



**VENTURA
RIVER
WATER DISTRICT**

409 Old Baldwin Road
Ojai, CA 93023
Phone (805)646-3403
Fax (805) 646-3860

www.VenturaRiverWD.com

DIRECTORS

President:

Bruce Kuebler

Vice President:

Jack Curtis

Treasurer:

Peggy Wiles

Directors:

Ed Lee

Marvin Hanson

GENERAL MANAGER

Bert Rapp, P.E.

OFFICE MANAGER

Amy Joy Bakken

FIELD SUPERVISOR

Joe Zuniga

ATTORNEY

Lindsay Nielson, ESQ

NOTICE OF REGULAR BOARD OF DIRECTORS MEETING

3:00 P.M. WEDNESDAY, APRIL 19, 2017
VENTURA RIVER WATER DISTRICT
409 OLD BALDWIN ROAD, OJAI, CA 93023

Right to be heard: Members of the public have a right to address the Board directly on any item of interest to the public, which is within the subject matter jurisdiction of the Board. The request to be heard should be made immediately before the Board's consideration of the item. No action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized by subdivision (b) of 54954.2 of the Government Code and except that members of a legislative body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under section 54954.3 of the Government Code.

AGENDA

1. CALL MEETING TO ORDER
2. PLEDGE OF ALLEGIANCE
3. CONSENT AGENDA:
 - A. MINUTES MARCH 15, 2017
 - B. FINANCIAL EXPENDITURES FOR MARCH 2017
 - C. FINANCIAL REPORTS FOR FEBRUARY 2017
4. PUBLIC COMMENT – FOR ITEMS NOT ON THE AGENDA (LIMIT PER PERSON – 5 MINUTES)
5. DRAFT BUDGET REVIEW FY2017/18
6. CASITAS WATER RATE INCREASE IMPACT ON VRWD
7. RESOLUTION 2017-308 SUPPORTING ACWA POLICY STATEMENT ON BAY DELTA FLOW REQUIREMENTS
8. SUPPORT LETTER FOR AB 979 LAFCO REPRESENTATION
9. ACCEPTANCE OF BID AND PURCHASE OF WORK TRUCK
10. AUTHORIZATION TO ADVERTISE FOR BIDS TO PAINT PARKER TANK
11. UVRGA – BUREAU OF RECLAMATION GRANT APPLICATION
12. GENERAL MANAGERS REPORT WATER & DISTRICT STATUS
13. OLD & NEW BUSINESS – NONE
14. EXECUTIVE SESSION – A closed session will be held regarding:

Pending litigation pursuant to Government Code Section 54956.9 (b) (Small v. VRWD case # 56-2015-00464077-CU-EI-VTA). Annual review of Legal Counsel.

If you require special accommodations for attendance at or participation in this meeting, please notify our office 24 hours in advance at (805) 646-3403 (Govt. Code Section 54954.1 and 54954.2(a)).

**VENTURA RIVER WATER DISTRICT
MINUTES OF REGULAR MEETING MARCH 15, 2017**

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

Bruce Kuebler stated that items 6 & 10 of the agenda would be discussed as one item.

3. **CONSENT AGENDA:**
 - A. **MINUTES FEBRUARY 15, 2017**
 - B. **FINANCIAL EXPENDITURES FOR FEBRUARY 2017**
 - C. **FINANCIAL REPORTS FOR JANUARY 2017**

Jack Curtis moved for approval of the Consent Agenda, items A, B, & C, seconded by Marvin Hanson and carried 5-0 for items B & C only. Peggy Wiles abstained on item A – Minutes of February 15, 2017 as she was not present for agenda items 8, 9, 11, and 12. Approval of consent agenda item A approved 4-1. (AYES: Bruce Kuebler, Ed Lee, Marvin Hanson, Jack Curtis. ABSTENTION: Peggy Wiles)

4. **PUBLIC COMMENT** – VRWD customer Ron Calkins made a statement regarding his reasons for attending the meeting. He talked about his background working for the City of Ventura for many years and his experience with water utilities. He believes that VRWD should take advantage of current low interest rates and obtain debt financing for certain capital improvement projects. He stated that he disagrees with the way costs are allocated to cost classes 3 & 4. He also said he believes the VRWD has done a lot on the demand management side but not enough on the supply management side.
5. **APPROVAL OF REVISIONS TO THE 10-YEAR CAPITAL IMPROVEMENT PROGRAM** –Some neighborhoods in the district have been identified as having fire flow below the current standards. Bert Rapp presented maps and gave an explanation of improvements that would be required to increase fire flow. Peggy Wiles asked if the Fire Department is aware of flow deficiencies and encouraged District communication with them. Bert Rapp explained the changes to the Capital Improvement Program. He went on to discuss debt financing and presented a chart of the sensitivity of the water rates to construction inflation rates. Over a ten year period, the trend of construction inflation rates was at about 3%. Ron Calkins complimented Bert Rapp on his report but said that he disagreed with the assessment of inflation and interest rates. Bert Rapp said he will look into alternate solutions to improve fire flow with a scope of work and cost proposals for the Vons, Monte Via/Rio Via and Grapevine neighborhoods. Ed Lee moved to approve the recommended actions of approving the changes to the Capital Improvement Program and completing scope of work and cost proposals to improve fire flow deficiencies, seconded Marvin Hanson, approved 5-0.
6. **APPROVAL OF RATE ADJUSTMENT TO COMPENSATE FOR USAGE REDUCTION & 10. UPDATE RULES AND REGULATIONS – LOWER WATER USE FLUCTUATION RESERVE EFFECTIVE MARCH 15, 2017**– Agenda items 6 & 10 were combined to a single action to implement one overall rate change instead of two. Bert Rapp gave an explanation of the water rate adjustment required to compensate for the reduction in water usage. Usage is 12% below the projected FY 16/17 budget. The water rate adjustment for the decrease in the Water Use Fluctuation Reserve combined with the water rate adjustment for the decline in water usage combines to an overall reduction in water rates for Single Family Residential customers. Bruce Kuebler asked for clarification on how the water rates are calculated. Bert Rapp gave an explanation of how he uses the variables of acre feet of usage and desired revenue to calculate the water rates based on the cost classes determined by

the FY14/15 usage patterns. Bert Rapp also discussed publishing the rate change in the Spring Newsletter. Peggy Wiles commented that the District should promote continued conservation requirements as a prominent part of the newsletter. Ed Lee moved to approve the update to the Rules and Regulations effective 3/15/17 to reflect the combined rate change as stated on the board meeting handout, seconded Peggy Wiles, approved 5-0.

- 7. REPORT ON UVR GROUNDWATER AGENCY BY BRUCE KUEBLER**– Bruce Kuebler discussed the two meetings held by the UVR GSA: A resolution was passed to be designated as a Groundwater Sustainability Agency. The attorney is filing the official documents with the DWR, and 90 days after the documents are posted to the website the action will become official. This is expected to be in mid to late June. At the regular meeting of the UVR GSA an ad-hoc committee was created to interface with the CA Water Action Plan. Bert Rapp, Mike Hollebrands and Mary Bergen are working on the budget and plan to present it to the UVR GSA Board at their next meeting on April 13th. Also, a draft of the job description for executive director will be completed at that time. The City of Ventura is going forward with their watershed study with the Bureau of Reclamation. The UVR GSA decided not to participate in the grant application for the study. No action was taken.
- 8. AGREEMENT WITH THE OJAI VALLEY GREEN COALITION** – Bert Rapp presented the changes made to the OVGC Grant Agreement since the last board meeting. The VRWD’s General Manager will no longer participate in the OVGC Oversight Group, the MOU states no partnership is created between the parties, the OVGC stated their overhead rate to be 15%, and VRWD will be declared as “additionally insured” by OVGC. Ed Lee indicated he was satisfied with the revisions to the agreement. Jack Curtis moved to approve the revised Agreement with the Ojai Valley Green Coalition, Seconded Peggy Wiles, approved 5-0.
- 9. VOTE ON LAFCO SPECIAL DISTRICT REPRESENTATIVE**– A 2nd Runoff Election for a LAFCO Special District Alternate Member is being held as neither candidate received a quorum of votes in the first runoff election. The board consensus was to vote for Al Fox.
- 10. UPDATE RULES AND REGULATIONS – LOWER WATER USE FLUCTUATION**– (See item 6)
- 11. GENERAL MANAGER REPORT ON WELLS, WATER STATUS**– The aquifer is currently 1.3 feet above the 25 year average for March 1 at an elevation of 534. Well #1 is pumping 4-6 hours per day at a rate of 925 GPM up from 235 GPM last month. Only 177 units of water were purchased from Casitas Municipal Water District in February and no Purchased Water Surcharge was imposed. Revenues for February came in under budget. Lake Casitas was at 43.3% as of March 1, 2017 increasing 11.1 feet or 6.6% since last month. No action was taken.
- 12. OLD & NEW BUSINESS** –A meeting will be held by Steve Bennett on March 22, 2017 from 10:00 A.M. to noon to discuss connecting to State Water. Office Manager Amy Joy Bakken gave an update on the VRWD mailing campaign encouraging customers to switch to Auto-Pay with the District. Participation increased by 38 customers since the mailing went out. No action was taken.
- 13. EXECUTIVE SESSION** – Bruce Kuebler moved the meeting into executive session at 5:00 P.M. No actions were taken after the executive session.
- 14. MEETING ADJOURNMENT** – Bruce Kuebler called the meeting adjourned at 5:08 P.M.

