RAMONA MUNICIPAL WATER DISTRICT

Regular Meeting of the Board of Directors
Ramona Community Center
434 Aqua Lane, Ramona, CA 92065
Tuesday, September 11, 2018
2:00 P.M.

AGENDA

A. Opening of Meeting

A.1. Call to Order and Pledge of Allegiance

Moment of Silence in Remembrance of September 11, 2001

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

A.3. Adoption of Agenda for Meeting of September 11, 2018

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

A.5. Announcements and/or Informational Reports from Board and/or Staff

A.5.a. General Manager's Report

A.5.b. Committee Reports

A.5.c. Staff Reports

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)

B.1.a. Adoption of the Regular Board Meeting Minutes for August 14, 2018

Recommendation: To adopt the Minutes for August 14, 2018.

B.1.b. Acceptance of Monthly Financial Reports – July 2018

Recommendation: No staff recommendation.

B.1.c. Adoption of a Resolution Amending Conflict of Interest Code which Designates Positions within the District that Must File an Annual Form 700 Statement

Recommendation: It is respectfully recommended that the Board adopt a Resolution amending the District's Conflict of Interest Code and direct staff to

submit this updated version to the County of San Diego no later than October 10, 2018.

B.1.d. Adoption of a Resolution Approving and Authorizing Execution of a Recycled Water and Effluent Disposal Agreement with San Diego Country Estates Association (SDCEA) Pursuant to Applicable CEQA Exemptions (PRC §21080(b)(1) and 14 CCR 15268(a); 14 CCR 15301)

Recommendation: It is respectfully recommended that the Board adopt the Resolution approving and authorizing the SDCEA Agreement pursuant to the applicable CEQA exemptions described above.

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

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

G. Closed Session – NOT OPEN TO THE PUBLIC

G.1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Government Code § 54956.8)
Property: APN 284-150-15; APN 284-110-37; APN 284-110-38; APN 284-130-09; APN 284-130-10, Ramona, CA 92065
Agency Negotiators: David Barnum, Jennifer Lyon, Mike Metts
Negotiating Party: Spangler Peak Ranch Inc.; Matthew A. Witman, as Trustee, or the Successor Trustee, of the Survivor's Trust of Henry William Witman, III and Betty A. Witman Family Trust; Matthew Witman and Carolyn Witman; and Henry W. Besuden and Charlotte N. Besuden, trustees for the Henry W. Besuden & Charlotte N. Besuden Revocable Trust.
Under Negotiation: Price and terms of payment

G.2. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION
Initiation of litigation pursuant to Government Code section 54956.9(d)(4)-(1 case)

H. Remaining Agenda Items

H.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

I. Closing Agenda Items

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

October 9, 2018 - 2:00 p.m.

Adjourn

Ramona Municipal Water District in complying with the Americans with Disabilities Act (ADA), requests individuals who require specific accommodations to access, attend or participate in the Board Meeting, due to a disability, to please contact the Administrative Services Department at least two business days prior to the scheduled meeting to ensure that the District may assist you.
Telephone: (760) 789-1330; T.D.D.: (760) 789-9497.

NOTE: ANY ITEM APPEARING ON THIS AGENDA MAY BE DISCUSSED AND ACTION MAY BE TAKEN AT THE DISCRETION OF THE BOARD OF DIRECTORS

The Agenda was posted at least 72 hours before the meeting in a location freely accessible to the public. Additions to the Agenda may be made in accordance with Section 54954.2 of the California Government Code. Agenda item memorandums or documents prepared for the Board of Directors are available for public review at the RMWD office, 105 Earlham Street, Ramona, California during normal business hours, Monday through Friday 7:30 a.m. to 4:00 p.m. and the agenda is posted at the Ramona Public Library.

MINUTES FOR THE MEETING
OF THE BOARD OF DIRECTORS
OF THE RAMONA MUNICIPAL WATER DISTRICT
August 14, 2018

PRESENT

Jim Robinson	President
Jim Hickle	Vice President
Bryan Wadlington	Secretary
Jeff Lawler	Treasurer
Thomas Ace	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 Robinson at 2:00 p.m., at the Ramona Community Center, 434 Aqua Lane, Ramona, County of San Diego, State of California.

President Robinson led the Board and members of the audience in the Pledge of Allegiance.

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 August 14, 2018

Director Lawler requested item B.1.b. be pulled from the consent calendar.

M\S\C MOTION TO ADOPT THE AGENDA AS PRESENTED (Ace/Hickle)

AYES:	Ace, Hickle, Lawler, Robinson, Wadlington
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

None.

A.5. Announcements and/or Informational Reports from Board and/or Staff

A.5.a. General Manager's Report

General Manager Barnum discussed the fire equipment and facilities plan as shown on item F.1. and how this plays into the bigger picture of planning for the community, prioritizing projects and operational efficiencies. He also shared that there have been several near misses with fires

in the area; he thanked CalFIRE and RMWD staff for their efforts and communication during these events. He read a letter from a member of the public thanking fire staff and shared a recent news story about one of Ramona's fire captains saving pictures off the wall in a house fire. Lastly, he invited the board and public to view the new fire engine which would be out front after the board meeting.

A.5.b. Committee Reports

None.

A.5.c. Staff Reports

None.

B. Ministerial Items

Director Lawler pulled item B.1.b.

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)

B.1.a. Adoption of the Regular Board Meeting Minutes for July 10, 2018

Recommendation: To adopt the Minutes for July 10, 2018.

B.1.c. Acceptance of Monthly Financial Reports – June 2018

Recommendation: No staff recommendation.

B.1.d. Request for Easement from RMWD Property

Recommendation: Staff respectfully recommends that the Board authorize the General Manager to execute an easement to Mr. Paul Eisen within RMWD property on parcel with APN 244-120-49-00 for private water line and additional conduit for electric service.

M\S\C MOTION TO APPROVE THE REMAINING CONSENT CALENDAR (Hickle/Wadlington)

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

B.1.b. Adoption of the Special Board Meeting Minutes for July 31, 2018

Recommendation: To adopt the Minutes for July 31, 2018.

M\S\C MOTION TO APPROVE ITEM B.1.b. (Ace/Hickle)

AYES: Ace, Hickle, Robinson, Wadlington

NOES: None
ABSTAIN: Lawler
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 Adopting an Update to the Fire Mitigation Fee Multi-Year Facilities and Equipment Plan

President Robinson opened the public hearing at 2:10 p.m. Seeing no speakers, he closed the public hearing at 2:11 p.m.

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 a Resolution Approving the Fire Mitigation Fee Multi-Year Facilities and Equipment Plan

Recommendation: Staff respectfully recommends that after holding the public hearing and receiving public comments under agenda item C.1., the Board adopt the attached Resolution to approve an updated Fire Mitigation Fee Multi-Year Facilities and Equipment Plan.

General Manager Barnum introduced the agenda item and CalFIRE Captain Andrade explained the acceptable uses of fire mitigation monies and what the District intends to request to use it on, which includes an upgrade to Fire Station 80 and partial payment on the new fire engine. Discussion followed.

M\S\C **MOTION TO ADOPT THE RESOLUTION (Lawler/Ace)** [Resolution No. 18-1532]

AYES: Ace, Hickle, Lawler, Robinson, Wadlington
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 reported.

H. Closing Agenda Items

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

September 11, 2018 – 2:00 p.m.

President Robinson adjourned the meeting at 2:20 p.m.

Adjourn

Jim Robinson, President
Board of Directors
RAMONA MUNICIPAL WATER DISTRICT

RAMONA MUNICIPAL WATER DISTRICT

AGENDA MEMO

Agenda Item No. B.1.b.
Regular Board Meeting of September 11, 2018

Jim Robinson, President
and Members of the Board of Directors
Ramona, CA 92065

RE: ACCEPTANCE OF MONTHLY FINANCIAL REPORTS – JULY 2018

Members of the Board:

Purpose
To present monthly financial reports for the month of July 2018.

Background
Accounts with July financial activity are closed during the month of August and submitted to the Board in September.

Discussion
The monthly reports for July are submitted.

Fiscal Impact
None.

Recommendation
No staff recommendation.

Prepared by: Craig Schmollinger, Chief Financial Officer

Submitted by: David Barnum, General Manager

ATTACHMENTS:

Attachment 1	July Financials	B.1.b. Page 2-13

RAMONA MUNICIPAL WATER DISTRICT

UNAUDITED STATEMENT OF OPERATING DEPARTMENTS

FOR JULY 2018 AND THE FIRST MONTH ENDING JULY 31, 2018

	MONTH OF July	Y TO D July-18	Y TO D July-17	Y TO D BUDGET	VARIANCE FAV (UNFAV)
FUND 01 - WATER					
REVENUES	1,617,293	1,617,293	1,537,099	1,240,280	377,012
EXPENDITURES	(1,373,549)	(1,373,549)	(1,138,899)	(1,304,914)	(68,634)
TRANSFER TO CAPITAL/GENERAL FUND	(2,387,965)	(2,387,965)	(150,249)	(2,442,151)	54,186
NET RESULT OF OPERATION-FAV(UNFAV)	**(2,144,221)**	**(2,144,221)**	**247,951**	**(2,506,785)**	362,564
FUND 02 - FIRE					
REVENUES	504,699	504,699	425,129	472,931	31,768
EXPENDITURES	(573,865)	(573,865)	(318,522)	(560,933)	(12,932)
TRANSFER TO CAPITAL/GENERAL FUND	0	0	0	0	0
NET RESULT OF OPERATION-FAV(UNFAV)	**(69,166)**	**(69,166)**	**106,608**	**(88,002)**	18,836
FUND 03 - PARKS					
REVENUES	11,667	11,667	10,833	11,667	0
EXPENDITURES	0	0	0	(10,833)	10,833
TRANSFER TO CAPITAL/GENERAL FUND	0	0	0	0	0
NET RESULT OF OPERATION-FAV(UNFAV)	**11,667**	**11,667**	**10,833**	**833**	10,833
FUND 04 - SAN VICENTE SANITATION					
REVENUES	255,451	255,451	245,536	263,450	(7,999)
EXPENDITURES	(80,737)	(80,737)	(88,584)	(157,092)	76,355
TRANSFER TO CAPITAL/GENERAL FUND	(540,133)	(540,133)	(543,706)	(555,881)	15,748
NET RESULT OF OPERATION-FAV(UNFAV)	**(365,419)**	**(365,419)**	**(386,754)**	**(449,523)**	84,104
FUND 05 - SANTA MARIA SANITATION					
REVENUES	362,187	362,187	365,390	359,348	2,839
EXPENDITURES	(88,950)	(88,950)	(97,617)	(147,260)	58,310
TRANSFER TO CAPITAL/GENERAL FUND	(3,040,133)	(3,040,133)	(2,043,706)	(3,055,881)	15,748
NET RESULT OF OPERATION-FAV(UNFAV)	**(2,766,896)**	**(2,766,896)**	**(1,775,933)**	**(2,843,793)**	76,897
FUND 06 - GENERAL					
REVENUES	17,893	17,893	17,941	37,500	(19,607)
TRANSFER FROM OPERATING FUNDS	246,965	246,965	237,661	303,913	(56,948)
TOTAL REVENUES/TRANSFERS	264,858	264,858	255,602	341,413	(76,555)
EXPENDITURES					
BOARD OF DIRECTORS	(543)	(543)	(16,609)	(38,833)	38,291
GENERAL MANAGER	(23,451)	(23,451)	(26,896)	(30,232)	6,781
ENGINEERING	(9,350)	(9,350)	(8,336)	(45,883)	36,533
FINANCE	(109,802)	(109,802)	(112,616)	(115,169)	5,367
HUMAN RESOURCES	(75,082)	(75,082)	(73,203)	(98,517)	23,435
TOTAL EXPENDITURES	(218,228)	(218,228)	(237,661)	(328,634)	110,407
NET RESULT OF OPERATION-FAV(UNFAV)	**46,631**	**46,631**	**17,941**	**12,779**	33,852
SUMMARY - ALL OPERATING FUNDS					
REVENUES	2,769,190	2,769,190	2,601,928	2,385,176	384,013
EXPENDITURES	(2,335,327)	(2,335,327)	(1,881,282)	(2,509,667)	174,339
NET TRANSFERS	(5,721,266)	(5,721,266)	(2,500,000)	(5,750,000)	28,734
NET RESULT OF OPERATION-FAV(UNFAV)	**(5,287,404)**	**(5,287,404)**	**(1,779,354)**	**(5,874,490)**	587,087

