



San Diego County
Local Agency Formation Commission
 Regional Service Planning | Subdivision of the State of California

7a

AGENDA REPORT
 Business | Discussion

August 2, 2021

TO: Commissioners

FROM: Keene Simonds, Executive Officer
 Priscilla Allen, Analyst I

SUBJECT: **Draft Municipal Service Review on the Ramona Region**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will review a draft municipal service review on the Ramona region. The draft has been prepared as part of the adopted workplan and independently assesses the availability, need, and adequacy of key public services provided in the region and specifically by the principal local government subject to Commission oversight – Ramona Municipal Water District (MWD). This includes preparing determinations addressing the factors required in statute as part of the municipal service review process as well as to inform other LAFCO decision-making – including future boundary changes and sphere of influence updates in the region. The draft is being presented for discussion and feedback ahead of staff initiating a formal public review.

BACKGROUND

Municipal Service Reviews

State law directs San Diego LAFCO to regularly prepare municipal service reviews in conjunction with updating each local agency’s sphere of influence. The legislative intent of the municipal service review and its five-year cycle requirement is to proactively inform the Commission regarding the availability and sufficiency of governmental services relative to current and future community needs. Municipal service reviews statutorily inform required

<p>Administration Keene Simonds, Executive Officer County Operations Center 9335 Hazard Way, Suite 200 San Diego, California 92123 T 858.614.7755 F 858.614.7766 www.sdlafco.org</p>	<p>Vice Chair Jim Desmond County of San Diego</p> <p>Nora Vargas County of San Diego</p> <p>Joel Anderson, Alt. County of San Diego</p>	<p>Paul McNamara City of Escondido</p> <p>Mary Casillas Salas City of Chula Vista</p> <p>Kristi Becker, Alt. City of Solana Beach</p>	<p>Chris Cate City of San Diego</p> <p>Marni von Wilpert, Alt. City of San Diego</p>	<p>Jo MacKenzie Vista Irrigation</p> <p>Barry Willis Alpine Fire Protection</p> <p>David A. Drake, Alt. Rincon del Diablo</p>	<p>Chair Andy Vanderlaan General Public</p> <p>Harry Mathis, Alt. General Public</p>
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sphere of influence updates and may also lead the Commission to take other actions under its authority, such as forming, consolidating, or dissolving one or more special districts. These documents also serve as an opportunity for the Commission to telegraph and encourage community discussion and/or action on future jurisdictional changes.

Adopted Workplan | Municipal Service Review on the Ramona Region

San Diego LAFCO's 2020-2021 workplan was adopted at a noticed hearing in May 2020 and outlines specific project goals for the fiscal year. This includes preparing a municipal service review on the Ramona region with specific focus on the Ramona MWD. This project has been administratively extended into 2021-2022 by the Executive Officer consistent with a request from Ramona MWD.

DISCUSSION

This item is for San Diego LAFCO to review the draft municipal service review on the Ramona region consistent with the adopted workplan and ahead of staff initiating a formal 45-day public comment period. Similarly, it is also an opportunity to receive initial comments from stakeholders in the region – including Ramona MWD and the Ramona Community Planning Group – and other interested parties and individuals. Feedback received will be incorporated by staff as appropriate into a final municipal service review presented for future action as early as October to formally file along with an accompanying resolution codifying the determinative statements. An associated sphere of influence update for the Ramona MWD will also be presented with the final municipal service review.

An Executive Summary (Chapter Two) anchors the municipal service review and outlines the key conclusions and recommendations generated to date. The Executive Summary also includes determinative statements addressing the mandatory factors required under statute anytime San Diego LAFCO performs a municipal service review. Examples include making independent statements on infrastructure needs and deficiencies, population estimates, financial resources, and opportunities and merits therein for reorganizations. Specific recommendations for action either by the Commission, Ramona MWD, or other local agencies are also provided in the Executive Summary.

ANALYSIS

The staff analysis on the draft municipal service review on the Ramona region is summarized in Attachment One. The complete draft report is provided as Attachment Two.

RECOMMENDATION

It is recommended San Diego LAFCO discuss the draft municipal service review on the Ramona region and provide related feedback to staff. This includes providing direction on desired revisions and/or additions ahead of staff circulating the draft for public review and comment and returning with a final version for action as early as October 2021.

ALTERNATIVES FOR ACTION

The item is being presented to San Diego LAFCO for discussion and feedback only.

PROCEDURES

This item has been placed on San Diego LAFCO's agenda for discussion as part of the business calendar. The following procedures are recommended in the consideration of this item:

- 1) Receive verbal presentation from staff unless waived.
- 2) Invite comments from interested audience members.
- 3) Discuss item and provide feedback as requested.

On behalf of the Executive Officer,



Priscilla Allen
Analyst I

Attachments:

- 1) Summary on Draft Municipal Service Review on the Ramona Region
- 2) Draft Municipal Service Review Report on the Ramona Region

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Municipal Water District RAMONA REGION DRAFT

REPORT SUMMARY | August 2021



Central Themes and Conclusions

The Ramona region represents one of the largest and growing unincorporated communities in San Diego County with a current estimated population of 37,708 – an amount that exceeds 5 of the 18 cities. The region’s status as a prominent unincorporated area dates to the 1840s and the arrival of community patriarchs Joaquin Ortega and Adolpho Stokes and the subsequent establishment of a stagecoach stop and adjoining general store to accommodate travelers going to and from the goldmines to the east in Julian. The region began transitioning to a stand-alone destination at the turn of the century and marked by outside investments and ensuing subdivisions recorded by the Santa Maria Land and Water Company. This transition was headlined by the official naming of the community as “Ramona” with the permanent population reaching approximately 1,000 by 1900 – which at the time made Ramona the largest unincorporated area in all of San Diego County.

The County of San Diego remained the lone source of local government for the Ramona region through the start of the new century until the formation of the Ramona Irrigation District (1925) and its construction of the first community water system. Markedly, the formation of the Ramona Irrigation District paralleled initial community discussions on incorporation and subsequently supplemented by additional special district formations to expand the scope of local government in the region to include the Ramona Fire Protection District (1946), Ramona Sanitation District (1946), Ramona MWD (1958), and Mt. Woodson Ranch Sanitation District (1988). Ramona MWD’s proved most consequential, and through a combination of latent power activations and consolidations it has emerged as the singular provider of potable water, wastewater, fire protection and emergency medical, parks and recreation, and recycled water in the region.



Beautiful
Lake Ramona
in San Diego

Today the Ramona region serves as a unique community separator in San Diego County with urban uses to the west and non-urban uses to the east. Ramona itself remains largely rural with the notable exception of the central “village” area located along Main Street, which increasingly includes several financial, retail, and restaurant franchises and serves as the region’s social and economic hub.

A review of the Ramona region relative to San Diego LAFCO’s growth management tasks and interests as prescribed under statute produces eight central themes or conclusions. These conclusions focus – albeit not exclusively – on the availability, need, and adequacy of municipal services by Ramona MWD as the central service provider in the region. The conclusions are independently drawn and largely sourced to information collected and analyzed by the Commission between 2015 and 2019 and further detailed in the agency profile (Chapter Three).

Ramona MWD has emerged as the central municipal service provider in the region and its core activities – specifically water, wastewater, fire protection – and adequacies therein are essential in supporting current and future growth.

1 Evolving Community Character

Ramona’s community character continues to evolve and most notably towards a more traditional suburb setting with urban-type landscapes. This transition is reflected in the relatively high population growth rate in the region over the report period at 1.1% annually, which is more than one-fifth above the countywide average. The population is also increasingly more affluent than past generations with the average median household income equaling \$92,543 at the end of the five-year report. This median income is more than two-fifths above the corresponding rate for all of San Diego County and – and among other factors – aided by the 17% increase in four-year college graduates over the 60-month period.



2 Expanded and Centralized Role of Ramona MWD

Ramona’s evolving community character towards more traditional suburban uses has relatedly generated additional demands and expectations on local government in the region. Ramona MWD has affirmatively responded to these changes over its 60-year plus history and through a combination of consolidations and latent power expansions evolved into a multi-purpose agency and now the centralized provider of water, wastewater, fire protection and emergency medical, parks and recreation, and recycled water in the region. Further expansions – however and irrespective of any merit – is limited under the principal act.

3 Adequate Service Capacities at MWD with One Notable Exception

As the principal municipal service provider in the region, Ramona MWD has developed adequate infrastructure capacities and related administrative controls to meet current and projected demands in the timeframe of this report with one exception. This exception involves meeting wastewater demands within the Santa Maria service area, which covers central Ramona and now regularly exceeds capacities during high-rain periods due to excessive inflow (surface) and/or infiltration (groundwater) intrusion.

4 Need for Capital Improvement Investments within MWD

Notwithstanding the overall adequacy of current municipal service capacities, Ramona MWD would benefit from additional investment into its capital assets with specific focus on remedying the increasing and varying pipeline ages involving both its water and wastewater systems. Capital planning and investment in parks and recreation is also merited and includes addressing improvements to the Wellfield Park and its Community Center and Rodeo Arena.

5 MWD’s Positive Financial Standing

Ramona MWD improved its financial standing during the report period as measured by its audited net position with an overall 12% increase from \$86 to \$105 million. This improvement largely ties to Ramona MWD achieving an average annual bottom line – or total margin – and contributes to an ending unrestricted fund balance sufficient to meet 18 months of operating expenses. Ramona MWD also finished the period with a relatively well-funded employee pension program with a composite funded ratio of 80 percent.

6 Advancing Regional Fire Protection Services

Existing fire protection and emergency medical service in the Ramona region are equally divided between two special districts: Ramona MWD and San Diego County FPD. Both special districts choose to contract with CALFIRE for day-to-day field operations. This common arrangement – notably – suggest consolidating fire protection responsibilities under the San Diego County FPD’s economies of scale would advantageously sync and enhance service levels while providing local control.

8 The Clearer Case for a Community Services District

Irrespective of the preceding topic on incorporation, the Ramona region has already established itself as an economic and socially distinct community in San Diego County. Ramona MWD has evolved accordingly and expanded its service functions to meet the community’s needs and now operating at the authority limits under the MWD principal act. Reorganization into a community services district (CSD) appears meritorious in providing the region with a local governance model that can provide a complete range of municipal services with LAFCO approval with the lone exception of direct land use control. Reorganizing into CSD – markedly – would also serve as the preferred governance step towards a potential transition into an incorporated community.

7 The Curious Case of Incorporation

There has been reoccurring interest in the Ramona region to incorporate and transition local governance from the County of San Diego Board of Supervisors to a newly established city council. Most recently, incorporation proponents approached LAFCO with pre-application submittals as required under policy in 1982 and 2005 before choosing not to proceed with official filings. It is nonetheless reasonable to assume future interest in incorporation will reemerge within Ramona given its size and local resources – including a combination of both property and sales taxes. Accordingly, it would be beneficial for LAFCO to prepare an informational report to advise on current statutory thresholds and associated incorporation opportunities in San Diego County to include – but not limited to – Ramona.

The Ramona region is one of the largest unincorporated areas in San Diego County with an estimated resident population of 37,708.



A dirt trail leading up to a hilltop lined with boulders at Ramona Grasslands Preserve in San Diego

Hiker standing on
Potato Chip Rock,
San Diego



Recommendations

The following recommendations call for specific actions either from San Diego LAFCO and/or other local government agencies based on information generated in this report and outlined below in order of their placement in Section 5.0 (Written Determinations). Recommendations for Commission action are dependent on a subsequent directive through the adopted work plan.

1. The Commission should coordinate with SANDAG to identify current buildout estimates relative to existing zoning standards by the County of San Diego for the Ramona region and incorporate the information into the next municipal service review.
2. The Commission should perform additional analysis with respect to water, wastewater, and fire protection needs for adjacent lands to the Ramona region that qualify as disadvantaged unincorporated communities and incorporate accordingly into future service reviews.
3. Ramona MWD should address excessive inflow and infiltration issues within its Santa Maria wastewater collection system in order to reduce system peaking factor and the elevated threat of raw sewage spills and/or related impacts to the environment.
4. Ramona MWD should develop a facility improvement plan to guide its parks and recreation function and engage constituents in doing so in setting long-term service goals and amenities.
5. The Commission should defer its statutory task to address service levels and related needs of the lone mutual water company in the Ramona region – Rancho Santa Teresa – to a scheduled information report as part of the 2021–2022 workplan.
6. Ramona MWD should revisit and update its potable water service rates accordingly to remedy a sizeable structural deficit of nearly nine-fold generated during the five-year report period.

Main Street
in Ramona,
California



7. Ramona MWD should expand its existing community outreach efforts by establishing social media uses and live-streaming meetings to affirmatively add to existing efforts in spotlighting its activities and further facilitate opportunities for community input.
8. Ramona MWD should consider the following actions with respect to improving current fire protection and emergency medical services:
 - Ramona MWD should consider adopting response time standards with desired time dependent benchmarks and making these parts of the contract language with CAL FIRE.
 - Ramona MWD should develop a vegetation management plan to mitigate the wildfire risk to the community. Similarly, a comprehensive review of community disaster risk should be completed and submitted to the County Office of Emergency Services for review and inclusion in the County's Multi-Jurisdictional Hazard Mitigation Plan.
9. Ramona MWD and San Diego County FPD should consider a voluntary consolidation under the FPD's greater economies of scale to sync and enhance service levels for the common benefit of the Ramona region and need to vigilantly protect against wildfires.
10. The Commission should address and reconcile Ramona MWD's recycled water service activity as part of a future update to Rule No. 4 with respect to formally identifying the function, class, and authorized location under statute.
11. The Commission should prepare a future informational report to advise on current statutory thresholds and associated incorporation opportunities in San Diego County to include – but not limited to – the Ramona region as the one of the largest unincorporated communities.
12. Reorganization of Ramona MWD into a community services district merits exploration in providing the Ramona region a local governance model that can continue to evolve with the community needs and – pertinently – serves as the preferred transitional vehicle to a potential future incorporation should circumstances warrant.
13. There appears to be sufficient merit to immediately proceed with a limited update and expansion to Ramona MWD's sphere of influence and add approximately 30 unincorporated acres lying immediately outside the current designation along Dos Picos Park Road.
14. Additional amendments to the Ramona MWD sphere of influence may also be warranted subject to a more comprehensive update as part of the next scheduled study.

SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION



RAMONA REGION

Municipal Service Review | Government Code 56430

Affected Agencies

Ramona Municipal Water District

Draft Report | August 2021

Project Managers

Priscilla Allen, Analyst I (lead)

George Williamson, Contract Planner

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ACKNOWLEDGEMENT

San Diego County LAFCO gratefully acknowledges the time and effort of officials in assisting with the preparation of this municipal service review on the Ramona region and includes – but not limited to – the following contributors:

David Barnum, General Manager, Ramona Municipal Water District (retired)
Craig Schmollinger, Chief Financial Officer, Ramona Municipal Water District
Tim Clement, Administrative Services Manager, Ramon Municipal Water District
Larry Converse, Fire Chief, Ramona Municipal Water District (retired)
Jeremy Snyder, Fire Chief, Ramona Municipal Water District
Joe Lomeli, Water Operations Manager, Ramona Municipal Water District
Dawn Perfect, Executive Director, Ramona Parks and Recreation Association

San Diego LAFCO also acknowledges the unique circumstances underlying the preparation of this report and participation therein by the affected agencies and stakeholders given the parallel impact of the COVID-19 pandemic.

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TABLE OF CONTENTS

CHAPTER ONE | INTRODUCTION

1.0 Local Agency Formation Commissions (LAFCO)	
1.1 Authority and Objectives	3
1.2 Regulatory Responsibilities	4
1.3 Planning Responsibilities	4
1.4 LAFCO Decision-Making	7
1.5 Prescriptive Funding	7
2.0 San Diego LAFCO	
2.1 Adopted Policies and Procedures	8
2.2 Commission Information.....	8
2.3 Contact Information.....	9

CHAPTER TWO | EXECUTIVE SUMMARY

1.0 Overview	
1.1 Key Premises, Assumptions, and Benchmarks	11
2.0 Study Organization	14
3.0 Geographic Area & Affected Agencies	14
4.0 Report Summary	
4.1 General Conclusions	15
4.2 Recommendations	18
5.0 Written Determinations	
5.1 Growth and Population Projections.....	20
5.2 Location and Characteristics of Any Disadvantaged Unincorporated Communities	22
5.3 Capacity of Public Facilities and Infrastructure Needs and Deficiencies.....	22
5.4 Agencies' Financial Ability to Provide Services.....	26
5.5 Status and Opportunities for Shared Facilities and Resources.....	28
5.6 Local Accountability and Government Restructure Options.....	28

CHAPTER THREE | AGENCY PROFILE

RAMONA MUNICIPAL WATER DISTRICT

1.0 Overview	31
2.0 Background	
2.1 Community Development	32
2.2 Formation Proceedings.....	33
2.3 Post Formation Proceedings	33
3.0 Boundaries	
3.1 Jurisdictional Boundary.....	35
3.2 Sphere of Influence	36
3.3 Other Boundaries (Non-LAFCO).....	36
3.4 Current Boundary and Sphere Map	37

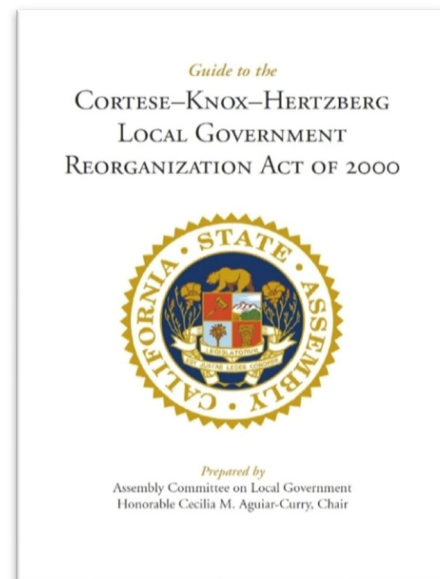
4.0	Demographics	
4.1	Population and Housing	38
4.2	Age Distribution	39
4.3	Income Characteristics	40
4.4	Socioeconomic Indicators	40
5.0	Organization	
5.1	Governance.....	41
5.2	Administration.....	43
6.0	Municipal Service Functions	
6.1	Potable Water	44
6.2	Wastewater	48
6.3	Fire Protection and Emergency Medical	54
6.4	Parks and Recreation	61
6.5	Recycled Water	NA
7.0	Finances	
7.1	Budget Information	63
7.2	Financial Statements.....	64
7.3	Measurements Liquidity, Capital, and Margin	67
7.4	Pension Obligations.....	68
 <u>Appendix A</u> Disadvantaged Unincorporated Communities (DUC) Maps.....		xx
<u>Appendix B</u> Sources.....		xx
<u>Appendix C</u> Written Comments Received on the Draft Report.....		xx

CHAPTER ONE | INTRODUCTION

1.0 LOCAL AGENCY FORMATION COMMISSIONS

1.1 Authority and Objectives

Local Agency Formation Commissions (LAFCOs) were established in 1963 and are political subdivisions of the State of California responsible for providing regional growth management services in all 58 counties. LAFCOs' authority is currently codified under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH") with principal oversight provided by the Assembly Committee on Local Government.¹ LAFCOs are comprised of locally elected and appointed officials with regulatory and planning powers delegated by the Legislature to coordinate and oversee the establishment, expansion, and organization of cities, towns, and special districts as well as their municipal service areas. LAFCOs' creation were engendered by Governor Edmund "Pat" Brown Sr. (1959-1967) to more effectively address the needs of California's growing and diversifying population with an emphasis on promoting governmental efficiencies. Towards this end, LAFCOs are referred to as the Legislature's "watchdog" for local governance issues.²



Guiding LAFCOs' regulatory and planning powers is to fulfill specific purposes and objectives that collectively construct the Legislature's regional growth management priorities outlined under Government Code (G.C.) Section 56301. This statute reads:

"Among the purposes of the commission are discouraging urban sprawl, preserving open space and prime agricultural lands, efficiently providing governmental services, and encouraging the orderly formation and development of local agencies based upon local conditions. One of the objects of the commission is to make studies and furnish information to contribute to the logical and reasonable development of local agencies in each county and to shape the development of local agencies so as to advantageously provide for the present and future needs of each county and its communities."