Attested:

Bruce Kuebler, President

John Curtis, Vice President

Notes to A/P Check Register

MARCH 2017

- **Items paid online in March 2017 (not on check register)**

- CalPERS: \$9,035.77

- IRS: \$20,932.54

- Rabobank Service Fee: \$65

- Postalia Postage (prepaid) : \$300.00

- Deluxe Business (deposit slips) : \$96.44

- Total Online Payments: **\$30,429.75**

- **Voided Checks:**

- BHFS Invoice – UVRGSA Item – (Over Budget)

- Void payment and invoice per BR

- BHFS will resubmit to City of Ventura

Ventura River Water District
AP Check Register (Current by Bank)
 Check Dates: 3/1/2017 to 3/31/2017

Check No.	Date	Status	Vendor ID	Payee Name	Amount
BANK ID: RBOGEN - OPERATING ACCOUNT					10005
* 14367	03/16/17	V	3/16/17 10038	BROWNSTEIN HYATT FARBER SCHREC	(\$9,972.53)
* 14384	03/13/17	P	110	ACWA JPIA	\$9,490.94
14385	03/13/17	P	330	AT&T	\$208.22
14386	03/13/17	P	345	AT&T MOBILITY	\$207.76
14387	03/13/17	P	750	CASITAS MUNICIPAL WATER DIST	\$11,745.08
14388	03/13/17	P	790	CHASE CARD SERVICES	\$576.52
14389	03/13/17	P	10035	COAST GRADING	\$500.00
14390	03/13/17	P	10088	CRANE TREE CARE	\$2,000.00
14391	03/13/17	P	1268	DIAL SECURITY	\$565.00
14392	03/13/17	P	1269	DOCUMENT SYSTEMS	\$251.83
14393	03/13/17	P	1410	FRANK'S INC.	\$5,864.15
14394	03/13/17	P	1730	KELLY CLEANING & SUPPLIES	\$197.00
14395	03/13/17	P	1950	MEINERS OAKS HARDWARE	\$75.55
14396	03/13/17	P	2025	MITEC SOLUTIONS LLC	\$95.00
14397	03/13/17	P	2400	OJAI VALLEY SANITARY DISTRICT	\$112.86
14398	03/13/17	P	2750	QUILL CORPORATION	\$59.59
14399	03/13/17	P	10051	U S POSTAGE METER CENTER	\$756.47
14400	03/13/17	P	3550	UNDERGROUND SERVICE ALERT	\$25.50
14401	03/13/17	P	10034	VENTURA RIVER WATER DISTRICT	\$55.55
14402	03/13/17	P	10083	PEGGY WILES	\$1,501.05
14403	03/13/17	P	1393	FGL, INC.	\$729.00
14404	03/29/17	P	300	AQUA-FLO SUPPLY	\$267.77
14405	03/29/17	P	330	AT&T	\$208.37
14406	03/29/17	P	550	BIRCH COMMUNICATIONS	\$109.59
14407	03/29/17	P	1269	DOCUMENT SYSTEMS	\$273.37
14408	03/29/17	P	1300	E J HARRISON & SONS, INC	\$42.24
14409	03/29/17	P	1391	FERGUSON WATERWORKS #1083	\$241.32
14410	03/29/17	P	1393	FGL, INC.	\$2,142.00
14411	03/29/17	P	1425	FRED'S TIRE MAN	\$20.00
14412	03/29/17	P	2074	LAW OFFC OF LINDSAY F. NIELSON	\$825.00
14413	03/29/17	P	10050	MATILIIA PURE WATER SYSTEMS	\$16.50
14414	03/29/17	P	1950	MEINERS OAKS HARDWARE	\$76.54
14415	03/29/17	P	2025	MITEC SOLUTIONS LLC	\$100.00
14416	03/29/17	P	2073	NATIONAL METER & AUTOMATION	\$36,912.23
14417	03/29/17	P	2075	NIELSON SAND & GRAVEL	\$894.45
14418	03/29/17	P	3055	SHELL FLEET PLUS	\$860.19
14419	03/29/17	P	3080	SHRED-IT	\$34.15
14420	03/29/17	P	10072	CARMEN MURILLO	\$1,900.00
14421	03/29/17	P	3125	SOUTHERN CALIFORNIA EDISON	\$4,936.19
14422	03/29/17	P	10061	STATE WATER RESOURCES CONTROL	\$200.00
14423	03/29/17	P	3500	U S POSTMASTER	\$900.00
14424	03/30/17	P	1727	KEAR GROUNDWATER	\$3,000.00
BANK RBOGEN REGISTER TOTAL:					\$79,004.45
GRAND TOTAL :					\$79,004.45

* Check Status Types: "P" - Printed ; "M" - Manual ; "V" - Void (Void Date) ; "A" - Application ; "E" - EFT
 ** Denotes broken check sequence.

VENTURA RIVER WATER DISTRICT
Status of Capital Improvement Projects
2/28/2017

Water System Improvements

Account	Fixed Asset	16/17 Budgeted	YTD	Remaining/Over	Status
13010	Valve Replacement/Upgrade	\$ 75,949.00	\$ -	\$ 75,949.00	
13011	Hydrant Replacement/Upgrade	\$ 55,183.00	\$ -	\$ 55,183.00	
13149	Well #7	\$ 1,002,000.00	\$ 494,621.21	\$ 507,378.79	In Progress
13013	Blending Pipe for Nitrates	\$ 30,000.00	\$ 6,870.81	\$ 23,129.19	Complete
13040	Mixing Valve South Alto Tank (Tanks)	\$ 12,000.00		\$ 12,000.00	
13028	Paint Parker Tank	\$ 47,000.00	\$ -	\$ 47,000.00	

Auto Equipment

Account	Fixed Asset	16/17 Budgeted	YTD	Remaining/Over	Status
13043	Replace F-150 Truck	\$ 37,000.00	\$ -	\$ 37,000.00	In Progress
13032	Replace Backhoe	\$ 86,000.00	\$ 91,267.50	\$ (5,267.50)	Complete

Shop/Maintenance Equipment

Account	Fixed Asset	16/17 Budgeted	YTD	Remaining/Over	Status
13034	Trash Pump for Water Leak Repair	\$ 6,000.00	\$ 5,235.39	\$ 764.61	Complete

Office Equipment

Account	Fixed Asset	16/17 Budgeted	YTD	Remaining/Over	Status
13044	CYMA Accounting System	\$ 3,000.00	\$ 807.56	\$ 2,192.44	Complete

Ventura River Water District
Income Statement
(Original Budget to Actual Comparison)
For the period of 2/1/2017 Through 2/28/2017