RAMONA MUNICIPAL WATER DISTRICT
CASH POSITION STATEMENT
July 31, 2018

FUND #	DESCRIPTION	BEGINNING BALANCE	ACTIVITY	ENDING BALANCE
	OPERATING FUNDS			
01	Water Fund	$10,903,570.71	($2,561,646.64)	$8,341,924.07
02	Fire Fund	$3,674,828.04	($121,326.93)	$3,553,501.11
03	Park Fund	$231,733.89	($13,822.07)	$217,911.82
04	Sewer - San Vicente	$2,792,059.03	($636,657.73)	$2,155,401.30
05	Sewer - Santa Maria	$4,637,453.76	($3,095,088.71)	$1,542,365.05
06	General Fund	$3,303,632.70	($44,100.13)	$3,259,532.57
	Total Operating Funds	**$25,543,278.13**	**($6,472,642.21)**	**$19,070,635.92**
	DEBT SERVICE FUNDS			
23	F.M.H.A.	$28,734.12	($28,734.12)	$0.00
51	Water Debt Service	$999,460.30	$0.00	$999,460.30
54	Assessment District 99-1	$746,769.07	$1,207.54	$747,976.61
	Total Debt Service Funds	**$1,774,963.49**	**($27,526.58)**	**$1,747,436.91**
	CAPITAL PROJECTS & EQUIPMENT			
10	Cap. Replacement - Energy	$46,241.77	$0.00	$46,241.77
11	Cap. Replacement - Water	$334,564.80	$2,205,609.34	$2,540,174.14
12	Cap. Improvement - Fire	$567,762.66	($96,719.12)	$471,043.54
14	Cap. Improvement - San Vicente	$286,913.79	$0.00	$286,913.79
15	Cap. Improvement - Santa Maria	$2,324,677.22	$0.00	$2,324,677.22
22	Cap. Replacement - San Vicente	$3,883,252.78	$481,689.26	$4,364,942.04
24	Cap. Improvement - Fire Mitig. Fees	$631,465.31	$0.00	$631,465.31
25	Cap. Replacement - Santa Maria	$4,966,350.74	$2,301,708.68	$7,268,059.42
26	Cap. Improvement - General Fund	$1,035,930.41	($21,621.27)	$1,014,309.14
43	Cap. Improvement - Water	$3,703,247.53	$51,140.00	$3,754,387.53
	Total Cap Proj & Equip	**$17,780,407.01**	**$4,921,806.89**	**$22,702,213.90**
	TOTAL ALL FUNDS	**$45,098,648.63**		**$43,520,286.73**

RAMONA MUNICIPAL WATER DISTRICT

INVESTMENTS AND BANK ACCOUNTS

JULY 31, 2018

INVESTMENT	PRIOR MONTH	CHANGE	CURRENT MONTH	AVG** YIELD	INTEREST EARNED
LOCAL AGENCY INVESTMENT FUNDS:	$31,073,453	$147,446	$31,220,899	1.90%	
LOCAL AGENCY INVESTMENT FUNDS: (Restricted 99-1 Bond Issue)	$254,663	$2,415	$257,077	1.90%	
TOTAL LOCAL AGENCY INVESTMENT FUNDS	$31,328,116	$149,861	$31,477,976	1.90%	
TOTAL INVESTMENTS	$31,328,116	$149,861	$31,477,976	1.90%	
C A S H					
GENERAL CHECKING	$13,770,533	($1,728,223)	$12,042,310	0%	
TOTAL CASH	$13,770,533	($1,728,223)	$12,042,310		
TOTAL CASH AND INVESTMENTS	**$45,098,649**	**($1,578,362)**	**$43,520,287**		

All investments are in compliance with the Ramona Municipal Water District Investment Policy.

The current cash flow estimates indicate sufficient liquidity to meet the expenditure needs for the next six months.

** Interest Earned reflects the rolling quarterly interest rate earned.

RAMONA MUNICIPAL WATER DISTRICT
WATER INVENTORY
July 31, 2018

-BEGINNING INVENTORY July 1, 2018				ACTIVITY FOR MONTH (USAGE) INVENTORY INCREASE		-ENDING INVENTORY July 31, 2018		
Description	acre feet	cost/acre ft	total value	acre feet	total value	acre feet	cost/acre ft	total value
LAKE RAMONA								
	113.1	$927	$104,843.70	(29.7)	($27,531.90)	83.4	$927	$77,311.80
	23.2	$853	$19,789.60		$0.00	23.2	$853	$19,789.60
	66.3	$847	$56,156.10		$0.00	66.3	$847	$56,156.10
	53.2	$1,052	$55,966.40		$0.00	53.2	$1,052	$55,966.40
	31.9	$965	$30,783.50		$0.00	31.9	$965	$30,783.50
	123.2	$931	$114,699.20		$0.00	123.2	$931	$114,699.20
	13.1	$937	$12,274.70		$0.00	13.1	$937	$12,274.70
	59.9	$922	$55,227.80		$0.00	59.9	$922	$55,227.80
	13.1	$931	$12,196.10		$0.00	13.1	$931	$12,196.10
	19.1	$1,292	$24,677.20		$0.00	19.1	$1,292	$24,677.20
	64.2	$1,046	$67,153.20		$0.00	64.2	$1,046	$67,153.20
	121.4	$948	$115,087.20		$0.00	121.4	$948	$115,087.20
	91.7	$958	$87,848.60		$0.00	91.7	$958	$87,848.60
	26.6	$964	$25,642.40		$0.00	26.6	$964	$25,642.40
	6.4	$1,101	$7,046.40		$0.00	6.4	$1,101	$7,046.40
	124.0	$1,086	$134,664.00		$0.00	124.0	$1,086	$134,664.00
	171.6	$1,050	$180,180.00		$0.00	171.6	$1,050	$180,180.00
	44.1	$1,078	$47,539.80		$0.00	44.1	$1,078	$47,539.80
	75.9	$1,058	$80,302.20		$0.00	75.9	$1,058	$80,302.20
	25.6	$1,113	$28,492.80		$0.00	25.6	$1,113	$28,492.80
	135.4	$1,311	$177,509.40		$0.00	135.4	$1,311	$177,509.40
	114.9	$1,140	$130,986.00		$0.00	114.9	$1,140	$130,986.00
	12.8	$1,088	$13,926.40		$0.00	12.8	$1,088	$13,926.40
	64.2	$1,172	$75,242.40		$0.00	64.2	$1,172	$75,242.40
	234.6	$1,558	$365,506.80		$0.00	234.6	$1,558	$365,506.80
	79.2	$1,655	$131,076.00		$0.00	79.2	$1,655	$131,076.00
	83.6	$1,419	$118,628.40		$0.00	83.6	$1,419	$118,628.40
	107.8	$1,149	$123,862.20		$0.00	107.8	$1,149	$123,862.20
	24.1	$1,235	$29,763.50		$0.00	24.1	$1,235	$29,763.50
	48.9	$1,353	$66,161.70		$0.00	48.9	$1,353	$66,161.70
	35.5	$1,268	$45,014.00		$0.00	35.5	$1,268	$45,014.00
	47.9	$1,240	$59,396.00		$0.00	47.9	$1,240	$59,396.00
Total Lake Ramona	2,256.5		$2,597,643.70	(29.70)	($27,531.90)	2,226.8		$2,570,111.80

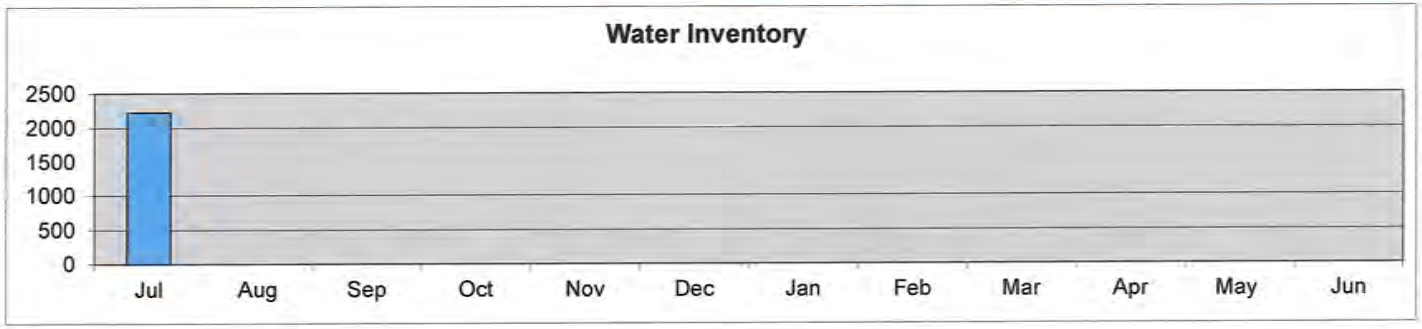
RESERVOIRS

RESERVOIRS - UNTREATED

	2.1	$1,127	$2,321.62	(0.5)	($518.42)	1.6	$1,127	$1,803.20
	2.7	$1,058	$2,856.60		$0.00	2.7	$1,058	$2,856.60
	3.2	$1,113	$3,561.60		$0.00	3.2	$1,113	$3,561.60
	5.6	$1,309	$7,330.40		$0.00	5.6	$1,309	$7,330.40
	0.2	$1,134	$226.80		$0.00	0.2	$1,134	$226.80
	1.9	$1,088	$2,067.20		$0.00	1.9	$1,088	$2,067.20
	0.2	$1,123	$224.60		$0.00	0.2	$1,123	$224.60
	1.0	$1,172	$1,172.00		$0.00	1.0	$1,172	$1,172.00
	2.5	$1,459	$3,647.50		$0.00	2.5	$1,459	$3,647.50
	0.3	$1,282	$384.60		$0.00	0.3	$1,282	$384.60
	0.7	$1,278	$894.60		$0.00	0.7	$1,278	$894.60
	1.4	$1,211	$1,695.40		$0.00	1.4	$1,211	$1,695.40
	3.5	$1,248	$4,368.00		$0.00	3.5	$1,248	$4,368.00
	2.8	$1,248	$3,494.40		$0.00	2.8	$1,248	$3,494.40
	0.4	$1,353	$541.20		$0.00	0.4	$1,353	$541.20
	1.2	$1,513	$1,815.60		$0.00	1.2	$1,513	$1,815.60
	1.3	$1,245	$1,581.15		$0.00	1.3	$1,245	$1,581.15
	30.9		$38,183.27	(0.5)	($518.42)	30.5		$37,664.85

RESERVOIRS - TREATED

	0.1	$1,249	$124.90		$0.00	0.1	$1,249	$124.90
	1.2	$1,292	$1,550.40		$0.00	1.2	$1,292	$1,550.40
	0.2	$1,379	$275.80		$0.00	0.2	$1,379	$275.80
	2.8	$1,222	$3,421.60		$0.00	2.8	$1,222	$3,421.60
	1.2	$1,239	$1,486.80		$0.00	1.2	$1,239	$1,486.80
	1.2	$1,254	$1,504.80		$0.00	1.2	$1,254	$1,504.80
	1.0	$1,375	$1,375.00		$0.00	1.0	$1,375	$1,375.00
	2.1	$1,364	$2,864.40		$0.00	2.1	$1,364	$2,864.40
	0.4	$1,452	$580.80		$0.00	0.4	$1,452	$580.80
	4.9	$1,328	$6,507.20		$0.00	4.9	$1,328	$6,507.20
	0.5	$1,329	$664.50		$0.00	0.5	$1,329	$664.50
	1.0	$1,366	$1,366.00		$0.00	1.0	$1,366	$1,366.00
	0.2	$1,391	$278.20		$0.00	0.2	$1,391	$278.20
	1.2	$1,549	$1,858.80		$0.00	1.2	$1,549	$1,858.80
	7.0	$1,589	$11,138.89		$0.00	7.0	$1,589	$11,138.89
	2.0	$1,420	$2,840.00		$0.00	2.0	$1,420	$2,840.00
	0.8	$1,414	$1,131.20		$0.00	0.8	$1,414	$1,131.20
	0.7	$1,368	$957.60		$0.00	0.7	$1,368	$957.60
	4.7	$1,403	$6,594.10		$0.00	4.7	$1,403	$6,594.10
	0.5	$1,452	$726.00		$0.00	0.5	$1,452	$726.00
	1.2	$1,739	$2,086.80		$0.00	1.2	$1,739	$2,086.80
	2.0	$1,643	$3,286.00		$0.00	2.0	$1,643	$3,286.00
	2.6	$1,576	$4,097.60		$0.00	2.6	$1,576	$4,097.60
	1.9	$1,538	$2,922.20		$0.00	1.9	$1,538	$2,922.20
	2.2	$1,505	$3,311.00		$0.00	2.2	$1,505	$3,311.00
	0.6	$1,522	$913.20		$0.00	0.6	$1,522	$913.20
	2.1	$1,568	$3,292.80		$0.00	2.1	$1,568	$3,292.80
	1.3	$1,540	$2,002.00		$0.00	1.3	$1,540	$2,002.00
	1.2	$1,545	$1,776.75		$0.00	1.2	$1,544	$1,775.60
				3.6	$5,460.00	3.6	$1,500	$5,460.00
	48.8		$70,935.34	3.6	$5,460.00	52.4		$76,394.19
Sub Total Reservoirs	**79.7**		**$109,118.61**	**3.2**	**$4,941.58**	**82.9**		**$114,059.04**
Grand Total Water Inventory	**2,336.2**		**$2,706,762.3**	**(26.5)**	**($22,590.3)**	**2,309.7**		**$2,684,170.8**