¹ Reference California Government Code Section 56000 et. seq.

² In its ruling on *City of Ceres v. City of Modesto*, the 5th District Court of Appeals referred to LAFCOs as the "watchdog" of the Legislature to "guard against the wasteful duplication of services." (July 1969)

LAFCO decisions are legislative in nature and therefore are not subject to an outside appeal process; only courts can overturn LAFCO decisions. LAFCOs also have broad powers in conditioning regulatory and planning approvals so long as not establishing any terms directly effecting land use density or intensity, development, or subdivision requirements.

1.2 Regulatory Responsibilities

LAFCOs' principal regulatory responsibility involves approving or disapproving all jurisdictional changes involving the establishment, expansion, and reorganization of cities, towns, and most special districts in California.³ LAFCOs are also tasked with overseeing the approval process for cities, towns, and special districts to provide new or extended services beyond their jurisdictional boundaries by contracts or agreements. LAFCOs also oversee special district actions to either activate new service functions and service classes or divest existing services. LAFCOs generally exercise their regulatory authority in response to applications submitted by affected agencies, landowners, or registered voters. Recent amendments to CKH also authorize and encourage LAFCOs to initiate their own jurisdictional changes to form, consolidate, and dissolve special districts consistent with current and future community needs.

LAFCOs have been responsible since 1963 to oversee formation, expansion, reorganization, and dissolution actions involving cities, towns, and special districts in California with limited exceptions.

1.3 Planning Responsibilities

LAFCOs inform their regulatory actions through two central planning responsibilities: (a) making sphere of influence ("sphere") determinations and (b) preparing municipal service reviews. Sphere determinations have been a core planning function of LAFCOs since 1971 and serve as the Legislature's version of "urban growth boundaries" with regard to cumulatively delineating the appropriate interface between urban and non-urban uses within each county.

LAFCOs are tasked with planning the location of future urban uses through two interrelated activities: (a) establish and update spheres of influence as gatekeepers to future jurisdictional changes and (b) prepare municipal service reviews to independently evaluate public services relative to needs.

Municipal service reviews, in contrast, are a relatively new planning responsibility enacted as part of CKH and intended to inform – among other activities – sphere determinations. The Legislature mandates, notably, all sphere changes as of 2001 be accompanied by preceding municipal service reviews to help ensure LAFCOs are effectively aligning governmental services with current and anticipated community needs.

³ CKH defines "special district" to mean any agency of the State formed pursuant to general law or special act for the local performance of governmental or proprietary functions within limited boundaries. All special districts in California are subject to LAFCO with the following exceptions: school districts; community college districts; assessment districts; improvement districts; community facilities districts; and air pollution control districts.

An expanded summary of the function and role of these two planning responsibilities follows.

Spheres of Influence

LAFCOs establish, amend, and update spheres for all cities, towns, and most special districts in California to designate the territory it independently believes represents the appropriate and probable future service areas and jurisdictional boundaries of the affected agencies. Importantly, all jurisdictional changes, such as annexations and detachments, must be consistent with the spheres of the affected local agencies with limited exceptions. Further, an increasingly important role involving sphere determinations relate to their use by regional councils of governments as planning areas in allocating housing need assignments for counties, cities, and towns.

Starting January 1, 2008, LAFCOs are tasked with reviewing and updating all local agencies' spheres every five years. In making sphere determinations, LAFCOs are required to prepare written statements addressing five specific planning factors listed under G.C. Section 56425. These mandatory factors range from evaluating current and future land uses to the existence of pertinent communities of interest. The intent in preparing the written statements is to orient LAFCOs in addressing the core principles underlying the sensible development of local agencies consistent with the anticipated needs of the affected communities. The five mandated planning factors are summarized in short-form below.

Spheres serve as the Legislature's version of urban growth boundaries and – among other items – delineates where cities, towns, or districts may seek future annexations or outside service approvals with LAFCOs. All jurisdictional changes must be consistent with the affected agencies' spheres with limited exceptions.

1. Present and planned land uses in the area, including agricultural and open-space.
2. Present and probable need for public facilities and services in the area.
3. Present capacity of public facilities and adequacy of public services the affected agency provides or is authorized to provide.
4. Existence of any social or economic communities of interest in the area.
5. If the city or special district provides water, sewer, or fire, the need for those services in any disadvantaged unincorporated communities in the existing sphere.

Municipal Service Reviews

Municipal service reviews serve as a centerpiece to CKH’s enactment in 2001 and represent comprehensive studies of the level, range, and performance of governmental services provided within defined geographic areas. LAFCOs generally prepare municipal service reviews to explicitly inform subsequent sphere determinations. LAFCOs also prepare municipal service reviews irrespective of making any specific sphere determinations in order to obtain and furnish information to contribute to the overall orderly development of local communities. Municipal service reviews vary in scope and can focus on a particular region, agency, or service. LAFCOs may use the information generated from municipal service reviews to initiate other actions under their authority, such as forming, consolidating, or dissolving one or more local agencies. Advisory guidelines on the preparation of municipal service reviews were published by the Governor’s Office of Planning and Research in 2003 and remain the lone statewide document advising LAFCOs in fulfilling this mandate.

All municipal service reviews – regardless of their intended purpose – culminate with LAFCOs preparing written statements addressing seven specific service factors listed under G.C. Section 56430. This includes, most notably, infrastructure needs or deficiencies, growth and population trends, and financial standing. The seven mandated service factors are summarized below in short-form with additional details footnoted.⁴

Municipal service reviews fulfill the Legislature’s interests in LAFCOs regularly assessing the adequacy and performance of local governmental services in order to inform possible future actions ranging from sphere determinations to reorganizations.

1. Growth and population projections for the affected area.
2. Location and characteristics of any disadvantaged unincorporated communities within or contiguous to affected spheres of influence.
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies.
4. Financial ability of the affected agencies to provide services.
5. Status and opportunities for shared facilities.

⁴ Determination No. 5 was added to the municipal service review process by Senate Bill 244 effective January 1, 2012. The definition of “disadvantaged unincorporated community” is defined under G.C. Section 56330.5 to mean inhabited territory that constitutes all or a portion of an area with an annual median household income that is less than 80 percent of the statewide annual median household income; the latter amount currently totaling \$53,735.

6. Accountability for community service needs.
7. Matters relating to effective or efficient service delivery as required by policy.

1.4 LAFCO Decision-Making

LAFCOs are generally governed by 11-member boards comprising three county supervisors, three city councilmembers, three independent special district members, and two representatives of the general public. Some larger LAFCOs – including San Diego – also have additional board seats dedicated to specific cities as a result of special legislation. All members serve four-year terms and are divided between “regulars” and “alternates” and must exercise their independent judgment on behalf of the interests of residents, landowners, and the public as a whole. LAFCO members are subject to standard disclosure requirements and must file annual statements of economic interests. All LAFCOs are independent of local government with the majority employing their own staff; an increasingly smaller portion of LAFCOs, however, choose to contract with their local county government or council of government for staff support services. All LAFCOs, nevertheless, must appoint their own Executive Officers to manage agency activities and provide written recommendations on all regulatory and planning actions before the membership. All LAFCOs must also appoint their own legal counsel.

State law directs all LAFCO members to independently discharge their responsibilities for the good of the region and irrespective of the interests of their appointing authorities.

1.5 Prescriptive Funding

CKH prescribes local agencies fully fund LAFCOs’ annual operating costs. Counties are generally responsible for funding one-third of LAFCO’s annual operating costs with remainder one-third portions allocated to the cities/towns and independent special districts. The allocations to cities/towns and special districts are calculated based on standard formula using general tax revenues unless an alternative method has been approved by most of the local agencies. The funding proportions will also differ should the LAFCO have additional representation due to special legislation. LAFCOs are also authorized to collect proposal fees to offset local agency contributions.

2.0 SAN DIEGO LAFCO

2.1 Adopted Policies and Procedures

The majority of San Diego LAFCO’s (“Commission”) existing policies and procedures were initially established in the 1970s and subsequently updated in the 2000s in step with the enactment of CKH. These policies and procedures collectively guide the Commission in implementing LAFCO law in San Diego County in a manner consistent with regional growth management priorities as determined by the membership with sufficient discretion to address local conditions. This includes overarching policies and procedures to align present and planned urban uses with existing cities and special districts. The Commission has also established pertinent policies and procedures specific to preparing sphere updates and municipal service reviews. This includes direction to the Executive Officer to regularly prepare municipal service reviews in appropriate scope and level to inform the Commission in updating spheres in regular five-year intervals (L-109).

2.2 Commission Information

San Diego LAFCO holds regular meetings on the first Monday of each month at the County of San Diego Administration Center located at 1600 Pacific Highway in San Diego, California notwithstanding current COVID protocols. Meetings start at 9:00 A.M and live streamed online. The current Commissioner roster follows.

San Diego LAFCO Membership		
Current as of August 2021		
Commissioner	Appointing Authority	Affiliation
Chair Andy Vanderlaan	Commission	Representative of the Public
Vice Chair Jim Desmond	Board of Supervisors	County of San Diego
Chris Cate	Mayor of the City of San Diego	City of San Diego
Jo MacKenzie	Independent Special Districts	Vista Irrigation District
Paul McNamara	Cities Selection Committee	City of Escondido
Mary Casillas Salas	Cities Selection Committee	City of Chula Vista
Nora Vargas	Board of Supervisors	County of San Diego
Baron “Barry” Willis	Independent Special Districts	Alpine Fire Protection District
Alternate Joel Anderson	Board of Supervisors	County of San Diego
Alternate Kristi Becker	Cities Selection Committee	City of Solana Beach
Alternate David A. Drake	Independent Special Districts	Rincon del Diablo Municipal Water District
Alternate Harry Mathis	Commission	Representative of the Public
Alternate Marni von Wilpert	Mayor of the City of San Diego	City of San Diego

Immediate Past Members in 2020:

- Dianne Jacob, Board of Supervisors, County of San Diego
- Mark Kersey, Mayor of the City of San Diego, City of San Diego
- Bill Wells, Cities Selection Committee, City of El Cajon
- Alternate Greg Cox, Board of Supervisors, County of San Diego
- Alternate Erin Lump, Independent Special Districts, Rincon Del Diablo Municipal Water District

2.3 Contact Information

San Diego LAFCO's administrative office is located within the County of San Diego's Operations Center at 9335 Hazard Way in San Diego (Kearny Mesa). Visitor parking is readily available. Appointments to discuss proposals or other matters are encouraged and can be scheduled by calling 858.614.7755. Communication by e-mail is also welcome and should be directed to lafco@sdcounty.ca.gov. Additional information regarding San Diego LAFCO's programs and activities is also available online by visiting www.sdlafco.org.



Thank you.

A handwritten signature in green ink that reads "Keene Simonds". The signature is fluid and cursive, with the first and last names clearly legible.

Keene Simonds
Executive Officer

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CHAPTER TWO | EXECUTIVE SUMMARY

1.0 OVERVIEW

This report represents San Diego LAFCO’s scheduled municipal service review for the Ramona region in east central San Diego County. The report has been prepared by staff consistent with the scope of work approved by the Executive Officer. The underlying aim of the report is to produce an independent assessment of municipal services in the region and specifically the principal service provider – Ramona Municipal Water District (MWD) – over the next five years relative to the Commission’s regional growth management duties and responsibilities. Information generated as part of the report will be used by the Commission in (a) guiding subsequent sphere of influence updates, (b) informing future boundary and jurisdictional changes, and – if merited – (c) initiating government reorganizations, such as special district formations, consolidations, and/or dissolutions.

The purpose of the report is to produce an independent “snapshot” of municipal service levels provided in the Ramona region with specific focus on the Ramona MWD. The report serves as an update to the last municipal service review prepared by LAFCO covering the Ramona region completed in June 2013.

1.1 Key Premises, Assumptions, and Benchmarks

The report has been oriented in scope and content to serve as an ongoing monitoring program on municipal services in the Ramona region with a focus on performance measurements. It is expected San Diego LAFCO will revisit the report and key assumptions and benchmarks therein approximately every five years consistent with the timetable set by the Legislature and memorialized under adopted policy. This will also allow the Commission – among other tasks – to assess the accuracy of earlier projections and make appropriate changes in approach as needed as part of future reports. Key assumptions and benchmarks affecting scope and content in this report follow.

Defining Scope | Affected Agencies Covered

There are multiple local agencies under the Commission’s oversight that provide one or more municipal services in the Ramona region. Ramona MWD is principal among these local agencies and this includes – among others activities – providing water, wastewater, and fire protection in support of current development. Other notable local agencies that provide one or more municipal services in the region include Palomar

As the primary local service provider in the region, this municipal service review focuses on Ramon MWD.

Healthcare District, Ramona Cemetery District, and the San Diego County Fire Protection District (FPD) with the former two expected to be detailed in future service-specific reports.⁵

Defining Scale | Municipal Services Covered

Consistent with the preceding and focus therein on the Ramona MWD, the report is scaled to address all five active District service functions. These core municipal functions are water, wastewater, integrated fire protection and emergency medical, parks and recreation, and recycled water. Other pertinent municipal services within the region – community planning, roads, street lighting, law enforcement, etc. – are provided by the County of San Diego and not covered in this report.

This report focuses only on the five active service functions provided in the region by the Ramona MWD: water; wastewater; fire protection and emergency medical; parks and recreation; and recycled water.

Looking Back – Determining the Data Collection Range or Report Period

The period for collecting data to inform the Commission’s analysis and related projections on population growth, service demands, and finances has been set to cover the five-year fiscal period from 2015 to 2019 with limited exceptions (i.e. July 1, 2015 through June 30, 2019). This data collection period covers the 60 months immediately preceding the start of work on the document and purposefully aligns with the five-year timeline for the report with the resulting data trends appearing most relevant in making near-term projections; i.e. data from the last five years is most pertinent in projecting trends over the next five years.

Looking Forward – Setting the Report’s Timeframe

The timeframe for the report has been oriented to cover the next five-year period through 2024 with the former (five years) serving as the analysis anchor as contemplated under State law. This timeframe is consistent with the five-year cycle prescribed for municipal service reviews under G.C. Section 56430 and expected therein to inform all related sphere of influence and boundary actions undertaken during this period involving Ramon MWD as well as other nearby agencies (City of Poway) and/or formation of new agencies unless otherwise merited.

⁵ The San Diego County FPD covers approximately one-half of the Ramona region as defined. LAFCO recently completed a municipal service review on San Diego County FPD in October 2020. Other special districts in the Ramona region include – but not limited to – the San Diego County Water Authority, Metropolitan Water District of Southern California, and Resource Conservation District of Greater San Diego County.

Calculating Population Estimates and Projections

Past and current residential population estimates in the report draw on data generated by Esri and their own mapping analyses of census tracts. This approach differs from past Commission practice to utilize estimates by the San Diego Association of Governments or SANDAG and done so given – and among other factors – the ability of Esri’s mapping software to readily sync current census data with both city and special district boundaries. Projections over the succeeding five-year period are made by LAFCO and apply the estimated growth trend in each service area over the last 60 months with limited exceptions, i.e. population growth over the last five years is generally expected to hold over the next five years unless unique circumstances merit otherwise.

Focusing on Macro-Level Determinations

The report focuses on central service outputs with respect to quantifying availability, demand, and adequacy of municipal services provided in the region and specifically through Ramona MWD. A prominent example involves focusing on annual system-wide demands generated during the five year report period as opposed to specific subareas or zones. This approach informs macro-level determinations for all mandatory factors under statute. When applicable, the report notes the need for more micro-level analysis as part of addendums or future municipal service reviews.

Benchmarking Infrastructure Needs and Deficiencies

Similar to the preceding factor, the report and its analysis focuses on average system demands – whether water, wastewater, fire protection, etc. – generated in the region during the 60-month study period in benchmarking infrastructure needs or deficiencies. This broader focus on averages provides a more reasonable account of system demands and helps to control against one-year outliers in analyzing overall relationships with capacities.

Benchmarking Fiscal Solvency

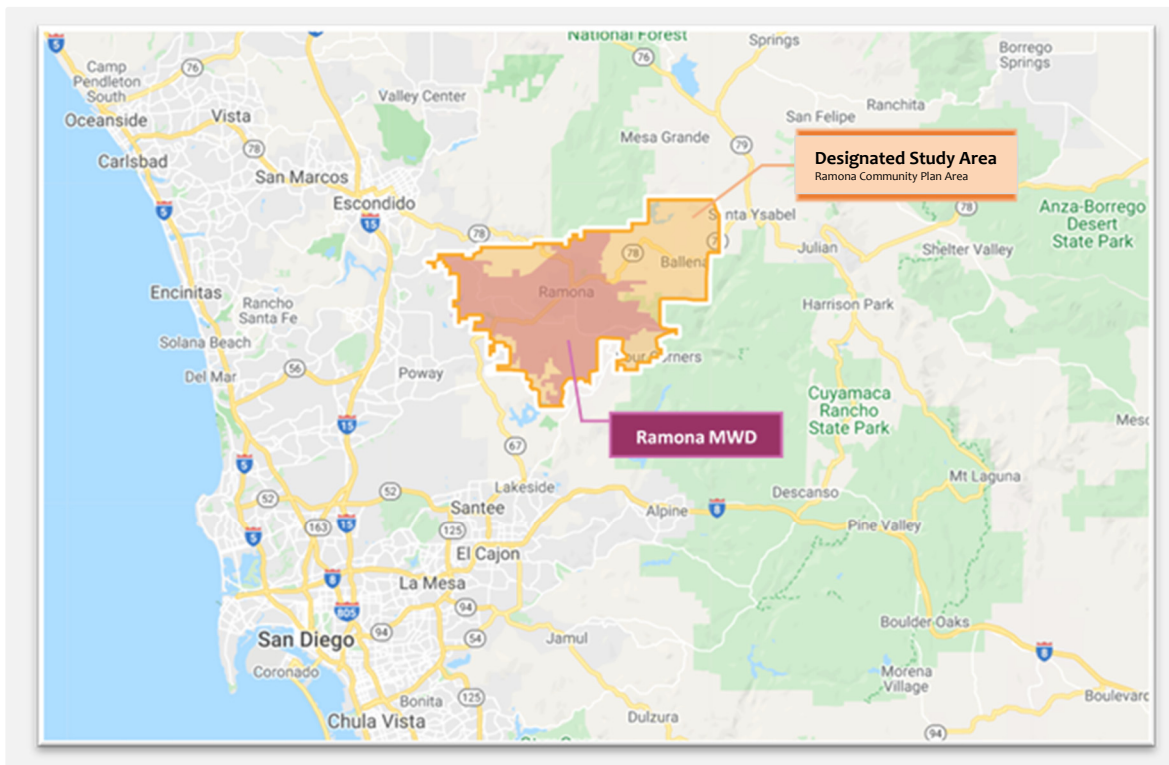
Several diagnostic tools are used to assess and make related determinations regarding financial solvency based on a review of available audited information. This includes an emphasis on analyzing Ramona MWD’s current ratio, debt-to-net assets, and total margin. These specific diagnostics provide the Commission with reasonable benchmarks to evaluate liquidity, capital, and margin and calculated to track overall trends and final-year standing.

