

VENTURA RIVER COUNTY WATER DISTRICT
REGULAR MEETING HELD NOVEMBER 14, 2012

Pursuant to due and official notice, a regular meeting of the Board of Directors of the Ventura River County Water District was held at 409 Old Baldwin Road, Ojai, California on November 14, 2012.

There were present Directors: J. Curtis, M. Hanson, T. Jamison, E. Lee and E. Ramseyer. Also present were General Manager/Board Secretary Bert Rapp, Office Manager/recording secretary Janet Schaefer, and Counsel Lindsay Nielson, and Office Assistant Carla Moore. Representing Streit & Peters CPAs was Mr. Chuck Peters CPA. Public present was Mr. George Galgas.

1. CALL MEETING TO ORDER – President E. Lee called the meeting to order at 5:30 o'clock p m.
2. PLEDGE OF ALLEGIANCE – Led by E. Ramseyer.
3. CONSENT AGENDA – A. MINUTES FOR THE REGULAR MEETING OF OCTOBER 10, 2012 AND SPECIAL MEETING OF OCTOBER 24, 2012.
B. FINANCIAL EXPENDITURES FOR OCTOBER 2012 AND FINANCIAL REPORT FOR SEPTEMBER 2012.

M. Hanson moved for approval of the consent agenda, seconded by T. Jamison and carried.

4. PUBLIC COMMENT – None
5. DRAFT AUDIT REPORT AND MANAGEMENT LETTER FOR THE YEAR ENDING JUNE 30, 2012 – B. Rapp commented that he was happy with the clean audit report. Mr. Chuck Peters CPA presented the audit report for the fiscal year ended June 30, 2012 and noted there was not much change for the previous year and no reportable conditions. Mr. Peters answered various questions that the Board had about the audit report. Mr. Peters discussed his retirement and the sale of his firm to Smith Marion and Company, CPAs. Director T. Jamison asked about the remaining years of the audit contract. Mr. Peters indicated that Smith Marion will honor all existing contracts as part of the sale and in fact will be keeping the existing Redlands office open, with the current staff. Although Mr. Peters will not present next year's audit report, it is possible the same field staff will be used next year. Counsel L. Nielson instructed that a letter of consent should be sent to Smith Marion and Company, CPAs to document VRCWD's intention to continue the existing contract.

A. RESOLUTION 2012-273 ACCEPTING THE AUDIT REPORT

T. Jamison moved for approval of Resolution 2012-273, seconded by M. Hanson and carried by a unanimous roll call vote.

**RESOLUTION # 2012 - 273
RESOLUTION TO ACCEPT THE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

The Board of Directors of Ventura River County Water District hereby resolve to accept the District's audit report for the year ended June 30, 2012, as prepared by Streit & Peters, CPA.

PASSED, APPROVED AND ADOPTED this 14th day of November 2012.

AYES: Curtis, Hanson, Jamison, Lee, Ramseyer
NOES: None
ABSENT: None


Ed Lee, President

Attest:


Eddie Ramseyer, Treasurer

B. RESOLUTION 2012-274 ACCEPTING THE AUDIT REPORT

T. Jamison moved for approval of Resolution 2012-274, seconded by M. Hanson and carried by a unanimous roll call vote.

**RESOLUTION # 2012 - 274
RESOLUTION TO ACCEPT THE MANAGEMENT LETTER
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**


The Board of Directors of Ventura River County Water District hereby resolve to accept the District's Management Letter for the year ended June 30, 2012, as prepared by Streit & Peters, CPA.

PASSED, APPROVED AND ADOPTED this 14th day of November 2012.