RAMONA MUNICIPAL WATER DISTRICT
WATER BILLING AND PURCHASES 2018-2019
WATER BILLINGS

YEAR	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTALS
2016-17													
Untreated - Acre Feet	160.2	141.5	143.3	129.4	149.7	91.5	32.3	2.2	2.7	123.0	75.7	140.0	1,191.5
Treated - Acre Feet	365.3	339.8	394.6	352.1	371.5	294.6	224.5	177.2	135.5	256.0	320.3	320.1	3,551.5
Total	**462.2**	**435.5**	**449.4**	**405.7**	**448.7**	**346.5**	**287.4**	**227.4**	**271.9**	**339.4**	**325.0**	**375.4**	**4,374.5**
2017-18													
Untreated - Acre Feet	135.1	129.0	145.3	155.8	115.4	114.3	60.8	90.6	37.9	86.1	108.5	143.0	1,321.8
Treated - Acre Feet	377.4	340.5	380.4	352.8	392.9	322.1	305.7	242.1	219.8	246.7	274.5	338.1	3,793.0
Total	**512.5**	**469.5**	**525.7**	**508.6**	**508.3**	**436.4**	**366.5**	**332.7**	**257.7**	**332.8**	**383.0**	**481.1**	**5,114.8**
2018-19													
Untreated - Acre Feet	145.3												145.3
Treated - Acre Feet	389.0												389.0
Total	**534.3**												**534.3**
SUPPLY CHARGES													
Water Treated - Acre Feet	466.4												466.4
Water Treated - $ Amount	$556,882												$556,882
Water Untreated - CWA - Acre Feet	189.8												189.8
Water Untreated - CWA - $ Amount	$169,681												$169,681
Transportation Charge - Meter Delivery - CWA - $ Amount	$75,463												$75,463
WATER EXCHANGES													
Water Exchanges (to) from Other Agencies - Acre Feet													
Water Exchanges (to) from Other Agencies - $ Amount													
Transportation Charges - Exchanges - $ Amount													
FIXED CHARGES (CREDITS)													
MWD Capacity Reservation Charge - $ Amount	$10,918												$10,918
MWD Readiness to Serve Credit - $ Amount	($4,721)												($4,721)
CWA Customer Service Charge - $ Amount	$27,924												$27,924
CWA Emergency Storage Charge - $ Amount	$59,475												$59,475
CWA Supply Reliability Charge	$27,082												$27,082
CWA Infrastructure Access Charge	$30,837												$30,837
SAWR Water Programs & LLP - Acre Feet	(120.2)												(120.2)
SAWR Water Programs & LLP Adjustment - $ Amount													
SAWR Water Programs & LLP - $ Amount	(28,047.0)												($28,047)
Total- Acre Feet	**656.2**												**656.2**
Total- $ Amount	**$925,493**												**$726,563**
Lake Ramona Inventory-Acre Feet	**(26.5)**												**(26.5)**
$ Amount	**(22,590.3)**												**($22,590)**

Ramona Municipal Water District
Capital Projects
July 31, 2018

FUND 43	Water Capital Improvement Projects	FY 2018-19 Budget	FY 2018-19 Month	FY 2018-19 YTD	FY 2018-19 Available
51250	Pump control cla-val maintenance	$15,000	$0	$0	$15,000
51255	Underground service system/GIS	$20,000	$0	$0	$20,000
51256	Ultrasonic meter	$15,000	$0	$0	$15,000
	Pressure Reducing Valve (PRV)	$125,000	$0	$0	$125,000
	Mt. Woodson "18 Bypass	$225,000	$0	$0	$225,000
51259	18" Poway Pipeline Erosion Project	$170,000	$0	$0	$170,000
	Tank Rehab	$750,000	$0	$0	$750,000
51258	Ramona Dam Slide Gate Control Panel	$100,000	$0	$0	$100,000
		$1,420,000	$0	$0	$1,420,000

FUND 10	Water Capital Replacement - Energy Fund	FY 2018-19 Budget	FY 2018-19 Month	FY 2018-19 YTD	FY 2018-19 Available
57018	Pump and motor replacement program	$200,000	$0	$0	$200,000
		$200,000	$0	$0	$200,000

FUND 26	General Fund Capital Purchases	Budget	Month	YTD	Available
56016	IT assessment project & equipment	$70,000	$0	$0	$70,000
56017	Conversion projects for system software	$150,000	$0	$0	$150,000
56020	Facilities - parking lot, building reno	$65,000	$8,558	$8,558	$56,442
56022	Data Infrastructure/network upgrades	$20,000	$0	$0	$20,000
		$305,000	$8,558	$8,558	$296,442

FUND 12	Fire Fund Capital Purchases	FY 2018-19 Budget	FY 2018-19 Month	FY 2018-19 YTD	FY 2018-19 Available
52016	Ambulance payments	$72,000	$0	$0	$72,000
52018	New engine gear	$80,000	$0	$0	$80,000
52021	New engine payments	$65,813	$98,719	$98,719	($32,906)
	EMS Coordinator Vehicle	$43,000	$0	$0	$43,000
52022	Battalion Chief Command Vehicle Replacement	$90,000	$0	$0	$90,000
	Auto Pulse for Each Unit	$71,100	$0	$0	$71,100
	New Roof - Station 80	$45,000	$0	$0	$45,000
		$466,913	$98,719	$98,719	$368,194

FUND 11	Water Capital Replacements Projects	FY 2018-19 Budget	FY 2018-19 Month	FY 2018-19 YTD	FY 2018-19 Available
51245	Poway Forebay tank repair	$75,000	$0	$0	$75,000
51932	Valve replacements	$200,000	$0	$0	$200,000
51942	Water meter replacement	$250,000	$0	$0	$250,000
51940A	Infrastructure replacement program	$400,000	$355	$355	$399,645
	HV 1800-1700 Zone Connection	$100,000	$0	$0	$100,000
	Master Plan, Water	$80,000	$0	$0	$80,000
	Poway Pump Station low flow Natural Gas Engines	$100,000	$0	$0	$100,000
51951	(2) 500kW Portable Generators (untreated backup)	$350,000	$0	$0	$350,000
51952	Meter Vehicle Replacement	$35,000	$0	$0	$35,000
		$1,590,000	$355	$355	$1,589,645

FUND 22	San Vicente Capital Replacements Projects	FY 2018-19 Budget	FY 2018-19 Month	FY 2018-19 YTD	FY 2018-19 Available
54196	Salt and Nutrient Management Plan	$5,000	$0	$0	$5,000
54197	Telemetry - Plant and Collection	$17,000	$0	$0	$17,000
54198	UF & RO membranes	$80,000	$0	$0	$80,000
54199	Reverse osmosis/brine reduction project	$25,000	$0	$0	$25,000
54205	Filter media	$25,000	$0	$0	$25,000
54206	Asphalt	$5,000	$0	$0	$5,000
54208	Root control	$15,000	$0	$0	$15,000
54209	SCADA system	$20,000	$0	$0	$20,000
	Collection system infrastructure	$950,000	$0	$0	$950,000
	Manhole rehab	$50,000	$0	$0	$50,000
	Painting Clarifiers 3 and 4	$20,000	$0	$0	$20,000
	Oxidation Basin #2 Electrical	$75,000	$0	$0	$75,000
	Solids Handling Study	$90,000	$0	$0	$90,000
	Lift Station Rehab (Electric Control Center "MCC")	$50,000	$0	$0	$50,000
		$1,427,000	$0	$0	$1,427,000

FUND 25	Santa Maria Capital Replacements Projects	FY 2018-19 Budget	FY 2018-19 Month	FY 2018-19 YTD	FY 2018-19 Available
55244	SM Collection system infrastructure	$500,000	$0	$0	$500,000
55247	Telemetry	$15,000	$0	$0	$15,000
55249	Pump station grinders	$20,000	$0	$0	$20,000
55252	Sprayfield fence replacement	$20,000	$0	$0	$20,000
55253	Asphalt repair	$10,000	$0	$0	$10,000
55254	Salt and nutrient management	$25,000	$0	$0	$25,000
55255	Sprayfield maintenance	$20,000	$0	$0	$20,000
55256	Effluent transmission pipe	$3,500,000	$0	$0	$3,500,000
55262	Clarifier 3 rehab	$450,000	$0	$0	$450,000
55264	Influent pump station/Screening and Grit Removal	$400,000	$0	$0	$400,000
55268	Vehicle replacement	$110,000	$0	$0	$110,000
	Manhole rehab	$75,000	$0	$0	$75,000
	Collection System Inflow & Infiltration	$200,000	$0	$0	$200,000
		$5,345,000	$0	$0	$5,345,000
	Total of all Projects	$10,753,913	$107,632	$107,632	$10,646,281

Trend Reports

Trend reports are presented for use in monitoring longer range activity than the monthly reports. These reports may include history or projections which are provided to assist in determining general directions or patterns of District financial activity. Accuracy of any projected information will decline as the length into the future the projection is being made increases.

The Trend Reports are:

Cash Balance - Information from the Cash Balance report is taken from the monthly Cash Report. The Trend report accumulates the two prior complete years' information along with the current year. Cash in the District belongs to three types of activities. Operating cash is used for the operations of the District and is primarily funded through user charges for water, sanitation, and fire services. Debt Service cash is primarily derived from property tax assessments and is used to pay predetermined debt payments. Capital cash consists of cash which is provided to the District to fund construction related costs. This cash may come from new development, or from revenue sources which the Board has taken action to direct toward construction related costs.

The Operating portion of the cash balance has been isolated for presentation in graphic format. This presentation depicts the cyclical trend of operating cash on hand throughout a fiscal year.

Operating Revenue/Expenditures - Information from the Operating Revenue/Expenditure report is taken from the monthly Operating Report. The Trend report displays a complete year of operating revenues and expenditures by month as they occur.

Tax Allocation Worksheet Trend - The District uses the County Tax Rolls to collect approximately half of all the revenue which comes to the District in a year. Collections include general tax collections, property owner approved debt assessments, and user charges for sanitation and fire/paramedic services. Distribution is made by the County in 13 installments through a year. Distributions are reflective of collection made on property tax payments. Since most property taxes are paid around the December and April 10 deadlines, the greatest distributions to the District correspond to those payments. The last payment from the County is used to reconcile any late collections or any corrections.

Capital Improvement Projects - The District plans and executes a number of capital improvement projects. By nature these projects require lead and construction times which exceed the annual fiscal year of the District. In some cases, the projects require long term funding. In order to provide a tool to use in the monitoring of these projects, a trend report which includes a number of years has been developed. Revenues and Expenditures related to many of the construction projects are project driven; therefore the presentation is by project within type of construction fund. This report is prepared quarterly.

Salaries and Wages - Salaries and the Benefits which accompany those salaries make up a significant portion of the operating budget. These costs are affected by overtime, vacancies, temporary help, Memorandum of Understanding terms, and charging of time to outside funded activities.

