

RESOLUTION NO. 26-1634

A RESOLUTION OF THE BOARD OF DIRECTORS FOR THE RAMONA MUNICIPAL WATER DISTRICT APPROVING THE SUBMISSION OF A DISTRICT MEASURE TO AMEND PROPOSITION ‘NN’ (CHAPTER 99.04 OF THE REGULATORY CODE) INCREASING THE LIMITS FOR NEW PROJECTS; FINDING THAT THIS ACTION IS EXEMPT FROM FURTHER CEQA ANALYSIS UNDER THE COMMON SENSE EXEMPTION; AND AUTHORIZING THE GENERAL MANAGER TO DIRECT AND TAKE SUCH ACTION TO PLACE THE MEASURE ON THE BALLOT CONSOLIDATED WITH THE COUNTY OF SAN DIEGO’S NEXT GENERAL ELECTION

WHEREAS, the Ramona Municipal Water District (the “District”) is municipal water district organized and existing under the Municipal Water District Law of 1911 (California Water Code Sections 71000 – 73000) (the “Law”); and

WHEREAS, section 71530 of the Law provides that the voters of the District have the power to adopt ordinances by the methods provided in the California Elections Code for direct legislation in cities; and

WHEREAS, California Elections Code section 9222 provides the procedure for direct legislation in cities to adopt ordinances for the repeal, amendment, or enactment of existing ordinances by initiative; and

WHEREAS, Ordinance 108 for the District, having been submitted to the voters of the District as Proposition ‘NN’ (“Prop. NN”) on November 8, 1988, was approved by a majority of voters of the District, adding Chapter 99.04 to the Regulatory Code of the District; and

WHEREAS, Prop. NN created initial authorized debt limits of (A) \$1,000,000 for (1) the acquisition of real property, paid in whole or in part with District funds; (2) improvements to real property owned, leased or controlled by the District, or the modification, enlargement or alteration of existing structures on such property; or (3) capital improvement projects for the construction of improvements or the modification, enlargement or alteration of existing improvements on any project paid in whole or in part by District funds or funds obtained by the District from any source, and (B) \$1,500,000 for the acquisition and installation of water tanks and reservoirs to be used solely for water storage purposes (each a “Debt Limit,” together the “Debt Limits”) ; and

WHEREAS, Prop. NN further provides that the Debt Limits shall be adjusted every January 1st by increasing or decreasing the limit based upon the percentage increase or decrease in the San Diego Area Consumer Price Index for all Urban Consumers; and

WHEREAS, the current Debt Limits for projects subject to Prop. NN, as adjusted, are approximately \$3,300,000 for improvements to real property, and approximately \$5,000,000 for water storage reservoirs, (“Adjusted Debt Limits”) and the Board of Directors finds that the Adjusted Debt Limits have not kept up to actual costs of construction for District projects involving the acquisition or improvement of real property; and

WHEREAS, factors beyond the annual adjustments have resulted in construction costs for District current and future improvement projects that significantly exceed the Adjusted Debt Limits, thereby delaying projects until reserves are available to complete a project without incurring debt, or the District incurs the costs necessary to seek voter approval as required by Prop. NN; and

WHEREAS, based on a judge's ruling from July 5, 1990, Prop. NN "does not apply to projects which are to be financed using special assessment districts"; and

WHEREAS, the District wishes to retain the intent of the 1988 proponents of Prop. NN by holding a vote whenever the District is to incur debt, such as loans or bonds, over the \$1 million (1998 dollars) threshold, which is the equivalent to \$3.3 million in 2026 dollars, and by adding an expenditure limit of \$10 million; and

WHEREAS, the Board has determined that because the proposed amendments of Prop. NN make minor changes that allow financial flexibility for future projects that will require their own environmental review, and because the proposed amendments already contemplate that any such projects will already occur either with or without voter approval, the amendments will not have a direct adverse impact on the environment, nor will the amendments have indirect adverse impacts on the environment thereby falling within the common sense exemption under section 15061, subd. (b)(3) of the California Environmental Quality Act Guidelines (title 14, section 15000 et seq.)

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 foregoing recitals are true and correct and are the findings of the Board of Directors.
- Section 2. The Board of Directors finds that evidence supports the finding that the amendments to Prop. NN will not have a direct adverse impact on the environment, nor will the amendments have any indirect adverse impacts on the environment and that, accordingly, the common sense exemption under section 15061, subd. (b)(3) of the CEQA Guidelines (title 14, section 15000 et seq.).
- Section 3. That pursuant to the requirements of the laws of the State of California relating to municipal water districts, the Board of Directors hereby calls and orders a general district election to be held in the Ramona Municipal Water District, on Tuesday, November 3, 2026, under the Uniform District Election Law (California Elections Code Sections 10500 et seq.) (the "District Election Law"), and hereby requests that said election is consolidated with the statewide general election of that same date and requests the County Board of Supervisors to consent and agree to the inclusion of a ballot measure set forth in Section 4, below, and to issue instructions to the Registrar of Voters to take the necessary steps for holding the consolidated election. The Board of Directors hereby acknowledges that the consolidated election will be held and conducted in the manner prescribed in section 10418 of the Elections Code.