2.0 STUDY ORGANIZATION

This chapter serves as the Executive Summary and outlines the key conclusions, recommendations, and determinations generated within the report.⁶ This includes addressing the mandatory service and governance factors required by the Legislature anytime San Diego LAFCO performs a municipal service review. The Executive Summary is followed by an in-depth agency profile (Chapter Three) for Ramona MWD as the principal municipal service provider in the region. The profile transitions between qualitative descriptions of the background and development of Ramona MWD to quantifying specific categories. This includes measuring demographic trends, service levels, and financial standing consistent with the premises outlined in the preceding section.

3.0 GEOGRAPHIC AREA

The geographic area or study area designated for this municipal service review by the Executive Officer is approximately 131 square miles or 84,000 acres. This study area purposefully matches the current Ramona Community Plan Area as established by the County of San Diego and captures the entirety of Ramona MWD jurisdictional boundary and sphere of influence.



6 The Executive Summary purposefully distinguishes between “conclusions,” “determinations,” and “recommendations.” Conclusions refer to general policy takeaways. Determinations address specific legislative factors. Recommendations address specific actions that are drawn from the determinations.

4.0 REPORT SUMMARY

4.1 Central Themes and Conclusions

The Ramona region represents one of the largest and growing unincorporated communities in San Diego County with a current estimated population of 37,708 – an amount that exceeds 5 of the 18 cities. The region’s status as a prominent unincorporated area dates to the 1840s and the arrival of community patriarchs Joaquin Ortega and Adolpho Stokes and the subsequent establishment of a stagecoach stop and adjoining general store to accommodate travelers going to and from the goldmines to the east in Julian. The region began transitioning to a stand-alone destination at the turn of the century and marked by outside investments and ensuing subdivisions recorded by the Santa Maria Land and Water Company. This transition was headlined by the official naming of the community as “Ramona” with the permanent population reaching approximately 1,000 by 1900 – which at the time made Ramona the largest unincorporated area in all of San Diego County.

The Ramona region is one of the largest unincorporated areas in San Diego County with an estimated resident population of 37,708.

The County of San Diego remained the lone source of local government for the Ramona region through the start of the new century until the formation of the Ramona Irrigation District (1925) and its construction of the first community water system. Markedly, the formation of the Ramona Irrigation District paralleled initial community discussions on incorporation and subsequently supplemented by additional special district formations to expand the scope of local government in the region to include the Ramona Fire Protection District (1946), Ramona Sanitation District (1946), Ramona MWD (1958), and Mt. Woodson Rach Sanitation District (1988). Ramona MWD’s proved most consequential, and through a combination of latent power activations and consolidations it has emerged as the singular provider of potable water, wastewater, fire protection and emergency medical, parks and recreation, and recycled water in the region.

Ramona MWD has emerged as the central municipal service provider in the region and its core activities – specifically water, wastewater, fire protection – and adequacies therein are essential in supporting current and future growth.

Today the Ramona region serves as a unique community separator in San Diego County with urban uses to the west and non-urban uses to the east. Ramona itself remains largely rural with the notable exception of the central “village” area located along Main Street, which increasingly includes several financial, retail, and restaurant franchises and serves as the region’s social and economic hub.

A review of the Ramona region relative to San Diego LAFCO’s growth management tasks and interests as prescribed under statute produces eight central themes or conclusions. These conclusions focus – albeit not exclusively – on the availability, need, and adequacy of municipal

services by Ramona MWD as the central service provider in the region. The conclusions are independently drawn and largely sourced to information collected and analyzed by the Commission between 2015 and 2019 and further detailed in the agency profile (Chapter Three).

- **No. 1 | Evolving Community Character**

Ramona’s community character continues to evolve and most notably towards a more traditional suburb setting with urban-type landscapes. This transition is reflected in the relatively high population growth rate in the region over the report period at 1.1% annually, which is more than one-fifth above the countywide average. The population is also increasingly more affluent than past generations with the average median household income equaling \$92,543 at the end of the five-year report. This median income is more than two-fifths above the corresponding rate for all of San Diego County and – and among other factors – aided by the 17% increase in four-year college graduates over the 60-month period.

- **No. 2 | Expanded and Centralized Role of Ramona MWD**

Ramona’s evolving community character towards more traditional suburban uses has relatedly generated additional demands and expectations on local government in the region. Ramona MWD has affirmatively responded to these changes over its 60-year plus history and through a combination of consolidations and latent power expansions evolved into a multi-purpose agency and now the centralized provider of water, wastewater, fire protection and emergency medical, parks and recreation, and recycled water in the region. Further expansions – however and irrespective of any merit – is limited under the principal act.

- **No. 3 | Adequate Service Capacities at MWD with One Notable Exception**

As the principal municipal service provider in the region, Ramona MWD has developed adequate infrastructure capacities and related administrative controls to meet current and projected demands in the timeframe of this report with one exception. This exception involves meeting wastewater demands within the Santa Maria service area, which covers central Ramona and now regularly exceeds capacities during high-rain periods due to excessive inflow (surface) and/or infiltration (groundwater) intrusion.

- **No. 4 | Need for Capital Improvement Investments within MWD**

Notwithstanding the overall adequacy of current municipal service capacities, Ramona MWD would benefit from additional investment into its capital assets with specific focus on remedying the increasing and varying pipeline ages involving both its water and wastewater systems. Capital planning and investment in parks and recreation is also merited and includes addressing improvements to the Wellfield Park and its Community Center and Rodeo Arena.

- **No. 5 | MWD's Positive Financial Standing**

Ramona MWD improved its financial standing during the report period as measured by its audited net position with an overall 12% increase from \$86 to \$105 million. This improvement largely ties to Ramona MWD achieving an average annual bottom line – or total margin – and contributes to an ending unrestricted fund balance sufficient to meet 18 months of operating expenses. Ramona MWD also finished the period with a relatively well-funded employee pension program with a composite funded ratio of 80 percent.

- **No. 6 | Advancing Regional Fire Protection Services**

Existing fire protection and emergency medical service in the Ramona region are equally divided between two special districts: Ramona MWD and San Diego County FPD. Both special districts choose to contract with CALFIRE for day-to-day field operations. This common arrangement – notably – suggest consolidating fire protection responsibilities under the San Diego County FPD's economies of scale would advantageously sync and enhance service levels while providing local control.

- **No. 7 | The Curious Case of Incorporation**

There has been reoccurring interest in the Ramona region to incorporate and transition local governance from the County of San Diego Board of Supervisors to a newly established city council. Most recently, incorporation proponents approached LAFCO with pre-application submittals as required under policy in 1982 and 2005 before choosing not to proceed with official filings. It is nonetheless reasonable to assume future interest in incorporation will reemerge within Ramona given its size and local resources – including a combination of both property and sales taxes. Accordingly, it would be beneficial for LAFCO to prepare an informational report to advise on current statutory thresholds and associated incorporation opportunities in San Diego County to include – but not limited to – Ramona.

- **No. 8 | The Clearer Case for a Community Services District**

Irrespective of the preceding topic on incorporation, the Ramona region has already established itself as an economic and socially distinct community in San Diego County. Ramona MWD has evolved accordingly and expanded its service functions to meet the community's needs and now operating at the authority limits under the MWD principal act. Reorganization into a community services district (CSD) appears meritorious in providing the region with a local governance model that can provide a complete range of municipal services with LAFCO approval with the lone exception of direct land use control. Reorganizing into CSD – markedly – would also serve as the preferred governance step towards a potential transition into an incorporated community.

4.2 Recommendations

The following recommendations call for specific actions either from San Diego LAFCO and/or other local government agencies based on information generated in this report and outlined below in order of their placement in Section 5.0 (Written Determinations). Recommendations for Commission action are dependent on a subsequent directive through the adopted work plan.

1. The Commission should coordinate with SANDAG to identify current buildout estimates relative to existing zoning standards by the County of San Diego for the Ramona region and incorporate the information into the next municipal service review.
2. The Commission should perform additional analysis with respect to water, wastewater, and fire protection needs for adjacent lands to the Ramona region that qualify as disadvantaged unincorporated communities and incorporate accordingly into future service reviews.
3. Ramona MWD should address excessive inflow and infiltration issues within its Santa Maria wastewater collection system in order to reduce system peaking factor and the elevated threat of raw sewage spills and/or related impacts to the environment.
4. Ramona MWD should develop a facility improvement plan to guide its parks and recreation function and engage constituents in doing so in setting long-term service goals and amenities.
5. The Commission should defer its statutory task to address service levels and related needs of the lone mutual water company in the Ramona region – Rancho Santa Teresa – to a scheduled information report as part of the 2021-2022 workplan.
6. Ramona MWD should revisit and update its potable water service rates accordingly to remedy a sizeable structural deficit of nearly nine-fold generated during the five-year report period.
7. Ramona MWD should expand its existing community outreach efforts by establishing social media uses and live-streaming meetings to affirmatively add to existing efforts in sunlighting its activities and further facilitate opportunities for community input.
8. Ramona MWD should consider the following actions with respect to improving current fire protection and emergency medical services:
 - a) Ramona MWD should consider adopting response time standards with desired time dependent benchmarks and making these parts of the contract language with CAL FIRE.

- b) Ramona MWD should develop a vegetation management plan to mitigate the wildfire risk to the community. Similarly, a comprehensive review of community disaster risk should be completed and submitted to the County Office of Emergency Services for review and inclusion in the County's Multi-Jurisdictional Hazard Mitigation Plan.
9. Irrespective of the preceding recommendations, Ramona MWD and San Diego County FPD should consider a voluntary consolidation under the FPD's greater economies of scale to sync and enhance service levels for the common benefit of the Ramona region and need to vigilantly protect against wildfires.
 10. The Commission should address and reconcile Ramona MWD's recycled water service activity as part of a future update to Rule No. 4 with respect to formally identifying the function, class, and authorized location under statute.
 11. The Commission should prepare a future informational report to advise on current statutory thresholds and associated incorporation opportunities in San Diego County to include – but not limited to – the Ramona region as the one of the largest unincorporated communities.
 12. Reorganization of Ramona MWD into a community services district merits exploration in providing the Ramona region a local governance model that can continue to evolve with the community needs and – pertinently – serves as the preferred transitional vehicle to a potential future incorporation should circumstances warrant.
 13. There appears to be sufficient merit to immediately proceed with a limited update and expansion to Ramona MWD's sphere of influence and add approximately 30 unincorporated acres lying immediately outside the current designation along Dos Picos Park Road.
 14. Additional amendments to the Ramona MWD sphere of influence may also be warranted subject to a more comprehensive update as part of the next scheduled study.

5.0 WRITTEN DETERMINATIONS

San Diego LAFCO is directed to prepare written determinations to address the factors enumerated under G.C. Section 56430 anytime it prepares a municipal service review. These determinations serve as independent statements based on information collected, analyzed, and presented in this report's subsequent sections. The underlying intent of the determinations is to provide a succinct detailing of all pertinent issues relating to the planning, delivery, and funding of municipal services in the Ramona region specific to the Commission's growth management role and responsibilities with focus on Ramona MWD. An abbreviated version of these determinations will be separately prepared for Commission consideration in conjunction with accepting the final report.

These determinations address the specific factors required in statute as part of the municipal service review process and represent statements of reasonable facts or deductions as legislatively determined by San Diego LAFCO and based on information analyzed between 2015 and 2019.

5.1 Growth Projections & Related Demographics

1. San Diego LAFCO estimates there are 37,708 total residents within the Ramona region at the end of the five-year report period. It is also estimated the average annual population growth rate in the region during the period has been 0.63%.
2. San Diego LAFCO estimates 94% – or 35,369 – of the total residents in the Ramona region are in the Ramona MWD jurisdictional boundary at the end of the five-year report period. The average annual population growth rate in MWD during the period is estimated at 1.1%.
3. The estimated population growth rate in Ramona MWD is more than one-fourth higher than the corresponding rate for all of San Diego County during the five-year report period and substantiates the growth orientation of the region's urban core.
4. A notable paradox underlying the overall population growth in the Ramona region involves student enrollment in the Ramona Unified School District and its own decline of (4%) within its 12 schools during the five-year report period.
5. Accommodating the estimated population growth within the Ramon region during the five-year report period is largely sourced to the construction of 289 of new housing units. Of this amount, 270 new housing units – or 93% – lie in the Ramona MWD jurisdictional boundary and reflects the integral connection of MWD in accommodating new development.

6. Growth will continue in the Ramona region. Most of the growth will lie in the Ramona MWD and the 1,723 parcels spanning 11,100 acres – which equals one-third of the current boundary – that are privately owned and undeveloped at the end of the five-year report period.
7. San Diego LAFCO projects the recent growth rates within the Ramona region will generally hold during the report timeframe. Assuming these projections hold, the Ramona region will reach 38,906 by 2024 with 36,488 in the Ramona MWD jurisdictional boundary. This latter amount equates to the addition of 224 residents each year to MWD.
8. San Diego LAFCO should coordinate with SANDAG to develop current buildout estimates relative to existing zoning specific to the Ramona MWD jurisdictional boundary and incorporate the information into the next municipal service review.
9. With respect to notable demographics within Ramona MWD:
 - a) Residents within Ramona MWD tend to be measurably older with a medium age of 46 at the end of the five-year report period. This amount increased by 2.6% during the period and finished one-third above the corresponding medium age for all of San Diego County.
 - b) Ramona MWD residents tend to be financially secure with an average median household income of \$92,543 at the end of the five-year report period. This amount decreased by (5.5%) during the period but still finished two-fifths above the corresponding median household income for all of San Diego County.
 - c) Monthly housing costs (mortgages and rents) within Ramona MWD’s jurisdictional boundary averaged \$2,107 at the end of the five-year report period. This amount decreased by (2.7%) during the period but still finished one-third above the corresponding average housing cost for all of San Diego County.
 - d) The percentage of residents’ income dedicated to monthly housing costs in Ramona MWD increased during the five-year report period from 26.5% to 27.3%. This latter amount – nonetheless – remains under the corresponding average for all of San Diego County, which changed from 28.9% to 28.5% and reflect MWD residents’ relative affluency.
 - e) Residents within Ramona MWD finished the five-year report period with relatively low levels of unemployment with an ending average of 3.4%, which is nearly one-half below the corresponding amount for all of San Diego County.

- f) Residents within Ramona MWD tend to be comparatively more homogenous with non-English speaking residents at the end of the five-year report period totaling 6.0% and nearly three times lower than the corresponding rate for all of San Diego County.

5.2 Location and Characteristics of Disadvantaged Unincorporated Communities & Relevant Information on Water, Wastewater, and Fire Protection Services

1. Approximately one-tenth of the Ramona region qualifies as a disadvantaged unincorporated community under San Diego LAFCO policy. One-quarter of the qualifying lands concurrently lie within the Ramona MWD and accordingly receive – or at least eligible to receive – public water, wastewater, and fire protection services.
2. Land immediately to the north of the Ramona region qualifies as a disadvantaged unincorporated community under San Diego LAFCO policy. Additional analysis is needed to determine the percentage of these qualifying lands that concurrently lie within public water, wastewater, and fire protection service providers.

5.3 Capacity of Public Facilities and Infrastructure Needs and Deficiencies

1. The County of San Diego and Ramona MWD serve as the principal municipal service providers within the Ramona region. This municipal service review appropriately focuses on Ramona MWD and its five active municipal service functions: potable water; wastewater; fire protection and emergency medical; parks and recreation; and recycled water.
2. San Diego LAFCO determines the five active service functions provided by Ramona MWD and identified in the preceding statement have adequate infrastructure capacities in meeting current and near-term demands with limited exceptions as detailed.
3. With respect to potable water services provided by Ramona MWD:
 - a) Ramona MWD's potable water function commenced in 1956 in conjunction with its formation and classified as retail under LAFCO statute and Commission Rule No. 4. This activated function applies to the entire District jurisdictional boundary.
 - b) Ramona MWD's potable water service area presently covers approximately 60% of its jurisdictional boundary. San Diego LAFCO estimates the population in the water service area at the end of the five-year report period at 25,120 and equals 71% of the entire District population. The unserved portion of the jurisdictional boundary is largely undeveloped.

- c) Ramona MWD is entirely dependent on potable water supplies imported from the San Diego County Water Authority. The estimated maximum available daily supply based on MWD's existing infrastructure and related connectivity to the County Water Authority is 63.5 acre-feet and translates to an annual capacity of 23,178 acre-feet.
 - d) Average day demands within Ramona MWD's potable water service area have equaled 10.5 acre-feet during the five-year report period with an overall change of (6%). This average demand equals 17% of MWD's accessible daily supplies and sufficient to meet current and anticipated demands through the report timeframe under normal conditions.
 - e) Peak-day demands within Ramona MWD's potable water service area have averaged 15.6 acre-feet during the five-year report period with an overall change of 1%. This average demand equals 25% of MWD's accessible daily supplies and sufficient to meet current and anticipated demands through the report timeframe under normal conditions.
 - f) Estimated per capita daily uses within Ramona MWD's potable water service area has decreased by (10%) over the five-year report period from 142 gallons to 127 gallons. This overall decrease in per capita day demands coupled with the corresponding increase in population growth substantiates improved conservation among end-users.
 - g) Additional analysis would be needed to assess whether the portion of daily uses within Ramona MWD is dedicated to indoor use and the relationship therein in meeting the State of California's advisory target to limit per capita usage to 55 gallons under new legislation (Assembly Bill 1668 and Senate Bill 606).
 - h) Total storage within Ramona MWD's potable water service area is 78 acre-feet and can accommodate up to seven consecutive days of average day demands generated during the five-year report period without recharge. The number of storage days decreases to five relative to accommodating average peak day demands.
4. With respect to wastewater services provided by Ramona MWD:
- a) Ramona MWD's wastewater function commenced in 1981 as successor agency to the Ramona Sanitation District. This active service function is classified as collection, treatment, and disposal under LAFCO statute and Commission Rule No. 4.

- b) Ramona MWD's wastewater function is geographically limited by the Commission to two distinct service areas – Santa Maria and San Vicente – and they collectively equal 24% of the jurisdictional boundary.
 - c) Additional analysis would be needed in coordination with the County of San Diego Environmental Health Department to identify active septic systems in Ramona MWD.
 - d) The total wastewater service population for Ramona MWD at the end of the five-year report period is estimated by San Diego LAFCO at 25,108. This estimate represents 71% of the total estimated MWD population and divided between the Santa Maria and San Vicente service areas at 15,644 and 9,464, respectively.
 - e) Specific to the Santa Maria system, it is presently operating at 60% capacity under normal conditions based on average day demands during the five-year report period. Capacity usage increases to 155% during peak wet periods and shows excessive inflow and infiltration is entering the collection system.
 - f) Specific to the San Vicente system, it is presently operating at 61% capacity under normal conditions based on average day demands during the five-year report period. Capacity usage increases to 95% during peak wet periods and suggest excessive inflow and infiltration is entering the collection system.
 - g) Capital improvements are needed to both Ramona MWD's wastewater systems to expand the daily treatment capacities to avoid untreated sewage overflows and/or spills during peak wet periods given current capacity deficiencies.
5. With respect to fire protection and emergency medical services provided by Ramona MWD:
- a) Ramona MWD's integrated fire protection and emergency medical service function commenced in 1981 as successor agency to Ramona FPD and classified as structural and basic life support under LAFCO statute and Commission Rule No. 4. This activated function applies to the entire District jurisdictional boundary.
 - b) Ramona MWD's fire protection and emergency medical services are provided through a cooperative contract with CALFIRE and delivered out of three MWD fire stations with total public safety staffing at 33 at the end of the five-year report period. This latter amount represents 0.9 public safety personnel for every 1,000 residents in MWD.

