

**MINUTES FOR THE MEETING
OF THE BOARD OF DIRECTORS
OF THE RAMONA MUNICIPAL WATER DISTRICT
JULY 12, 2016**

PRESENT

Thomas Ace	President
Darrell Beck	Vice President
Joe Zenovic	Secretary
Jim Hickle	Treasurer
George Foote	Director

A. Opening of Meeting

A.1. Call to Order and Pledge of Allegiance

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

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

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

None.

A.3. Adoption of Agenda for Meeting of July 12, 2016

MISC MOTION TO ADOPT THE AGENDA (Zenovic/Beck)

AYES:	Ace, 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

None.

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

A.5.a. General Manager's Report

None.

A.5.b. Committee Report

President Ace reported that the fire ad hoc committee met on June 21, 2016. At this meeting fire staff and the ad hoc members reviewed several staffing models, the need to replace a 26 year old reserve engine, status on the two new ambulances recently purchased, the fire department's ISO rating being sustained at 4/9 and what that means for the community, and the need for radio upgrades by 2018 when the Sheriff's new system goes online.

A.5.c. Staff Reports

A.5.c.-1. 2016 Fire Season Outlook

Recommendation: Informational item only. No action is required by the Board at this time.

CalFire Chief Foster presented the current fire outlook for 2016 and the resources available to fight fires in the San Diego region. He discussed ways to prevent fires and encouraged residents to prepare for wildfire by creating defensible space around their homes. Multiple resources were offered for residents to learn more about fire prevention and defensible space as well as ways to stay informed on fire events in the area. Discussion followed regarding evacuation plans and lessons learned from previous disaster events.

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 June 14, 2016

Recommendation: To adopt the Minutes for June 14, 2016.

B.1.b. Acceptance of Monthly Financial Reports – May 2016

Recommendation: No staff recommendation.

MISC MOTION TO APPROVE THE CONSENT CALENDAR (Zenovic/Beck)

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

C. Public Hearing/Bid Openings

(This space on the agenda is reserved in the event there is a public hearing or bid opening)

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 Regarding Sewer and Recycled Water System Improvements Agreement Between the Ramona Municipal Water District and Montecito Properties, LLC

Recommendation: Staff respectfully recommends that the Board authorize the General Manager to execute the identified Sewer and Recycled Water System Improvements Agreement with Montecito Properties, LLC.

General Manager Barnum introduced the agenda item. He commented that after many years of efforts by the district to address aging infrastructure, determine its financial needs and taking steps towards a more successful future, this project and its contributions are yet another great investment in the community. District Engineer, Mike Metts then reviewed the details of the project's infrastructure and how it ties into current facilities. Discussion continued regarding future development and new sewer connections and how those would be accommodated.

Bruce Tabb, the developer for Montecito Properties, addressed the board. He shared the challenges he experienced with the district years ago and thanked the current board and staff for their hard work and help getting this accomplished.

MIS\ C MOTION TO APPROVE THE RECOMMENDATION TO AUTHORIZE THE GENERAL MANAGER TO EXECUTE THE IDENTIFIED SEWER AND RECYCLED WATER SYSTEM IMPROVEMENTS AGREEMENT WITH MONTECITO PROPERTIES, LLC (Zenovic/Beck)

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

F.2. Discussion and Possible Action to Adopt a Resolution Rescinding Drought Response Level 2 "Drought Alert" Condition and Returning to Drought Level 1 "Drought Watch"

Recommendation: Staff respectfully recommends that the Board adopt a resolution to end Drought Response Level 2 "Drought Alert" and return to Drought Response Level 1 "Drought Watch".

General Manager Barnum introduced the agenda item. Human Resources Manager, Tim Clement then reviewed the history of state-wide drought mandates, weather events throughout the state and recent actions taken to allow for regional conservation measures using a supply-based approach. He reported that as a result of these changes the District's water supplier has rescinded cutbacks for its member agencies as they do not expect a shortfall for the next three years at current demand levels. Discussion continued regarding implementation of current cutbacks and how usage levels have affected District rates. President Ace commended the General Manager and his staff for their efforts in working with the public to comply with the mandates.

MIS\ C MOTION TO APPROVE THE RECOMMENDATION TO END THE DROUGHT RESPONSE LEVEL 2 "DROUGHT ALERT" AND RETURN TO DROUGHT RESPONSE LEVEL 1 "DROUGHT WATCH" (Zenovic/Foote) [Resolution 16-1509]

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

President Ace called for a break at 3:17 p.m. The Board reconvened at 3:28 p.m.

F.3. Discussion and Possible Action on a Resolution to Adopt the RMWD Budget for Fiscal Year 2016-2017

Recommendation: Staff respectfully recommends that the Board approve a resolution to adopt the FY 2016-17 budget.

General Manager Barnum introduced the agenda item and discussed some of the key differences between budgets in the private sector versus a public organization and how each public agency is also unique. He reviewed the district's process of formulating a budget and how it is used throughout the year. He also reminded the Board of the change in process this year to allow for more time to review the draft budget.

Chief Financial Officer, Richard Hannasch, reviewed revenue sources and how funds are allocated. He discussed ongoing capital improvement plans and the District's operating costs along with expected revenues.

Board Treasurer Director Hickle shared his observations of the budget and pointed out several projects he was pleased to see included in the draft.

Discussion followed.

MISC MOTION TO ADOPT THE BUDGET FOR FISCAL YEAR 16/17 (Beck/Hickle)
[Resolution 16-1510]

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

G. Remaining Agenda Items

G.1. Directors' Reports of Reimbursed Meetings

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

None.

H. Closing Agenda Items

H.1. Items for Subsequent Meetings

Director Zenovic requested additional information on the Fire EDU's classification as a tax instead of a fee for service.

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

August 9, 2016 - 2:00 p.m.

President Ace adjourned the Regular Meeting of the Board of Directors of the Ramona Municipal Water District at 3:52 p.m.

Adjourn



**Thomas Ace, President
Board of Directors
RAMONA MUNICIPAL WATER DISTRICT**