Section 4. That the Board of Directors orders, as authorized by the District Elections Law, that measure is to be submitted to the voters at said election presenting the following question:

MEASURE __. AMENDMENT OF PROPOSITION ‘NN’ TO MODERNIZE THE ORDINANCE. Shall the voters of the Ramona Municipal Water District adopt a measure amending Proposition ‘NN’ by (1) exempting grant funding and donations from the calculation of authorized expenditure limit; (2) increasing the expenditure limit for new projects from \$1,000,000 to \$10,000,000 where no debt is incurred; and (3) establishing annual adjustments to the expenditure limit based on the San Diego Area Consumer Price Index beginning January 1, 2028?	Yes
	No

Section 5. That the Ordinance to be placed before the voters is attached as Exhibit "A" hereto and incorporated into this resolution by reference. The District does not request the Registrar of Voters to print the entire text of the Ordinance in the voter information materials. That the ballots to be used at the election shall be in the form and content as required by law.

Section 6. That the vote requirement for the Ordinance to pass is a majority (50% +1) of the votes cast.

Section 7. That by adopting this resolution, the Board of Directors hereby approves the form of the attached Ordinance No. 108, and the submission of said ordinance to the voters of the District at the November 3, 2026, general district election, such ordinance to become effective in accordance with state law upon the approval of a majority (50%+1) of the voters voting on the measure in the election.

Section 8. That the District’s General Manager (“General Manager”) is authorized, instructed, and directed to coordinate with the Registrar of Voters of the County of San Diego to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

Section 9. That the polls for the election shall be open at seven o’clock a.m. of the day of the election and shall remain open continuously from that time until eight o’clock p.m. of the same day when the polls shall be closed, except as provided in section 14401 of the Elections Code of the State of Californian and applicable law.

Section 10. That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

- Section 11. That notice of the time and place of holding the election is given and the General Manager is authorized, instructed and directed to give further or additional notice of the election, in time, form, and manner as required by law.
- Section 12. That the Board of Directors authorizes the General Manager to administer said election and all reasonable and actual election expenses incurred for the consolidation shall be reimbursed paid by the District upon presentation of a properly submitted bill.
- Section 13. That the General Manager is hereby directed to file a certified copy of this resolution with the Board of Supervisors and the Registrar of Voters of the County of San Diego and to issue instructions to the Registrar of Voters to take all steps necessary to hold the election and propose this measure.
- Section 14. That the District requests for this measure to be treated by the County of San Diego pursuant to this Resolution, wherein the District: requests that the County agree to consolidate the general district election with the Statewide general election; requests that the County permit the Registrar of Voters to perform and render all services and proceedings, and to procure and furnish any and all official ballots, notices, printed matter and all supplies and equipment and paraphernalia incidental to and connected with the conduct of the subject election; requests that the Registrar of Voters canvass the returns and hold the election as if it were only one election with one form of ballot; requests that the County Board of Supervisors issue instructions to the Registrar of Voters to take any and all steps for the holding of the consolidated election and canvas the returns; agrees to reimburse the County in full for the services performed by the San Diego County Registrar of Voters by the District upon presentation of a proper invoice, including reimbursement for any additional costs to consolidate the election; and agrees to indemnify and save free and harmless the County, its officers, agents and employees from expense or liability, including reasonable attorneys' fees, as a result of an election contest arising after conduct of this election.
- Section 15. That the General Manager is directed to transmit a copy of the proposed Ordinance in Exhibit "A" to the District's General Counsel. That, unless otherwise provided by applicable law, the General Counsel is directed to prepare an impartial analysis of the proposed Ordinance pursuant to Elections Code section 9313. That the impartial analysis shall be filed by the date set by the General Manager for the filing of primary arguments.