	Current Period				Year To Date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Revenues								
WATER SALES	\$83,700.43	\$171,549.50	\$(87,849.07)	(51.2)%	\$1,337,894.22	\$1,372,396.00	\$(34,501.78)	(2.5)%
SERVICE INSTALLATION	0.00	333.33	(333.33)	(100.0)	105.00	2,666.64	(2,561.64)	(96.1)
DELINQUENT FEES	638.00	666.67	(28.67)	(4.3)	1,783.57	5,333.36	(3,549.79)	(66.6)
RE-CONNECT FEE	138.00	166.67	(28.67)	(17.2)	1,084.00	1,333.36	(249.36)	(18.7)
PURCHASED WATER SURCHARGE	(24.94)	19,583.33	(19,608.27)	(100.1)	53,698.13	156,666.64	(102,968.51)	(65.7)
DWELLING CHARGE	3,015.00	787.50	2,227.50	282.9	25,126.62	6,300.00	18,826.62	298.8
FIRE STANDBY	245.46	233.33	12.13	5.2	1,935.42	1,866.64	68.78	3.7
Total Revenues	\$87,711.95	\$193,320.33	\$(105,608.38)	(54.6)%	\$1,421,626.96	\$1,546,562.64	\$(124,935.68)	(8.1)%
Operating Expenses								
WATER PURCHASES & CASITAS BASE FEES	11,745.08	25,416.67	13,671.59	53.8	109,585.96	203,333.36	93,747.40	46.1
SALARIES	40,164.95	48,166.67	8,001.72	16.6	340,631.57	385,333.36	44,701.79	11.6
VACATION & SICK EXPENSE	2,879.78	0.00	(2,879.78)	0.0	22,167.13	0.00	(22,167.13)	0.0
FICA	2,747.50	3,750.00	1,002.50	26.7	21,593.55	30,000.00	8,406.45	28.0
MEDICARE	642.57	1,166.67	524.10	44.9	5,344.28	9,333.36	3,989.08	42.7
SUI & ETT	145.47	0.00	(145.47)	0.0	1,301.77	0.00	(1,301.77)	0.0
PUBLIC EMPLOYEES RETIREMENT SYSTEM	3,668.74	3,166.67	(502.07)	(15.9)	34,368.42	25,333.36	(9,035.06)	(35.7)
GROUP INSURANCE	6,192.46	9,666.67	3,474.21	35.9	76,002.31	77,333.36	1,331.05	1.7
BOARD MEMBER FEES	800.00	1,541.67	741.67	48.1	6,880.00	12,333.36	5,453.36	44.2
CONTRACT LABOR - OFFICE	0.00	41.67	41.67	100.0	18,189.94	333.36	(17,856.58)	(5356.5)
CONTRACT LABOR - FIELD	0.00	9,333.33	9,333.33	100.0	49,730.64	74,666.64	24,936.00	33.4
PROFESSIONAL SERVICES - AUDITOR	0.00	1,000.00	1,000.00	100.0	9,150.00	8,000.00	(1,150.00)	(14.4)
ENGINEERING/PROFESSIONAL SVCS	0.00	5,916.67	5,916.67	100.0	683.37	47,333.36	46,649.99	98.6
FUEL/OIL/TIRES	775.35	1,333.33	557.98	41.8	4,276.89	10,666.64	6,389.75	59.9
AUTO EQUIPMENT MAINTENANCE	0.00	1,000.00	1,000.00	100.0	4,195.18	8,000.00	3,804.82	47.6
OFFICE EQUIPMENT MAINTENANCE	1,014.46	1,166.67	152.21	13.0	17,387.82	9,333.36	(8,054.46)	(86.3)
OTHER EQUIPMENT MAINTENANCE	0.00	3,916.67	3,916.67	100.0	7,961.78	31,333.36	23,371.58	74.6
METER REPLACEMENT	230.52	5,794.58	5,564.06	96.0	20,999.57	46,356.64	25,357.07	54.7
EQUIPMENT RENTAL	0.00	416.67	416.67	100.0	340.76	3,333.36	2,992.60	89.8
WATER SYSTEM MAINTENANCE	9,689.76	5,333.33	(4,356.43)	(81.7)	52,236.05	42,666.64	(9,569.41)	(22.4)
DEPRECIATION EXPENSE-FIELD	0.00	14,166.67	14,166.67	100.0	0.00	113,333.36	113,333.36	100.0
LEGAL EXPENSE	1,000.00	1,083.33	83.33	7.7	6,412.00	8,666.64	2,254.64	26.0
BAD DEBT EXPENSE	0.00	41.67	41.67	100.0	977.61	333.36	(644.25)	(193.3)
VENTURA RIVER WATERSHED ISSUES	0.00	2,125.00	2,125.00	100.0	500.00	17,000.00	16,500.00	97.1
UPPER VENTURA RIVER GSA	9,972.53	1,666.67	(8,305.86)	(498.4)	19,314.20	13,333.36	(5,980.84)	(44.9)
NEW WATER RESOURCE	0.00	2,083.33	2,083.33	100.0	0.00	16,666.64	16,666.64	100.0
DEPRECIATION EXPENSE	0.00	5,833.33	5,833.33	100.0	0.00	46,666.64	46,666.64	100.0
Total Operating Expenses	\$91,669.17	\$155,127.94	\$63,458.77	40.9 %	\$830,230.80	\$1,241,023.52	\$410,792.72	33.1 %
General & Administrative Expenses								
LIABILITY INSURANCE	2,937.42	3,083.33	145.91	4.7	23,640.36	24,666.64	1,026.28	4.2
WORKER'S COMPENSATION INSURANCE	2,369.03	2,369.00	(0.03)	0.0	9,768.17	18,952.00	9,183.83	48.5

Ventura River Water District
Income Statement
(Original Budget to Actual Comparison)
For the period of 2/1/2017 Through 2/28/2017

	Current Period				Year To Date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
UTILITIES	4,766.24	8,029.58	3,263.34	40.6	46,202.35	64,236.64	18,034.29	28.1
TELEPHONE/COMMUNICATIONS	677.55	1,250.00	572.45	45.8	5,061.84	10,000.00	4,938.16	49.4
LAFCO FEES	0.00	116.67	116.67	100.0	0.00	933.36	933.36	100.0
MISC/TAX/LICENSE/BANK CHARGES	287.84	291.67	3.83	1.3	2,991.80	2,333.36	(658.44)	(28.2)
MEMBERSHIP,DUES,SUBSCRIPTIONS	1,185.75	1,283.33	97.58	7.6	3,238.82	10,266.64	7,027.82	68.5
PUBLIC RELATIONS/EDUCATION/CONSERV	274.00	541.67	267.67	49.4	3,902.43	4,333.36	430.93	9.9
LEGAL NOTICES & NEWSLETTERS	0.00	750.00	750.00	100.0	6,662.35	6,000.00	(662.35)	(11.0)
ELECTIONS	4,025.39	583.33	(3,442.06)	(590.1)	4,025.39	4,666.64	641.25	13.7
DIRECTORS TRAVEL/EDUCATION	98.00	416.67	318.67	76.5	1,232.00	3,333.36	2,101.36	63.0
SECURITY	390.33	366.67	(23.66)	(6.5)	2,707.65	2,933.36	225.71	7.7
POSTAGE	1,091.84	1,083.33	(8.51)	(0.8)	7,301.00	8,666.64	1,365.64	15.8
OFFICE SUPPLIES	1,708.14	1,450.00	(258.14)	(17.8)	14,970.24	11,600.00	(3,370.24)	(29.1)
COLLECTION	0.00	16.67	16.67	100.0	0.00	133.36	133.36	100.0
Total General & Administrative Expenses	\$19,811.53	\$21,631.92	\$1,820.39	8.4 %	\$131,704.40	\$173,055.36	\$41,350.96	23.9 %
Total Expenses	\$111,480.70	\$176,759.86	\$65,279.16	36.9 %	\$961,935.20	\$1,414,078.88	\$452,143.68	32.0 %
Income (Loss) from Operations	\$(23,768.75)	\$16,560.47	\$(40,329.22)	(243.5)%	\$459,691.76	\$132,483.76	\$327,208.00	247.0 %
Other Income (Expense)								
PROPERTY TAXES - SECURED	\$0.04	\$2,250.00	\$(2,249.96)	(100.0)%	\$19,241.22	\$18,000.00	\$1,241.22	6.9 %
PROP TAXES - UNSECURED	0.00	4.17	(4.17)	(100.0)	1,101.74	33.36	1,068.38	3202.6
PROPERTY TAXES - PRIOR	0.00	0.00	0.00	0.0	11.98	0.00	11.98	0.0
HOME OWNER PROPERTY TAX RELIEF	0.00	8.33	(8.33)	(100.0)	140.57	66.64	73.93	110.9
INTEREST INCOME	3.82	283.33	(279.51)	(98.7)	8,914.25	2,266.64	6,647.61	293.3
CAPITAL IMPROVEMENT CHARGES	0.00	333.33	(333.33)	(100.0)	0.00	2,666.64	(2,666.64)	(100.0)
OTHER REVENUE	368.52	41.67	326.85	784.4	1,722.53	333.36	1,389.17	416.7
Total Other Income (Expense)	\$372.38	\$2,920.83	\$(2,548.45)	(87.3)%	\$31,132.29	\$23,366.64	\$7,765.65	33.2 %
Income Before Taxes	\$(23,396.37)	\$19,481.30	\$(42,877.67)	(220.1)%	\$490,824.05	\$155,850.40	\$334,973.65	214.9 %
Net Income (Loss)	\$(23,396.37)	\$19,481.30	\$(42,877.67)	(220.1)%	\$490,824.05	\$155,850.40	\$334,973.65	214.9 %

