

**VENTURA RIVER WATER DISTRICT
MINUTES OF REGULAR MEETING SEPTEMBER 20, 2017**

Directors present were: Bruce Kuebler, Peggy Wiles, Ed Lee and Marvin Hanson. Directors absent were: Jack Curtis. Also present were: Attorney Lindsay Nielson, General Manager/Board Secretary Bert Rapp and Office Manager Amy Joy Bakken. Public present were: Bryce and Krista Belgum and George Galgas.

1. **CALL MEETING TO ORDER**- President Bruce Kuebler called the meeting to order at 3:00 P.M.
2. **PLEDGE OF ALLEGIANCE** – Bruce Kuebler.
3. **CONSENT AGENDA:**
 - A. **MINUTES AUGUST 16, 2017**
 - B. **FINANCIAL EXPENDITURES FOR AUGUST 2017**
 - C. **FINANCIAL REPORTS FOR JULY 2017**
 - D. **ACCEPTANCE OF IMPROVEMENTS WELL #7 RETAINING WALL**

Ed Lee moved for approval of the Consent Agenda, items A, B, C and D, seconded by Marvin Hanson and carried 4-0.

4. **PUBLIC COMMENT** – None.
5. **REQUEST TO LEASE A PORTION OF PARKER PROPERTY FOR HORSES** – Bert Rapp discussed a request by Krista and Bryce Belgum to lease a portion of the Parker Tank site property for their horse. Bert Rapp discussed details of the request including fencing and logistics. He discussed a possible benefit to the District of weed abatement by the horse. He also explained the land use restriction imposed on the District when the property was originally purchased which states the District may only use the lands for domestic water operations. Ed Lee expressed concern about the liability of having a horse on District property. He noted children are often interested in horses and discussed the District's vulnerability to a lawsuit should a child be injured while trying to get to the horse. Peggy Wiles asked if there was a precedence in our area for this kind of leasing by other local agencies. Bert Rapp responded that cattle used to run on the Parker Tank Site property but wasn't certain what the arrangements were with regard to the cattle. Bruce Kuebler asked how the leasing of the property would effect the capital improvement project of shaping the landscape berm. Bert Rapp said this was a concern as the young plants going in on the berm would have to be protected. **Public Comment:** Krista Belgum discussed her experience with children and horses as she runs the Ojai Valley School horse program with young children. She noted she would put in an electric fence with clear signage to keep out children and other pedestrians. She also said her horse was in retirement and planned to only have her on District property during the day and in her own shelter on their private property at night. The board consensus was that the District does not have the legal ability to enter into an arrangement of this nature and therefore declined to move forward with the request.
6. **DRAFT-CASITAS WATER SERVICE AGREEMENT (ALLOCATION AGREEMENT)** – Bert Rapp discussed his meeting with Casitas Municipal Water District General Manager, Steve Wickstrum, where they reviewed the draft of the Casitas Resale Water Service Agreement (allocation agreement). Each May the General Managers of Casitas Municipal Water District and Ventura River Water District would meet to determine the needed allocation for the upcoming year. The draft agreement provides for unplanned water production emergencies and states that resale agencies will follow the Casitas Water Efficiency and Allocation Program (WEAP) setting the maximum of 99 units per month for July and August for irrigated residential areas 2 acres or larger. Irrigated lands analysis for Water Budget Rates would be used to determine future irrigation demands. For new development, Casitas Springs and Monte Via/Rio Via would pay 100% for the Casitas Allocation. It was proposed that well service areas only pay 15% of the allocation as they historically only use 15% Casitas water during drought years, although CMWD is not yet in agreement with this idea. Bert Rapp discussed the usage of about 34 VRWD customers who currently exceed the water quantity limits in the WEAP. He compared VRWD's tier 4 rates for the highest use customers with the CMWD rates, including penalty, and reasoned that as VRWD's cost is higher to the tier 4 customer we wouldn't have to charge the

penalty as well. Bruce Kuebler disagreed with this logic and stated that as VRWD rates are based on cost of service they do not include a penalty amount. Bert Rapp responded he would like a provision in the draft agreement to state that VRWD sets its own penalty amount and wouldn't be bound by the \$5/unit CMWD penalty amount. Ed Lee asked if other agencies have approved this kind of agreement with CMWD. Bert Rapp responded that Meiners Oaks Water District has the agreement but Lindsey Nielson indicated it has not been approved as of yet. It was noted that MOWD received the agreement prior to VRWD due to their water shortage last year and requirement of additional CMWD water. Bruce Kuebler said he does not agree with the WEAP being imposed on VRWD as it would limit our individual water budgets. Peggy Wiles asked about the logistics of enforcement for CMWD. Bert Rapp explained that CMWD reads our Casitas meters and bills us accordingly. He went on to say the point of the allocation agreement is to get rid of the fixed allocation and have an equitable agreement so that all the customers in our District feel they are being treated the same as Casitas customers. He also said he would like general language in the agreement saying we will generally follow the WEAP but not commit to it exactly. Bruce Kuebler talked about the usage cutback by VRWD customers being equitable and disagreed we should force the WEAP quantity limits upon our customers. Peggy Wiles said all the work VRWD has been putting in to customize the water budgets of our customers would be thrown off by the WEAP. Bert Rapp responded that the WEAP would just be a maximum and that the calculations for water budget rates would still be specific to each customer. Ed Lee asked what happens to the agreement if we go into a stage 4 drought. Bert Rapp responded the conservation requirement increases for irrigable landscape but doesn't apply to the health and safety water needs. Bruce Kuebler requested that the agreement contain language recognizing that the District needs more water during drought as the groundwater basin dries up because all of the WEAP focuses on cutbacks during drought. The Board consensus was to submit Director notes and changes to the agreement to Bert Rapp and further discuss at next Board meeting before taking any action on this item.