ADOPTED, SIGNED AND APPROVED at a regular meeting of the Board of Directors of Ramona Municipal Water District held on the 21st day of July 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Jim Hickle

President, Board of Directors

Ramona Municipal Water District

Princess Norman

Secretary, Board of Directors

Ramona Municipal Water District

Exhibit A

MEASURE __. AMENDMENT OF PROPOSITION ‘NN’ TO MODERNIZE THE ORDINANCE. Shall the voters of the Ramona Municipal Water District adopt a measure amending Proposition ‘NN’ by (1) exempting grant funding and donations from the calculation of authorized expenditure limit; (2) increasing the expenditure limit for new projects from \$1,000,000 to \$10,000,000 where no debt is incurred; and (3) establishing annual adjustments to the expenditure limit based on the San Diego Area Consumer Price Index beginning January 1, 2028?	Yes
	No

Full Text of Ballot Measure

Amendment to the District’s Legislative Code

AMENDMENT TO CHAPTER 99.04 OF THE RAMONA MUNICIPAL WATER DISTRICT’S LEGISLATIVE CODE TO ACKNOWLEDGE VOTER AMENDMENTS TO PROPOSITION NN

ORDINANCE 108

AN ORDINANCE OF THE RAMONA MUNICIPAL WATER DISTRICT OF CALIFORNIA ADOPTED BY THE VOTERS OF THE DISTRICT AS PROPOSITION ‘NN’ ON NOVEMBER 8, 1988 AND AMENDED ON NOVEMBER 3, 2026 BY MEASURE __, REQUIRING PUBLIC APPROVAL OF WATER DISTRICT EXPENDITURES FOR MAJOR PROJECTS.

WHEREAS, major capital improvement projects and the acquisition and/or development of real estate by the Ramona Municipal Water District (hereinafter referred to as “District”) have profound financial impacts upon the budget of the District and upon the tax burden imposed upon the taxpayer; and

WHEREAS, it is essential for the taxpaying public to exercise direct control over public dollars to limit the size of public indebtedness; and

WHEREAS, it is the intent of this Ordinance to provide the citizens and taxpayers of the District with an opportunity to express directly their preference by vote prior to major District expenditures;

NOW, THEREFORE, The people of the Ramona Municipal Water District, California ~~DOES~~ HEREBY ORDAIN as follows:

Section 1 Definitions.

For the purposes of this Ordinance, the following words and phrases shall have the following definitions:

“Effective Date” shall mean the date on which this Ordinance measure was adopted by the voters of the Ramona Municipal Water District.

“Real Property Acquisition” shall mean the purchase or lease of any real property, improved or unimproved, within or without the corporate limits of the Ramona Municipal Water District to be paid for in part by

District funds.

“Improvement to Real Property” shall mean the actual physical construction on real property owned, leased, or controlled by the District, or the modification, enlargement, or alteration of existing structures on such property.

“Capital Improvement Projects” shall mean the actual physical construction of improvements, or the modification, enlargement, or alteration of existing improvements on any project, including but not limited to water, sewer and waste disposal projects, ~~on special assessments districts, which are~~ to be paid in whole or in part by District funds using “Debt” or “Public Debt”. ~~—or by funds obtained by the District from whatever source, including but not limited to state and federal grants which are administered by the District.~~

“Debt” shall mean Public Debt as defined below, as well as loans incurred by the District for Capital Improvement Projects, Real Property Acquisition and/or Improvement to Real Property.

“District Funds” shall mean Ramona Municipal Water District general fund monies, federal general revenue sharing monies and all other monies obtained by the District, including but not limited to categorical federal and state grants available to the District for specific purposes, or developer fees.

“Public Debt” shall mean General Obligation Bonds, Revenue Bonds, Certificates of Participation, Bonds issued by a non-profit public benefit corporation or other entity, on similar debt instruments, issued in lieu of traditionally accepted public financing techniques.

“Authorized Debt Limit” shall mean the maximum amount of ~~public debt~~ “Debt” which shall be incurred in connection with any one project subject to the provisions of this Ordinance without complying with the election requirement of Section 2. Except as established in Section 6 herein, the Authorized Debt Limit per project shall be \$1,000,000 as of the effective date of this Ordinance, and shall not be retroactive, and shall be adjusted on January 1 of 1989, and shall be adjusted on January 1 of every year thereafter based on the percentage increase or decrease in the San Diego Area Consumer Price Index for all Urban Consumers as compiled by the United States Department of Labor, Bureau of Statistics. If such consumer price index is no longer published, then another similar, generally recognized index may be used subject to the approval of the District. For purposes of applying the Authorized Debt Limit, individual projects shall not be cumulated over any period of time; rather, the Authorized Debt Limit shall be applied on a per-project basis.

“Authorized Expenditure Limit” shall mean the maximum amount of money appropriated and spent on any one project subject to the provisions of this Ordinance without complying with the election requirement of Section 2. Except as established in Sections 4 and 6 herein, the Authorized Expenditure Limit for any one project shall be \$10,000,000 when District funds are used in whole or in part. The Authorized Expenditure Limit shall be adjusted on January 1, 2028, and shall be adjusted on January 1 of every year thereafter based on the percentage increase or decrease in the San Diego Area Consumer Price Index for all Urban Consumers as compiled by the United States Department of Labor, Bureau of Statistics. If such consumer price index is no longer published, then another similar, generally recognized index may be used subject to the approval of the District. For purposes of applying the Authorized Expenditure Limit, individual projects shall not be cumulated over any period of time; rather, the Authorized Expenditure Limit shall be applied on a per-project basis.