Ventura River Water District

Balance Sheet

As of 2/28/2017

Assets

Current Assets

FUNDS IN COUNTY TREASURY	\$424,379.73	
LOCAL AGENCY INVESTMENT FUND	1,959,758.89	
PETTY CASH	580.72	
SECURITY DEPOSIT CHECKING	29,991.46	
RABO6073	207,915.94	
ACCOUNTS RECEIVABLE	95,854.54	
TREASURY INTEREST RECEIVABLE	215.35	
CMWD PENALTY RECEIVABLE	115.68	
PREPAID SECURITY MONITORING & MAINT	2,017.35	
PREPAID WEB SERVICES	127.98	
PREPAID INSURANCE	22,271.70	
PREPAID COMPUTER MAINTENANCE	4,991.19	
PREPAID MEMBERSHIPS	11,170.18	
DEFERRED OUTFLOWS	88,084.00	
Total Current Assets		\$2,847,474.71

Property, Plant & Equipment

WATER SYSTEMS IMPROVEMENT	\$6,349.29	
SCADA SYSTEM IMPROVEMENTS	85,068.10	
METER REPLACEMENT	35,972.92	
WELL#3 MON WELL/WELL#7	(4,498.20)	
BLENDING PIPE FOR NITRATES	6,870.81	
AUTO EQUIPMENT	91,267.50	
SHOP & MAINTENANCE EQUIPMENT	5,235.39	
DOC MGMT SERVER REPLACEMENT	2,311.24	
DISTRICT 4 AND DISTRICT 7	118,245.00	
WELLS	1,186,871.95	
TANKS	1,434,382.17	
PUMPS	403,613.38	
METERS	133,010.94	
TRUCKS	158,142.27	
OFFICE AND SHOP EQUIPMENT	331,764.26	
BUILDINGS	457,759.45	
LAND, WATER & RIGHTS OF WAY	227,580.50	
SCADA SYSTEM	32,391.60	
409 OLD BALDWIN FLOOD CONTROL 2015	70,408.24	
PIPELINES	2,884,875.00	
ACCUMULATED DEPRECIATION	(4,195,423.47)	
CONSTRUCTION IN PROGRESS	300.00	
WELL 7 CONSTRUCTION	491,121.21	
GAIN/LOSS ON ASSET DISPOSAL	(3,000.00)	
Total Property, Plant & Equipment		3,960,619.55

Total Assets

\$6,808,094.26

Liabilities and Equity

Current Liabilities

ACCOUNTS PAYABLE	\$21,417.78
PAYROLL TAXES PAYABLE	6,924.69
CALPERS/PEPRA PAYABLE	701.61
VACATION & SICK PAYABLE	27,688.08
GARNISHMENTS PAYABLE	200.00
SECURITY DEPOSIT PAYABLE	29,887.09
SUSPENSE	6,668.82
CalPERS 457 PAYABLE	1,231.84

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Ventura River Water District

Balance Sheet

As of 2/28/2017

CMWD PENALTY PAYABLE	1,016.62	
NET PENSION LIABILITY	209,689.00	
DEFERRED INFLOWS	43,721.00	
Total Current Liabilities	<u> </u>	<u>\$349,146.53</u>
Total Liabilities		\$349,146.53
<u>Equity</u>		
INVESTMENT IN CAPITAL ASSETS	\$3,504,771.00	
UNRESTRICTED NET POSITION	2,463,352.68	
Current Year Profit/Loss	490,824.05	
Total Equity	<u> </u>	<u>6,458,947.73</u>
Total Liabilities and Equity		<u><u>\$6,808,094.26</u></u>

VENTURA RIVER WATER DISTRICT

DATE: April 19, 2017
TO: Board of Directors
FROM: Bert J. Rapp, P.E. General Manager
SUBJECT: DRAFT BUDGET REVIEW FY2017/18

SUMMARY

The first draft of the FY 2017/18 Budget is attached. The highlights of the budget are described below.

RECOMMENDED ACTION

The General Manager recommends that the Board review and comment on the draft Budget for FY 2017/18.

BACKGROUND

REVENUES:

The usage for next year is estimated at 831 AF. Usage for the current year is estimated to be 790 AF. A rate adjustment is possible in January 2018 but has not been programmed into the budget.

OPERATING EXPENSES:

Inflation as of February 2017 is at 2.7% for the Los Angeles Area. Cost of living adjustments are set at 2.7% except for the management staff which receive a fixed adjustment of \$1,847 per year which is the average of the other employee's cost of living adjustments. Some merit increases are possible and budgeted from 3% to 5%.

Public Employee Retirement will be coming in over budget this year because the new Unfunded Accrued Liability collection was not included in the FY 2016/17 budget. This cost is now included and a \$4,000 contingency added to assure adequate monies are budgeted.

Group Health Insurance is projected to be within the fixed allocation set by the Board in 2013 and increased by the Consumer Price Index. The

employees have been able to stay close to the District limit by changes in coverage and with moderate deductions from their pay. There will not be a need to implement a cafeteria plan this year.

RECORD OF DISTRICT COST OF HEALTH INSURANCE						
	District Cost of Health Insurance FY 2012/13	FY 2013/14 District Cost of Health Care	FY 2014/15 District Cost of Health Care	FY 2015/16 District Cost of Health Care	FY 2016/17 District Cost of Health Care	FY 2017/18 District Cost of Health Care
CPI Inflation		0.90%	1.00%	0.50%	0.50%	2.70%
Annual District Total	\$119,618.00	\$120,695	\$121,902	\$122,511	\$123,124	\$126,448

Contract labor is estimated to be lower this year because the County does not anticipate any significant street paving in our District this year.

Well #4 will likely need to be cleaned this year because it is experiencing a large drawdown. We will try to work the well for a while to see if it improves. The cleaning cost is budgeted in Field Equipment Maintenance.

The Upper Ventura River Groundwater Agency may come in about \$9,000 over budget this year. Next year's budget is currently set at \$51,000 but may be reduced if lower cost legal services can be acquired.

CAPITAL IMPROVEMENTS

Next year we will do a double valve and hydrant project because staff did not have adequate time to do them this year with Well #7 work.

Well #7 will roll over into the summer with the well coming on line in about August. With a full aquifer we are not in need of Well #7 at this time.

The District has received donated soil at the Parker tank site for the construction of a landscape berm around the future #2 tank. Funds are budgeted to shape the berm and landscape it in the fall of 2017.

FISCAL SUMMARY

The Operating Budget surplus is projected to be about \$600,000, about \$900,000 is needed to meet the 10-Year Capital Improvement Program so a rate adjustment may be needed if usage does not increase.

**VENTURA RIVER WATER DISTRICT
FISCAL YEAR BUDGET
2017-2018**

DRAFT BUDGET 4/19/2017

REVENUES

BEGINNING CASH BALLANCE:	July 1, 2016		July 1, 2017	CPI = 2.7%, 12 Months ended February 2017
	\$2,647,641		\$2,205,586	

ACCOUNT NUMBER	REVENUES	BUDGET 2016/2017	TOTAL AS OF 2/1/2017	ESTIMATED THRU JUNE 2017	GENERAL MGR RECOMMENDED 2017-2018	ALLOCATION TO UPPER COST CLASSES	Comments
40000	WATER SALES (Base Fees, Dweling, Fire, Water)	\$2,070,843	\$1,366,040	\$1,922,015	\$2,248,000		2017/18 based upon rates in effect 3-15-2017, 831 AF -\$67,000 Wtr Use Fluct
40001	SERVICE INSTALLATIONS	\$4,000	\$105		\$1,000		Anticipate one new connection.
40002	DELINQUENT FEES	\$2,000	\$1,783	\$3,060	\$2,000		
40004	WATER WASTE FINES	\$0	\$0		\$0		
40005	PURCHASED WATER SURCHARGE	\$235,000	\$53,698	\$47,201	\$0		
43000	CAPACITY CHARGE	\$4,000	\$0	\$0	\$4,000		Anticipate one new connection.
41000	PROPERTY TAXES	\$27,150	\$20,496	\$26,150	\$27,150		
42000	INTEREST INCOME	\$3,400	\$8,914	\$15,276	\$12,000		
45-000-1	OTHER REVENUE	\$500	\$1,723	\$2,708	\$500		No actual revenue source, revenue not categorized above. Ave = \$2,500/year.
TOTAL INCOME		\$2,346,893	\$1,452,759	\$2,016,410	\$2,294,650	15660 0.68%	