- c) Average annual demands for fire protection and emergency medical services by Ramona MWD – both inside and outside the jurisdictional boundary – have increased in four of the five years in the report period with an overall change of 10% and attributed to an increase in population.
 - d) The average demand for onsite fire protection and emergency medical service within Ramona FPD during the five-year period has been 2,570 annually or 7 per day.
 - e) Ramona MWD responded on average – exclusively or in combination with outside agencies – to 95% of all onsite incidents involving fire protection and emergency medical in its jurisdictional boundary over the five-year report period.
 - f) Ramona MWD has a low dependency on outside agencies to cover fire protection and emergency medical needs with an average of only 10 out of 100 onsite incidents in the jurisdictional boundary necessitating outside aid during the five-year report period.
 - g) Approximately 70% of all onsite incidents responded to by CalFire in the Ramona MWD during the five-year report period resulted in ambulance transport to an area hospital. The number of ambulance transports increased by approximately 10% over the 60-month period and tied to an increase in population within the region.
6. With respect to parks and recreation services provided by Ramona MWD:
- a) Ramona MWD's parks and recreation function commenced in 1975 as part of a latent power approval and classified as community parks and rental facilities under LAFCO statute and Commission Rule No. 4. This activated function applies to the entire District jurisdictional boundary.
 - b) Ramona MWD's parks and recreation function has been outsourced since 1994 to the Ramona Parks and Recreation Association (501(c)(3)). Ramona MWD – nonetheless – retains legal responsibility for all related public parks and recreation services.
 - c) Ramona MWD's current community park resources comprise Wellfield Park and Lake Ramona and collectively generate a ratio of 4.7 park acres for every 1,000 residents. This amount exceeds by more than one-half the baseline ratio of 3.0 park acres for every 1,000 residents established by the State under the Quimby Act.

- d) Infrastructure and facility improvements are budgeted as needed; Ramona MWD has not established a formal capital improvement program. The absence of this type of document hinders the District's ability to strategically plan and allocate resources accordingly while diminishing the opportunity to engage constituents on long-term service goals.
7. With respect to recycled water services provided by Ramona MWD, additional analysis is pending in terms of quantifying demand and performance and is incomplete at this time.
8. The Commission has identified one mutual water company – Rancho Santa Teresa – operating within the Ramona region. Consistent with LAFCO statute, the Commission defers evaluation of this mutual water company to a future informational report.
9. An evaluation of fire protection and emergency medical services within the Ramona region provided by the San Diego County FPD is appropriately addressed in the Commission's recent municipal service review on County Service Area No. 135 (June 2020) and incorporated herein.

5.4 Agencies' Financial Ability to Provide Municipal Services

1. Ramona MWD improved its financial standing during the five-year report period as measured by its audited net position (i.e. agency value) increasing by 12% from \$86.9 to \$105.1 million.
2. The unrestricted and spendable portion of Ramona MWD's fund balance at the end of the five-year report period is sufficient to cover 18 months of typical operating expenses. This amount is three times more than the District's target of having six months in reserves.
3. Ramona MWD's operating budget is divided into four funds – Water, Fire & Emergency Medical Service, Wastewater, and Parks – and collectively increased by 12.8% in budgeted expenses during the five-year report period. This amount is more than double the corresponding 6.5% increase in budgeted revenues and merits revisiting in the next scheduled municipal service review to assess whether the imbalance is structural or temporary.
4. Standard measurements to assess liquidity, capital, margin, and equipment replacement levels shows Ramona MWD experienced mix trends during the five-year report period but nonetheless finished at or above industry standards. With this context in mind, the following statements apply.

- a) Liquidity levels as measured by days' cash available to Ramona MWD improved during the five-year report period by one-fifth from 522 to 609 days with the latter amount providing 87 weeks of accessible cash to cover normal operating costs.
 - b) Capital levels as measured by Ramona MWD's debt-to-net position modestly improved during the five-year report period from 19% to 16% with the latter amount reflecting less than one-fifth of the District's overall value (net position) is tied to outside borrowing.
 - c) The total margin for Ramona MWD decreased overall during the five-year report period but remained positive each year with an overall average 11%. This latter amount contrasts with the District's average operating margin of (10%) and denotes a substantive reliance on property taxes to subsidize District activities during the report period.
 - d) The replacement rate of capital infrastructure (i.e. buildings, land, pipes, etc.) moderately decreased by one-tenth during the five-year report period from 23 to 25 years.
5. Ramona MWD's employee pension program at the end of the five-year report period finished with a composite funded ratio of 81% and considered good relative to industry standards.
6. With respect to financial standing for specific service functions:
- a) Ramona MWD's potable water services operate as an enterprise and intended to be self-supporting through user fees and related charges. Actual expenses during the five-year report period have increased by 17% while actual revenues have increased by 2% and produces nearly a nine-fold structural deficit. Rate increases appear appropriate to ensure an appropriate level of cost-recovery.
 - b) Ramona MWD's wastewater services operate as an enterprise and intended to be self-supporting through user fees and related charges. Actual expenses during the five-year report period for the Santa Maria and San Vicente systems increased by 9% and 7% while revenues increased by 76% and 29%, respectively.
 - c) The three other service functions provided by Ramona MWD – fire protection and emergency medical, parks and recreation, and recycled water – operate as hybrids and dependent on both general property tax revenues and user fees/assessments. With respect to notable trends therein, the District has become increasingly reliant on property taxes and most notably saw an increase of 19.7% allocated to fire protection and EMS and has averaged 32.2% during the reporting period.

5.5 Status and Opportunities for Shared Facilities and Resources

1. Ramona MWD has been proactive in establishing responsive shared resources with other local governmental, non-profits, and tribes involving its active service functions for the collective benefits of MWD constituents. Examples follow.
 - a) Ramona MWD has established infrastructure interties with the City of Poway to receive and provide treated potable water supplies to one another in the event of emergencies and/or other interruptions in normal operations.
 - b) Ramona MWD has two surface storage reservoirs available for use, Lake Ramona and Lake Sutherland with the latter owned by the City of San Diego.
 - c) Ramona MWD maintains automatic aid agreements with several adjacent providers – including City of Poway and Barona Fire Department – to receive and provide fire protection/rescue and emergency medical services within their respective boundaries based on dispatch proximity.
 - d) Ramona MWD coordinates closely with the Ramona Unified School District to provide parks and recreational activities ranging from after school programs to sporting events.

5.6 Local Accountability and Government Restructure Options

1. Ramona MWD has been responsive to community needs since formation and through a combination of consolidations and latent power expansions is now the centralized provider of water, wastewater, fire protection and emergency medical, parks and recreation, and recycled water in the Ramona region.
2. Additional service function expansions by Ramona MWD is limited under the current principal act to storm drainage, solid waste collection, and electricity and subject to formal review and approval by the Commission.
3. Ramona MWD's position as the only public agency entirely governed by elected residents uniquely positions MWD to legitimately address and/or represent community interests with other local, regional, and State agencies on a range of municipal-themed topics underlying growth and development in the Ramona region.

4. Ramona MWD has been governed by responsive officials during the five-year report period and illustrated by holding regular monthly meetings, timely posting agendas and minutes online, and employing and/or otherwise contracting professional staff. These measurable actions create trust with constituents and help ensure their ongoing financial investment via property taxes, special assessments, and user charges are warranted.
5. Ramona MWD maintains a user-friendly website that meets all requirements recently established for local government agencies (Assembly Bill 2257 and Senate Bill 939).
6. Ramona MWD should expand its existing community outreach efforts by utilizing social media and providing live streaming of meetings. These efforts would affirmatively add to existing efforts by MWD in sunlighting its activities and further facilitate opportunities for community input into the Board decision-making.
7. Existing fire protection and emergency medical service in the Ramona region are closely divided between Ramona MWD and San Diego County FPD with both agencies contracting with CALFIRE for day-to-day field operations. These dynamics suggest consolidating fire protection responsibilities under the San Diego County FPD's greater economies of scale would advantageously sync and enhance service levels and should be fully explored.
8. It is reasonable to assume interest in incorporation will resurface in the Ramona region given past inquiries coupled with its standing as one of the largest unincorporated communities with increasing property and sale tax bases. Accordingly, and to help apprise future decision-making, it would be beneficial for the Commission to prepare an informational report to advise on current statutory thresholds and associated incorporation opportunities in San Diego County to include – but not limited to – Ramona.
9. Ramona MWD has evolved and expanded its service functions to meet the community's needs and as detailed now substantively operating at the authority limits under the MWD principal act. Reorganization into a community services district merits exploration in providing the region with a local governance model that can continue to evolve with the community needs and – pertinently – serves as the preferred transitional vehicle to a potential future incorporation.
10. There appears to be sufficient merit to immediately proceed with a limited update and expansion to Ramona MWD's sphere of influence. This includes adding approximately 30 unincorporated acres lying immediately outside and in between Ramona MWD and City of Poway's spheres but accessible only through MWD along Dos Picos Park Road.

11. Additional amendments to the Ramona MWD sphere of influence may also be warranted subject to a more comprehensive update as part of the next scheduled study.

12. Other local agencies providing one or more municipal services directly in the Ramona region include Palomar Healthcare District and Ramona Cemetery District and will be addressed by San Diego LAFCO as part of future municipal service reviews.

CHAPTER THREE | AGENCY PROFILE

1.0 OVERVIEW

Ramona Municipal Water District (MWD) is an independent special district formed in August 1956. Formation proceedings were initiated by landowner petition for the initial purpose of providing reliable water service in the unincorporated community of Ramona to support a developing commercial district along Main Street as well as surrounding agricultural activities. Ramona MWD encompasses a 75-square mile jurisdictional boundary covering most of the Santa Maria Valley and anchored by the intersection of State Routes 67 and 78 in east-central

San Diego County. The jurisdictional boundary includes the unincorporated “village” community of Ramona and the adjacent planned residential development of San Diego County Estates and represents 1.7% of all lands in San Diego County. Governance is provided by a five-person board with members elected by divisions and serve staggered four-year terms. Board appointments are also allowed in lieu of candidate filings. The average Board tenure among current members is 6 years.

Unincorporated Ramona Village (2020)
Eastbound Main Street at Seventh Street



Photo Credit: Priscilla Allen

Ramona MWD has evolved from the time of its formation in 1956 through subsequent reorganizations – including three consolidations with other special districts – and currently organized as a multi-purpose agency and authorized to provide five distinct service functions and ordered in terms of magnitude of District resources: (a) potable water; (b) wastewater; (c) fire and emergency medical; (d) park and recreation; and (e) non-potable water.⁷ Ramona MWD is

Ramona MWD is presently authorized by LAFCO to provide five distinct service functions: potable (domestic) water; wastewater; fire and emergency medical; park and recreation; and non-potable (recycled) water.

also empowered – subject to LAFCO latent power activations – to provide solid waste and garbage removal as well as electric services. The operating budget at the term of the report period (2018-2019) was \$36 million with 48 fulltime equivalent employees. The last audited financial statements cover 2018-2019 and show the net position totaling \$105 million with the unrestricted portion tallying \$49 million. This latter amount represents the equivalent of 17.5 months of operating expenses.

LAFCO independently estimates the fulltime resident population within Ramona MWD is 35,369 as of the term of this report period. It is also projected the estimate of fulltime residents represents an

⁷ Ramona MWD was authorized to provide park and recreation services as a latent power in 1975 and operates a 166-acre community park and Lake Ramona.

overall increase of 3,213 since 2010 – or 357 annually – with a resulting annual growth rate of 1.1% and well above the countywide rate of 0.86%. The estimated population is directly supported by 12,410 housing units in the jurisdictional boundary; an amount that increased by 487 – or 0.45% annually – since 2010. The Ramona MWD median household income is \$92,543 based on the current five-year period average, nearly two-fifths higher than corresponding \$66,529 countywide average.

2.0 BACKGROUND

2.1 Community Development

Ramona MWD’s service area began its present-day development with a Mexican land grant – “Rancho Santa Maria” – made to family members Joaquin Ortega and Adolpho Stokes in 1843. The Ortega-Stokes family settled on the eastern edge of the Santa Maria Valley and began to raise sheep and cattle before eventually having to divide and sell portions of the rancho to cover personal debts. In 1884, Amos Verlaque purchased one of these lots located along a horse trail heading northeast and later becoming the “Julian” road. Verlaque opened a general store on the 2.5-acre lot in the otherwise sparsely populated area to serve miners heading to the goldmines in Julian and in doing so generating the name “Nuevo” for the area and the stagecoach stop built nearby. Milton Santee with the Santa Maria Land and Water Company followed in 1886 and purchased almost 4,000 acres in Nuevo and proceeded to record a new subdivision with the County of San Diego formally dividing the area into multiple lots along Main Street (and later State Route 67) in 1895. Nuevo was also renamed to “Ramona” and done so after a popular fictional novel written by Helen Hunt Jackson involving a female protagonist in rural southern California and her relationship with a Native American.

The first official census performed for Ramona estimated its resident population at 394 in 1890 and largely engaged in cattle, sheep, and goat farming. The subsequent subdivision recorded by the Santa Maria Land and Water Company and related development increased the estimated population in Ramona to 849 in 1910 and in doing so becoming one of the largest unincorporated settlements in San Diego County with its own town hall, bank, school, blacksmith, and hotel. It was also at this time civic leaders planted hundreds of eucalyptus trees along Main Street that remain today.

Ramona Subdivision Map (1890)
Recorded with the County of San Diego

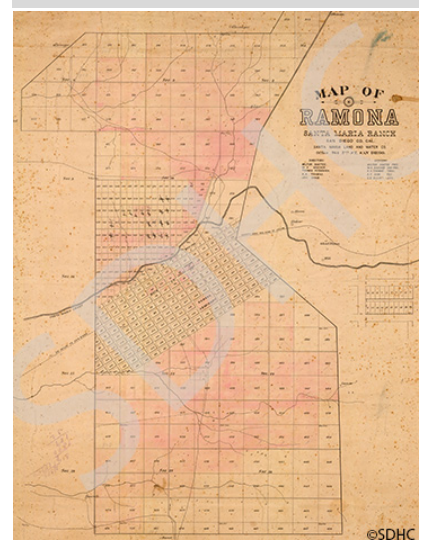


Photo Credit: San Diego History Center

Ramona Main Street Parade (1937)
Eastbound Main Street at Seventh Street

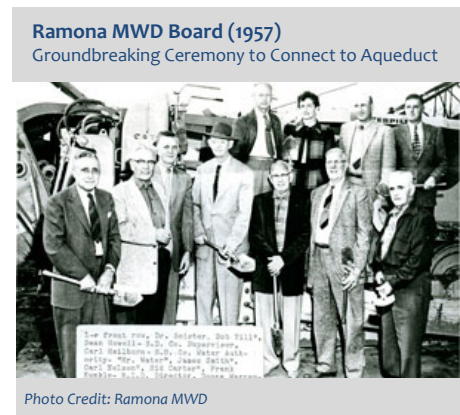


Photo Credit: San Diego History Center

The County of San Diego remained the lone source of local government for Ramona through the start of the new century until 1925 and the formation of the Ramona Irrigation District and its construction of the first community water system to support new development.⁸ Ramona’s development was further aided with the organization of volunteer fire company in 1934 as well as completion of State Routes 67 and 78 at the end of the 1930s to provide direct connection to the Cities of El Cajon and Escondido, respectively. Fire services were further strengthened in 1946 with the formation of the Ramona Fire Protection District in 1946. Public sewer services were separately established in 1946 with the formation of the Ramona Sanitation District. Markedly, these civic improvements coupled with escalating housing demand in the region contributed to the Ramona area’s resident population increasing to 3,384 by 1940. The population increased by another 50% over the next decade and reached 4,843 in 1950.

2.2 Formation Proceedings

Ramona MWD’s formation was petitioned by landowners in November 1955 to provide a more reliable source of potable water to the community given ongoing concerns with the local wellfield sources operated by the Ramona Irrigation District. The proposal filing was done in coordination with the San Diego County Water Authority and its wholesale delivery of water imports from the Colorado River via the San Diego Aqueduct and through its membership agreement with the Metropolitan Water District of Southern California. The San Diego County Boundary Change Commission approved formation and the original 22 square mile jurisdictional boundary subject to voter confirmation. A special election was subsequently held in July 1956 and voter confirmed the formation with 66% – or 837 to 433 – voting in favor. A director was also elected to each of Ramona MWD’s five divisions.⁹ The formation was certified by the Board of Supervisors and became effective in August 1956.



2.3 Post Formation Proceedings

A summary of notable activities undertaken by Ramona MWD and/or affecting the District’s service area following formation in 1956 is provided below.

8 The vote to approve the formation of the Ramona Irrigation District was 96-2 and included the election of a five-member board along with authorizing \$90,000 in bonded debt to construct a well-field system.
 9 The five elected directors of the Ramona MWD at the time of formation were Carl Gustaf Nelson (1st Division), Neil W. Stonehouse (2nd Division), Herbert H. Carter (3rd Division), Everette D. Ronnie (4th District), and James W. Smith (5th District).

- Ramona MWD concurrently annexes into the San Diego County Water Authority and Metropolitan Water District of Southern California in 1957. This reorganization provides Ramona MWD membership to the County Water Authority and access to its wholesale supplies drawn from the Colorado River and Sacramento Bay-Delta.
- LAFCO approves the dissolution of the Ramona Irrigation District and designates Ramona MWD as successor agency in 1966.
- LAFCO approves annexation of the planned residential community of San Diego Country Estates to Ramona MWD in 1970.
- LAFCO approves Ramona MWD's park and recreation powers activation in 1975. The activation covers the entire jurisdictional boundary.
- Ramona MWD's files a reorganization proposal with LAFCO to incorporate the community of Ramona in 1982. The proposal is filed on behalf of the Ramona Incorporation Committee and – among other items – seeks concurrent merger with Ramona MWD. The proposal is subsequently withdrawn later in the year due to concerns regarding fiscal feasibility.
- LAFCO approves a multi-agency reorganization involving the dissolutions of the Ramona Sanitation District and the Ramona Fire Protection District and annexation of the affected territory therein to the Ramona MWD as successor agency in 1981. The reorganization expands Ramona MWD's active service functions to include wastewater (specified areas) and fire protection and emergency medical. LAFCO also approves activation of Ramona MWD's sanitation power within specified areas.
- LAFCO approves an expansion of Ramona MWD's authorized wastewater power to correspond with the urban limit line established in the Ramona Community Plan in 1982.
- LAFCO establishes a coterminous sphere of influence for Ramona MWD in December 1983.
- Ramona MWD enters into a service agreement with CAL FIRE in 1992 to assume fire protection and emergency medical service responsibilities for the District jurisdictional boundary.
- LAFCO approves the concurrent dissolution of the Mt. Woodson Ranch Sanitation District and annexation of the affected territory to Ramona MWD as successor agency in 1993. The reorganization enlarges the District sewer service boundary by 400 acres.
- LAFCO affirms Ramona MWD's sphere of influence with no changes in 2005 and again in 2014.