“Proceeds of Taxes or Fees” shall mean proceeds of property, business license, sales, any other taxes, developer fees, ~~special assessment district fees~~, or other fees collected by the District.

Section 2 Vote Required.

Except as otherwise provided for herein in Section 6 the District shall not participate in a Capital Improvement Project, property acquisition and/or make any improvement to real property for which the amount of ~~Public~~ Debt incurred, or the proceeds of Taxes or Fees used in such Project, or any combination thereof, will exceed the Authorized Debt Limit, or the Authorized Expenditure Limit, unless the Proposed capital improvement project, property acquisition and/or improvement project and the proposed Debt or expenditure, or both, is first placed upon the ballot and approved by a majority of the voters voting thereon at an election.

Section 3 Splitting Project Not Permitted.

It shall be unlawful to split or separate into smaller work orders or projects any project subject to this Ordinance for the purpose of evading the provisions of this Ordinance. This paragraph shall be construed in accordance with the law applicable to ~~Government Code Section 37902.1~~ Public Contract Code 22033 pertaining to splitting projects to avoid competitive bidding.

Section 4 Determination of Costs.

In determining the cost of a proposed Capital Improvement Project, Real Property Acquisition or Improvement to Real Property, the following costs shall be included:

- A. The contract price of all improvements;
- B. The purchase price of the real estate, including improvements, or the present value of a lease, as appropriate;
- C. All preliminary studies and reports directly related to the capital improvement project, acquisition or improvement, including but not limited to Environmental Impact Reports, architectural rendering, soils analyses, engineering work, and the like;
- D. Finance costs.

The cost of the proposed project shall be reduced by, and net of, the following credits when to calculate the Authorized Debt Limit or Authorized Expenditure Limit: any funds donated for the project as well as any federal, state, local, and private grants awarded for the project.

Section 5 Guidelines.

The District may adopt by Resolution reasonable guidelines to implement this measure following notice and public hearings.

Section 6 Exemption of Certain Projects.

This measure shall not apply to:

- A. Any maintenance or replacement project for existing facilities, pipelines, water tanks, reservoirs, or other capital improvements existing as of the effective date of this Ordinance;
- B. The acquisition and installation of water tanks and reservoirs to be used solely for water storage purposes provided that the District does not expend in excess of \$1,500,000 per year for such acquisition and installation with such limit being adjusted on January 1 of

1989, and on January 1 of every year thereafter based on the percentage increase or decrease in the San Diego Area Consumer Price Index for All Urban Consumers as compiled by the United States Department of Labor, Bureau of Statistics. If such consumer price index is no longer published, then another similar, generally recognized index may be used subject to the approval of the District; and

- C. Any Capital Improvement Project, Real Property Acquisition or improvement to Real Property which has obtained a vested right as of the effective date of this measure. For purposes of this measure a “vested right” shall have been obtained if all of the following (if applicable) are met:
1. The proposed project has received its final discretionary approval in the form of the final issuance of a permit or other necessary approval of the District.
 2. Substantial expenditures have been made, as of November 1, 1987, in good faith reliance on the final discretionary approval.
 3. Substantial construction has been commenced in good faith reliance on the final discretionary approval, where construction is contemplated. For purposes of this section, substantial construction shall mean that no less than 25% of the final construction has been completed. Whether or not a vested right has been obtained in a particular case is a question of fact to be determined on a case by case basis by the District following notice and public hearing. In no event can the District make a finding of the existence of a vested right without a preponderance of the evidence showing compliance with each and every requirement contained herein.
 4. Any emergency expenditure of District funds required by act of war, natural catastrophe, act of God, or other emergency provided that such expenditure is for the purpose of repairing or replacing damaged facilities or to provide temporary services within the District which are of the same or similar level of service existing before the emergency, natural catastrophe, act of war or act of God.

Section 7 Amendment or Repeal.

This measure may be amended or repealed only by a majority of the voters voting at an election thereon.

Section 8 Severability.

If any section, subsection, sentence, clause, phrase, part or portion of this ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. It is hereby declared that this Ordinance and each section, subsection, sentence, clause, phrase, part or portion thereof, would have been adopted or passed irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, parts, or portions be declared invalid or unconstitutional.

Section 9 That All Ordinances or Parts of Ordinances in Conflict Herewith are Hereby Repealed.

ADOPTED by the Voters as an initiative measure at an election held on the 8th day of November, 1988, and effective the 2nd of December, 1988 with the acceptance of the election vote by the Board of Directors

on November 22, 1988 and in accordance with Election Code section 4013. AMENDED by the Voters at an election held on the 3rd day of November 2026, and effective the 1st of January 2027 in accordance with Election Code section 9217.