

**MINUTES FOR THE MEETING
OF THE BOARD OF DIRECTORS
OF THE RAMONA MUNICIPAL WATER DISTRICT
April 14, 2015**

PRESENT

Darrell Beck	President
Joe Zenovic	Vice President
George Foote	Secretary
Jim Hickle	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 Beck at 2:00 p.m., at the Ramona Community Center, 434 Aqua Lane, Ramona, County of San Diego, State of California.

President Beck 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 April 14, 2015

President Beck announced Item H.1 will be removed from the agenda.

**MISC MOTION TO ADOPT THE AGENDA AS AMENDED FOR THE MEETING OF
APRIL 14, 2015 (Zenovic/Foote)**

AYES:	Beck, Foote, Hickle, Zenovic
NOES:	None
ABSTAIN:	None
ABSENT:	None

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

Mr. Gilpin, Legal Counsel, expressed the appreciation of his firm, Best, Best & Krieger, in working with the District since 1997.

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

A.5.a. General Manager's Report

A.5.a.-1. Drought Update

Recommendation: Information only.

General Manager Barnum welcomed those attending the meeting. He advised the Board, staff will bring forward an agenda memo at the May meeting, requesting the formation of a Fire Services Ad Hoc Committee.

Mr. Barnum provided an update on the drought with a slide presentation, detailing the two major differences making the current drought different from others. The first unique characteristic is the severity of this drought; second is the manner in which it is being handled at the state level. Mr. Barnum expressed concerns about the methodology used by the State Water Resources Control Board (SWRCB) to determine percentage cutbacks because it does not consider previous conservation efforts and additional water sources secured in the San Diego region. He also directed the Board to the letter from the San Diego County Water Authority to the SWRCB commenting on the concerns of the San Diego region.

A.5.b. Committee Reports

None.

A.5.c. Staff Reports

A.5.c.-1. Budget Workshop Presentation

Recommendation: None.

Financial Services Director Hannasch presented a slide presentation detailing the framework financial background, budget process, economic environment and proposed timeline for the FY15-16 budget. Mr. Hannasch also reviewed the financial status of the current fiscal year. While reviewing the budget outlook for the upcoming fiscal year, he stated, operating funds will remain essentially flat in inflation adjusted dollars, with the exception of the fire fund. The proposed contract from Cal Fire reflects an increase of approximately ten percent, while fire revenues remain the same.

Cal Fire Unit Chief, Tony Mecham, provided an overview of the unit's strategic goals with a slide presentation. He outlined the elements of this year's agreement; highlighting areas of increased costs.

Mr. Hannasch explained, due to the drought, the normal budget cycle has been disrupted this year. Two critical elements remain to be determined: the County Water Authority water rate guideline and clarification on state regulatory requirements regarding water use cutbacks. Two Proposition 218 letters will be necessary this year. One will address sewer fee adjustments; and one will address water rates.

A.6. Discussion and Possible Action to Consider Applicants for the Division 3 Vacancy and Appoint a Candidate to Division 3

Recommendation: Staff respectfully recommends that the Board consider all interested candidates and appoint a new Division 3 Director.

President Beck welcomed the candidates and invited them to describe why they would like to be a board member and what contributions they can provide. Each candidate, Matthew Marler, Robert Kryszak, and Thomas Ace, addressed the Board.

Mr. Everett Hager, 16501 Swartz Canyon Drive, Ramona, addressed the Board.

Discussion followed.

**MISC MOTION TO APPOINT MR. ACE TO FILL THE DIVISION 3 VACANCY
(Zenovic/Foote)**

AYES: Beck, Foote, Hickle, Zenovic
NOES: None
ABSTAIN: None
ABSENT: None

President Beck called for a break at 3:06 p.m.

President Beck called the meeting back to order at 3:16 p.m.

B. Ministerial Items

Director Zenovic pulled Items B.1.e and B.1.g.

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 March 10, 2015

Recommendation: To adopt the Minutes for March 10, 2015.

B.1.b. Adoption of the Special Board Meeting Minutes for March 19, 2015

Recommendation: To adopt the Minutes for March 19, 2015.

B.1.c. Acceptance of Monthly Financial Reports – February 2015

Recommendation: No staff recommendation.