7. **OUTSTANDING DEBT ON PREVIOUS CUSTOMER ACCOUNTS** – Amy Joy Bakken discussed the outstanding customer debts from those who have moved and failed to pay their final bill. These amounts were found through the FYE 2017 audit process. The District has begun in house collections for the larger amounts. For the 36 customer accounts who left an unpaid balance of \$20 or less, she requested Board approval to write off those amounts as bad debt. Ed Lee commented that VRWD should set some kind of limit and allow management to make a decision for bad debt write offs. Bert Rapp and Amy Joy Bakken indicated they planned to present this kind of change during the update to the Rules and Regulations this Fall. Ed Lee moved for the recommended action to write off \$506.33 to bad debt expense for customer accounts less than \$20, seconded Peggy Wiles and carried 4-0.
8. **WELL #7 & PARKER SCADA IMPROVEMENTS**– The District's SCADA system has had multiple alarm system issues over the past month resulting in middle of the night phone calls for District Utility Workers on call and other related issues. Bert Rapp discussed the need to update the District's old controllers and integrate Well #7. Well #7 needs to be integrated into SCADA for pump operations, water meter data, groundwater data and safety controls. Four new controllers are needed (two in the current year and two in the following year) for the Office and Parker Booster. Bert Rapp recommended approving Quote #4952 for the Well #7 SCADA improvements in the amount of \$19,515.70 and Quote #4953 for the Parker Booster Station and Operator's Office SCADA controller upgrades in the amount of \$15,952.84. Marvin Hanson asked how the system is working with the backflow device. Bert Rapp responded the system is complete, is operational for emergencies but isn't needed yet for Time of Use backup. The Board consensus was the SCADA system is very important to the efficiency and safety of the District. Peggy moved for the recommended action, seconded Marvin Hanson and carried 4-0.
9. **UPDATE ON THE UPPER VENTURA RIVER GROUNDWATER AGENCY-KUEBLER** – The UVRGSA held their meeting last week. Diana Engel will be replacing Mike Krumpschmidt as director on the Board. Mike felt his expertise had reached its usefulness as the agency was going in a more scientific direction. Most of the effort in the last month has been on completing the grant proposal for Proposition 1. The requirements for the proposal were finalized on September 8. The requirements

eliminated the need to justify financial needs, extended the deadline for filing the application to November 13, and extended the period for local cost share back to 2015. This allowed for more inclusion of BHFS legal expenses incurred by the agency. UVRGSA made the decision that Bruce has the authority to authorize expenses up to \$5,000. The agency currently has a project trying to figure out the flow of the Ventura River. Jordan Kear is going to do the work related to this project and Bruce Kuebler will be able to authorize that expense if it comes in below the limit. The first official stakeholder meeting will be held October 12 at the Oak View community center. The purpose will be to get the public involved in the UVRGSA. No action was taken on this item.

10. GENERAL MANAGER REPORT ON WATER & DISTRICT STATUS – The aquifer is currently 3.6 feet above the 25 year average for September 1 at an elevation of 525.9 feet. Well #1 is pumping at 780 gpm down from 50 gpm last month. Well #3 is pumping at a rate of 340 gpm down 15 gpm from last month. Well #4 is pumping 930 gpm down 30 gpm from last month. Well #2 can be pumped but is not needed at this time. No water was purchased from Casitas in August. Sales dollars billed on August 31, 2017 came in under budget. Lake Casitas was at 40.1% of full capacity as of August 1, 2017 at an elevation of 567.1 with storage of 101,817 AF. The lake has decreased 0.8% or 1.42 feet and decreased 2,191 AF since last month. Casitas has completed the first bathometric survey of Lake Casitas in 60 years and dropped the volume by about 6.4%. Bert Rapp discussed other District activities including the FYE 2017 audit, 4 leaks during the month, the upcoming Water Wise workshop on September 30, and a 20 year payback period for switching to solar power. Bert Rapp also gave a presentation of the old equipment that contributed to two of the water leaks during the month. One was due to a partially opened valve that had water shooting sideways and eating holes in the pipe. The other was a corp stop saddle made of mild steel with cast iron fittings. The District now uses brass corp stop saddles. Bert Rapp also told the Board the District needs to obtain a grading permit for the Landscape Berm. No action was taken on this item.

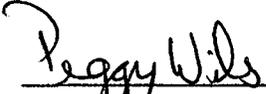
11. OLD & NEW BUSINESS: None.

12. EXECUTIVE SESSION- None.

13. MEETING ADJOURNMENT - Bruce Kuebler adjourned the meeting at 4:45 P.M.

Attested:


Bruce Kuebler, President


Peggy Wiles, Treasurer