3.0 BOUNDARIES

3.1 Jurisdictional Boundary

Ramona MWD encompasses approximately 75 square miles and covers 46,005 acres (parcels, waterways, and public rights-of-ways). The jurisdictional boundary is unincorporated with exception of a 3.0-acre MWD parcel and spans the width of the Santa Maria Valley and includes two distinct local communities: Ramona Village and San Diego Country Estates. State Route 78 connects the jurisdictional boundary to the City of Escondido to the west while State Route 67 connects the jurisdictional boundary to the City of Poway to the southwest and further along to the Cities of Santee and El Cajon. The elevation within the jurisdictional boundary ranges from 1,380 feet to 2,140 feet above sea level with the latter point recorded on Starvation Mountain. The predominant land uses are low density residential and – albeit at a decreasing level – commercial agriculture.¹⁰ There are 21,366 registered voters.

Ramona MWD’s jurisdictional boundary spans 46,005 acres and covers 2% of all of San Diego County. All jurisdictional lands are unincorporated except for a 3.0 acre incorporated parcel in the City of Poway that comprises the MWD pump station.

Ramona MWD Jurisdictional Boundary Characteristics

Table 3.1a (Source: San Diego LAFCO)

Total Jurisdictional Size	46,005 acres
Total Jurisdictional Parcels and Acreage (excludes rights-of-ways, etc.)	19,662 parcels totaling 44,575 acres
- Publicly Owned Parcels and Acreage	261 parcels totaling 11,115 acres
- Privately Owned Parcels and Acreage	19,401 parcels totaling 33,460 acres
- Percentage of Privately Owned Parcels Developed	67%
Total Number of Registered Voters	21,366
Total Assessed Value (Land and Structures)	\$4.560 billion

Total assessed value (land and structure) within the Ramona MWD jurisdictional boundary is \$4.5 billion at the end of the report period and translates to a per acre ratio of \$0.099 million. The former amount – \$4.5 billion – further represents a per capita value of \$0.129 million based on the estimated fulltime population in Ramona MWD of 35,369. Ramona

Ramona MWD receives \$14.23 for every \$1,000 of property tax collected within its jurisdictional boundary.

MWD receives 14.23% of the 1.0% in property taxes annually collected within the jurisdictional boundary. This apportionment produces an annual average of \$5.697 million over the report period.

¹⁰ Agriculture within the unincorporated community of Ramona primarily began with dairies, poultry, sheep, and cattle as well as honey, fruits, grain and dry-farming products. In the 1920’s, Ramona was recognized for its turkey and egg production and was known as “The Turkey Capital of the World.” Since then, agriculture has slowed in the region, and slowly transitioned since the annexation of the San Diego Country Estates in the 1970’s and the progression of suburban development. Ramona, however, remains active in agriculture and most notably in wine production and recognized for over 30 first-generation wineries in the region.

The jurisdictional boundary is currently divided into 19,662 legal parcels and spans 44,575 acres. (The remaining jurisdictional acreage consists of public rights-of-way and related dedications.) Three fourths – or 75.1% – of the parcel acreage in Ramona MWD is under private ownership with 67% of this amount having already been developed, although not necessarily at the highest allowed zoning density. The remainder of the private acreage is undeveloped and consists of 1,723 parcels totaling 11,148 acres. Approximately one-tenth of the jurisdictional boundary qualifies as a disadvantaged community under LAFCO policy and overlaps the “San Vicente” area in Ramona.

67% of all privately owned acreage in Ramona MWD has been developed to date. The remaining 33% of the private acreage is undeveloped and totals 11,148 acres.

3.2 Sphere of Influence

Ramona MWD’s sphere of influence was originally established by LAFCO in April 1983 and was most recently reviewed by the Commission in June 2014. The sphere of influence has remained coterminous with the jurisdictional boundary. No outside lands *immediately* adjacent to the sphere of influence qualify as a disadvantaged unincorporated community under LAFCO policy (emphasis). One discontinuous area exists within the City of Poway boundary which is the location of the Poway Pump Station which is owned by the District.¹¹

LAFCO’s sphere of influence for Ramona MWD remains coterminous with its jurisdictional boundary and reflects a standing Commission policy expectation that no changes are anticipated in the near future.

3.3 Other Boundaries (Non-LAFCO)

The County of San Diego General Plan was last updated by the Board of Supervisors in August 2011 and provides development policies and objectives for all unincorporated area. Specific policies and objectives for the Ramona region are delegated in the General Plan to the Ramona Community Plan, which is one of 22 designated communities identified by the Board of Supervisors meriting stand-alone land use provisions. The Ramona Community Plan Area covers 83,955 acres and encompasses 99.9% of the Ramona MWD boundary with the excluded area involving the incorporated portion of the District.

The Ramona Community Plan serves as the core planning document for the Ramona MWD jurisdictional boundary. The Plan and its core objectives are captured by the following statement: “accommodate an increasing population without adversely affecting agricultural land uses, open space buffers, and recreational opportunities.”

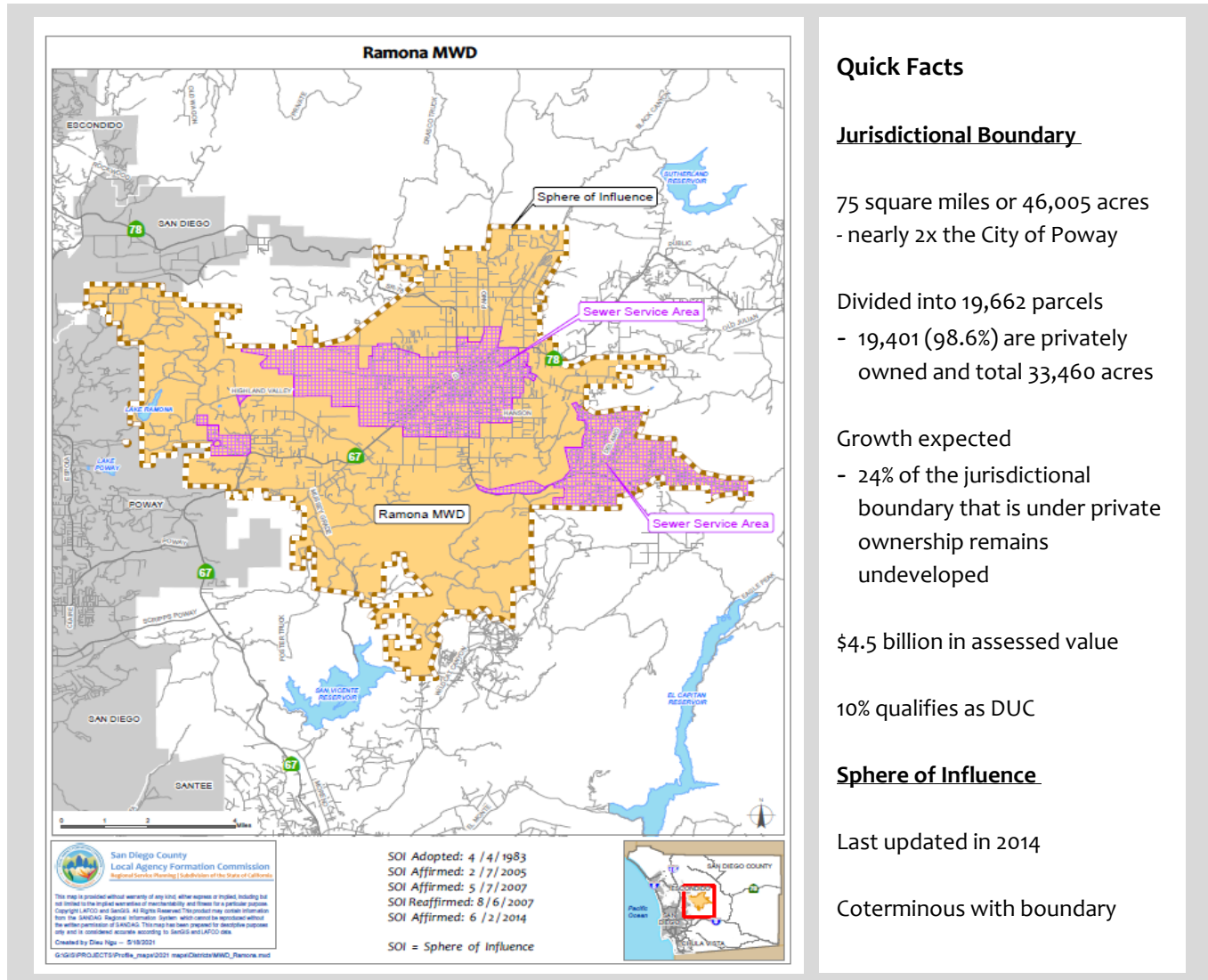
A 15-member advisory body – Ramona Planning Group – assist in the implementation of the Ramona Community Plan and the document’s notable features, which includes limiting residential development in its most dense area (Town Center) to no more than 7.3 dwelling units per acre.¹²

¹¹ The Ramona MWD jurisdictional boundary was inclusive of a Special Study Area created in December 2016 following a resolution and application by Ramona MWD requesting Commission approval of an approximate 953-acre expansion of the District’s activated latent powers area for sewer service to facilitate the development of a residential development project known as “Montecito Ranch.”

¹² The Ramona Planning Group holds regular meetings on the first Thursday of each month at 7:00 P.M. Regular meetings are held at the Ramona Library at 1275 Marin Street. Boardmembers are elected by registered voters within the Community Planning Area or appointed by the Board of Supervisors in lieu of contested elections. The current Chair of the Ramona Community Planning Group is Casey Lynch.

With respect to other germane boundaries, Ramona MWD falls entirely within the Ramona Unified School District. The total student enrollment at the end of the report period was 5,472 and represents an overall decrease of (3.9)% over the preceding 60-month period.

3.4 Current Boundary and Sphere Map



4.0 DEMOGRAPHICS

4.1 Population and Housing

Ramona MWD’s total fulltime resident population within its jurisdictional boundary is independently estimated by LAFCO at 35,369 as of the term of the five-year report period. This amount represents 1.1% of the countywide total. It is also estimated the fulltime population has risen overall by 9.6% – 3,213 – from 33,357 in 2010 and the last census reset. This translates to an annual change of 1.1%, which is more than one-fifth higher than the corresponding countywide growth rate of 0.86% over the same period. The current estimate also produces a population density of 0.8 resident for every 1.00 acres and underlies the overall rural character of the service area. For the purposes of this report, it is projected the current growth rate will continue into the near-term and result in the fulltime population reaching 38,569 by 2024.

It is estimated there are 35,369 fulltime residents in Ramona MWD at the end of the report period. It is also projected the fulltime population will increase consistent with recent trends – or 1.1% annually – and reach 38,569 by 2024.

Ramona MWD Resident Population

Table 4.1a (Source: Esri | San Diego LAFCO)

Factor	2010 Estimate	2019 Estimate	Annual Change	2024 Projection
Ramona MWD	33,357	36,570	1.07%	38,569
San Diego County	3,095,264	3,333,975	0.86%	3,479,823

LAFCO separately estimates 12,410 residential housing units within Ramona MWD’s jurisdictional boundary through the term of the report period. This amount represents an overall increase of 4.0% or 487 since 2010 for an annual gain of 54. With respect to current housing characteristics, and based on five-year averages, 68% are owner occupied, 26% are renter occupied, and the remaining 6% are vacant. The average household size has remained relatively stagnant and ended the report period at 3.0.

Housing production in Ramona MWD currently totals 12,410 dwelling units; and amount that has increased by 487 since 2010. The average monthly housing costs has slightly declined over the same period from \$2,166 to \$2,107 with the latter amount equaling 28% of the average household income.

The median monthly housing cost has decreased by (2.7%) over the preceding period from \$2,166 to \$2,107 based on the most recent five-year period averages. The mean monthly housing cost, however, remains substantially above the countywide average of \$1,578 and equals 28% of the average household income at the end of the report period.

Ramona MWD Housing Characteristics <small>Table 4.1b: (Source: Esri and San Diego LAFCO)</small>		
Factor	Ramona MWD Boundary	San Diego County
2010 Housing Units	11,923	1,164,766
2019 Housing Units	12,410	1,233,127
... Change	+487 or 4.1%	+68,361 or 5.7%
Household Size (5-year average 2007-2011)	2.98	2.79
Household Size (5-year average 2012-2016)	3.02	2.87
... % Change	1.44%	2.88%
Monthly Housing Cost (5-year average 2007-2011)	\$2,166	\$1,540
Monthly Housing Cost (5-year average 2012-2016)	\$2,107	\$1,578
... % Change	(2.71%)	(2.47%)
2010 Vacancy Rate	6.60%	6.69%
2019 Vacancy Rate	4.95%	5.45%
... % Change	(25.00%)	(18.53%)

4.2 Age Distribution

The median age of residents in Ramona MWD is 46 based on the current five-year period average. This amount shows the population is getting slightly older with the median age experiencing an overall change of 2.6% over the preceding five-year period average. The current median age in Ramona MWD also continues to be significantly higher compared to the countywide average and its ending average of 35. Residents in the prime working age group defined as ages 25 to 64 also make up more than one-half of the total population at 55.3% and represents a further separation of less than one-tenth from the countywide total of 47.0% during the two periods.

Residents in Ramona MWD tend to be much older relative to countywide averages at 46 compared to 35.

Ramona MWD Median Age of Residents <small>Table 4.2a (Source: SD LAFCO and ESRI)</small>			
Category	Past Average 2007-2011 Period	Current Average 2012-2016 Period	Change %
Ramona MWD	44.34	45.49	2.59%
San Diego County	34.60	35.30	2.02%

Ramona MWD Prime Working Age, 25-64 <small>Table 4.2b: (Source: American Community Survey and San Diego LAFCO)</small>			
Category	Past Average 2007-2011 Period	Current Average 2012-2016 Period	Change %
Ramona MWD	55.1%	55.3%	0.3%
San Diego County	53.4%	47.0%	(11.99%)

4.3 Income Characteristics

The median household income in Ramona MWD is \$92,543 based on the most recent five-year period average. This amount shows fulltime residents are receiving moderately less pay with the median income experiencing an overall decrease of (5.5%) from the preceding five-year period average of \$97,917. The current median household income in Ramona MWD, nonetheless, remains two-fifths higher than the current countywide median of \$66,259. Separately, the current average rate of persons living below the poverty level in Ramona MWD is 7.6% and has increased by almost one-tenth – or 11.0% – over the earlier five-year period. The poverty rate in Ramona MWD remains one-half lower than the countywide rate of 14.0%.

Ramona MWD residents’ average median household income has experienced a moderate decrease in recent years and is currently \$92,543. Despite the decrease, this amount remains substantively higher than the countywide average of \$66,529.

Ramona MWD Median Household Income Table 4.3a (Source: SD LAFCO and ESRI)			
Category	Past Average 2007-2011 Period	Current Average 2012-2016 Period	Change %
Ramona MWD	\$97,917	\$92,543	(5.49%)
San Diego County	\$63,857	\$66,529	14.20%

Ramona MWD Resident Poverty Rates Table 4.3b (Source: SD LAFCO and ESRI)			
Category	Past Average 2007-2011 Period	Current Average 2012-2016 Period	Change %
Ramona MWD	6.98%	7.75%	11.01%
San Diego County	13.01%	14.00%	0.6%

4.4 Socioeconomic Indicators

Unemployment levels within Ramona MWD remain comparatively low at 3.4% based on the most recent five-year averages and fall nearly one-third lower than the corresponding countywide average of 4.9%. Unemployment levels within Ramona MWD also have improved and decreased over the prior five-year average by almost one-half. Other notable socioeconomic indicators reflected in the most recent five-year averages include double-digit percent increases in the number of residents teleworking as well as residents with college degrees. Non-English speakers in Ramona MWD equal 6.0% of all residents and nearly three times below the countywide average.

Residents in Ramona MWD continue to experience low levels of unemployment with a current average of 3.4% and one-third below the countywide average of 4.9%. The rate of residents teleworking increased by two-fifths over the report period and three times the corresponding change in all of San Diego County.

Ramona MWD Unemployment Levels Table 4.4a (Source: SD LAFCO and ESRI)			
Category	Past Average 2007-2011 Period	Current Average 2012-2016 Period	Change %
Ramona MWD	6.71%	3.43%	(48.90%)
San Diego County	5.60%	4.90%	(11.99%)

Ramona MWD Working from Home Table 4.4b (Source: SD LAFCO and ESRI)			
Category	Past Average 2007-2011 Period	Current Average 2012-2016 Period	Change %
Ramona MWD	6.63%	10.63%	60.31%
San Diego County	6.00%	7.00%	16.67%

Ramona MWD Non-English Speaking Table 4.4c (Source: SD LAFCO and ESRI)			
Category	Past Average 2007-2011 Period	Current Average 2012-2016 Period	Change %
Ramona MWD	5.86%	6.03%	2.91%
San Diego County	16.10%	15.00%	(6.83%)

Ramona MWD Four-Year College Graduates Table 4.4d (Source: SD LAFCO and ESRI)			
Category	Past Average 2007-2011 Period	Current Average 2012-2016 Period	Change %
Ramona MWD	30.91%	36.17%	17.0%
San Diego County	34.20%	36.50%	6.73%

5.0 ORGANIZATION

5.1 Governance

Ramona MWD’s governance authority is established under the Municipal Water District Act of 1911 and codified under Water Code Section 71000-73001. This principal act empowers Ramona MWD to provide a moderate range of municipal services upon approval by LAFCO. Ramona MWD is currently authorized to provide five municipal service functions: potable water; wastewater; fire protection and emergency medical; parks and recreation; and and non-potable water (recycled water). The remaining service functions (i.e. powers) enumerated under the principal act are deemed latent and would need to be formally activated by LAFCO at a noticed public hearing and subject to conducting authority proceedings. Similarly, should it ever seek to divest itself of directly providing an active service function, Ramona MWD would also need to seek LAFCO approval at a notice public hearing. Active and latent functions follow.

Active Service Functions

- Potable Water
- Wastewater
- Fire Protection and Emergency Medical
- Non-Potable Water (Recycled Water)
- Park and Recreation

Latent Service Functions

- Storm Drainage
- Solid Waste-Garbage
- Hydroelectric-Wind-Solar Power

Governance of Ramona MWD is independently provided by a five-member Board of Directors. Each member of the Board is directly elected by registered voters or – and as needed – appointed by the County of San Diego Board of Supervisors to four-year terms. Each member represents one of five distinct geographical divisions. The Board includes four appointed officer positions: President; Vice President; Treasurer; and Secretary. The Board regularly meets on the second Tuesday of each month at 6:00pm at the Ramona Community Center located at 434 Aqua Lane in Ramona. Directors receive a \$100 per diem for each meeting attended. Summary minutes are prepared for all meetings; audio and video recordings are not provided. A current listing of the Board along with respective backgrounds and years served with the District follows.

Board meetings are regularly scheduled each month on the second Tuesday. Board members receive a \$100 per diem for each meeting attended.

