B.1. Consent Calendar

(All matters on the consent calendar are to be approved by one motion unless a Board Member requests separate action on a specific item)

Director Lawler requested to pull item B.1.d.

B.1.a. Adoption of the Regular Board Meeting Minutes for May 9, 2017

**Recommendation:** To adopt the Minutes for May 9, 2017.

B.1.b. Acceptance of Monthly Financial Reports – April 2017

**Recommendation:** No staff recommendation.

B.1.c. Adoption of a Resolution to Collect Delinquent Water Charges by Placement on the San Diego County Property Tax Rolls

**Recommendation:** Staff respectfully recommends that the Board adopt a Resolution to collect delinquent water charges by placing them on the San Diego County property tax rolls.

**MOTION TO APPROVE THE CONSENT CALENDAR AS AMENDED**

(Zenovic/Wadlington)

AYES: Ace, Hickle, Lawler, Wadlington, Zenovic

NOES: None

ABSTAIN: None

ABSENT: None
B.1.d. Authorization to Award a Contract for Construction of the Santa Maria Water Reclamation Plant Aeration Basin Weir Replacement Project

Recommendation: Staff respectfully recommends that the Board authorize the General Manager to award a contract for construction of the SMWRP Aeration Basin Weir Replacement Project to NEWest Construction Co., Inc.

Director Lawler requested clarification on the project. Discussion followed.

MIS\C MOTION TO AUTHORIZE AWARD OF A CONTRACT FOR CONSTRUCTION OF THE SANTA MARIA WATER RECLAMATION PLANT AERATION BASIN WEIR REPLACEMENT PROJECT (Zenovic/Hickle)

AYES: Ace, Hickle, Lawler, Wadlington, Zenovic
NOES: None
ABSTAIN: None
ABSENT: None

C. Public Hearing/Bid Openings
(This space on the agenda is reserved in the event there is a public hearing or bid opening)

C.1. Public Hearing – To Take Public Input on the Modifying the Sewer System Charges in the San Vicente and Santa Maria Sewer Service Areas

President Ace introduced the public hearing and deferred to legal counsel for a statement on how to formally protest the proposed rate increases.

President Ace opened the public hearing at 2:33 p.m. Two members of the public addressed the Board. Seeing no additional speakers, President Ace closed the public hearing at 2:38 p.m.

The recording secretary reported that approximately 7,000 parcels are subject to District sewer fees and charges and the District received 12 written protests to the proposed rate increases.

D. Agenda Items which Anticipate Possible Input from Members of the Public
(This space on the agenda is reserved in the event a member of the public is scheduled to address the Board)

E. Agenda Items which Anticipate Possible Input from Other Agencies/Consultants
(This space on the agenda is reserved in the event another agency/consultant is scheduled to address the Board)

F. Agenda Items which Anticipate Possible Input from Staff

F.1. Discussion and Possible Action to Adopt an Ordinance Modifying the District's San Vicente and Santa Maria Sewer Service Charges Effective July 1, 2017

Recommendation: Staff respectfully recommends that after holding the public hearing and receiving public comments under Agenda Item C.1., the Board approve the rate changes to be effective July 1, 2017 by adopting the attached ordinance.
M\S  MOTION TO DISCUSS THE ADOPTION OF AN ORDINANCE MODIFYING RATES (Zenovic/Ace)

General Manager Barnum introduced the agenda item and expressed his concerns with deferred maintenance and a need for investment in the sewer systems.

Engineering staff provided an update on the San Vicente and Santa Maria facility plans. This was followed by discussion regarding the timing of capital improvement projects relative to the increase in revenue.

President Ace asked for any public comments before calling a break at 3:17 p.m. The meeting was reconvened at 3:25 p.m.

The District's rate analyst, Mr. Alex Handlers of Bartle Wells Associates, reviewed the updated rate studies that correspond to each facility plan.

Chief Financial Officer Richard Hannasch confirmed that all proposition 218 requirements have been met and there is no majority protest. He also summarized the actions taken to date to address ongoing sewer system needs.

General Counsel provided an opinion on the Board's authority to proceed on the proposed rate increases per proposition 218.

Discussion followed regarding deferred maintenance needs, capital project schedules, fund balances, operational costs, rate strategy and rate projections.

President Ace called for a break at 4:42 p.m. The meeting was reconvened at 4:48 p.m.

M\S\C  MOTION ON THE FLOOR AMENDED TO ADOPT THE ORDINANCE (Zenovic/Ace)

Ordinance No. 17-448 was adopted by the following roll call vote:

AYES:    Ace, Wadlington, Zenovic
NOES:    Hickle, Lawler
ABSTAIN: None
ABSENT:  None

F.2.  Discussion and Possible Action to Adopt an Ordinance to Continue Sewer Availability Charges for Property in the San Vicente Sewer Service Area for Fiscal Year 2017-18

Recommendation: Staff respectfully recommends that the Board adopt an Ordinance to continue sewer availability charges for property in the San Vicente Sewer Service Area for fiscal year 2017-18.

M\S  MOTION TO DISCUSS ADOPTION OF THE ORDINANCE (Zenovic/Hickle)

Chief Financial Officer Richard Hannasch provided a summary of the availability charge and how it is applied.
MOTION TO ADOPT THE ORDINANCE (Hickle/Zenovic)

Ordinance No. 17-449 was adopted by the following roll call vote:

AYES: Ace, Hickle, Lawler, Wadlington, Zenovic
NOES: None
ABSTAIN: None
ABSENT: None

G. Remaining Agenda Items

G.1. Directors’ Reports of Reimbursed Meetings
Pursuant to Legislative Code Section 2.08.140, members of the Board who receive reimbursement from the District for their actual and necessary expenses for attending meetings outside the District shall either prepare a written report to be submitted at the next subsequent Board meeting or make a verbal report during the next regular Board meeting. The report shall detail the information that may be of benefit to the District that was presented at the meeting.

None.

H. Closing Agenda Items

H.1. Date and Time for the Next Regular Meeting

July 11, 2017 - 2:00 p.m.

President Ace adjourned the Regular Meeting of the Board of Directors of the Ramona Municipal Water District at 4:54 p.m.

Adjourn

Thomas Ace, President
Board of Directors
RAMONA MUNICIPAL WATER DISTRICT