**VENTURA RIVER WATER DISTRICT
FISCAL YEAR BUDGET
2017-2018
DRAFT BUDGET 4/19/2017**

OPERATING EXPENSES

ACCOUNT NUMBER	OPERATING EXPENSE	BUDGET 2016/2017	TOTAL AS OF 2/1/2017	ESTIMATED THRU JUNE 2017	GENERAL MGR RECOMMENDED 2017-2018	ALLOCATION TO UPPER COST CLASSES	Comments
50000	WATER PURCHASES & CASITAS BASE FEES	\$305,000	\$109,586	\$127,586	\$86,000		Casitas Costs Plus PWS
60000	SALARIES	\$578,000	\$340,631	\$583,944	\$586,000		1.7% Cost of Living & potential 3% merit incr: Operators & Office Assistant
60002	FICA & MEDICARE	\$59,000	\$26,937	\$46,176	\$53,000		Based on Salaries, District portion only, employees pay their portion (7.65%), Medicare = \$14K/year
60004	STATE PAYROLL TAXES (SUI, ETT)	\$2,000	\$1,302	\$2,232	\$2,000		
60005	PUBLIC EMPLOYEE RETIREMENT	\$38,000	\$30,884	\$52,944	\$54,000		Employer contribution of 7.159 & Employees paying their portion of 7.0%
60008	GROUP HEALTH INSURANCE	\$116,000	\$76,002	\$130,284	\$122,000		Projected increases 1-1-2018: Health 12% and Dental 2%, Vision 0%, District cap = FY 2012/13 + CPI = \$126,448
60009	WORKERS COMPENSATION INSUR.	\$28,428	\$9,768	\$16,740	\$27,000		SDRMA Workmans Comp
60010	LIABILITY INSURANCE	\$37,000	\$17,766	\$30,456	\$37,000		Coastal States Insurance (Waiting for new Premium)
60011	BOARD MEMBER COMPENSATION	\$18,500	\$6,880	\$11,796	\$18,500		12 regular meetings, 4 committee meetings, GSA meetings.
60012	CONTRACT LABOR	\$112,000	\$67,920	\$116,436	\$104,000		Work on leaks, Cross Connection Control \$1,300, Raise Water Valves for Overlays \$15,000
60014	PROFESSIONAL SERVICES, Audit, Engr, Draft, Etc	\$71,000	\$9,150	\$40,150	\$63,000	\$0	Audit \$12K Engr & Drafting Services \$6K, Water Budget Rates, RDN \$47.5K Eagle \$13K +\$5.5K new flight Total \$66,000; FY 16/17=\$25K FY
60016	FUEL, OIL, TIRES	\$16,000	\$4,277	\$7,332	\$16,000		The price of gas is expected to remain low.
60017	AUTO EQUIPMENT MAINTENANCE	\$12,000	\$4,195	\$7,188	\$12,000		The vehicles are getting older and may need a major repair.
60018	OFFICE MAINTENANCE	\$14,000	\$17,387	\$29,808	\$31,000		CUSI/CYMA \$3,959+2349+220=\$6,528, VHSI \$3,500, ESRI \$450, RICOH Printer & Copier \$4K, Laserfiche \$1,200, Fire Extinguisher Maint \$200, MiTec \$6.5K
60019	FIELD EQUIPMENT MAINTENANCE	\$47,000	\$7,962	\$46,000	\$52,000		Motor-Panel Insp & Maint \$12K, Clay Valve Maint \$3K, \$1,800 Iron Annual, ClearSCADA \$1,300, Win911 (SCADA Call outs) \$395, Generator belts & hoses \$5K, SCADA \$5K, LogMeln \$150, Maint. Well/Bster pump \$25K
60020	METER REPLACEMENT	\$69,535	\$21,000	\$36,000	\$50,000	\$8,500	Parts for 120 meters per year = \$50,000 per year. \$0.96/meter/month for Beacon
60021	EQUIPMENT RENTAL	\$5,000	\$340	\$588	\$5,000		Equipment, postage machine rental, etc.
60022	WATER SYSTEM MAINTENANCE	\$64,000	\$52,236	\$64,000	\$64,000		Monitoring; pipe; chlorine, fittings, etc. Calif Dept Public Health Administration \$4K/Yr, every 3 yrs = \$10K for Sanitary Survey (2016). County Encroachment Permit \$1,200 + Actual\$, Well SWRCB annual permit \$2,300, RWQCB NPDES permit \$400, Uniforms, Recording Groundwater rights/usage \$250, Underground Service Alert.
60024	DISTRICT LEGAL COUNSEL	\$13,000	\$6,412	\$10,992	\$13,000		\$250 per hour
60025	DEPRECIATION	\$240,000	\$0	\$0	\$240,000		
70001	UTILITIES	\$96,355	\$46,202	\$79,200	\$96,355		\$10,000 lower pumping costs: wells may not pump this summer - drought Sewer: 1,355
70002	TELEPHONE & COMMUNICATIONS	\$15,000	\$5,062	\$8,676	\$15,000		Telephone, Internet Service, Cell Phones
70003	LAFCO FEES	\$1,400	\$0	\$0	\$1,400		Annual LAFCO Fees, \$1,312 per LAFCO BUDGET
70004	MISC. EXP. TAX LIC. BANK CHARGES	\$3,500	\$2,992	\$5,124	\$6,000		Wire transfers, Checks, Safe Deposit Box, misc bank charges, Employee Recognition \$500
70005	MEMBERSHIP, DUES, SUBSCRIPTIONS	\$15,400	\$3,239	\$5,556	\$17,100		AWA \$850, OVNews \$75, VCSDA \$150, ACWA \$7,000, Water Education Fund \$45, CSDA \$5,300, AWWA \$110, Engineering Registration \$150,
70006	PUBLIC RELATIONS, EDUCATION, CONSERVATION	\$6,500	\$3,902	\$6,684	\$6,500		AWA Operators workshop \$80x3=240, AWA Symposium \$220, ACWA Annual Conference \$750 Registration + Travel \$400+Hotel \$600+ Meals
70007	LEGAL NOTICES & NEWS LETTERS	\$9,000	\$6,662	\$11,424	\$9,000		Newsletter, Protest Hearing Notice mailing and post water quality on website.
70008	ELECTIONS	\$7,000	\$4,025	\$6,900	\$0		\$4.1K contested 2016, Next Election 11-13-2018
70009	DIRECTORS TRAVEL & EDUCATION	\$5,000	\$1,232	\$2,112	\$5,000		New Director Training. Education: AWA, VCSDA monthly meetings.
70010	SECURITY	\$4,400	\$2,708	\$4,644	\$4,400		Digital Security \$5,000/YR
70011	POSTAGE	\$13,000	\$7,301	\$12,516	\$13,000		
70012	OFFICE SUPPLIES	\$17,400	\$14,907	\$25,560	\$22,400		Printer cartridges, media, and form costs, office supplies, CSDA Sample Policies \$375, Janitor \$197/mo, OM Computer \$800, Sign In Station \$600
70014	VENTURA RIVER WATERSHED ISSUES, CHANNELKEEPER LAWSUIT	\$25,500	\$500	\$852	\$25,500	\$10,000	Watershed Council \$1,000, \$15,000 Santa Barbara Channelkeepers Lawsuit, Rainwater Infiltration (Green Coalition) \$10,000
70015	GROUNDWTR SUSTAINABILITY AGENCY	\$20,000	\$19,314	\$33,108	\$51,000		Upper Ventura River Sub-Basin Ground Water Sustainability Agency
70016	NEW WATER RESOURCES	\$25,000	\$0	\$0	\$25,000	\$25,000	Emergency State Water Connection & Possible Sea Water Desalination
70017	BAD DEBT EXPENSE	\$500	\$978	\$1,680	\$500		Based on actual Year to Year.
TOTAL EXPENSE		\$2,110,419	\$929,658	\$1,564,688	\$1,933,655	\$43,500	
OPERATING SURPLUS (DEFICIT) For CIP		\$236,475	\$523,101	\$451,722	\$600,995		A surplus of about \$900,000 is required to meet the CIP.
SUBTOTAL: ESTIMATED CASH BALANCES		\$2,884,116	\$1,337,087	\$3,099,363	\$2,566,581		