OPERATING REVENUE/EXPENDITURE TREND 2018-2019

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
General													
Revenue	17,893												17,893
Transfer	246,965												246,965
Total	264,858	0	0	0	0	0	0	0	0	0	0	0	264,858
Expenditures	(218,228)												(218,228)
Net Result	46,631	0	0	0	0	0	0	0	0	0	0	0	46,631
Water													
Revenue	1,617,293												1,617,293
Expenditure	(1,373,549)												(1,373,549)
Transfers	(2,387,965)												(2,387,965)
Net Result	(2,144,221)	0	0	0	0	0	0	0	0	0	0	0	(2,144,221)
Fire													
Revenue	504,699												504,699
Expenditure	(573,865)												(573,865)
Transfers	0												0
Net Result	(69,166)	0	0	0	0	0	0	0	0	0	0	0	(69,166)
Parks													
Revenue	11,667												11,667
Expenditure	0												0
Transfers	0												0
Net Result	11,667	0	0	0	0	0	0	0	0	0	0	0	11,667
San Vicente													
Revenue	255,451												255,451
Expenditure	(80,737)												(80,737)
Transfers	(540,133)												(540,133)
Net Result	(365,419)	0	0	0	0	0	0	0	0	0	0	0	(365,419)
Santa Maria													
Revenue	362,187												362,187
Expenditure	(88,950)												(88,950)
Transfers	(3,040,133)												(3,040,133)
Net Result	(2,766,896)	0	0	0	0	0	0	0	0	0	0	0	(2,766,896)
Summary													
Revenue	2,769,190	0	0	0	0	0	0	0	0	0	0	0	2,769,190
Expenditure	(2,335,327)	0	0	0	0	0	0	0	0	0	0	0	(2,335,327)
Transfers	(5,721,266)	0	0	0	0	0	0	0	0	0	0	0	(5,721,266)
Net Result	(5,287,404)	0	0	0	0	0	0	0	0	0	0	0	(5,287,404)

RAMONA MUNICIPAL WATER DISTRICT
SALARIES AND WAGES TREND
As of July 31, 2018 (2 payperiods of 26)

		Annual Budget	YTD Budget	YTD Expense	Under (Over)	% Under % -Over
General Fund						
General Manager Department						
	Salaries and Wages	257,294	19,792	14,016	5,776	29.18%
	Benefits	149,384	11,491	9,217	2,274	19.79%
	Total Department	406,678	31,283	23,234	8,049	25.73%
Engineering Department						
	Salaries and Wages	74,786	5,753	5,726	27	0.46%
	Benefits	47,814	3,678	3,514	164	4.45%
	Total Department	122,600	9,431	9,241	191	2.02%
Finance Department						
	Salaries and Wages	1,257,199	96,707	83,826	12,881	13.32%
	Benefits	777,884	59,838	55,567	4,271	7.14%
	Total Department	2,035,083	156,545	139,393	17,152	10.96%
Water Fund						
	Salaries and Wages	1,900,496	146,193	134,022	12,171	8.33%
	Benefits	1,103,249	84,865	86,027	(1,162)	-1.37%
	Total Department	3,003,745	231,058	220,049	11,009	4.76%
Fire Fund						
	Salaries and Wages	0	0	0	0	0.00%
	Benefits	3,400	262	304	(42)	-15.92%
	Total Division	3,400	262	304	(42)	-15.92%
San Vicente Sanitation						
	Salaries and Wages	521,627	40,125	33,030	7,095	17.68%
	Benefits	322,826	24,832	26,667	(1,835)	-7.39%
	Total Department	844,453	64,957	59,697	5,260	8.10%
Santa Maria Sanitation						
	Salaries and Wages	565,747	43,519	40,013	3,506	8.06%
	Benefits	319,923	24,609	27,841	(3,232)	-13.14%
	Total Division	885,670	68,128	67,855	273	0.40%
Total District						
	Salaries and Wages	4,577,149	352,089	310,634	41,455	11.77%
	Benefits	2,724,480	209,575	209,138	437	0.21%
	Total District	7,301,629	561,664	519,772	41,892	7.46%

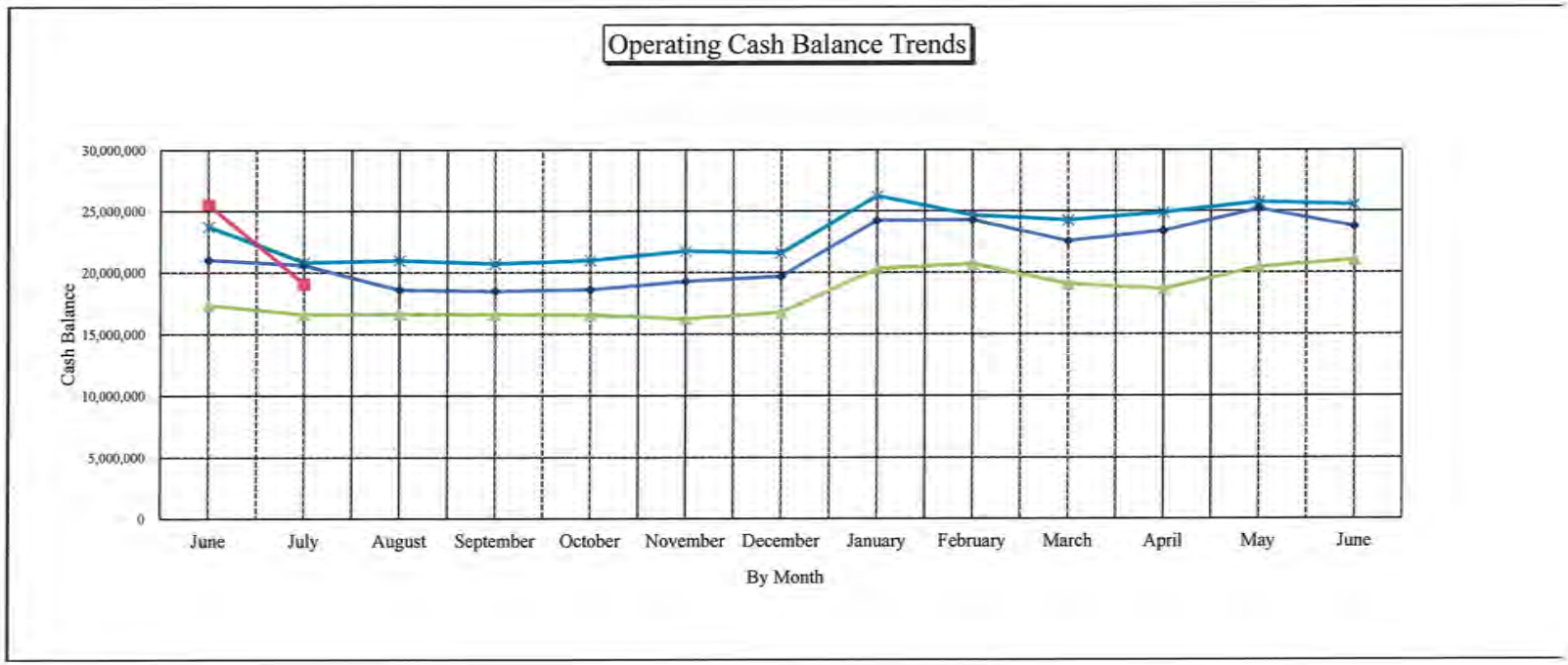
CASH BALANCE TRENDS

2018-19 Fiscal Year	June	July	August	September	October	November	December	January	February	March	April	May	June
Operating 2018-19	25,543,278	19,070,636											
Debt Service	1,774,963	1,747,437											
Capital	17,780,407	22,702,214											
Total	45,098,648	43,520,287	0	0	0	0	0	0	0	0	0	0	0

2017-18 Fiscal Year	June	July	August	September	October	November	December	January	February	March	April	May	June
Operating 2017-18	23,744,314	20,789,007	20,943,682	20,676,785	20,947,105	21,707,134	21,540,649	26,242,906	24,647,488	24,238,542	24,866,357	25,730,362	25,543,278
Debt Service	2,122,231	2,122,050	1,898,376	1,579,780	1,582,275	1,604,602	1,663,130	1,808,094	1,689,987	1,623,293	1,661,102	1,768,560	1,774,963
Capital	16,342,811	18,794,243	18,365,518	18,094,515	17,954,854	17,645,442	18,319,064	18,151,164	17,982,330	17,636,009	18,105,507	17,138,787	17,780,407
Total	42,209,356	41,705,300	41,207,576	40,351,080	40,484,234	40,957,178	41,522,843	46,202,164	44,319,805	43,497,844	44,632,965	44,637,709	45,098,649

2016-17 Fiscal Year	June	July	August	September	October	November	December	January	February	March	April	May	June
Operating 2016-17	20,986,914	20,580,661	18,593,224	18,482,589	18,615,831	19,276,495	19,681,537	24,221,272	24,251,848	22,509,022	23,356,991	25,181,112	23,744,314
Debt Service	1,893,987	1,893,618	1,897,506	1,370,434	1,376,713	1,397,737	1,611,957	1,811,926	1,697,945	1,635,740	1,828,483	1,971,247	2,122,231
Capital	14,898,374	14,924,064	17,319,851	17,058,693	17,060,134	17,154,521	15,077,040	15,228,626	15,315,479	15,469,752	16,447,940	16,767,049	16,342,811
Total	37,779,275	37,398,343	37,810,581	36,911,716	37,052,678	37,828,753	36,370,534	41,261,824	41,265,272	39,614,514	41,633,413	43,919,408	42,209,356

2015-16 Fiscal Year	June	July	August	September	October	November	December	January	February	March	April	May	June
Operating 2015-16	17,357,720	16,597,635	16,629,705	16,582,370	16,555,616	16,237,102	16,760,279	20,291,456	20,654,840	19,045,949	18,658,577	20,395,969	20,986,914
Debt Service	1,729,011	1,728,575	1,734,805	1,200,427	1,206,503	1,227,549	1,436,798	1,625,256	1,638,201	1,442,441	1,593,045	1,747,625	1,893,987
Capital	16,236,477	16,368,653	16,395,651	14,468,675	14,362,477	14,107,568	14,167,905	16,205,194	16,411,892	15,764,022	15,973,321	15,801,803	14,898,374
Total	35,323,207	34,694,863	34,760,161	32,251,472	32,124,596	31,572,219	32,364,983	38,121,906	38,704,933	36,252,412	36,224,943	37,945,397	37,779,275



RAMONA MUNICIPAL WATER DISTRICT

AGENDA MEMO

Agenda Item No. B.1.c.
Regular Board Meeting of September 11, 2018

Jim Robinson, President
and Members of the Board of Directors
Ramona, CA 92065

RE: ADOPTION OF A RESOLUTION AMENDING CONFLICT OF INTEREST CODE WHICH DESIGNATES POSITIONS WITHIN THE DISTRICT THAT MUST FILE AN ANNUAL FORM 700 STATEMENT

Members of the Board:

Purpose

To adopt an amended Conflict of Interest Code to submit to the County of San Diego no later than October 10, 2018.

Background

The Political Reform Act of 1974 ("PRA") sets ethics rules for state and local government and agency officials by providing that those who hold a public trust must act, and appear to act, ethically and not in their own economic self-interest. Thus, it requires public officials to disclose any of their economic interests which might be affected by their decisions and disclosure is made on Form 700 statements (Government Code § 87100).

State law requires every local government agency to adopt its own code to designate the employment positions within the agency that must file annual Form 700 statements and to review this code biennially for required updates. Once a determination has been made as to whether updates are required, a report of "no change" or a revised document must be submitted to the code reviewing body for approval.

Discussion

A Conflict of Interest Code designates those employees, members, officers, and consultants who make or participate in the making of decisions which may affect financial interests, who must disclose those interests in financial disclosure statements (Form 700), and who must disqualify themselves from making or participating in the making of governmental decisions affecting those interests.

After review of the District's existing code, it was determined that an amendment is necessary and a copy of the proposed amended Appendix and the Conflict of Interest Code has been made available at the District office for viewing and copying prior to the meeting. The proposed amendment revises the title of an existing position.

Public Notice

As per Government Code section 87311, the local agency shall ensure "*adequate notice and fair opportunity*" to allow input to be presented. Therefore, the following actions were taken to make certain that notice and review time was provided:

- The Notice of Intent was posted on the District's website and all regular posting locations on or before August 24, 2018 (Attachment 1)
- Allowed for review period for comments.

Additionally, notice was provided to the employee affected by this proposed amendment.

September 10, 2018 will be the end of the review period, and as of the distribution of this agenda memorandum, no comments have been received. Therefore, it is recommended that the proposed code be adopted.