Ramona MWD				
Current Board Roster				
Table 5.1a (Source: Ramona MWD)				
Member	Position	Division	Years on Board	Background
Jim Hickle	President	Division 2	7 years	Engineer/Manager
Jeff Lawler	Director	Division 1	5 years	Finance
Jim Robinson	Vice President	Division 4	20 years	Ramona Parks & Recreation Association
Gary Hurst	Treasurer	Division 5	< 1 year (2020)	Public/Private Sector Director
Jim Piva	Secretary	Division 3	< 1 year (2021)	Business Owner
Average Experience on the Board				7 Years

5.2 Administration

Ramona MWD appoints an at-will General Manager to oversee all District activities. Principal duties of the General Manager include preparing an annual budget, supervising senior staff, and serving as a liaison with State and local agencies. The current General Manager – Craig Schmollinger – serves in an interim capacity and oversees a budgeted staff of 48.0 full-time equivalent employees and divided between five municipal divisions: (a) administrative services; (b) engineering; (c) finance; (d) wastewater; and (e) water. Additional details involving contracting services is footnoted.¹³ Budgeted staffing has remained at the same staffing levels during the five-year reporting period. Legal services are provided by contract from the law firm of McDougal, Love, Boehmer, Foley, Lyon & Canlas (La Mesa) and supplemented as needed by the law firm of Procopio (San Diego).

Ramona MWD’s Administrative Office
105 Earham Street, Ramona, CA 92065



Ramona MWD Budgeted Staffing Levels Table 5.2a (Source: Ramona MWD)						
FY2014-2015	FY2015-2016	FY2016-2017	FY2017-2018	FY2018-2019	Average	Trend
48	48	48	48	48	48	0.0%
.05 staff per 1,000 residents	.05 staff per 1,000 residents	.05 staff per 1,000 residents	.05 staff per 1,000 residents	.05 staff per 1,000 residents	.05 staff per 1,000 residents	

* Figures represent full-time equivalent (FTE) based on 2,080 hours/year.

6.0 MUNICIPAL SERVICES

Ramona MWD is authorized by LAFCO to provide five distinct municipal service functions in support of current development within its jurisdictional boundary: (a) potable water; (b) wastewater; (c) fire protection and emergency medical; (d) parks and recreation; and (e) non-potable water (recycled). A summary analysis of these active functions follow with respect to capacities, demands, and performance as applicable during the five-year report period.

¹³ Ramona MWD contracts with CAL FIRE and Dudek for fire protection and engineering services, respectively. Ramona MWD also contracts with Ramona Parks and Recreation Association to oversee community recreation services.

6.1 Potable Water Service

Ramona MWD’s potable water services represent the District’s primary service function and involves retail class only. Potable water services commenced following Ramona MWD’s formation in 1956 and the subsequent construction of an initial distribution system to connect to the County Water Authority’s wholesale infrastructure. The distribution system was initially focused in the central Ramona townsite area. The distribution system expanded in conjunction with Ramona MWD becoming successor agency to the Ramona Irrigation District in 1966 and later the San Diego Country Estates following its annexation in 1970. The water system includes nearly one dozen lift stations and over 50 pumps to accommodate topography changes and spans approximately 45 square miles – an amount capturing 60% of all lands within the jurisdictional boundary. The jurisdictional lands lying beyond the distribution system are generally located in undeveloped preserve lands throughout the service area. The distribution system covers 8 pressure zones that are connected through approximately 209 miles of distribution lines.¹⁴ The water system period tallied 8,970 active connections at the end of the report period with 8,318 – or 93% – classified as residential. It is estimated the resident population within the water service area is 25,120 based on 8,318 resident connections and average household size of 3.02.

Ramona MWD’s potable water service is retail class only and currently covers approximately 60% of the jurisdictional boundary. The estimated water service area population at the end of the report period is estimated at 25,120.

Service Capacities and Related Resources

Ramona MWD’s potable water supplies are entirely imported and drawn from the County Water Authority. This imported supply is secured through a membership agreement memorialized at the time of the District’s concurrent annexation to the Authority and the Metropolitan Water District of Southern California in 1957. An approximate 1,000-foot uphill transmission line connects Ramona MWD to the County Water Authority’s San Diego County Aqueduct byway of the Poway Pump Station. The membership agreement entitles Ramona MWD to purchase for subsequent retailing an unlimited amount of water subject to external (i.e. Bay Delta and Colorado River flows) and internal (i.e. infrastructure) conditions. This latter condition is highlighted by limitations from Ramona MWD’s connection points with the County Water Authority and Poway Pump Station and informs the District estimate that is maximum daily potable supply is 20.7 million gallons or 63.5 acre-feet. If operating continually, this daily

Ramona MWD is dependent on water supplies imported from the County Water Authority (Bay Delta and Colorado River). The maximum available supply available to Ramona MWD in any one year based on current infrastructure is 23,184 acre-feet.

¹⁴ The distribution system currently has two separate potable transmission connections to the County Water Authority. The distribution system also has one non-potable transmission connection.

capacity translates to an annual maximum potable supply capacity of 7.555 billion gallons or 23,183.5 acre-feet.¹⁵

Ramona MWD Available Potable Water Supplies Table 6.1a (Source: Ramona MWD)		
Direct Source	Maximum Daily Infrastructure Capacity	Maximum Annual Infrastructure Capacity
County Water Authority	20.7 million gallons or 63.5-acre feet	7.6 billion gallons or 23,178-acre feet

Treated water enters Ramona MWD’s distribution system from the County Water Authority’s transmission line via the Poway Pump Station and supplies eight connected pressure zones within the District. Treated storage is provided by 23 local reservoir facilities with a combined capacity of 25.354 million gallons or 78.0 acre-feet and concurrently maintain pressure in the distribution system.¹⁶

Ramona MWD has 25.4 million gallons – or 78 acre-feet – of potable storage in its distribution system.

Ramona MWD’s potable water services operate as an enterprise fund and funded exclusively from user charges and fees. The average adopted budget expense during the five-year report period has been \$17.5 million with the most recent yearly amount totaling \$20.2 million. Actual expenses have increased by 16.8% over the corresponding 60-month period while actual revenues have increased 2.3%.

Ramona MWD’s actual potable water expenses have increased by 16.8% over the report period while actual revenues have increased 2.3%.

Ramona MWD’s potable water rates are set by ordinance and were last updated by the Board in 2019. Potable water charges are billed monthly and include two distinct fees: fixed availability based on meter size and variable commodity based on usage.

The average residential customer paid \$124 per month based on ending totals in the report period.

¹⁵ Ramon MWD is also entitled under its membership agreement with the County of Water Authority to receive raw (untreated) water supplies and available through a separate transmission connection. This secondary supply resource, however, is not utilized by the District given its Barger Treatment Facility remains offline since 2007.

¹⁶ Ramona MWD maintains seven non-treated storage reservoirs that can hold up to 41 acre-feet.

Service Demands

Ramona MWD’s total average annual potable water demand production over the five-year report period has been 1.25 billion gallons or 3,826-acre feet and equates to a daily use of 10.5 acre-feet. The most recent year-end amount showed total demand at 1.16 billion gallons and represents an average daily water demand of 3.2 million gallons. The amount is further reduced to the equivalent of 127 gallons per day for every estimated fulltime resident based on a projected resident water service population of 25,120.¹⁷ The average peak-day demand – the highest one-day sum – over the report period was 5.24 million gallons. This latter amount produces an average peaking factor of 1.6 and shows high-demand periods increase usage by more than one-half – or 64%.

Ramona MWD’s overall annual water demands have averaged 3,826 acre-feet and produces an estimated daily per capita use of 139 gallons.

With respect to trends, Ramona MWD experienced an overall change of (6.3%) in potable water demands – or (1.3%) annually – over the five-year report period. The overall change in water demands over the corresponding 60-month period contrasts with the estimated 5.4% increase in population and shows de-intensification of uses. Overall demands and trends generated within Ramona MWD during the report period follows.

Ramona MWD’s overall potable water demands as measured by per capita use has changed by (10.4%) over the five-year report period from 142 to 127. This contrasts with the overall growth rate of 5.4% during the report period and suggests – among other factors – users are de-intensifying their water uses.

Ramona MWD Potable Water Demands Table 6.1c (Source: Ramona MWD and SD LAFCO)							
Category	2015	2016	2017	2018	2019	Average	Trend
Annual Total (AF)	3,813.1	3,722.9	3,903.7	4,116.1	3,572.8	3,825.73	(6.3%)
Average Day Total (AF)	10.45	10.20	10.70	11.28	9.79	10.48	(6.3%)
... Per Resident (G)	141.7	136.8	141.9	147.9	127.0	139.0	(10.4%)
Peak Day Total (AF)	14.63	16.32	16.04	15.78	14.68	15.60	1.0%
... Peaking Factor	1.4	1.6	1.5	1.4	1.5	1.5	7.1%

AF = Acre-Feet
 MG = Million Gallons

¹⁷ Resident water service population is based on the current number of residential connections (8,318) and the 2016 average household size (3.02).

Service Performance

Ramona MWD’s potable water system is operating sufficiently and marked by excess supply and storage capacities in accommodating existing demands based on usage generated during the five-year report period. These capacities are similarly expected to accommodate anticipated demands over the next five-year period with variables – including resiliency during different hydrological periods – having been appropriately evaluated by Ramona MWD in its Urban Water Management Plan, which was most recently updated in 2015.

Ramona MWD has established sufficient potable infrastructure and related capacities and marked – and among other measurements – by the average annual demand over the report period equaling only 17% of accessible supplies under normal conditions.

The following statements summarize and quantify existing and projected relationships between Ramona MWD’s capacities and demands now and going forward towards 2024. This includes referencing California’s Waterworks Standards (Title 22 of the Code of Regulations) and its requirements that all public community water systems have sufficient source, treatment, and storage capacities to meet peak day demand system-wide and within individual zones. It also addresses water quality and rates.

Water Supply

- The average annual potable demand production generated over the report period for the entire distribution system represents 16.5% of Ramona MWD’s accessible maximum treated supply through its connection to the County Water Authority. The average peak-day demand represents 24.6% of the available supply.

Water Storage

- Average peak-day potable demands over the report period for the entire distribution system represents 13.5% of Ramona MWD’s existing total potable storage capacity. The total potable storage capacity can separately accommodate up to 7 consecutive days of average day demands generate over the report period without recharge.

Water Quality:

- A review of the records maintained by the State Water Quality Control Board shows there have been no violations issued for drinking water standards to Ramona MWD during the report period. The last violation was issued in 2002 and involved excessive coliform levels and was subsequently cleared.

- Ramona MWD’s most recent water quality report was issued in 2019 and shows the results of self-monitoring conducted from January 1 to December 31, 2018. The report is divided into testing for both primary and secondary contaminants as prescribed by the State. No excessive primary or secondary contaminants were identified.

Water Rates

- Ramona MWD ratepayers receive two related charges for potable water service: (a) fixed availability and (b) variable usage.¹⁸ The charges were last updated at the end of the report period in 2019. Based upon the monthly usage calculation detailed in the accompanying footnote, the average monthly charge for residential ratepayers in Ramona MWD is \$124 and translates to \$1,488 annually.¹⁹

6.2 Wastewater Services

Ramona MWD’s wastewater service operations commenced in 1980 following activation by LAFCO and in conjunction with the District becoming the successor agency to Ramona Sanitation District and its “San Vicente” system. This system spans approximate 3,850 acres at the eastern end of the jurisdictional boundary and serves the San Diego County Estates development. It

Ramona MWD’s wastewater service comprises three classes (collection, treatment, and disposal) and within two distinct service areas in the District: “San Vicente” and “Santa Maria.” The total wastewater service population at the end of the report period is estimated at 25,108.

is estimated the resident population within the San Vicente service area is 9,464 at the end of the five-year report period. Separately, Ramona MWD operates a second wastewater service area – “Santa Maria” – in conjunction with serving as successor agency to the Mt. Woodson Ranch Sanitation District in 1993. The Santa Marina system presently serves an approximate 6,990-acre area and generally encompasses the downtown Ramona area. It is estimated the resident population within this service area is 15,644. A description of the demands, capacities, and performances within each of the two distinct service areas follows.

¹⁸ Ramona MWD also passes through all wholesale water cost increases from the County Water Authority including an infrastructure access charge.

¹⁹ The referenced calculation draws on the total residential, or domestic deliveries in 2019 (2,858 AF) and divided that by the number of domestic accounts (8,318) for the year and determined a gross average domestic use for the year, which was .34 AF/per year, or 111,949 gallons. This produces an average daily residential household use of 307 gallons. This represents 12.5 units of water per account per month. This usage, times the 2019 summer treated water rate, and adding the monthly system charge and per unit pumping charge totals \$124 per month or \$1,488 per year.

San Vicente Service Area

Service Capacities and Related Resources

Ramona MWD’s wastewater system in the San Vicente service area comprises collection, treatment, and disposal service and is largely dedicated to the San Diego Country Estates development. The collection system includes approximately 43 miles of gravity lines and conveys sewage to the Ramona MWD’s San Vicente Reclamation Facility. The collection system currently includes 5,169 active connections and is 99% built out based on current zoning standards.²⁰ The San Vicente Reclamation Facility provides tertiary-level treatment processes including reverse osmosis and has a current maximum permit capacity of 0.800 million gallons a day.²¹ Treated wastewater is subsequently delivered to the San Vicente Golf Course ponds, where the water is then used for irrigation of the golf course and landscaped common areas.

The maximum daily capacity at the San Vicente Reclamation Facility is 0.800 million gallons.

Wastewater services in the San Vicente service area operate exclusively as an enterprise function with daily operations dependent on revenues generated from user charges and fees. The average adopted budget expense during the five-year report period specific to the San Vicente service area has been \$2.5 million with the most recent amount at the end of the report period totaling \$2.6 million. Actual expenses have increased by 7.1% over the corresponding 60-month period while actual revenues have increased by 29.1%.

Actual expenses in the San Vicente service area have increased by 7.1% over the report period. This amount is 4 times favorably under the corresponding 29.1% increase in actual revenues.

Ramona MWD’s wastewater rates for the San Vicente service area were last updated by the Board in October 2019. In 2019, customers were billed the equivalent of a flat \$64.02 per month for wastewater service. Charges are collected by annual invoicing included on the customers’ annual property tax bill which is then paid in two installments. Rates will increase by 1.5% each year through 2023 and will result in a total monthly increase of \$3.93 – or \$47.14 annually – by 2023.

Customers in the San Vicente service area are charged the equivalent of \$64.02 per month for wastewater service in 2019.

²⁰ RMWD Sewer System Management Plan, Revised January 18, 2019.

²¹ Primary treatment involves separation of solids from the wastewater. Secondary treatment further treats the wastewater by removing dissolved compounds that are measured as Biochemical Oxygen Demand.

Service Demands

Average annual wastewater demands generated within the San Vicente service area during the five-year report period has been approximately 179.0 million gallons. This amount serves as a macro-overview of system demands and represents a daily average flow of 0.490 million gallons. It also translates to an estimated 95 gallons generated daily per service connection. Average daily demands overall have decreased by (3.9%) during the five-year report period.

The average daily wastewater flows generated during the report period in the San Vicente service area has been 0.490 million gallons and an overall change of (3.9%).

Supplementary micro measurements of recent wastewater demand within the San Vicente service area are summarized and reflected in the proceeding table.

- Average daily dry-weather wastewater flows over the five-year report period within the San Vicente service area have been 0.480 million gallons. This flow typically is recorded between May and October and most recently tallied 0.48 million gallons as of the report term and produces a net 0% change during the 60-month period.
- Average daily wet-weather wastewater flows over the five-year report period within the San Vicente service area have been 0.520 million gallons. This flow typically is recorded between November and April and most recently tallied 0.550 million gallons as of the report term with an overall increase of 1.9% during the 60-month period.
- Average daily peak-day wastewater flows over the five-year report period within the San Vicente service area have been 0.760 million gallons and have increased by 2.6%. The former amount produces a peak-factor relative to average day demands of 1.55.

Ramona MWD San Vicente Service Area Recent Wastewater Demands Table 6.2a (Source: Ramona MWD)				
Year	Average Average Daily Flows	Average Dry-Weather Flows	Average Wet-Weather Flows	Recorded Peak-Day Flows
2015	0.51	0.48	0.54	0.77
2016	0.48	0.47	0.48	0.71
2017	0.49	0.49	0.53	0.90
2018	0.48	0.48	0.49	0.65
2019	0.49	0.48	0.55	0.79
Average	0.49	0.48	0.52	0.76
Trend	(3.9%)	0.0%	1.9%	2.6%

Service Performance

Ramona MWD is currently operating with sufficient and excess capacity within its San Vicente service area in accommodating existing estimated user demands generated during the five-year report period *under normal conditions* (emphasis). This statement is substantiated with average day demand during the report period equaling 61% of the current treatment and discharge capacity at the San Vicente Reclamation Facility. The capacity consumption, however, increases to 95% based on average peak-day flows during the period. Should the current five-year trend hold, peak-day demands will exceed available capacity with the next two years.²²

Ramona MWD's San Vicente service is presently operating at 61% in terms of average daily flow relative to capacity consumption. This amount increase to 95% relative to average peak day demand. This latter figure leaves the District susceptible to future infrastructure failures associated with growth and/or added more infiltration and inflow.

With respect to other performance measurements, the following items are noted.

- Ramona MWD currently cleans the system on alternate years and approximately cleans 221,500 feet of pipe each year within the San Vicente service area. This amount represents about 42% of the current collection system and means the entire collection system is on pace to be cleaned every four-years.
- Ramona MWD self-reported to the State Water Quality Control Board a total of three sanitary sewer overflows within the San Vincente service area during the five-year report period. All three spills qualified as Category 3 and means each incident is considered minor and involved less than 1,000 gallons of untreated sewer and none of the spilled wastewater reached surface waters. The last spill occurred on October 27, 2016.

Santa Maria Service Area

Service Capacities and Related Resources

Ramona MWD's wastewater system in the Santa Maria service area consists of collection, treatment, and disposal and largely dedicated to the downtown and surrounding developments in central Ramona. The collection system includes approximately 29 miles of gravity lines and conveys sewage to Ramona MWD's Santa Maria Reclamation Facility. The collection system currently includes 1,863 active connections and is estimated at

The maximum daily capacity at the Santa Maria Reclamation Facility is 1.0 million gallons.

²² The current five-year trend includes the above average rainfall years of 2017 and 2019. The five-year peak-day demands for normal water years is likely lower.

50% built out based on current zoning. The Santa Maria Reclamation Facility provides secondary-level treatment and has a current maximum permit capacity of 1.0 million gallons a day.²³ All treated wastewater is discharged into one of two storage ponds before conveyed to spray fields or treated through the recycled water plant and then used for irrigation. Ramona MWD has one retail customer that is permitted to take recycled water from the Santa Maria Reclamation Facility. This large user has taken roughly 200 acre-feet per year of recycled water over the study period and has an agreement to continue taking recycled water into the future.

Wastewater services in the Santa Maria service area operate exclusively as an enterprise function with daily operations dependent on revenues generated from user charges and fees. The average adopted budget expense during the five-year report period specific to the San Vicente service area has been \$2.3 million with the most recent amount at the end of the report period totaling \$2.4 million. Actual expenses have increased by 8.6% over the corresponding 60-month period while actual revenues have increased by 76%.

Actual expenses in the Santa Maria service area have increased by 8.6% over the report period. This amount is eight times over the corresponding 76% increase in actual revenues.