DRAFT BUDGET 4/19/2017

CAPITAL IMPROVEMENTS

ACCOUNT NUMBER	FIXED ASSETS	BUDGET 2016/2017	TOTAL AS OF 2/1/2017	ESTIMATED THRU JUNE 2017	GENERAL MGR RECOMMENDED 2017-2018	ALLOCATION TO UPPER COST CLASSES	Comments
	STRUCTURES & IMPROVEMENTS						
13-000-1	None						
	WATER SYSTEM IMPROVEMENTS						
13-010-2	Valve Replacement / upgrade	\$75,949	\$0	\$0	\$151,898		Replace 10 valves per year, Carry over to FY 17/18 & do 20 valves
13-011-2	Hydrant Replacement / upgrade	\$55,183	\$0	\$0	\$110,366		Replace 10 Hydrants per year, Carry over to FY 17/18 & do 20 hydrants
13-012-2	Well #7 (Well #3 Replacement)	\$1,002,000	\$491,121	\$702,000	\$200,000		FY 16/17 = 702K, FY 17/18 = 200K, Project est to be \$100K under budget
13-013-2	Well #5 Chrom 6 Testing & Design	\$30,000	\$0	\$0			Completed & on hold until or unless drought worsens
13-014-2	Blending Pipe for Nitrates	\$35,000	\$6,871	\$7,468			Completed
13-016-2	Mixing Valve South Alto Tank	\$12,000		\$0	\$14,000		Schedule for January 2018
13-018-2	Paint Parker Tank	\$47,000		\$47,000			
	Landscape berm to hide 2nd Parker Tank				\$40,000		Shape donated soil, plant in the fall of 2017, irrigation system, access road
	Parker VFD to Zone 5				\$41,713		Obtain Edison efficiency grant and construct
	AUTO EQUIPMENT						
13-032-2	Replace F-150 Truck	\$37,000		\$40,000			
13-032-3	Replace Backhoe	\$86,000	\$91,267	\$91,267			
	SHOP/MAINTENANCE EQUIPMENT						
13-034-2	Trash Pump for water leak repair	\$6,000	\$5,235	\$5,235			
	OFFICE EQUIPMENT						
13-035-1	CYMA Accounting System	\$3,000	\$807	\$807	\$3,000		
	Computers for Gen Mgr & Office Mgr				\$2,000		
	Scanner for Office Manager				\$1,500		
	CUSI Water Budget Rates Module				\$2,800	\$2,800	
	UPPER COST CLASSES CIP ALLOCATION					\$69,000	Three year average of CIP cost for large users, Cost Classes 4 & 3
	INVESTMENT IN FIXED ASSET	\$1,389,132	\$595,301	\$893,777	\$567,278		
	DEPRECIATION (as revenue)			\$0	\$240,000		
NET EXPENDITURES: Op + Fixed Asset = Surplus or (Deficit)		(\$912,658)		(\$442,055)	\$273,717		
	TOTAL NET INCOME AFTER LIABILITIES			(\$442,055)	\$273,717		

PROJECTED ENDING CASH BALANCE:	16/17 Budget	Estimated 6-30-2017:	17/18 Budget
	\$1,734,984	\$2,205,586	\$2,239,304

PROJECTED ALLOCATIONS TO RESERVES	7/1/2017		7/1/2018
Allocation to Operating	\$0		\$0
Allocation to Water Sales Fluctuation Reserves	\$0	\$67,000	\$67,000
Allocation to CIP Reserves	-\$467,055		\$248,717
Allocation to Emergency Reserves	\$25,000		\$25,000
Total Allocation to Reserves	-\$442,055		\$340,717

SUMMARY OF COMMITTED FUNDS:	7/1/2016	Budget Transfers 2016/17	Estimated 7/1/2017	7/1/2018		
OPERATING, Goal: 7% of Operating \$110,000 (covers expense fluctuations & vac/sick accruals)	\$110,000		\$110,000	\$110,000		
WATER SALES FLUCTUATION, Goal: \$200,000	\$0		\$0	\$67,000	\$67,000	Collect the Water Sales Fluctuation Reserve over 3 years.
CIP, (Wtr Syst Imp) Goal: meet 10-year plan	\$1,962,060		\$1,495,586	\$1,677,304		
EMERGENCIES, Goal : \$750,000 by 2022	\$575,000		\$600,000	\$625,000		
ENDING CASH BALANCE	\$2,647,060		\$2,205,586	\$2,479,304		The final reserve numbers will be set at the close out of the FY 2016/17 budget year in about September or October 2017

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VENTURA RIVER WATER DISTRICT

DATE: April 19, 2017
TO: Board of Directors
FROM: Bert J. Rapp, P.E. General Manager
SUBJECT: CASITAS RATE INCREASE IMPACT ON VRWD

SUMMARY

The Casitas Water District is implementing a water rate increase effective July 1, 2017. The last rate increase was four years ago on July 1, 2013. The net impact on VRWD is an increased cost of about \$15,700 per year or about 0.93% on the usage revenue.

The District plans to implement Water Budget Rates in January 2018 so it may be best to wait until that time to adjust the rates for the Casitas rate increase.

RECOMMENDED ACTION

The General Manager recommends that the Board plan to incorporate the Casitas rate increase into the future Water Budget Rates in January 2018.

BACKGROUND

The following tables summarize how the Casitas rate increase affects various portions of the Ventura River Water District.

Casitas Springs Annual Cost Based on 2014/15 Usage

Old Rates	\$21,421.89	% Increase
New Rates 7-1-2017	\$26,712.90	25%
7/1/2018	\$29,918.45	12%
7/1/2019	\$33,508.66	12%
7/1/2020	\$37,529.70	12%
7/1/2021	\$42,033.27	12%

Monte Via - Rio Via Annual Cost Based on 2014/15 Usage

Old Rates	\$20,280.19	% Increase	
New Rates 7-1-2017	\$21,923.24	8%	
7/1/2018	\$24,554.03	12%	
7/1/2019	\$27,500.51	12%	
7/1/2020	\$30,800.57	12%	
7/1/2021	\$34,496.64	12%	

Well Service Area (Usage passed through with PWS)

	Base Rates	Base Increase	Usage Cost	Usage Increase
Old Rates	\$23,925.12		\$115,612	
New Rates 7-1-2017	\$32,650.56	36%	\$113,436	-2%
7/1/2018	\$36,568.63	12%	\$127,048	12%
7/1/2019	\$40,956.86	12%	\$142,294	12%
7/1/2020	\$45,871.69	12%	\$159,370	12%
7/1/2021	\$51,376.29	12%	\$178,494	12%

Water Rate Impact of Casitas Rate Increase

2016/17 VRWD Water Usage Revenue:	\$1,690,000
Casitas increase to District 7-1-2017 Absorbed by Rates:	\$15,659
% of Usage Revenue:	0.93%

FISCAL SUMMARY

Since the Water Budget Rates are scheduled to be implemented January 1, 2018 it may be best to wait until that time to incorporate the Casitas rate increase. In order to implement a rate increase to recuperate the increased Casitas costs the District would need to mail out a protest hearing notice which could be done with the annual newsletter and hold a Protest Hearing July 19th with the rates taking effect on August 15th. The missed revenue over five months by waiting until January 2018 would be about \$6,500.

Action: _____

Motion: _____ 2nd: _____

E. Lee _____ B. Kuebler _____ M. Hanson _____ J. Curtis _____ P. Wiles _____

VENTURA RIVER WATER DISTRICT

DATE: April 19, 2017
TO: Board of Directors
FROM: Bert J. Rapp, P.E. General Manager
SUBJECT: RESOLUTION 2017-308 SUPPORTING ACWA POLICY STATEMENT ON BAY DELTA FLOW REQUIREMENTS

SUMMARY

The Association of California Water Agencies (ACWA) has prepared a policy statement on the Bay Delta Flow Requirements and is asking water agencies in the state for support the policy statement. A copy of the policy statement and support Resolution 2017-308 are attached.

RECOMMENDED ACTION

The General Manager recommends that the Board adopt Resolution 2017 - 308 in support of the Association of California Water Agencies' Policy Statement on Bay-Delta flow requirements.

BACKGROUND

The State Water Board will be adopting a method of establishing new water quality objectives using a method recommend by Board Staff on a "percentage of unimpaired flow" basis or by using "negotiated agreements" recommended by Governor Brown and ACWA. The attached Policy Statement further explains ACWA support for negotiated agreements.

With the future connection to the State Water Project this issue is relevant to the Ventura River Water District.

FISCAL SUMMARY

The fiscal impact of this issue is unknown.

Action: _____
Motion: _____ 2nd: _____
E. Lee _____ B. Kuebler _____ M. Hanson _____ J. Curtis _____ P. Wiles _____

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VENTURA RIVER WATER DISTRICT

DATE: April 19, 2017
TO: Board of Directors
FROM: Bert J. Rapp, P.E. General Manager
SUBJECT: SUPPORT LETTER FOR AB 979 LAFCO REPRESENTATION

SUMMARY

Assemblyman Lackey has authored AB 979 to make it easier for special districts to obtain representation of Local Agency Formation Commissions. A support letter for AB 979 is attached.

RECOMMENDED ACTION

The General Manager recommends that the Board authorize the Board President to sign the support letter for AB 979.