Fiscal Impact

None.

Recommendation

It is respectfully recommended that the Board adopt a Resolution amending the District's Conflict of Interest Code and direct staff to submit this updated version to the County of San Diego no later than October 10, 2018.

Prepared by: Tim Clement, Administrative Services Manager

Submitted by: David Barnum, General Manager

ATTACHMENTS:

Attachment 1	Notice of Intent	B.1.c. Page 3
Attachment 2	Proposed Resolution	B.1.c. Page 4-10
Attachment 3	Amended Code	B.1.c. Page 11-15

NOTICE OF INTENTION TO AMEND THE CONFLICT OF INTEREST CODE OF THE RAMONA MUNICIPAL WATER DISTRICT

NOTICE IS HEREBY GIVEN that the Ramona Municipal Water District (the "District") intends to amend its Conflict of Interest Code (the "Code") pursuant to Government Code Section 87306. A comment period has been established commencing August 24, 2018 and closing September 10, 2018. All inquiries should be directed to the contact listed below.

The Appendix of the Code designates those employees, members, officers, and consultants who are subject to the District's Code. The District's proposed amendment revises the titles of existing positions, revises disclosure category assignments and incorporates clarifying language provided by the Fair Political Practices Commission.

The proposed amended Code will be considered by the Board of Directors on September 11, 2018, at 2:00 p.m. at the Ramona Community Center, 434 Aqua Lane, Ramona, California. Any interested person may be present and comment at the public meeting or may submit written comments concerning the proposed amendment. Any comments or inquiries should be directed to the attention of Tiffany Friend, Administrative Secretary, Ramona Municipal Water District, 105 Earlham Street, Ramona, CA 92065-1599; (760) 789-1330. Written comments must be submitted no later than September 10, 2018, at 4:00 p.m.

The proposed amended Code may be reviewed at, and copies obtained from the office of the Administrative Secretary.

RESOLUTION NO. 18-XXXX

RESOLUTION OF THE BOARD OF DIRECTORS OF THE RAMONA MUNICIPAL WATER DISTRICT AMENDING THE CONFLICT OF INTEREST CODE PURSUANT TO THE POLITICAL REFORM ACT OF 1974

WHEREAS, the State of California enacted the Political Reform Act of 1974, Government Code Section 81000 et seq. (the "Act"), which contains provisions relating to conflicts of interest which potentially affect all officers, employees and consultants of the Ramona Municipal Water District (the "District") and requires all public agencies to adopt and promulgate a conflict of interest code;

WHEREAS, the Board of Directors adopted a Conflict of Interest Code (the "Code") which was most recently amended on or about September 13, 2016, in compliance with the Act; and

WHEREAS, subsequent changed circumstances within the District have made it advisable and necessary pursuant to Section 87306 and 87307 of the Act to amend and update the District's Code; and

WHEREAS, notice of the time and place of a public meeting on, and of consideration by the Board of Directors of, the proposed amended Code was provided each designated position and publicly posted for review on the District's website and all regular posting locations; and

WHEREAS, a public comment period was established commencing on August 24, 2018 and closing on September 10, 2018, giving all to have the opportunity to be heard on the proposed amended Code; and

WHEREAS, a public meeting was held upon the proposed amended Code at a regular meeting of the Board of Directors on September 11, 2018, at which all present were given an opportunity to be heard on the proposed amended Code; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Ramona Municipal Water District that the Board of Directors does hereby adopt the proposed amended Conflict of Interest Code as shown in Exhibit "A" to this Resolution, a copy of which is attached hereto and shall be on file with the Administrative Secretary and available to the public for inspection and copying;

BE IT FURTHER RESOLVED that the said amended Code shall be submitted to the Board of Supervisors of the County of San Diego for approval and said Code shall become effective 30 days after the Board of Supervisors approves the proposed amended Code as submitted.

PASSED, APPROVED AND ADOPTED at a regular meeting of the Board of Directors of Ramona Municipal Water District held on the 11th day of September, 2018.

_____

Jim Robinson
President, Board of Directors
Ramona Municipal Water District

ATTEST:

_____

Bryan Wadlington
Secretary, Board of Directors
Ramona Municipal Water District

Exhibit A

CONFLICT OF INTEREST CODE

OF THE

RAMONA MUNICIPAL

WATER DISTRICT

CONFLICT OF INTEREST CODE
OF THE
RAMONA MUNICIPAL WATER DISTRICT

(Amended, September 11, 2018)

The Political Reform Act (Gov. Code § 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. § 18730) which contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, regulation and the attached Appendix designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Ramona Municipal Water District** (the "**District**").

All officials and designated positions required to submit a statement of economic interests shall file their statements with the **Administrative Secretary** as the District's Filing Officer. The **Administrative Secretary** shall make and retain a copy of all statements filed by Members of the Board of Directors and the General Manager, and forward the originals of such statements to the Clerk of the Board of Supervisors of the County of San Diego. The **Administrative Secretary** shall retain the originals of the statements filed by all other officials and designated positions and shall make all statements available for public inspection and reproduction during regular business hours. (Gov. Code § 81008).

APPENDIX

CONFLICT OF INTEREST CODE

OF THE

RAMONA MUNICIPAL WATER DISTRICT

(Amended September 11, 2018)

EXHIBIT "A"

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

District Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18700.3, are NOT subject to the District's Code, but must file disclosure statements under Government Code Section 87200 et seq. [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are Other District Officials who manage public investments[1]:

Members and Board of Directors

General Manager

Chief Financial Officer

Financial Consultants

[1] Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

DESIGNATED POSITIONS

GOVERNED BY THE CONFLICT OF INTEREST CODE

DESIGNATED POSITIONS' TITLE OR FUNCTION	DISCLOSURE CATEGORIES ASSIGNED
Accounting Supervisor	5
Administrative Services Manager	5
Collection System Supervisor	5
Fire Battalion Chief	5
General Counsel	1, 2
Information Technology Administrator	5
Meter Services Supervisor	5
Purchasing/Warehouse Supervisor	4
Systems Supervisor	5
Utility Supervisor	5
Wastewater Operations Superintendent	2, 3, 5
Wastewater Treatment Supervisor	5
Water Operations Manager	2, 3, 5

Consultants and New Positions [2]

---

[2] Individuals providing services as a Consultant defined in Regulation 18700.3, or in a new position created since this Code was last approved that makes or participates in making decisions shall disclose pursuant to the broadest disclosure category in this Code subject to the following limitation:

The General Manager may determine that, due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.). The General Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Sec. 81008.)

EXHIBIT "B"
DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the Designated Position must disclose for each disclosure category to which he or she is assigned.[6]

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, do business in, or own real property within the jurisdiction of the District.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the District.

Category 3: All investments and business positions in business entities, and sources of income including gifts, loans and travel payments, that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of the District.

Category 4: All investments and business positions in business entities, and sources of income including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the District.

Category 5: All investments and business positions in business entities, and sources of income including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the Designated Position's department.

---

[6] This Conflict of Interest Code does not require the reporting of gifts from outside this agency's jurisdiction if the source does not have some connection with or bearing upon the functions or duties of the position. (Reg. 18730.1)

CONFLICT OF INTEREST CODE

OF THE

RAMONA MUNICIPAL

WATER DISTRICT

CONFLICT OF INTEREST CODE
OF THE
RAMONA MUNICIPAL WATER DISTRICT

(Amended, September ~~13~~11, ~~2016~~2018)

The Political Reform Act (Gov. Code § 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. § 18730) which contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, regulation and the attached Appendix designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Ramona Municipal Water District** (the "**District**").

All officials and designated positions required to submit a statement of economic interests shall file their statements with the **Administrative Secretary** as the District's Filing Officer. The **Administrative Secretary** shall make and retain a copy of all statements filed by Members of the Board of Directors and the General Manager, and forward the originals of such statements to the Clerk of the Board of Supervisors of the County of San Diego. The **Administrative Secretary** shall retain the originals of the statements filed by all other officials and designated positions and shall make all statements available for public inspection and reproduction during regular business hours. (Gov. Code § 81008).

APPENDIX

CONFLICT OF INTEREST CODE

OF THE

RAMONA MUNICIPAL WATER DISTRICT

(Amended September ~~13~~11, ~~2016~~2018)

EXHIBIT "A"

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

District Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18700.3, are NOT subject to the District's Code, but must file disclosure statements under Government Code Section 87200 et seq. [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are Other District Officials who manage public investments[4]:

Members and Board of Directors

General Manager

Chief Financial Officer

Financial Consultants

[4] Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

DESIGNATED POSITIONS

GOVERNED BY THE CONFLICT OF INTEREST CODE

DESIGNATED POSITIONS' TITLE OR FUNCTION	DISCLOSURE CATEGORIES ASSIGNED
Accounting Supervisor	5
Collection System Supervisor	5
Fire Battalion Chief	5
General Counsel	1, 2
~~Human Resources~~Administrative Services Manager	5
Information Technology Administrator	5
Meter Services Supervisor	5
Purchasing/Warehouse Supervisor	4
Systems Supervisor	5
Utility Supervisor	5
Wastewater Operations Superintendent	2, 3, 5
Wastewater Treatment Supervisor	5
Water Operations Manager	2, 3, 5

Consultants and New Positions [5]

[5] Individuals providing services as a Consultant defined in Regulation 18700.3, or in a new position created since this Code was last approved that makes or participates in making decisions shall disclose pursuant to the broadest disclosure category in this Code subject to the following limitation:

The General Manager may determine that, due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.). The General Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Sec. 81008.)

EXHIBIT "B"
DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the Designated Position must disclose for each disclosure category to which he or she is assigned.[6]

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, do business in, or own real property within the jurisdiction of the District.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the District.

Category 3: All investments and business positions in business entities, and sources of income including gifts, loans and travel payments, that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of the District.

Category 4: All investments and business positions in business entities, and sources of income including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the District.

Category 5: All investments and business positions in business entities, and sources of income including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the Designated Position's department.

---

[6] This Conflict of Interest Code does not require the reporting of gifts from outside this agency's jurisdiction if the source does not have some connection with or bearing upon the functions or duties of the position. (Reg. 18730.1)

RAMONA MUNICIPAL WATER DISTRICT

AGENDA MEMO

Agenda Item No. B.1.d.
Board Meeting of September 11, 2018

Jim Robinson, President
and Members of the Board of Directors
Ramona, CA 92065

RE: ADOPTION OF A RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A RECYCLED WATER AND EFFLUENT DISPOSAL AGREEMENT WITH SAN DIEGO COUNTRY ESTATES ASSOCIATION (SDCEA) PURSUANT TO APPLICABLE CEQA EXEMPTIONS (PRC §21080(b)(1) and 14 CCR 15268(a); 14 CCR 15301)

Members of the Board:

Purpose

To adopt a resolution approving and authorizing execution of a Recycled Water and Effluent Disposal Agreement with San Diego Country Estates Association (the "SDCEA Agreement"), referred to herein as the "RW Agreement" pursuant to applicable CEQA exemptions.

Background

Effective October 1, 2008, the District and SDCEA entered into an Effluent Disposal Agreement ("2008 Agreement"), which replaced various previous agreements between the parties, for the allocation of its treated effluent to be delivered from the District property to SDCEA's common areas and golf course, in accordance with the Water Recycling Act of 1991, California Water Code sections 13575 *et seq.*, and which, pursuant to its terms, will expire on September 30, 2018. The cost for treated effluent was $35 per acre foot under the 2008 Agreement.

On December 7, 2017, SDCEA served a request upon the District pursuant to Section 13580(c) and 13580.7(b) of the California Water Code that the District enter into an agreement to provide recycled water/treated effluent (hereinafter collectively referred to as "recycled water") to SDCEA to irrigate SDCEA's golf course and common areas that would take effect immediately after the existing 2008 Agreement terminates on September 30, 2018. The Water Recycling Act of 1991 requires that the District enter into recycled water agreements with identified customers requesting recycled water service if recycled water service is available.

In anticipation of the expiring 2008 Agreement, the District hired an independent rate consultant to study the costs of providing recycled water service. On February 6, 2018, the Board of

Directors considered and accepted a 2018 study done by the independent consultant Bartle Wells Associates ("Consultant") that shows the reasonable and proportional costs to provide recycled water service in the San Vicente Wastewater Service Area.