Ramona MWD's wastewater rates for the Santa Maria service area were last updated by the Board in October 2019. In 2019, customers were billed the equivalent of a flat \$67.12 per month for wastewater service. Charges are collected by annual invoicing included on the customers' annual property tax bill

Most customers in the Santa Marina service area are charged the equivalent of \$67.12 per month for wastewater service.

which is then paid in two installments. Rates will increase by 2.0% each year through 2023 and will result in a total monthly increase of \$5.54 – or \$66.40 annually – by 2023.

Service Demands

Average annual wastewater demand in the Santa Maria service area generated during the five-year report period has been approximately 219.0 million gallons. This amount serves as a macro-overview of system demands and represents a daily average flow of 0.600 million gallons. It also translates over the report period to an estimated 322 gallons daily for every service connection. Average daily demands overall during the report period have changed by 10.3%.

The average daily wastewater flows generated during the report period in the Santa Maria service area has been 0.600 million gallons and an overall change of 10.3%.

²³ Ramona MWD, About Us – Wastewater Operations. Accessed from <https://www.rmwd.org/about-us/wastewater-operations>.

Supplementary micro measurements of recent wastewater demands within the Santa Maria service area are summarized and reflected in the proceeding table.

- Average daily dry-weather wastewater flows over the five-year report period within the Santa Maria service area have been 0.570 million gallons. This flow typically is recorded between May and October and most recently tallied 0.60 million gallons as of the report term with an overall change of 2.3% during the 60-month period.
- Average daily wet-weather wastewater flows over the five-year report period within the Santa Maria service area have been 0.670 million gallons. This flow typically is recorded between November and April and most recently tallied 0.83 million gallons as of the report term with an overall change of 43.1% during the 60-month period.
- Average daily peak-day wastewater flows over the five-year report period within the Santa Maria service area have been 1.550 million gallons. This latter amount produces a peak-factor relative to average day demands of 2.58.

Ramona MWD Santa Maria Service Area Recent Wastewater Demands Table 6.2b (Source: Ramona MWD)					
Year	Average Average Daily Flows	Average Dry-Weather Flows	Average Wet-Weather Flows	Recorded Peak-Day Flows	
2015	0.58	0.57	0.58	0.85	
2016	0.57	0.54	0.58	1.10	
2017	0.63	0.57	0.79	2.78	
2018	0.59	0.58	0.58	0.95	
2019	0.64	0.60	0.83	2.08	
Average	0.60	0.57	0.67	1.55	
Trend	10.3%	2.3%	43.1%	144.7%	

Service Performance

Ramona MWD is currently operating with sufficient capacity within its Santa Maria service area in accommodating existing estimated user demands generated during the five-year report period *under normal conditions* (emphasis added). This statement is substantiated with average day demand during the report period equaling 60% of the current treatment and discharge capacity at the Santa Maria Reclamation Facility. The capacity consumption significantly increases during

Ramona MWD’s wastewater system is presently operating at 60% capacity within the Santa Maria service area under normal conditions. The system – however – is regularly exceeding capacities under high wet periods with an average peak-day factor of 1.6 during the report period and suggest excessive inflow and infiltration is occurring and threatening future and significant spills.

high-rain periods with an average peak-day flow of 55% above capacity during the report period. This latter measurement has also risen by more than double over the corresponding 60-months.

With respect to other performance measurements, the following items are noted.

- Ramona MWD currently cleans the system on alternate years and approximately cleans 212,600 feet of pipe each year within the Santa Maria service area. This amount represents about 40% of the current collection system and means the entire collection system is on pace to be cleaned every four-years.
- Ramona MWD self-reported to the State Water Quality Control Board one sanitary sewer overflow within the Santa Maria service area during the five-year report period. The lone spill qualified as Category 3 (minor) and involved approximately 100 gallons associated with a lateral failure and occurred on August 2, 2016.

6.3 Fire Protection and Emergency Medical Services

Ramona MWD’s fire protection and emergency medical services (first responder) commenced in 1981 following formal activation by LAFCO and in conjunction with the District becoming successor agency to the all-volunteer Ramona Fire Protection District. Operations transitioned to the current all-career operations beginning in 1993 in step with Ramona MWD establishing a contract with CAL FIRE and now fully intergraded. Although this report primarily focuses on the provision of fire protection and emergency

Ramona MWD’s integrated fire protection and emergency medical service function were inherited in 1981 as successor agency to the Ramona Fire Protection District. This function is further categorized as structural and basic life service classes (BLS), respectively.

medical services, most fire agencies are legally responsible, or have chosen to provide, the following services: fire prevention and code enforcement; disaster preparedness and mitigation; public education and community risk reduction; hazardous material response; and rescue response. A description of the demands, capacities, and performances follows.

Service Capacities and Related Resources

Ramona MWD’s fire protection and emergency medical services’ capacities are primarily dependent on human resources derived from its operations contract with CAL FIRE. The contract began in 1993 and most recently renewed in July 2019 through the end of 2020-2021.

Staffing Levels

The contract with CAL FIRE currently provides Ramona MWD with a minimum of 33 total career public safety personnel including a Battalion Chief, 30 station staff, and two emergency dispatchers at CAL FIRE’s Monte Vista Dispatch Center in El Cajon.²⁴ All public safety personnel are assigned to one of three MWD stations and work two-day shifts (72 hours on and 96 hours off). Daily staffing in MWD is 11 personnel across the three stations plus a Battalion Chief to serve as Incident Commander. All personnel are trained, at a minimum, to provide Basic Life Support (BLS) and each fire engine and ambulance is staffed with at least one member trained to Advance Life Support (ALS) paramedic level. The District also utilizes reserves as needed from the San Diego County FPD – which is separately operated by CAL FIRE through its own County contract. Staffing levels have remained relatively consistent over the five-year report period with a net change of two additional personnel with a 60-month average of 1.12 personnel budgeted for every 1,000 residents.

Ramona MWD Fire Protection and Emergency Medical Staffing – Budgeted Table 6.3a (Source: Ramona MWD)							
Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Average	Trend
Public Safety	30	30	29	30	31	30	3.3%
Non-Public Safety	2	2	2	2	2	2	0%
Total	32	32	31	32	33	32	3.1%
Per 1,000 Residents	1.09	1.11	1.15	1.13	1.11	1.12	1.4%

Facilities and Vehicles

Actual fire protection and emergency medical services are delivered out of three Ramona MWD fire stations based on dispatch from CAL FIRE. All fire department related facilities and vehicles are owned by MWD. Current station location, staffing, and vehicles assigned details follow.

- Station No. 80 is located in downtown Ramona at 829 San Vicente Road. This station typically responds to most dispatched calls assigned to MWD with an average onsite response demand of 5.51 calls per day – or 51.8% of the daily total District demand – during the five-year report period. There are currently 15 public safety personnel assigned to Station No. 80 (5 personnel per shift) including one paramedic fire engine with 3 personnel and a paramedic ambulance with 2 personnel.

²⁴ Ramona MWD maintains a separate contract with the San Diego County Fire Protection District (FPD) to provide building construction plan checks and fire prevention annual business inspections.

- Station No. 81 is located in the San Diego County Estates development at 24462 San Vicente Road. This station typically responds to the lowest amount of dispatched calls assigned to MWD with an average onsite response demand of 2.31 calls per day – or 21.7% of the daily total District demand – during the five-year report period. There are currently 12 public safety personnel (4 personnel per shift) for one paramedic fire engine with 2 personnel and a paramedic ambulance with 2 personnel, assigned to Station No. 81.
- Station No. 82 is located immediately outside downtown Ramona along Highway 67 at 3410 Dye Road. This station typically responds to the second most number of dispatched calls assigned to MWD with an average onsite response demand of 2.82 per day – or 26.5% of the daily total District demand – during five-year report period. There are currently 4 public safety personnel (2 personnel per shift) for one paramedic fire engine assigned to Station No. 82. One reserve fire engine and ambulance is located at this station as well.

Budget Considerations

Ramona MWD’s fire protection and emergency medical services operate as a hybrid general-enterprise operation. The initial intention was for all fire related services to operate as an enterprise and funded through a special assessment that involves an annual fee for each equivalent dwelling unit within the District. This special assessment, however, has not been increased since 1995. This has resulted in the District becoming increasingly dependent on property taxes to cover fire related costs and paired with ambulance charges accounting for more than 50% of all revenues.

Ramona MWD’s fire protection and emergency medical services are dependent on three distinct revenue sources: property taxes, special assessments; and ambulance charges. The portion of property tax used for fire protection and emergency medical equals 32.22% of all property tax monies expended by the District during the report period.

**Ramona MWD
Funding Sources Exclusive of Property Tax and Transfers – Budgeted**

Table 6.3b (Source: Ramona MWD)

Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Average	Trend
Fire EDU	\$2,667,369	\$2,692,820	\$2,692,820	\$2,715,442	\$2,700,172	\$2,693,725	1.2%
Ambulance Fees	\$645,000	\$837,695	\$923,000	\$1,000,000	\$1,150,000	\$911,139	78.3%
Fire Pre / Fire Resp Fees	\$20,000	\$42,000	\$25,000	\$35,000	\$33,000	\$31,000	65.0%
Subscription	\$9,000	\$10,000	\$10,000	\$7,000	\$7,000	\$8,600	(22.2)%
Earnings	\$2,000	\$2,000	\$2,600	\$13,000	\$35,000	\$10,920	1650.0%
Total	\$3,343,369	\$3,584,515	\$3,653,420	\$3,770,442	\$3,925,172	\$3,655,384	17.4%

The percentage of property tax allocated to fire protection ranged from a low of 22.39% in FY 15 to a high of 45.3% the next fiscal year. The average over the reporting period is 32.22%.

Ramona MWD Property Tax Allocation – Fire and EMS Table 6.3c (Source: Ramona MWD)							
Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Average	Trend
Fire Protection	1,250,000	2,465,000	2,250,810	1,750,000	1,750,000	1,893,162	40.0%
Total Property Tax	5,583,882	5,441,992	5,851,974	6,209,794	6,533,532	5,924,235	17.0%
Percent of Property Tax allocated to Fire	22.4%	45.3%	38.5%	28.2%	26.8%	32.0%	19.7%

Fire Protections and EMS expenses are summarized in the table below:

Ramona MWD Fire Protection and EMS Budget Table 6.3d (Source: Ramona MWD)							
Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Average	Trend
CDF – Schedule A	\$5,152,797	\$5,654,769	\$5,559,212	\$5,578,381	\$6,187,583	\$5,626,546	20.1%
CDF – Schedule C & IF	\$444,392	\$469,662	\$403,540	\$522,790	\$543,614	\$476,800	22.3%
Total	\$5,597,189	\$6,124,421	\$5,962,752	\$6,101,171	\$6,731,197	\$6,103,346	20.3%
Cost per Resident (19')	\$153	\$167	\$163	\$167	\$184	\$167	20.3%

CDF – Schedule A represents to the budgeted cost of the contract for fire and emergency medical service with CAL FIRE. CDF – Schedule C and IF (Internal Fund Transfers) represents the internal, RMWD, costs attributed to fire and ems beyond the contact. The average adopted budget expense during the five-year report period for fire protection and emergency medical has been \$6.103 million with the most recent amount at the end of the report period totaling \$6.731 million. Actual expenses have increased by 20.26% over the corresponding 60-month period while actual revenues (non-property tax) have increased by 17.4% from \$3.343 million to 3.925 million.

Service Demands

Overall service demands for fire protection and emergency medical services from Ramona MWD during the five-year report period have averaged 2,847 dispatched calls annually or 7.8 daily. Approximately one-tenth – or 9.57% – of all dispatched calls during this period were canceled and resulted in onsite arrivals averaging 2,570 annually or 7.04 daily. Overall, onsite incidences for Ramona MWD have increased by 10.33% with a peak daily demand of 7.5 per day in 2017-2018. Automatic and mutual aid responses out of the District average one response every three days and does not appear to have a significant impact on the service delivery system.

Onsite incidences for Ramona MWD have increased in four of the five years during the report period with an overall change of 10.33%. The average number of onsite incidents assigned to MWD has been 7.04 each day.

A breakdown of actual onsite arrivals show Ramona MWD responded to 94.9% of all incidents during the report period within its jurisdictional boundary. The breakdown also shows Ramona MWD responded exclusively to 89.38% of actual onsite incidents within its jurisdiction. Conversely, 4.71% of onsite incidences in the jurisdictional boundary were responded exclusively by one or more outside agencies, although the percentage has increased over the report by more than one-fourth. The following table summarizes annual calls and onsite arrivals – including agency responders – as well as trends during the corresponding 60-month period.

Ramona MWD Fire Protection and EMS Demands Table 6.3e (Source: CAL FIRE & Ramona MWD)								
Category	FY2015	FY2016	FY2017	FY2018	FY2019	Average	Trend	...
Total Dispatched Incidents	2,668	2,766	2,755	3,041	3,006	2,847	12.7%	Increase
Total Cancelled Calls	239	258	241	298	326	272	36.4%	Increase
Total Onsite Responses	2,429	2,508	2,514	2,743	2,680	2,575	10.3%	Increase
-Responded by Ramona Only	2,233	2,273	2,175	2,422	2,404	2,301	7.7%	Increase
-Responded by Poway and Others	125	139	140	188	169	152	35.2%	Increase
-Responded by Other Agencies Only	71	96	199	133	107	121	50.7%	Increase

Automatic and Mutual Aid

Ramona MWD’s fire protection and emergency medical service capacities are augmented by maintaining reciprocal aid agreements with surrounding jurisdictions as well as participating in the California State Fire & Rescue Mutual Aid System and San Diego County’s master agreement for automatic aid known as Boundary Drop.

At the request of LAFCO, the District has identified the automatic aid agreements most frequently exercised over the five-year report period and assign volume categories – less than 10, greater than 10 and less than 25, greater than 25 and less than 50, and greater than 50 – relative to importing (received) and exporting (provided) resources annually

- CAL FIRE: more than 50 received per year
- San Diego County FPD (County Fire Authority): more than 50 a year both received and given
- Cleveland National Forest: less than 10 a year received
- Barona Fire: less than 10 a year received and given
- City of San Diego: less than 10 a year received and given
- City of San Diego: less than 10 a year received and given

In the aggregate, Ramona MWD receives more automatic aid and mutual aid assistance from outside agencies than it provides based on trends during the five-year report period. The primary driver of the automatic into the District are the responses by CAL FIRE augmenting the vegetation fire response to State Responsibility Areas within the District.

Service Performance

Insurance Services Office (ISO) Public Protection Classification Rating (PPC)

In 2000 Ramona MWD completed the evaluation of structural fire protection capabilities and received a Class 4/9 designation by the Insurance Services Office (ISO). The ISO classifications are designed to evaluate a fire department’s ability to protect local communities. Fire departments use the data to help measure the effectiveness of their fire-protection services, and insurance companies use it when establishing premiums for fire insurance. A Class 1 rating generally represents superior property fire protection and can lower the price of insurance within a community. The Public Protection Classification Rating of 4 is for those areas of Ramona within 5 road miles of the existing three fire stations. Of the 890 fire agencies in California rated by ISO, this is an average score. The rating of 9 is for those areas outside the five-road mile zone and is below average but not unusual in rural communities.

Response Time Standards

Although there are no formal response time standards in the in the contract between Ramona MWD and Cal Fire, they do monitor and report their performance against the County Fire's adopted response time standards. These standards are based on the County's General Plan, Safety Element, and utilizes the approved land use designation to determine potential population density. There are three categories present within MWD: Urban with a 5-minute travel time requirement; Rural with a 10-minute travel time requirement; and Outlying with a 20 minute travel time requirement. The San Diego Country Estates and the Downtown Ramona core are all urban designations with the majority of the remainder considered rural. The following is a breakdown in response time compliance with the standard.

Ramona MWD District Response Time Table 6.3f (Source: Ramona MWD)							
Category	FY2015	FY2016	FY2017	FY2018	FY2019	Average	Trend
Response Time Compliance	78.6%	82.1%	83.0%	84.6%	83.4%	82.3%	6.1%
Response Time Percentile	0:08:17	0:08:13	0:08:09	0:07:52	0:08:16	0:08:09	0.2%

Considering that call volume has increased by approximately 10% over the five-year report period and the average response time improved – albeit slightly – it appears the capacities of Ramona MWD through CAL FIRE as measured by staffing and equipment are sufficiently sized to readily accommodate existing demands relative to local conditions. The sufficiency is quantified with the Ramona MWD stations responding exclusively to nearly ninety percent of all onsite incidents within the five-year report period and the relatively low dependency on outside agencies during the report period with an average of only 5 out of 100 onsite incidents necessitating aid-only responses. Additionally, the Ramona MWD Fire Chief (via CAL FIRE) states the District’s automatic responses with surrounding agencies are balanced with no agency receiving more than it provides and no areas in the District are dependent on outside agency response for consistent coverage.

Related Observations:

15. Ramona MWD should consider engaging ISO to re-rate MWD’s fire protection services and utilize their findings to guide future planning decisions.
16. Ramona MWD should consider engaging an outside agency to produce a Standards of Cover / Deployment Survey to identify areas in MWD that may require additional resources to shorten response time and increase the effective firefighting force.
17. Ramona MWD should consider adopting response time standards with desired time dependent benchmarks and making these parts of the contract language with CAL FIRE as there appears to be room for improvement in this area.
18. Ramona MWD should develop a vegetation management plan to mitigate the wildfire risk to the community. Further, a comprehensive review of community disaster risk should be completed and submitted to the County Office of Emergency Services for review and inclusion in the County’s Multi-Jurisdictional Hazard Mitigation Plan.
19. Ramona MWD should assure that any contract with the San Diego County FPD for the provision of code enforcement functions includes language consistent with SB 1205 regarding the number of annual inspections performed as a percentage of the total annual inspections required.

20. Notwithstanding the preceding observations, Ramona MWD should consider a voluntary consolidation to turn over its fire protection and emergency medical responsibilities to the San Diego County FPD. All indications are that this type of reorganization would increase services to MWD residents (adding personnel to Stations 81 and 82 to provide three personnel per paramedic fire engine) and possibly shield the ratepayers from additional cost increases.

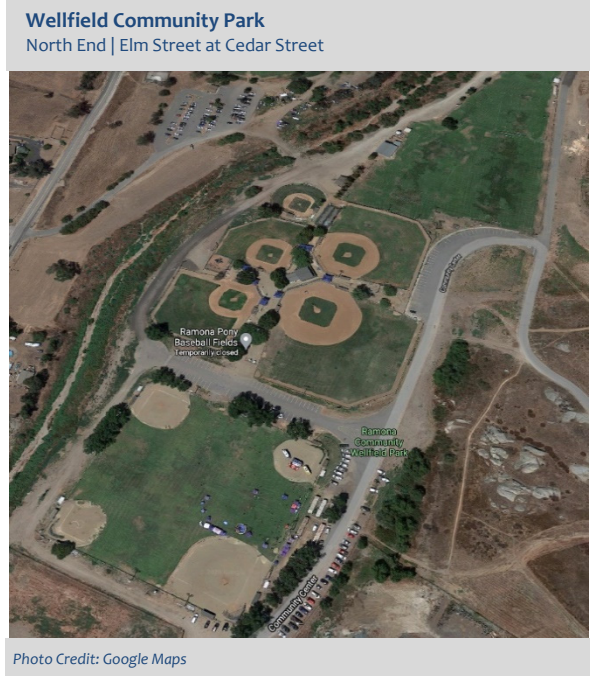
6.4 Park and Recreation

Ramona MWD’s park and recreation services commenced in 1975 following formal activation by LAFCO and covers the entire jurisdictional boundary. Activation was requested by Ramona MWD to increase parklands and provide related recreational services given limited County amenities in the community.²⁵ All park and recreation services are operated contractually by the 501(c)(3) non-profit Ramona Parks and Recreation Association since 1994 and presently divided between two broad categories: community parks and rental facilities.²⁶

Ramona MWD’s park and recreation service function involves community parks and rental facilities and operate by contract with the Ramona Parks and Recreation Association (501(c)(3)).