BACKGROUND

The County of Ventura LAFCO already has special district representation. Therefore SB 979 will not be of benefit to us. However it will make it easier for special districts in other parts of the State to gain representation of LAFCO's.

FISCAL SUMMARY

There is no fiscal impact related to this issue.

Action: _____
Motion: _____ 2nd: _____
E. Lee _____ B. Kuebler _____ M. Hanson _____ J. Curtis _____ P. Wiles _____

April 19, 2017

Assemblyman Tom Lackey
State Capitol, Room 4009
Sacramento, CA 95814

**RE: AB 979 (Lackey) LAFCO Representation for Special Districts --
SUPPORT**

Dear Assemblyman Lackey:

I am writing in support of *Assembly Bill 979 (Lackey): LAFCO Representation for Special Districts*. AB 979 will increase the participation of special districts on county Local Agency Formation Commissions.

Local Agency Formation Commissions (LAFCOs) administer and approve the formation, dissolution, and boundaries of local agencies, including cities, counties, and special districts, in each county. LAFCOs are composed of representatives from local cities, counties, and members of the public. Special districts have the ability to opt in to representation on LAFCOs. Since 1972, special districts have obtained LAFCO representation in 30 of the 58 counties in California.

Under current law, special districts may acquire representation on a LAFCO if a majority of all special districts in a county pass a board resolution supporting such action within a one-year period. The most recent county to gain special district representation was Santa Clara in 2012. Organization of the county's 20 special districts to vote on an individual board resolution within a one-year period required a well-funded campaign and a part-time organizer.

AB 979 simplifies this bureaucratic process by allowing special districts to vote on LAFCO representation in a meeting of the county's independent special districts selection committee. Every independent special district would have the opportunity to participate in the election process, either in-person or by mail, casting one vote for or against the question.

Simplifying the LAFCO representation process would empower special districts in the 28 counties with no special district representation to more effectively consider their participation on LAFCO. In cases where special districts choose to participate, special district representation on LAFCO would provide a more diverse and representative decision-making foundation to the LAFCO. Special districts are often instrumental in solving communities' service deficiencies and their input in these processes is of great value.

Sincerely,
VENTURA RIVER WATER DISTRICT

Bruce Kuebler, President



**VENTURA
RIVER
WATER DISTRICT**

409 Old Baldwin Road
Ojai, CA 93023
Phone (805)646-3403
Fax (805) 646-3860

www.VenturaRiverWD.com

DIRECTORS

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Bruce Kuebler

Vice President:

Jack Curtis

Treasurer:

Peggy Wiles

Directors:

Ed Lee

Marvin Hanson

GENERAL MANAGER

Bert Rapp, P.E.

OFFICE MANAGER

Amy Joy Bakken

FIELD SUPERVISOR

Joe Zuniga

ATTORNEY

Lindsay Nielson, ESQ

VENTURA RIVER WATER DISTRICT

DATE: April 19, 2017
TO: Board of Directors
FROM: Bert J. Rapp, P.E. General Manager
SUBJECT: ACCEPTANCE OF BID AND PURCHASE OF WORK TRUCK

SUMMARY

This year the District is budgeted to replace the 2001 F-150 truck used by the Field Supervisor. On March 15th the District sent a request for bids to the Chevy, Ford and Dodge dealers in Santa Barbara and Ventura County. The funding for the truck is budgeted in account #13-032-2 in the amount of \$37,000.

RECOMMENDED ACTION

The General Manager recommends that the Board award the purchase of the work truck to Paradis Chevrolet of Ventura for the out the door price of \$39,643 for a Chevy Silverado, 4 wheel drive work truck with utility bed.

BACKGROUND

The budget is based upon purchasing a 2-wheel drive truck. However this year has reminded staff of the need to have 4-wheel drive on the District properties. One of our vehicles got stuck during a rain event at 409 old Baldwin and vehicles have gotten stuck in wet weather on the Parker site. The District has one 4-wheel vehicle, a 2007 F-350 which is scheduled for replacement in 2019.

Bids for 2017 Work Truck				
Dealership	Notes	Out the Door Price	Trade in	Net
Paradise Chevrolet Ventura	2WD	\$39,496	\$1,893	\$37,603
	4WD	\$41,536	\$1,893	\$39,643
WM Morris Chevrolet Fillmore	2WD	\$45,168	\$1,000	\$44,168
	4WD	\$47,468	\$1,000	\$46,468
Ford of Ventura	2WD	\$37,948	\$750	\$37,198
	4WD	\$41,831	\$750	\$41,081
Vista Ford Woodland Hills	2WD			
	4WD	\$44,384	\$1,500	\$42,884

The minimum bid specifications for the work truck are:

1 Ton Regular Cab Chassis Truck	AM/FM Radio
Bright White Clear Coat Paint	Hands Free For Mobile Devices
Black/Grey Interior colors	Automated Exterior mirrors
Heavy Duty Vinyl 40/20/40 Split Bench Seat	9 Ft Service Body : Scelzi, Harbor or Royal
Approximately 6.4-Liter V8 Engine	Construction Rack
6-Speed Automatic Transmission	Black Vinyl Floor Covering
GVW Rating-10,000 Pounds	Power Steering
Single Rear Wheel Group	Tilt Steering Column
Side Curtain Airbags	12 Volt Aux Power Outlet
Air Conditioning	Remote USB Port
Front Stabilizer Bar	Behind Seat Storage
Rear Heavy Duty Stabilizer Bar	Rear Fixed Window
Heavy Duty Engine Cooling	Power Windows And Locks
7 Pin Wiring Harness for trailer	Back Up Camera
Auxiliary Transmission Oil Cooler	Warning Strobe Lights for emergencies

FISCAL SUMMARY

The purchase of the work truck is budgeted in account #13-032-2 in the amount of \$37,000. Upgrading the truck to a 4-wheel drive will cost \$39,643 bringing this line item of the budget over by about \$2,700. There are adequate monies in the Capital Improvement program to cover the overage.

Action: _____

Motion: _____ 2nd: _____

E. Lee _____ B. Kuebler _____ M. Hanson _____ J. Curtis _____ P. Wiles _____

VENTURA RIVER WATER DISTRICT

DATE: April 19, 2017
TO: Board of Directors
FROM: Bert J. Rapp, P.E. General Manager
SUBJECT: AUTHORIZATION TO ADVERTISE FOR BIDS: PAINT
EXTERIOR OF PARKER TANK

SUMMARY

The Parker Tank is ready for repainting on the exterior of the tank. The existing paint is getting chalky and is 16 years old.

RECOMMENDED ACTION

Approve the plans and specifications and authorize the General Manager to advertise for bids to paint the exterior of the Parker tank.

BACKGROUND

The plans and specification for painting the Parker Tank will be in the Board room for review Monday evening April 17th.

FISCAL SUMMARY

The budgeted cost of painting the tank is \$47,000.

Action: _____
Motion: _____ 2nd: _____
E. Lee _____ B. Kuebler _____ M. Hanson _____ J. Curtis _____ P. Wiles _____

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VENTURA RIVER WATER DISTRICT

DATE: April 19, 2017
TO: Board of Directors
FROM: Bert J. Rapp, P.E. General Manager
SUBJECT: UVRGA - BUREAU OF RECLAMATION GRANT APPLICATION

SUMMARY

The City of Ventura is proposing to be a non-federal partner with the Bureau of Reclamation for the conduct of a climate change study of the Ventura River Watershed. This action was considered and rejected by the Upper Ventura River Groundwater Agency on April 13, 2017. Director Kuebler was one of the dissenting votes and is asking the Board to also take a position.

RECOMMENDED ACTION

The General Manager recommends that the Board oppose the Bureau of Reclamation study of the Ventura River Watershed.

BACKGROUND

A copy of the staff report regarding the Bureau of Reclamation study is attached.

FISCAL SUMMARY

There is no cost to the District associated with the study.

Action: _____
Motion: _____ 2nd: _____
E. Lee _____ B. Kuebler _____ M. Hanson _____ J. Curtis _____ P. Wiles _____

UPPER VENTURA RIVER GROUNDWATER AGENCY

Item No. 6(d)

DATE: April 13, 2017
TO: Board of Directors
SUBJECT: Letter Proposal to the Bureau of Reclamation for a Basin Study for the Ventura River.

COPY

SUMMARY

The Bureau of Reclamation (“Reclamation”) is seeking non-federal partners to participate in the development of new basin studies. The City of Ventura’s water department (“Ventura Water”) responded with a letter of interest in January proposing a basin study for the Ventura River to complement the California State Water Resources Control Board’s (“State Water Board”) instream flow study. Reclamation informed Ventura Water in March that the Ventura River was selected to proceed to Step 2 of the evaluation process. Ventura Water staff is working with Reclamation State Water Board staff to develop a study proposal for consideration by a Reclamation-wide application review committee. Proposals are due April 19, 2017 and should include letters of support from project partners and stakeholders.