**B.1.d. Informational Report of Accounts Payable Listing for the Period of
January 1, 2015 – March 31, 2015**

Recommendation: No staff recommendation.

B.1.f. News Release for Defensible Space

Recommendation: No staff recommendation, information only.

**MISC MOTION TO APPROVE REMAINING ITEMS ON THE CONSENT CALENDAR
(ZENOVIC/FOOTE)**

AYES: Beck, Foote, Hickle, Zenovic
NOES: None
ABSTAIN: None
ABSENT: None

B.1.e. Quitclaim of Existing RMWD Easements APN 281-100-29 & 34

Recommendation: Staff respectfully recommends that the Board authorize the General Manager (or Designee) to execute the quitclaim of the following District Easements when required:

- RMWD easement recorded January 9, 1980 as instrument No. 80-009118
- RMWD easement recorded March 19, 1985 as instrument No. 85-091451

Ricardo Soto, Engineering Consultant, provided details on the quitclaim of the two existing easements.

MISC MOTION TO AUTHORIZE THE GENERAL MANAGER (OR DESIGNEE) TO EXECUTE THE QUITCLAIM OF THE DISTRICT EASEMENTS AS DESCRIBED (ZENOVIC/HICKLE)

AYES: Beck, Foote, Hickle, Zenovic
NOES: None
ABSTAIN: None
ABSENT: None

B.1.g. Santa Maria Spray Field Improvement Project

Recommendation: Informational only. No Board action required at this time. Project was reviewed and approved by the Santa Maria Ad Hoc Committee (Zenovic & Hickle).

General Manager Barnum summarized the background and benefits of the Santa Maria Spray Field Improvement Project. He explained this is a low-cost solution to better manage our spray fields.

District Engineer, Mike Metts, reviewed the project particulars including equipment improvements and better utilization of staff time.

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

F.1. Discussion and Possible Action to Authorize an Agreement Between RMWD and McDougal, Love, Eckis, Boehmer & Foley for General Counsel Legal Services

Recommendation: Staff respectfully recommends that the Board approve the proposed agreement with McDougal, Love et al. and authorize the President of the Board to sign on behalf of RMWD.

Jennifer Lyon introduced herself to the Board and expressed her firm's appreciation for the opportunity to work with the District.

MIS\IC MOTION TO APPROVE THE PROPOSED AGREEMENT WITH MCDOUGAL, LOVE ET AL, AND AUTHORIZE THE PRESIDENT OF THE BOARD TO SIGN ON BEHALF OF RMWD (ZENOVIC/FOOTE)

AYES: Beck, Foote, Hickle, Zenovic
NOES: None
ABSTAIN: None
ABSENT: None

F.2. Discussion and Possible Action Regarding Benefits for Board Members

Recommendation: Staff respectfully recommends the Board give direction on whether to reinstate board members benefit eligibility for the available plans.

Human Resources Manager Tim Clement stated that after researching the options available, board members may enroll in the Kaiser Medical Plan and District dental plan. A special enrollment period will be allowed with coverage effective June 1, 2015.

Discussion followed.

M\ MOTION TO REINSTATE BOARD MEMBERS DENTAL PLAN AND DEFER THE DECISION ABOUT MEDICAL COVERAGE UNTIL THE MAY 2015 BOARD MEETING (ZENOVIC)

MIS\IC MOTION TO DEFER THE DECISION ABOUT BOARD MEMBERS' MEDICAL AND DENTAL COVERAGE UNTIL THE MAY 2015 BOARD MEETING (FOOTE/ZENOVIC)

AYES: Beck, Foote, Hickle, Zenovic
NOES: None
ABSTAIN: None
ABSENT: None

F.3. Discussion and Possible Action Regarding the Santa Maria Water Reclamation Plant Clarifier 4 Project

Recommendation: The project has been reviewed and recommended by the Santa Maria Recycled Water Plant Upgrade Ad-Hoc (Zenovic and Hickle) and RMWD Staff. We respectfully recommend that the Board authorize the General Manager to award a contract for construction of the Santa Maria Water

Reclamation Plant - Clarifier No. 4 Project to NEWest Construction Company, Inc.