Service Capacities and Related Resources

Ramona MWD operates a 166-acre community park – known as Wellfield Park – and Lake Ramona. Wellfield Park is located along Elm and Aqua Streets and immediately adjacent to the Ramona MWD’s administrative office. It is a multi-use site open to all of the public and includes a fairgrounds facility, rodeo arena, outdoor event pavilion, and multiple athletic fields for both youth and adult sports programs. An approximate 8,000-square foot community center is also part of the Wellfield Park site and provides senior programs and acts as an evacuation center during emergencies. Wellfield Park is the home for many community events throughout the year and marked by cross-country



25 At the time of the activation, notably, the community had one 8.4-acre public park (Collier County Park) and reflected a ratio of 1.1 acres for every 1,000 residents and below the County standard of 5.0 acres for every 1,000 residents.

26 The Ramona Parks and Recreation Association hold monthly meetings on the third Tuesday at the Ramona Community Center unless otherwise noted.

events and the annual Ramona Rodeo, which draws visitors from all over the west and accommodated by a 4,000-seat arena. Lake Ramona is located between the City of Poway and Ramona. It was built by Ramona MWD in the 1980’s to serve as a clear water reservoir for future water uses. Lake Ramona today primarily as as a recreational site for residents interested in fishing and hiking through the Blue Sky Ecological Reserve.

Ramona MWD offers a variety of rental services headlined by making available amenities at Wellfield Park, including softball fields, rodeo arena, and community center rooms. Rental charges range in scope from \$15-\$20 per hour for community center rooms to \$200 per month for various park fields. Several local community groups regularly reserve weekly spaces and include all of the following organizations:

- Ramona Adult Softball League
- Ramona Junior Fair
- Ramona Sports Association/ Pony Baseball
- Ramona Soccer League
- Ramona Outdoor Community Center
- Ramona Girls Softball
- Ramona Pop Warner
- Ramona Valley Presbyterian Church
- Ramona Senior Center

Most of the funding resources for Ramona MWD’s park and recreation service function is drawn from a special assessment – “District A” – approved by voters in the 1970’s. District A involves a special assessment per parcel and generated an annual average of \$130,000 during the five-year report period and equaled 53% of total budgeted revenue. The remaining 47% of budgeted funding during the review period involved general property taxes. User fees and charges collected for park services are conducted by the Ramona Parks and Recreation Association (RPRA) through an existing 1994 agreement with RMWD. The agreement provides supplemental operating income for RPRA to manage the park outside of the District property tax revenues.

More than one-half of Ramona MWD’s park and recreation service function is funded through a special parcel assessment – “District A.”

Service Demands

Analysis pending.

Service Performance

Ramona MWD’s current available parkland produces a ratio of 4.7 acres for every 1,000 residents. This ratio is substantially above the baseline standard established by the State of California for local communities under the Quimby Act, which specifies 3.0 park acres for every 1,000 residents. Nonetheless, an additional 189 parkland acres would need to be added to meet the policy goal of the County of San Diego in providing 10 park acres for every 1,000 residents. Existing facilities appear to be in generally good condition with the exception of the community center which currently has minor roof leaks. Other upcoming repair and/or replacement needs include rodeo arena bleachers replacement and park well water pumping equipment repairs.²⁷ There is currently no capital improvement program (CIP) guiding park and recreation services.

Ramona MWD’s current community park resources translates to 4.7 acres for every 1,000 residents and is more than one-half – or 56% - above the baseline parks to resident ratio established by the State.

7.0 FINANCES

7.1 Budget Information

Ramona MWD’s average actual operating expense during the five-year report period was \$30.353 million.²⁸ This amount represents the combined actual costs within four distinct funds – Water, Fire & Emergency Medical, Wastewater, and Parks – that collectively cover day-to-day expenses for Ramona MWD. The operating actual expense at the end of the report period (2018-2019) totaled \$32.400 million with the Water Fund representing the largest single apportionment made by the Board at \$21.082 million. Overall, actual operating expenses increased by one-eighth or \$3.665 million over the corresponding 60-month period.

Ramona MWD’s actual operating expenses at the end of the five-year report period was \$30.353 million and represents a 12.8% overall increase over the 60-month period. The per capita expense for similarly increased from \$816.80 to \$882.59.

²⁷ The Ramona Parks and Recreation Association would also like to look into other options, such as solar, for providing power to the community center as utility costs have increased greatly.

²⁸ Ramon MWD’s average total budget during the report period was \$30.7 million and includes non-operating funds for debt, capital improvement, and capital improvement.

Ramona MWD Operating Funds: Actual Expenses Table 7.1a (Source: Ramona MWD)						Average	Trend
Category	2014-2015 Actual	2015-2016 Actual	2016-2017 Actual	2017-2018 Actual	2018-2019 Actual		
Water	\$17,884,780	\$17,122,968	\$18,169,155	\$23,480,743	\$21,082,031	\$19,547,935	17.9%
Fire & EMS	\$5,493,971	\$5,552,726	\$5,259,897	\$5,673,421	\$5,915,806	\$5,579,164	7.7%
Wastewater	\$5,181,769	\$5,539,723	\$4,543,911	\$4,831,118	\$5,272,204	\$5,073,745	1.7%
Parks	\$174,697	\$179,022	\$131,858	\$143,822	\$130,000	\$151,880	-25.6%
TOTAL	\$28,735,217	\$28,394,439	\$28,104,821	\$34,129,104	\$32,400,041	\$30,352,724	12.8%

Ramona MWD’s average actual operating revenue during the five-year report period was \$27.584 million. The primary revenue source is drawn from enterprise functions (water and wastewater) ranging from user charges to ancillary fees. The actual operating revenue at the end of the report period (2018-2019) totaled \$27.789 million with the Water Fund representing the largest single source at \$16.739 million. Overall, actual operating revenues increased by nearly one-tenth or \$1.692 million over the corresponding 60-month period.

Ramona MWD’s operating budget at the end of the five-year report period specific to revenues totaled \$27.584 million and represents a 6.5% overall increase over the 60-month period.

Ramona MWD Operating Funds: Actual Revenues Table 7.1b (Source: Ramona MWD)						Average	Trend
Category	2014-2015 Actual	2015-2016 Actual	2016-2017 Actual	2017-2018 Actual	2018-2019 Actual		
Water	\$16,745,133	\$16,153,273	\$17,711,296	\$18,784,483	\$16,739,262	\$17,226,689	0.0%
Fire & EMS	\$3,716,428	\$3,858,528	\$3,996,650	\$4,039,303	\$3,991,402	\$3,920,462	7.4%
Wastewater	\$5,635,705	\$6,050,625	\$6,581,808	\$6,858,271	\$7,058,729	\$6,437,028	25.3%
Total	\$26,097,266	\$26,062,426	\$28,289,754	\$29,682,057	\$27,789,393	\$27,584,179	6.5%

7.2 Financial Statements

Ramona MWD regularly contracts with an outside accounting firm to prepare an annual report to review the District’s financial statements in accordance with established governmental accounting standards. This includes auditing Ramona MWD’s statements with respect to verifying overall assets, liabilities, and net position. These audited statements provide quantitative measurements in assessing Ramona MWD’s short and long-term fiscal health with specific focus on delivering its activated service functions. The current outside consultant is Squar Milner LLP (San Diego).

Ramona MWD’s most recent financial statements for the five-year report period were issued for 2018-2019. These statements show Ramona MWD experienced a modest improvement over the prior fiscal year as the overall net position (full accrual basis) increased by 2.8% from \$102.2 million to \$105.1 million and primarily attributed to a net total surplus. The accompanying auditor’s report did not identify any material weaknesses or related accounting concerns. A detailing of year-end totals and trends during the report period follows with respect to assets, liabilities, and net position.

Most Recent Year-Ending Financial Statements (2018-2019)	
Assets	125,167,623
Liabilities	22,079,663
Deferred Outflow/Inflow	2,023,888
Net Position	\$105,111,848
Adjusted Net Position (Less pension liabilities)	\$116,632,487

Agency Assets

Ramona MWD’s audited assets at the end of 2018-2019 totaled \$125.2 million. This amount is 7.7% higher than the average year-end amount of \$116.3 million in total assets documented during the five-year period. Assets classified as current with the expectation they could be liquidated within a year represented \$52.7 – or 42% – and largely tied to cash and investments. Assets classified as non-current and not readily liquid make up the remainder and total \$72.4 million and involve capital assets with \$50.3 million tied to property, infrastructure, and equipment. Overall, Ramona MWD’s total audited assets increased by \$19.0 million or 17.9% over the corresponding 60-month period.

Ramona MWD’s audited assets over the five-year report period increased by 18% and primarily tied to investments in new equipment.

Ramona MWD Audited Assets							
Table 7.2a Source: Ramona MWD							
Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Average	Trend
Current	39,454,007	41,064,342	47,790,728	50,648,167	52,739,621	46,478,697	34.7%
Non-Current	66,743,121	67,915,864	69,144,967	72,380,080	72,428,002	69,726,031	8.5%
Total	106,197,128	109,980,206	116,935,695	123,028,247	125,167,623	116,261,041	17.9%

Agency Liabilities

Ramona MWD’s 2018-2019 audited liabilities totaled \$22.1 million. This amount is 11% higher than the average year-end amount of \$19.9 million in total liabilities documented during the five-year period. Liabilities classified as current with the expectation they will become due within a year represented \$6.7 million – or 30% – and largely tied to scheduled

Ramona MWD’s audited liabilities over the five-year report period increased by 22% and primarily tied to infrastructure debts.

deposits.²⁹ Liabilities classified as non-current and considered longer termed debts and make up the remainder of the total amount with the largest single obligation tied to San Vicente Road Pipeline Relocation Project (\$4.2 million). Overall, Ramona MWD’s total audited liabilities increased by \$4.0 million or 22% over the corresponding 60-month period.

Ramona MWD Audited Liabilities Table 7.2b Source: Ramona MWD							
Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Average	Trend
Current	3,741,340	3,469,023	4,817,489	7,677,552	6,675,889	5,276,259	78.4%
Non-Current	14,158,102	12,387,956	14,731,101	16,096,465	15,403,774	14,555,480	8.8%
Total	18,095,949	15,856,979	19,548,590	23,774,017	22,079,663	19,871,040	22.0%

Net Position

Ramona MWD’s audited net position or equity at the end of 2018-2019 totaled \$105.1 million and represents the difference between the District’s total assets and total liabilities along with adjusting for deferred resources (i.e. pension outflows and inflows). This most recent year-end amount is 7.7% higher than the average year-end sum of \$97.6 million during the five-year report period and shows upward trajectory. Most of the net position – \$56.5 million – is tied to capital assets. The remainder is largely comprised of unrestricted monies that can be used to finance day to day operations without outside constraints. Overall, Ramona MWD’s audited net position increased by \$18.3 million or 12.4% over the corresponding 60-month period.

Ramona MWD’s audited net position has increased over the five-year report period by 12% from \$86.9 million to \$105.1 million.

Ramona MWD Audited Net Position Table 7.2c Source: Ramona MWD							
Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Average	Trend
Invested in Capital	60,701,469	63,386,547	64,766,485	55,823,858	56,542,526	60,244,177	-0.8%
Restricted	281,565	0	0	0	0	56,313	-80.0%
Unrestricted	25,870,374	30,367,959	35,448,116	46,420,076	48,569,322	37,335,169	44.3%
Total	86,853,408	93,754,506	100,214,601	102,243,934	105,111,848	97,635,659	12.4%

²⁹ Ramona MWD was able to pay off a Farmers Home Administration Note Payable, in early 2018, for water distribution, storage and related facilities acquisition and construction. Currently, the District has an Installment Purchase Agreement with J.P. Morgan Chase. This agreement was entered into in May 2014 to finance the San Vicente Road Pipeline Relocation Project for \$4,808,000. Payments are due through October 2029.

As referenced above, the unrestricted portion of Ramona MWD’s net position as of the last audited fiscal year totaled \$48.6 million and represents the accrued spendable portion of the fund balance and only subject to discretionary designations (commitments and assignments). This amount represents 18 months of Ramona MWD’s normal operating expenses and increases to 19 months when adjusted to exclude booked pension and benefit liabilities based on actual in 2017-2018.

Ramona MWD’s unrestricted fund balance at the end of the report period is sufficient to cover 18 months of normal operating expenses.

7.3 Measurements | Liquidity, Capital, and Margin

LAFCO’s review of the audited financial statement issuances by Ramona MWD covering the five-year report period shows the District experienced mixed trends in the standard measurement categories – liquidity, capital, margin, and structure – utilized in this document. Positive trends are marked by Ramona MWD improving its days’ cash during the report period and generating an overall average of 16.8%. Negative trends are marked by negative margin levels with the operating margin falling by (10.0)% from (10.1)% to (16.6)% over the 60-month period. A summary of these standard measurements follows and further detailed in the associated table.

Standard measurements used to assess the Ramona MWD’s financial standing shows the District trended negatively in most categories during the report period and most notably in margin levels.

City of Poway Financial Measurements Table 7.3 Source: San Diego LAFCO								
Fiscal Year	Current Ratio	Days' Cash	Debt Ratio	Debt to Net Position	Total Margin	Operating Margin	Operating Reserves Ratio	Equipment Replacement
2014-2015	10.0	521.9	19.0%	18.9%	10.1%	(10.1)%	118.3%	22.7
2015-2016	12.1	592.2	15.2%	14.2%	13.2%	(9.0)%	129.1%	22.0
2016-2017	9.9	639.9	16.6%	15.1%	18.1%	0.7%	158.8%	25.1
2017-2018	6.6	559.9	19.6%	16.8%	5.8%	(14.98)%	166.8%	22.4
2018-2019	7.9	609.5	18.3%	16.0%	7.4%	(16.6)%	180.9%	25.2
Average	9.3	584.7	18.0%	16.0%	10.8%	(10.0)%	150.8%	23.5
Change	(21.1)%	16.8%	(3.5)%	(15.0)%	(26.4)%	64.1%	52.9%	10.7%
Trend	Negative	Positive	Negative	Positive	Negative	Negative	Positive	Negative

Current Ratio (Liquidity)

Compares available assets against near-term obligations; means for every dollar in liability the agency has one dollar available to pay.

Days' Cash (Liquidity)

Measures the number of days the agency can fund normal operations without any new cash income.

Debt Ratio (Capital)

Measures the relationship between the agency's total assets and liabilities; the higher the ratio the more susceptible the agency is to long-term cash flow stresses.

Debt to Net Position (Capital)

Measures the amount of long-term debt or borrowing of the agency against its accumulated net worth; an appropriate maximum standard threshold is 50%.

Total Margin (Margin)

Measures the bottom line of the agency with respect to comparing all revenues to all expenses.

Operating Margin (Margin)

Measures the relationship between core operational revenues and expenses and excludes one-time transactions, like grants and loans.

Equipment Replacement Ratio (Structure)

Measures the average age of depreciable equipment and facilities; the lower the number the younger the infrastructure with the assumption therein better efficiencies/effectiveness.

7.4 Pension Obligations

Ramona MWD provides a defined benefit plan to its employees through an investment risk-pool contract with the California Public Employees Retirement System (CalPERS). This pension contract provides employees with specified retirement benefits based on the date of hire and placement in one of three category types: “public safety,” “classic,” and “non-classic.” Additional pension details based on actuarial valuations issued by CalPERS during the five-year report period with respect to formulas, enrollees, contributions, and funded status follows.

Pension Formulas and Enrollees

The last annual valuation issued during the five-year report period followed 2018-2019 and identified 222 total participants within Ramona MWD’s pension program with CalPERS. This total represents an overall increase of four enrollees during the 48-month period in which information is readily available dating back to 2015-2016. The total is also divided between enrollee type (i.e. active, separated, transferred, and retired) and produces a negative employee-to-retiree ratio of 0.68 to 1.0. A summary of benefits for all three category types follows.

Ramona MWD finished the report period with 222 enrollees within its pension program with CalPERS. More than two-thirds of all enrollees receive a defined benefit formula of 3.0% at 60.

- Classic miscellaneous employees have start dates before January 1, 2013 and represent the largest portion of Ramona MWD’s retirement program at 71.6% – or 159 – of total enrollees. These employees receive a defined benefit based on a 3.0% at 60 formula.
- Non-classic miscellaneous employees have start dates after January 1, 2013 and represent the smallest portion of Ramona MWD’s retirement program at 0.7% - or 16 – of total enrollees. These employees receive a defined benefit based on a 2.0% at 62 formula.
- Public safety employees account for the remaining 21.2% – or 47 – of the total enrollees and receive a 2.0% at 50 pension formula. This formula is a remnant of Ramona MWD previously providing direct fire protection services through its own employees.

Ramona MWD Pension Enrollee Information						
Table 7.4a Source: CalPERS and SD LAFCO						
Type	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Trend
Active	n/a	101	96	93	90	(10.9%)
Non-Active	n/a	117	123	129	132	12.8%
Total Enrollees	n/a	218	219	222	222	1.8%
Active to Non-Active Ratio	n/a	0.86 to 1.0	0.78 to 1.0	0.72 to 1.0	0.68 to 1.0	(20.9%)

Annual Contributions

Ramona MWD’s total annual pension contribution in the most recent valuation issued at the end of the five-year report period in 2018-2019 tallied \$1.2 million. This contribution equals 29.9% of the corresponding payroll total and reflects a decrease of (13.1%) during the corresponding 48-month period and attributed to changing discount rates.

Ramona MWD’s pension contribution as of the last annual valuation equaled 30% of payroll.

Ramona MWD Annual Pension Contributions Table 7.4b Source: Ramona MWD and SD LAFCO						
Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Trend
Total Contribution	n/a	\$1,255,719	\$937,629	\$1,014,043	\$1,187,209	(5.5%)
Percent of Payroll	n/a	34.4%	25.7%	26.5%	29.9%	(13.1%)

Funding Status

Ramona MWD’s total and composite unfunded liability in the most recent valuation issued during the five-year report period totaled \$12.6 million (2018-2019). This amount reflects the accrued pension monies owned to all employees and not covered by assets and translates to a composite funded ratio of 80.5% based on market value. Overall, Ramona MWD’s funded ratio has decreased by (0.9%) during the 48-month period in which information is readily available and generated by a net increase of \$2.3 million in additional unfunded liability.

Ramona MWD’s combined funded ratio as of the last annual valuation is 80.5%. This ratio has slightly decreased overall by (0.9%) during the corresponding 48-month period.

Ramona MWD Pension Funding Status Table 7.4c Source: CalPERS						
Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Trend
Pension Assets (MVA)	n/a	\$44,841,453	\$47,791,340	\$50,240,648	\$51,866,418	15.7%
Pension Liabilities (AL)	n/a	\$55,186,431	\$57,702,607	\$62,134,525	\$64,433,489	16.7%
Unfunded Liability	n/a	\$10,344,978	\$9,911,267	\$11,893,877	\$12,567,071	21.5%
Funded Ratio	n/a	81.3%	82.8%	80.9%	80.5%	(0.9%)

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