Based on the Consultant's rate study, on April 3, 2018, the Board held a noticed public hearing and set not to exceed rates for recycled water from the San Vicente Wastewater Service Area under Proposition 218 and the Water Recycling Act of 1991 of $1,013 per acre foot/$2.32 per hundred cubic feet (the "Rate") through the adoption of Resolution Nos. 18-1525 and 18-1526, respectively. Such Resolutions were based on findings by the Board that the Rate reflects a reasonable relationship between the amount of the Rate and the retail cost of obtaining or producing the recycled water, the cost of conveying the recycled water, and overhead expenses for providing and administering the use of the recycled water service. The Rate is less than the District's rate for potable water and does not exceed the estimated reasonable cost of providing the service, and any additional costs agreed to by the customer for recycled water supplemental treatment.

Resolution No. 18-1526 also provided that any recycled water agreements may include customer-specific details such as recycled water credits from outside agencies, variation in rates for monthly service depending on a specific customer's proposed demand, and any other customer-specific applicable offsets. In that resolution, the Board also authorized the General Manager to make offers, continue with negotiations, and finalize negotiations under the Water Recycling Act of 1991 with any customers. The General Manager has done so and now brings to the Board the RW Agreement negotiated with SDCEA.

Discussion

A. Need for Recycled Water Agreement:

The Ramona Municipal Water District's San Vicente Wastewater Service Area serves a population of roughly 10,000. Wastewater from this service area is conveyed to the San Vicente Wastewater Reclamation Plant for treatment and effluent disposal as part of the District's sewer service. Over 97% of the effluent produced by the San Vicente Water Reclamation Plant is disposed of as recycled water. The treatment plant produces both secondary and tertiary effluent. Currently, the District incurs a range of costs for producing recycled water, which must undergo additional treatment and purification beyond secondary treatment than what would normally be required with other wastewater treatment and effluent disposal alternatives. A portion of such recycled water costs are being borne by the sewer ratepayers because the treatment of the wastewater is necessary for the disposal of the wastewater as the District currently has no other feasible and practical alternatives to dispose of the wastewater for the sewer customers in this service area. The portion of these charges that are not recouped from recycled water sales will continue to be paid by the sewer ratepayers as

a necessary cost to dispose of the effluent. The existing service of creating recycled water is integrally related to providing customers with sewer service because disposal of the effluent is a necessary aspect of the wastewater service.

The SDCEA RW Agreement allows the District to sell 50% of its recycled water to SDCEA. The RW Agreement also allows the District to force deliveries of its recycled water for the next ten years. In this way, the District can continue to comply with its obligations to dispose of the effluent from the Plant in the form of recycled water in accordance with regulations of the San Diego Regional Water Quality Control Board, Region 9, and other agencies. The proposed RW Agreement will be effective October 1, 2018 if approved and will have a ten year term.

B. Base Contract Rate:

The contract rate for recycled water under the RW Agreement does not exceed the Rate that the Board previously set as the not to exceed rate for recycled water pursuant to Resolution Nos. 18-1525 and 18-1526. Under the proposed RW Agreement, SDCEA will pay a base contract rate equal to the Rate ($1,013 per acre foot) ("Base Rate"), which will be subject to certain credits described below and which may be changed after five years to reflect changes in the cost of service.

The Base Rate reflects a reasonable relationship between the amount of the rate and the retail cost of obtaining or producing the recycled water, the cost of conveying the recycled water, and overhead expenses for providing and administering the use of the recycled water service. The Base Rate is less than the District's rate for potable water and does not exceed the estimated reasonable cost of providing the service, and any additional costs agreed to by the customer for recycled water supplemental treatment.

C. SDCEA Water Credits:

On August 1, 2009, the Metropolitan Water District of Southern California ("MWD"), the San Diego County Water Authority ("Water Authority"), and the District entered into Agreement No. 94278 entitled the San Vicente Water Recycling Program 2007 Local Resources Program Agreement ("MWD Agreement") with a 25-year term. The MWD Agreement provides the District with a financial incentive up to $250 per acre-foot for every acre-foot of additional tertiary treated water with reverse osmosis supplied to the eligible end user in excess of 100 acre-feet and up to a maximum of 340 acre-feet per MWD fiscal year on the terms and conditions described therein (the "MWD Water Credits").

On February 1, 2010, the Water Authority and the District entered into a "Joint Participation Agreement for Local Water Supply Development Program Funding" ("Water Authority Agreement") with a 25-year term. The Water Authority Agreement provides the District with a

financial incentive up to $200 per acre-foot to the District for every acre-foot of additional tertiary treated water with reverse osmosis supplied to the eligible end user in excess of 100 acre feet- and up to a maximum of 340 acre-feet per Water Authority fiscal year on the terms and conditions described therein (the "Water Authority Credits").

SDCEA is currently the only eligible end user that allows the District to obtain the MWD Water Credits under the MWD Agreement and the Water Authority Credits under the Water Authority Agreement. Under the proposed SDCEA Agreement, SDCEA will be able to obtain a deduction from its recycled water bill for the amount of MWD and Water Authority Credits issued and received by the District for SDCEA's benefit.

CEQA

Under the RW Agreement, the District would continue to deliver recycled water to the same user and continue the same uses. There are two exemptions under CEQA that the Board may find applicable to the RW agreement: (1) the statutory exemption for ministerial projects and (2) the categorical exemption for existing facilities.

A. Ministerial Projects

Staff submits that because the Water Code provides that the District "shall" enter into recycled water agreements, the Board may determine that the project is non-discretionary and subject to the ministerial project exemption. *See* Wat. Code §§ 13580.7(b) & (f).

The other aspect of the recycled water agreement that is ministerial is that the District must dispose of all treated effluent from the San Vicente Wastewater Treatment Plant in accordance with regulations of the San Diego Regional Water Quality Control Board, Region 9, and other agencies. The RW Agreement would continue the effluent disposal under the current permits and waste discharge requirements program ("WDR").

Therefore, Staff recommends that the Board find the RW Agreement statutorily exempt as a ministerial project under PRC §21080(b)(1) and 14 CCR 15268(a).

B. Existing Facilities Exemption

Another exemption upon which the Board may rely is the categorical exemption for existing facilities. Here, there is no expansion of an existing use of publicly owned utilities. Recycled water will continue to be provided at that same combined volume to the SDCEA's property through the same pipelines. The District will continue to dispose of all treated effluent from the Plant in accordance with regulations of the San Diego Regional Water Quality Control Board, Region 9, and other agencies. The RW Agreement would continue the effluent disposal under the current permits and WDR program. There are no significant cumulative impacts of

continuing with the provision of recycled water over time and there is no reasonable possibility of resulting in a significant effect. Therefore, Staff respectfully submits that the existing facilities (Class 1) exemption under 14 CCR 15301 applies.

Fiscal Impact

The existing 2008 Agreement, which expires on September 30, 2018, had an effluent disposal rate of $35 per acre foot that had been agreed to among all parties. The proposed RW Agreement has a Base Rate for recycled water of $1,013 per acre foot. The Base Rate is subject to change after five years, when it is anticipated that the District will perform an updated rate study. The Water Authority and MWD Credits proposed to be provided to SDCEA will be funded by the Water Authority and MWD and are fiscally neutral to the District.

If the RW Agreement is approved, a proportional and appropriate recycled water rate will be paid for all recycled water post September 30, 2018.

Recommendation

It is respectfully recommended that the Board adopt the Resolution approving and authorizing the SDCEA Agreement pursuant to the applicable CEQA exemptions described above.

Submitted by: David Barnum, General Manager
Mike Metts, District Engineer
Jennifer Lyon, General Counsel

ATTACHMENTS:

Attachment 1	Draft Resolution	B.1.d. Page 6-10
Attachment 2	Exhibit A to Resolution – Recycled Water and Effluent Disposal Agreement with San Diego Country Estates Association	B.1.d. Page 11-22

RESOLUTION NO. 18-XXXX

RESOLUTION OF THE BOARD OF DIRECTORS OF THE RAMONA MUNICIPAL WATER DISTRICT APPROVING AND AUTHORIZING EXECUTION OF A RECYCLED WATER AND EFFLUENT DISPOSAL AGREEMENT WITH SAN DIEGO COUNTRY ESTATES ASSOCIATION PURSUANT TO APPLICABLE CEQA EXEMPTIONS

WHEREAS, the Ramona Municipal Water District ("District") is organized and operates pursuant to the Municipal Water District Law of 1911 commencing with Section 71000 of the California Water Code and has the authority to enter into recycled water and other contracts in accordance therewith, including recycled water contracts in accordance with the Water Recycling Act of 1991 in the California Water Code; and

WHEREAS, the District operates the San Vicente Wastewater Treatment Plant ("Plant") which produces both secondary and tertiary effluent, one hundred percent of which the District must dispose of in the form of recycled water in accordance with regulations of the San Diego Regional Water Quality Control Board, Region 9, and other agencies. Currently, the District incurs a range of costs for producing recycled water, which must undergo additional treatment and purification beyond secondary treatment than would normally be required with other wastewater treatment and effluent disposal alternatives. A portion of such recycled water costs are being borne by the sewer ratepayers because the treatment of the wastewater is necessary for the disposal of the wastewater as the District currently has no other feasible and practical alternatives to dispose of the wastewater for the sewer customers in this service area. The portion of these charges that are not recouped from recycled water sales will continue to be paid by the sewer ratepayers as a necessary cost to dispose of the effluent. The existing service of creating recycled water is integrally related to providing customers with sewer service because disposal of the effluent is a necessary aspect of the wastewater service; and

WHEREAS, effective October 1, 2008, the District and the San Diego Country Estates Association ("SDCEA") entered into an Effluent Disposal Agreement ("2008 Agreement"), which replaced various previous agreements between the parties, for the allocation of its treated effluent to be delivered from the Plant to the SDCEA's common areas and golf course for $35 per acre foot, in accordance with the Water Recycling Act of 1991, California Water Code sections 13575 *et seq*., and which, pursuant to its terms, will expire on September 30, 2018; and

WHEREAS, on December 7, 2017, SDCEA served a request upon the District pursuant to Section 13580(c) and 13580.7(b) of the California Water Code that the District enter into an agreement to provide recycled water to SDCEA to irrigate SDCEA's golf course and common areas that would take effect immediately after the existing 2008 Agreement terminates on September 30, 2018; and

WHEREAS, in anticipation of the expiring 2008 Agreement, the District hired an independent rate consultant to study the costs of providing recycled water service, and on February 6, 2018, the Board of Directors considered and accepted a 2018 study done by the independent consultant Bartle Wells Associates ("Consultant") that shows the reasonable and proportional costs to provide recycled water service in the San Vicente Wastewater Service Area; and

WHEREAS, based on the Consultant's 2018 study, on April 3, 2018, the Board of Directors adopted Resolution Nos. 18-1525 and 18-1526, which set a not-to-exceed rate for recycled water under Proposition 218 and the Water Recycling Act of 1991, respectively, of $1,013 per acre foot/$2.32 per hundred cubic feet (the "Rate"). Such Resolutions recognized that the Rate reflects a reasonable relationship between the amount of the Rate and the retail cost of obtaining or producing the recycled water, the cost of conveying the recycled water, and overhead expenses for providing and administering the use of the recycled water service. The Rate is less than the District's rate for potable water and does not exceed the estimated reasonable cost of providing the service, and any additional costs agreed to by the customer for recycled water supplemental treatment. Such April 3, 2018 Resolutions also recognized that any recycled water agreements may include customer-specific details such as recycled water credits from outside agencies, variation in rates for monthly service depending on a specific customer's proposed demand, and any other customer-specific applicable offsets; and

WHEREAS, on August 1, 2009, the Metropolitan Water District of Southern California ("MWD"), the San Diego County Water Authority ("Water Authority"), and the District entered into Agreement No. 94278 entitled the San Vicente Water Recycling Program 2007 Local Resources Program Agreement ("MWD Agreement") with a 25-year term. The MWD Agreement provides the District with a financial incentive up to $250 per acre-foot for every acre-foot of additional tertiary treated water with reverse osmosis supplied to the eligible end user in excess of 100 acre-feet and up to a maximum of 340 acre-feet per MWD fiscal year on the terms and conditions described therein (the "MWD Water Credits"); and

WHEREAS, on February 1, 2010, the Water Authority and the District entered into a "Joint Participation Agreement for Local Water Supply Development Program Funding" ("Water Authority Agreement") with a 25-year term. The Water Authority Agreement provides the District with a financial incentive up to $200 per acre-foot to the District for every acre-foot of additional tertiary treated water with reverse osmosis supplied to the eligible end user in excess of 100 acre feet-and up to a maximum of 340 acre-feet per Water Authority fiscal year on the terms and conditions described therein (the "Water Authority Credits"); and