General Manager Barnum provided background on the Santa Maria Water Reclamation Plant – Clarifier No. 4 project which has been under consideration for quite a while, and was a top priority of the Santa Maria Facilities Plan that was approved by the Board.

Mike Metts, District Engineer, reported further details. He stated he has worked with NEWest Construction Company, Inc. on other projects.

Discussion followed.

Jim Anderson provided specifics concerning increased production after the project is completed.

MISC MOTION TO AUTHORIZE THE GENERAL MANAGER TO AWARD A CONTRACT FOR CONSTRUCTION OF THE SANTA MARIA WATER RECLAMATION PLANT - CLARIFIER NO. 4 PROJECT TO NEWEST CONSTRUCTION COMPANY, INC. (ZENOVIC/HICKLE)

AYES: Beck, Foote, Hickle, Zenovic
NOES: None
ABSTAIN: None
ABSENT: None

F.4. Discussion and Possible Action to Approve the Grant of a Conservation Easement to the Nature Conservancy

Recommendation: Authorize the General Manager to sign the conservation easement as approved by the District's general counsel and any other documents necessary to transfer the conservation easement.

General Manager Barnum opened the discussion with details regarding the history of this conservation easement.

Jim Robinson, 839 Rancho Bullard, Ramona, addressed the Board.

Discussion followed.

District Engineer, Mike Metts provided additional information about the use of the Santa Maria Spray Fields.

MISC MOTION TO AUTHORIZE THE GENERAL MANAGER TO SIGN THE CONSERVATION EASEMENT AS APPROVED BY THE DISTRICT'S GENERAL COUNSEL AND ANY OTHER DOCUMENTS NECESSARY TO TRANSFER THE CONSERVATION EASEMENT. (ZENOVIC/FOOTE)

AYES: Beck, Foote, Hickle, Zenovic
NOES: None
ABSTAIN: None
ABSENT: None

F.5. Discussion and Possible Action to Approve the Proposition 218 Notice for Sewer Fees and to Set a Date for Public Hearing

Recommendation: District staff respectfully recommends that the Board approve the Proposition 218 Notice for sewer fees, and set a date for the Public Hearing on June 23, 2015 at 2:00 p.m.

Financial Services Director Hannasch explained the need for two Proposition 218 letters this year; one for sewer fees and one for water rates. The date of the public hearing for sewer fees will be June 23, 2015. He also reviewed the proposed sewer rates for each sewer district.

Director Zenovic requested that both current legal counsel and new legal counsel review the Prop 218 letter before mailing.

MISC MOTION TO APPROVE THE PROPOSITION 218 NOTICE FOR SEWER FEES AND TO SET A DATE FOR PUBLIC HEARING OF JUNE 23, 2015. (ZENOVIC/BECK)

AYES: Beck, Foote, Hickle, Zenovic
NOES: None
ABSTAIN: None
ABSENT: None

President Beck called for a break at 4:05 p.m.

Closed session began at 4:15 p.m.

G. Closed Session – NOT OPEN TO THE PUBLIC

G.1. Conference with Legal Counsel

Conference with Legal Counsel – Existing Litigation (Gov. Code 56956.9)
Plantier, et al. v. Ramona Municipal Water District
San Diego Superior Court Case No. 37-2014-00083195-CU-BT-CTL

Closed session ended at 5:11 p.m. with no reportable action.

I. Remaining Agenda Items

I.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.

J. Closing Agenda Items

J.1. Items for Subsequent Meetings

President Beck expressed the need for a Fire Services Ad Hoc Committee.

General Manager Barnum responded, staff will prepare an agenda memo for the May board meeting, regarding the formation of a Fire Services Ad Hoc Committee.

J.2. Date and Time for the Next Regular Meeting

May 12, 2015 - 2:00 p.m.

MIS\C MOTION TO ADJOURN MEETING AT 5:13 P.M. (FOOTE/ZENOVIC)

AYES: Beck, Foote, Hickle, Zenovic

NOES: None

ABSTAIN: None

ABSENT: None

Adjourn



**Darrell Beck, President
Board of Directors
RAMONA MUNICIPAL WATER DISTRICT**