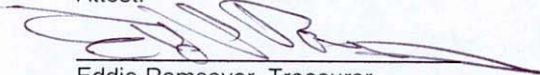
AYES: Curtis, Hanson, Jamison, Lee, Ramseyer

NOES: None

ABSENT: None

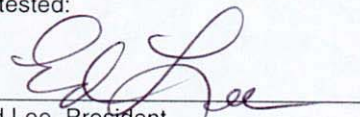

Ed Lee, President

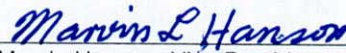
Attest:


Eddie Ramseyer, Treasurer

6. REVIEW OF THE CALIFORNIA PUBLIC EMPLOYEES PENSION REFORM ACT OF 2012 – B. Rapp presented an overview of the pension reform (PEPRA) changes and impacts to new and existing members effective January 1, 2013. The Board was provided with a full summary and frequently asked questions as prepared by the California Special District's Association in conjunction with Calpers. Some of the items discussed at length were the requirement of new members to pay 50% of the normal cost of benefits along with a new retirement formula of 2% at 62. All new members are subject to a pensionable limit that is based on the Social Security wage base. All members are limited as retirees for re-employment with a Calpers member agency that includes a sit out period, and limits on length of re-employment and compensation. Director E. Ramseyer spoke at length suggesting dropping Calpers and offering a 401K type of plan, but also stated that the plan he suggested is not easy to manage and may not be the way to go. However, he wanted the Board to consider other options. President E. Lee asked for clarification that current member contributions can be adjusted at any time. B. Rapp confirmed that yes, the Board has that option. Director J. Curtis reiterated that all new members will be paying 50% of contributions. T. Jamison expressed that the Board has reviewed the staff report and understands the impacts and requirements of PEPRA.
7. AWARD OF RESERVOIR MAINTENANCE CONTRACT – The proposal from Superior Tank for proposed maintenance to the interior and man-way hand rails on the Baldwin and Alto tanks was reviewed. J. Curtis moved to approve the staff recommendations to 1) Award the contract to Superior Tank Solutions in the amount of \$22,500 and authorize the General Manager to approve change orders up to a maximum of \$4,000, 2) Direct the General Manager to prepare a request for proposal for exterior painting of Alto tanks 1 & 2 and Baldwin tank 2 for advertising in May 2013. 3) The President of the Board is authorized to sign the contract. Seconded by E. Ramseyer and carried.
8. GENERAL MANAGERS REPORT – WELLS, WATER PRODUCTION & USAGE UPDATE - B. Rapp reported on wells, production, and usage. The static aquifer level at Well #2 on November 1, 2012 was 69.8 feet below surface. The level has dropped 2.5 feet since the first of last month, and is 17.7 feet below the 25 year average for November. District wells can no longer meet customer demand requiring the purchase of supplemental water since October 4, 2012. The Purchased Water Surcharge was implemented on the October 31, 2012 billing at 18 cents per unit.
9. ATTORNEY'S REPORT – EXECUTIVE SESSION – None.
10. OLD BUSINESS – B. Rapp reported that concerned pumpers met October 18, 2012 with the EPA regarding total maximum daily load (TMDL) for pumping of the Ventura River. EPA will propose a TMDL and will advertise the draft in January 2013. There will be a public hearing on the proposed draft in March 2013. Local groundwater assistance grant applications have been submitted for review by the State in November 2012. There are 98 requests made for the available 4.7 million dollars with a \$250,000 limit per grant. VRCWD in conjunction the City of Ventura and Meiners Oaks Water District applied for \$250,000 to monitor the effect of groundwater pumping on surface water in the Ventura River. One protest letter for the proposed rate increase has been received to date.
11. NEW BUSINESS – AWA of Ventura County will hold a Waterwise breakfast November 15, 2012. AWA of Ventura County will host their 18th annual Corporate Night on Thursday December 13, 2012 at Calleguas Municipal Water District J. Curtis, M. Hanson, T. Jamison and B. Rapp will donate their services at the event. VCSDA will have a dinner meeting on December 4, 2012 J. Curtis and M. Hanson will attend.
12. MEETING ADJOURNMENT - On motion duly seconded at 6:54 o'clock p.m. the meeting was adjourned.

Attested:


Ed Lee, President


Marvin Hanson, Vice President