WHEREAS, SDCEA is currently the only eligible end user that allows the District to obtain the MWD Water Credits under the MWD Agreement and the Water Authority Credits under the Water Authority Agreement; and

WHEREAS, consistent with the direction provided by the Board of Directors in and authority granted to him in Resolution No. 18-1526, the District's General Manager has made offers, continued with negotiations, and finalized negotiations under the Water Recycling Act of 1991 with SDCEA. No District Directors participated, influenced or handled any of the negotiations on behalf of the District. SDCEA wishes to enter into a Recycled Water and Effluent Disposal Agreement in the form attached to this Resolution as Exhibit A ("SDCEA Agreement"), which is incorporated fully herein by this reference; and

WHEREAS, the Water Recycling Act of 1991, including Water Code §§ 13580.7(b) & (f), provides that the District shall enter into recycled water agreements with identified customers requesting recycled water service when recycled water is available and the District must dispose of all effluent from the Plant in the form of recycled water in accordance with regulations of the

San Diego Regional Water Quality Control Board, Region 9, and other agencies, and under the current permits and waste discharge requirements program ("WDR"). Therefore, sale and delivery of recycled water under the SDCEA Agreement is a non-discretionary project, subject to the ministerial project exemption and statutorily exempt under the California Environmental Quality Act ("CEQA"), Public Resources Code §21080(b)(1) and Title 14 of the California Code of Regulations §15268(a); and

WHEREAS, under the SDCEA Agreement, there is no expansion of an existing use of publicly owned utilities. Recycled water will continue to be provided at that same combined volume to SDCEA's property through the same pipelines. The District will continue to dispose of all treated effluent from the Plant in accordance with regulations of the San Diego Regional Water Quality Control Board, Region 9, and other agencies. The SDCEA Agreement would continue the effluent disposal under the current permits and WDR program. There are no significant cumulative impacts of continuing with the project (irrigation) over time and there is no reasonable possibility of resulting in a significant effect. Therefore, the SDCEA Agreement is categorically exempt from CEQA as existing facilities, a Class 1 exemption under Title 14 of the California Code of Regulations §15301; and

WHEREAS, there is a great value accruing to the District's customers and the public generally of an agreement that allows the District to dispose of treated effluent from the Plant at a rate that is legally justified pursuant to Proposition 218.

NOW, THEREFORE, be it hereby resolved, determined and ordered by the Board of Directors of the Ramona Municipal Water District as follows:

Section 1. The matters set forth in the recitals to this Resolution are true and correct, have served as a basis for the findings, and are a substantive part of this Resolution.

Section 2. The contract rate ("Contract Rate") for recycled water under the SDCEA Agreement does not exceed the Rate that the District previously set for recycled water in Resolution Nos. 18-1525 and 18-1526. The Contract Rate reflects a reasonable relationship between the amount of the Contract Rate and the retail cost of obtaining or producing the recycled water, the cost of conveying the recycled water, and overhead expenses for providing and administering the use of the recycled water service, with capital costs of facilities required to serve the customer being amortized over the lesser of the economic life of the facility, or the length of time the customer agrees to purchase recycled water. The Contract Rate is less than the District's rate for potable water and does not exceed the estimated reasonable cost of providing the service, and any additional costs agreed to by the customer for recycled water supplemental treatment.

Section 3. Having evaluated and considered the SDCEA Agreement, the Board of Directors finds that it serves a great public benefit to the District's customers and the public generally by allowing the District to dispose of treated effluent from the Plant, and in addition, by establishing a fixed,

contractually set revenue stream that can be used to study the cost of providing service to the District's sewer customers.

Section 4. The Board of Directors further finds that the SDCEA Agreement as finally negotiated is consistent with Resolution Nos. 18-1525 and 18-1526.

Section 5. The Board of Directors further finds that the SDCEA Agreement is subject to the ministerial project exemption and statutorily exempt under the California Environmental Quality Act ("CEQA"), Public Resources Code §21080(b)(1) and Title 14 of the California Code of Regulations §15268(a); and the SDCEA Agreement is categorically exempt from CEQA as existing facilities, a Class 1 exemption under Title 14 of the California Code of Regulations §15301.

Section 6. The Board of Directors approves the SDCEA Agreement and authorizes the General Manager to execute the SDCEA Agreement in a form substantially similar to Exhibit A and any other documents necessary to effectuate it. The Board of Directors further authorizes the General Manager to take all necessary actions to effectuate the terms of this Resolution.

Section 7. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Board declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 8. This Resolution shall take effect upon the date of its adoption.

ADOPTED, SIGNED AND APPROVED at a regular meeting of the Board of Directors of Ramona Municipal Water District held on the 11th day of September 2018, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____

Jim Robinson
President, Board of Directors
Ramona Municipal Water District

ATTEST:

_____

Bryan Wadlington
Secretary, Board of Directors
Ramona Municipal Water District

AMENDED 9/10/18

RAMONA MUNICIPAL WATER DISTRICT

AGENDA MEMO

Agenda Item No. B.1.d.
Board Meeting of September 11, 2018

Jim Robinson, President
and Members of the Board of Directors
Ramona, CA 92065

RE: ADOPTION OF A RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A RECYCLED WATER AND EFFLUENT DISPOSAL AGREEMENT WITH SAN DIEGO COUNTRY ESTATES ASSOCIATION PURSUANT TO APPLICABLE CEQA EXEMPTIONS

Members of the Board:

Purpose

To approve a resolution approving and authorizing execution of a Recycled Water and Effluent Disposal Agreement with San Diego Country Estates Association (the "SDCEA Agreement"), referred to herein as the "RW Agreement" pursuant to applicable CEQA exemptions.

Background

Effective October 1, 2008, the District and SDCEA entered into an Effluent Disposal Agreement ("2008 Agreement"), which replaced various previous agreements between the parties, for the allocation of its treated effluent to be delivered from the District property to SDCEA's common areas and golf course, in accordance with the Water Recycling Act of 1991, California Water Code sections 13575 *et seq.*, and which, pursuant to its terms, will expire on September 30, 2018. The cost for treated effluent was $35 per acre foot under the 2008 Agreement.

On December 7, 2017, SDCEA served a request upon the District pursuant to Section 13580(c) and 13580.7(b) of the California Water Code that the District enter into an agreement to provide recycled water/treated effluent (hereinafter collectively referred to as "recycled water") to SDCEA to irrigate SDCEA's golf course and common areas that would take effect immediately after the existing 2008 Agreement terminates on September 30, 2018. The Water Recycling Act of 1991 requires that the District enter into recycled water agreements with identified customers requesting recycled water service if recycled water service is available.

In anticipation of the expiring 2008 Agreement, the District hired an independent rate consultant to study the costs of providing recycled water service. On February 6, 2018, the Board of Directors considered and accepted a 2018 study done by the independent consultant Bartle Wells Associates ("Consultant") that shows the reasonable and proportional costs to provide recycled water service in the San Vicente Wastewater Service Area.

Based on the Consultant's rate study, on April 3, 2018, the Board held a noticed public hearing and set not to exceed rates for recycled water from the San Vicente Wastewater Service Area under Proposition 218 and the Water Recycling Act of 1991 of $1,013 per acre foot/$2.32 per hundred cubic feet (the "Rate") through the adoption of Resolution Nos. 18-1525 and 18-1526, respectively. Such Resolutions were based on findings by the Board that the Rate reflects a reasonable relationship between the amount of the Rate and the retail cost of obtaining or producing the recycled water, the cost of conveying the recycled water, and overhead expenses for providing and administering the use of the recycled water service. The Rate is less than the District's rate for potable water and does not exceed the estimated reasonable cost of providing the service, and any additional costs agreed to by the customer for recycled water supplemental treatment.

Resolution No. 18-1526 also provided that any recycled water agreements may include customer-specific details such as recycled water credits from outside agencies, variation in rates for monthly service depending on a specific customer's proposed demand, and any other customer-specific applicable offsets. In that resolution, the Board also authorized the General Manager to make offers, continue with negotiations, and finalize negotiations under the Water Recycling Act of 1991 with any customers. The General Manager has done so and now brings to the Board the RW Agreement negotiated with SDCEA.

Discussion

A. Need for Recycled Water Agreement:

The Ramona Municipal Water District's San Vicente Wastewater Service Area serves a population of roughly 10,000. Wastewater from this service area is conveyed to the San Vicente Wastewater Reclamation Plant for treatment and effluent disposal as part of the District's sewer service. Over 97% of the effluent produced by the San Vicente Water Reclamation Plant is disposed of as recycled water. The treatment plant produces both secondary and tertiary effluent. Currently, the District incurs a range of costs for producing recycled water, which must undergo additional treatment and purification beyond secondary treatment than what would normally be required with other wastewater treatment and effluent disposal alternatives. A portion of such recycled water costs are being borne by the sewer ratepayers because the treatment of the wastewater is necessary for the disposal of the wastewater as the District currently has no other feasible and practical alternatives to dispose of

the wastewater for the sewer customers in this service area. The portion of these charges that are not recouped from recycled water sales will continue to be paid by the sewer ratepayers as a necessary cost to dispose of the effluent. The existing service of creating recycled water is integrally related to providing customers with sewer service because disposal of the effluent is a necessary aspect of the wastewater service.

The SDCEA RW Agreement allows the District to sell ~~50%~~ **300 acre feet** of its recycled water to SDCEA. The RW Agreement also allows the District to force deliveries of its recycled water for the next ten years. In this way, the District can continue to comply with its obligations to dispose of the effluent from the Plaint in the form of recycled water in accordance with regulations of the San Diego Regional Water Quality Control Board, Region 9, and other agencies. The proposed RW Agreement will be effective October 1, 2018 if approved and will have a ten year term.

B. Base Contract Rate:

The contract rate for recycled water under the RW Agreement does not exceed the Rate that the Board previously set as the not to exceed rate for recycled water pursuant to Resolution Nos. 18-1525 and 18-1526. Under the proposed RW Agreement, SDCEA will pay a base contract rate equal to the Rate ($1,013 per acre foot) ("Base Rate"), which will be subject to certain credits described below and which may be changed after five years to reflect changes in the cost of service.

The Base Rate reflects a reasonable relationship between the amount of the rate and the retail cost of obtaining or producing the recycled water, the cost of conveying the recycled water, and overhead expenses for providing and administering the use of the recycled water service. The Base Rate is less than the District's rate for potable water and does not exceed the estimated reasonable cost of providing the service, and any additional costs agreed to by the customer for recycled water supplemental treatment.

C. SDCEA Water Credits:

On August 1, 2009, the Metropolitan Water District of Southern California ("MWD"), the San Diego County Water Authority ("Water Authority"), and the District entered into Agreement No. 94278 entitled the San Vicente Water Recycling Program 2007 Local Resources Program Agreement ("MWD Agreement") with a 25-year term. The MWD Agreement provides the District with a financial incentive up to $250 per acre-foot for every acre-foot of additional tertiary treated water with reverse osmosis supplied to the eligible end user in excess of 100 acre-feet and up to a maximum of 340 acre-feet per MWD fiscal year on the terms and conditions described therein (the "MWD Water Credits").

On February 1, 2010, the Water Authority and the District entered into a "Joint Participation Agreement for Local Water Supply Development Program Funding" ("Water Authority Agreement") with a 25-year term. The Water Authority Agreement provides the District with a financial incentive up to $200 per acre-foot to the District for every acre-foot of additional tertiary treated water with reverse osmosis supplied to the eligible end user in excess of 100 acre feet- and up to a maximum of 340 acre-feet per Water Authority fiscal year on the terms and conditions described therein (the "Water Authority Credits").

SDCEA is currently the only eligible end user that allows the District to obtain the MWD Water Credits under the MWD Agreement and the Water Authority Credits under the Water Authority Agreement. Under the proposed SDCEA Agreement, SDCEA will be able to obtain a deduction from its recycled water bill for the amount of MWD and Water Authority Credits issued and received by the District for SDCEA's benefit.

CEQA

Under the RW Agreement, the District would continue to deliver recycled water to the same user and continue the same uses. There are two exemptions under CEQA that the Board may find applicable to the RW agreement: (1) the statutory exemption for ministerial projects and (2) the categorical exemption for existing facilities.

A. Ministerial Projects

Staff submits that because the Water Code provides that the District "shall" enter into recycled water agreements, the Board may determine that the project is non-discretionary and subject to the ministerial project exemption. *See* Wat. Code §§ 13580.7(b) & (f).

The other aspect of the recycled water agreement that is ministerial is that the District must dispose of all treated effluent from the San Vicente Wastewater Treatment Plant in accordance with regulations of the San Diego Regional Water Quality Control Board, Region 9, and other agencies. The RW Agreement would continue the effluent disposal under the current permits and waste discharge requirements program ("WDR").

Therefore, Staff recommends that the Board find the RW Agreement statutorily exempt as a ministerial project under PRC §21080(b)(1) and 14 CCR 15268(a).

B. Existing Facilities Exemption

Another exemption upon which the Board may rely is the categorical exemption for existing facilities. Here, there is no expansion of an existing use of publicly owned utilities. Recycled water will continue to be provided at that same combined volume to the SDCEA's property through the same pipelines. The District will continue to dispose of all treated effluent from the Plant in accordance with regulations of the San Diego Regional Water Quality Control Board, Region 9, and other agencies. The RW Agreement would continue the effluent disposal under

the current permits and WDR program. There are no significant cumulative impacts of continuing with the provision of recycled water over time and there is no reasonable possibility of resulting in a significant effect. Therefore, Staff respectfully submits that the existing facilities (Class 1) exemption under 14 CCR 15301 applies.

Fiscal Impact

The existing 2008 Agreement, which expires on September 30, 2018, had an effluent disposal rate of $35 per acre foot that had been agreed to among all parties. The proposed RW Agreement has a Base Rate for recycled water of $1,013 per acre foot. The Base Rate is subject to change after five years, when it is anticipated that the District will perform an updated rate study. The Water Authority and MWD Credits proposed to be provided to SDCEA will be funded by the Water Authority and MWD and are fiscally neutral to the District.

If the RW Agreement is approved, a proportional and appropriate recycled water rate will be paid for all recycled water post September 30, 2018.

Recommendation

District staff respectfully recommends that the Board adopt the attached resolution approving and authorizing the SDCEA Agreement pursuant to the applicable CEQA exemptions described above.

Submitted by: David Barnum, General Manager
Mike Metts, District Engineer
Jennifer Lyon, General Counsel

ATTACHMENTS:

Attachment 1	Draft Resolution	B.1.d. Page 6-10
Attachment 2	Exhibit A to Resolution – Recycled Water and Effluent Disposal Agreement with San Diego Country Estates Association **(with revision to Section 5.1 to reflect that "300 acre feet" will replace the words "fifty percent" in the Agreement)**	B.1.d. Page 11-22

RESOLUTION NO. 18-XXXX

RESOLUTION OF THE BOARD OF DIRECTORS OF THE RAMONA MUNICIPAL WATER DISTRICT APPROVING AND AUTHORIZING EXECUTION OF A RECYCLED WATER AND EFFLUENT DISPOSAL AGREEMENT WITH SAN DIEGO COUNTRY ESTATES ASSOCIATION PURSUANT TO APPLICABLE CEQA EXEMPTIONS

WHEREAS, the Ramona Municipal Water District ("District") is organized and operates pursuant to the Municipal Water District Law of 1911 commencing with Section 71000 of the California Water Code and has the authority to enter into recycled water and other contracts in accordance therewith, including recycled water contracts in accordance with the Water Recycling Act of 1991 in the California Water Code; and

WHEREAS, the District operates the San Vicente Wastewater Treatment Plant ("Plant") which produces both secondary and tertiary effluent, one hundred percent of which the District must dispose of in the form of recycled water in accordance with regulations of the San Diego Regional Water Quality Control Board, Region 9, and other agencies. Currently, the District incurs a range of costs for producing recycled water, which must undergo additional treatment and purification beyond secondary treatment than would normally be required with other wastewater treatment and effluent disposal alternatives. A portion of such recycled water costs are being borne by the sewer ratepayers because the treatment of the wastewater is necessary for the disposal of the wastewater as the District currently has no other feasible and practical alternatives to dispose of the wastewater for the sewer customers in this service area. The portion of these charges that are not recouped from recycled water sales will continue to be paid by the sewer ratepayers as a necessary cost to dispose of the effluent. The existing service of creating recycled water is integrally related to providing customers with sewer service because disposal of the effluent is a necessary aspect of the wastewater service; and

WHEREAS, effective October 1, 2008, the District and the San Diego Country Estates Association ("SDCEA") entered into an Effluent Disposal Agreement ("2008 Agreement"), which replaced various previous agreements between the parties, for the allocation of its treated effluent to be delivered from the Plant to the SDCEA's common areas and golf course for $35 per acre foot, in accordance with the Water Recycling Act of 1991, California Water Code sections 13575 *et seq*., and which, pursuant to its terms, will expire on September 30, 2018; and

WHEREAS, on December 7, 2017, SDCEA served a request upon the District pursuant to Section 13580(c) and 13580.7(b) of the California Water Code that the District enter into an agreement to provide recycled water to SDCEA to irrigate SDCEA's golf course and common areas that would take effect immediately after the existing 2008 Agreement terminates on September 30, 2018; and

WHEREAS, in anticipation of the expiring 2008 Agreement, the District hired an independent rate consultant to study the costs of providing recycled water service, and on February 6, 2018, the Board of Directors considered and accepted a 2018 study done by the independent consultant Bartle Wells Associates ("Consultant") that shows the reasonable and proportional costs to provide recycled water service in the San Vicente Wastewater Service Area; and

WHEREAS, based on the Consultant's 2018 study, on April 3, 2018, the Board of Directors adopted Resolution Nos. 18-1525 and 18-1526, which set a not-to-exceed rate for recycled water under Proposition 218 and the Water Recycling Act of 1991, respectively, of $1,013 per acre foot/$2.32 per hundred cubic feet (the "Rate"). Such Resolutions recognized that the Rate reflects a reasonable relationship between the amount of the Rate and the retail cost of obtaining or producing the recycled water, the cost of conveying the recycled water, and overhead expenses for providing and administering the use of the recycled water service. The Rate is less than the District's rate for potable water and does not exceed the estimated reasonable cost of providing the service, and any additional costs agreed to by the customer for recycled water supplemental treatment. Such April 3, 2018 Resolutions also recognized that any recycled water agreements may include customer-specific details such as recycled water credits from outside agencies, variation in rates for monthly service depending on a specific customer's proposed demand, and any other customer-specific applicable offsets; and

WHEREAS, on August 1, 2009, the Metropolitan Water District of Southern California ("MWD"), the San Diego County Water Authority ("Water Authority"), and the District entered into Agreement No. 94278 entitled the San Vicente Water Recycling Program 2007 Local Resources Program Agreement ("MWD Agreement") with a 25-year term. The MWD Agreement provides the District with a financial incentive up to $250 per acre-foot for every acre-foot of additional tertiary treated water with reverse osmosis supplied to the eligible end user in excess of 100 acre-feet and up to a maximum of 340 acre-feet per MWD fiscal year on the terms and conditions described therein (the "MWD Water Credits"); and

WHEREAS, on February 1, 2010, the Water Authority and the District entered into a "Joint Participation Agreement for Local Water Supply Development Program Funding" ("Water Authority Agreement") with a 25-year term. The Water Authority Agreement provides the District with a financial incentive up to $200 per acre-foot to the District for every acre-foot of additional tertiary treated water with reverse osmosis supplied to the eligible end user in excess of 100 acre feet-and up to a maximum of 340 acre-feet per Water Authority fiscal year on the terms and conditions described therein (the "Water Authority Credits"); and

WHEREAS, SDCEA is currently the only eligible end user that allows the District to obtain the MWD Water Credits under the MWD Agreement and the Water Authority Credits under the Water Authority Agreement; and

WHEREAS, consistent with the direction provided by the Board of Directors in and authority granted to him in Resolution No. 18-1526, the District's General Manager has made offers, continued with negotiations, and finalized negotiations under the Water Recycling Act of 1991 with SDCEA. No District Directors participated, influenced or handled any of the negotiations on behalf of the District. SDCEA wishes to enter into a Recycled Water and Effluent Disposal Agreement in the form attached to this Resolution as Exhibit A ("SDCEA Agreement"), which is incorporated fully herein by this reference; and

WHEREAS, the Water Recycling Act of 1991, including Water Code §§ 13580.7(b) & (f), provides that the District shall enter into recycled water agreements with identified customers requesting recycled water service when recycled water is available and the District must dispose of all effluent from the Plant in the form of recycled water in accordance with regulations of the

San Diego Regional Water Quality Control Board, Region 9, and other agencies, and under the current permits and waste discharge requirements program ("WDR"). Therefore, sale and delivery of recycled water under the SDCEA Agreement is a non-discretionary project, subject to the ministerial project exemption and statutorily exempt under the California Environmental Quality Act ("CEQA"), Public Resources Code §21080(b)(1) and Title 14 of the California Code of Regulations §15268(a); and

WHEREAS, under the SDCEA Agreement, there is no expansion of an existing use of publicly owned utilities. Recycled water will continue to be provided at that same combined volume to SDCEA's property through the same pipelines. The District will continue to dispose of all treated effluent from the Plant in accordance with regulations of the San Diego Regional Water Quality Control Board, Region 9, and other agencies. The SDCEA Agreement would continue the effluent disposal under the current permits and WDR program. There are no significant cumulative impacts of continuing with the project (irrigation) over time and there is no reasonable possibility of resulting in a significant effect. Therefore, the SDCEA Agreement is categorically exempt from CEQA as existing facilities, a Class 1 exemption under Title 14 of the California Code of Regulations §15301; and

WHEREAS, there is a great value accruing to the District's customers and the public generally of an agreement that allows the District to dispose of treated effluent from the Plant at a rate that is legally justified pursuant to Proposition 218.

NOW, THEREFORE, be it hereby resolved, determined and ordered by the Board of Directors of the Ramona Municipal Water District as follows:

Section 1. The matters set forth in the recitals to this Resolution are true and correct, have served as a basis for the findings, and are a substantive part of this Resolution.

Section 2. The contract rate ("Contract Rate") for recycled water under the SDCEA Agreement does not exceed the Rate that the District previously set for recycled water in Resolution Nos. 18-1525 and 18-1526. The Contract Rate reflects a reasonable relationship between the amount of the Contract Rate and the retail cost of obtaining or producing the recycled water, the cost of conveying the recycled water, and overhead expenses for providing and administering the use of the recycled water service, with capital costs of facilities required to serve the customer being amortized over the lesser of the economic life of the facility, or the length of time the customer agrees to purchase recycled water. The Contract Rate is less than the District's rate for potable water and does not exceed the estimated reasonable cost of providing the service, and any additional costs agreed to by the customer for recycled water supplemental treatment.

Section 3. Having evaluated and considered the SDCEA Agreement, the Board of Directors finds that it serves a great public benefit to the District's customers and the public generally by allowing the District to dispose of treated effluent from the Plant, and in addition, by establishing a fixed,

contractually set revenue stream that can be used to study the cost of providing service to the District's sewer customers.

Section 4. The Board of Directors further finds that the SDCEA Agreement as finally negotiated is consistent with Resolution Nos. 18-1525 and 18-1526.

Section 5. The Board of Directors further finds that the SDCEA Agreement is subject to the ministerial project exemption and statutorily exempt under the California Environmental Quality Act ("CEQA"), Public Resources Code §21080(b)(1) and Title 14 of the California Code of Regulations §15268(a); and the SDCEA Agreement is categorically exempt from CEQA as existing facilities, a Class 1 exemption under Title 14 of the California Code of Regulations §15301.

Section 6. The Board of Directors approves the SDCEA Agreement and authorizes the General Manager to execute the SDCEA Agreement in a form substantially similar to Exhibit A and any other documents necessary to effectuate it. The Board of Directors further authorizes the General Manager to take all necessary actions to effectuate the terms of this Resolution.

Section 7. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Board declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 8. This Resolution shall take effect upon the date of its adoption.

ADOPTED, SIGNED AND APPROVED at a regular meeting of the Board of Directors of Ramona Municipal Water District held on the 11th day of September 2018, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____

Jim Robinson
President, Board of Directors
Ramona Municipal Water District

ATTEST:

_____

Bryan Wadlington
Secretary, Board of Directors
Ramona Municipal Water District