RECOMMENDED ACTION

Authorize Chair Kuebler to sign the attached letter of support on behalf of the Agency for Ventura Water’s Proposal for a Reclamation Basin Study for the Ventura River.

BACKGROUND

In December 2016, Reclamation sought letters of interest from eligible non-federal entities interested in participating in a new basin study. Ventura Water responded with a letter of interest proposing a basin study for the Ventura River to complement the State Water Board’s in stream flow study currently underway.

On March 8, 2017, Reclamation informed Ventura Water that the Ventura River was selected to proceed to Step 2 of the evaluation process. Ventura Water staff is working with Reclamation and State Water Board staff to develop a study proposal for consideration by a Reclamation-wide application review committee. Proposals should include letters of support from project partners and stakeholders, which are due April 19, 2017.

Through basin studies, Reclamation works with state and local partners to conduct comprehensive water supply and demand studies of river basins. Basin studies are conducted over a three year period and include four main elements:

1. Projections of water supply and demand, including the risks of climate change.
2. Analysis of how existing water and power infrastructure will perform in response to changing water realities.

3. Development of adaptation and mitigation strategies to improve operations and infrastructure to supply adequate water in the future.
4. Trade-off analysis of the strategies identified and findings.

Entities must contribute at least half of the total cost as cash or in-kind services. This is not a financial assistance program and Reclamation's share of the study costs will only be used to support the work done by Reclamation or its contractors. If the Ventura River study proposal is selected for funding, then Ventura Water staff will work with Reclamation staff and other stakeholders to develop the Plan of Study for the project and execute Memorandums of Agreement between the study partners. At this time, the study partners are identified as Ventura Water, Reclamation, and the State Water Board. If the Ventura River study is funded, then other partners can be identified at that time.

The study proposal will describe the nexus between the State Water Board's instream flow study for the Ventura River Watershed and a Basin Study for the Ventura River. The Agency may choose to utilize these studies as background to develop the Groundwater Sustainability Plan ("GSP"). The bulk of the non-federal match for the Basin Study will be the \$700,000 that the State Water Board has allocated towards the development of hydrologic models for the Ventura River Watershed. Reclamation will then spend up to \$700,000 developing and modeling climate change scenarios and mitigation strategies for the Ventura River.

There are several elements that are common to the GSP and the Basin Study. In some instances, the GSP element may inform the Basin Study and vice versa. Study partners and stakeholders will coordinate throughout the process to develop both plans efficiently and effectively. The climate change modeling provided by Reclamation could inform the Agency's projected water budget. As a stakeholder in the process, the Agency will also have the opportunity to provide input on the management actions and mitigation strategies that could be implemented to ensure sustainable water supplies in the Upper Ventura River Groundwater Basin and Ventura River Watershed as a whole. While many of the modeling details will be developed during the next phase of the Study, the attached draft work plan provided by Reclamation provides an overview of the Basin Study process.

FISCAL SUMMARY

There is no fiscal impact associated with this agenda item.

Action: _____

Motion: _____ 2nd: _____

B. Kuebler___ M. Bergen___ J. Pratt___ M. Krumpschmidt___ S. Epstein___

L. Rose___ E. Ayala___

Summary Work Plan

Each Basin Study must include four key elements, as detailed in the Reclamation Manual Directives and Standards WTR 13-01¹. These elements include:

- Projections of future water supply and demand, considering specific impacts resulting from climate change, including any risk related to changes in snowpack; changes in the timing and quantity of runoff; changes in groundwater recharge and discharge; and any increase in the demand for water or the rate of reservoir evaporation as a result of increasing temperatures.
- Analysis of how existing water and power infrastructure and operations will perform given any current imbalances between water supply and demand, and in the face of changing water realities due to climate change (including extreme events such as floods and droughts) and population growth. Analysis must consider the extent to which changes in water supply will impact Reclamation operations and facilities, including: water deliveries; hydropower generation; recreation; fish and wildlife habitat; species or habitats protected under the ESA; water quality; flow-dependent ecological resiliency; and flood control.
- Development of appropriate adaptation and mitigation strategies to meet current and future water demands. Adaptation and mitigation strategies may include, but are not limited to, modification of existing reservoir or operating guidelines; new management, operating, or habitat restoration plans; water conservation and demand reduction strategies; new water infrastructure; new or improved models and decision support systems; and monitoring plans and data acquisition to support future analysis.
- Quantitative or qualitative trade-off analysis of identified adaptation and mitigation strategies. Trade-off analysis must examine proposed strategies in terms of their ability to meet the study objectives, the extent to which they minimize imbalances between water supply and demand and address the possible impacts of climate change, the level of stakeholder support, the relative costs (when available), the potential environmental impacts, and other attributes common to the strategies.

The Ventura River Basin Study will address the four required elements through eight technical tasks, summarized below. Tasks 1-8 will each be documented in a technical memorandum. Results from Tasks 1-8 will then be compiled and summarized in a final Basin Study Summary Report. All technical memoranda and the final Basin Study Summary Report will undergo Technical Sufficiency Review as required by the Reclamation Manual Directives and Standards WTR TRMR-65.

¹ Reclamation Manual Directives and Standards (D&S) WTR 13-01 establishes the Bureau of Reclamation's requirements for reviewing, conducting, and approving Basin Studies under the WaterSMART (Sustain and Manage America's Resources for Tomorrow) Basin Study Program. D&S WTR TRMR-65 is available at the following URL: <https://www.usbr.gov/recman/wtr/wtr13-01.pdf>

Task 1: Develop Study Metrics

Task 1 will define a suite of metrics to quantify and characterize current and future climate conditions and water supplies, demands, and operations in the study area. Water supply and demand metrics will address timing and quantity of runoff and reservoir inflow; groundwater recharge, discharge, and aquifer levels; crop evapotranspiration and net irrigation requirement; indoor and outdoor municipal water use; reservoir evaporation rates; and other relevant supply and demand metrics identified by the study partners. Water operations metrics will address the quantity and reliability of surface water and groundwater deliveries, flood control, and hydropower generation, along with relevant metrics or indicators related to recreation, fish and wildlife habitat, species or habitats protected under ESA, water quality, and flow-dependent ecological resiliency.

Task 2: Characterize Climate Change and Sea Level Rise

Task 2 will characterize historical and projected variability and trends in climate and sea levels within the study area based on historical observations and future projections. Analysis and characterization of climate conditions will focus on aspects of climate variability and change that are likely to impact water supplies, demands, and operations in the study area, including, but not limited to, precipitation, temperature, and humidity. Analysis of sea levels will focus on observed and projected changes in mean sea level, with limited consideration of tidal fluctuation and storm surges. Analysis will consider climate and sea level projections from multiple GCMs and emissions scenarios, and may consider multiple downscaling methods.

Task 3: Develop Study Scenarios

Task 3 will develop a set of planning scenarios that will be used to evaluate water supplies, demands, and operations under current and future conditions. Scenarios will represent the broad range of factors that affect water supplies, demands, and operations in the Ventura River basin, including physical factors such as climate and sea levels as well as socioeconomic factors such as population and per capita water use; industrial water use; agricultural practices, including cropping and irrigation patterns; and land use throughout the basin.

A baseline scenario will be developed to represent current conditions within the study area. Future scenarios will then be developed to represent projected changes in climate, sea level, and socioeconomic conditions through the end of the 21st century. Study scenarios will be developed consistent with the requirements and guidelines for developing Groundwater Sustainability Plans under California's Sustainable Groundwater Management Act, to the extent that these requirements and guidelines are consistent with the requirements and objectives of the Basin Study.

Climate scenarios will specify transient (time-varying) sequences of precipitation, temperature, and other climate variables relevant to water supplies and demands. The baseline climate and sea level scenarios will represent recent historical conditions over the period from approximately 1975-2015. Future climate and sea level scenarios will be based on downscaled climate projections and corresponding projections of sea level rise (Task 2). Climate scenarios will be developed using the ensemble-informed hybrid delta method (Reclamation 2014) or the ensemble-informed transient delta method (Reclamation 2013, Reclamation 2016), both of which have been previously used to analyze potential impacts of climate change in California. This study will also consider future climate scenarios developed by the California Water Commission

based on the mean projected climate conditions for the 2030s and 2070s (California Water Commission 2017).

The baseline socioeconomic scenario will represent current conditions within the basin consistent. Future socioeconomic scenarios will be developed to represent a range of plausible trends in population, land use, and other socioeconomic factors that affect water supplies and demands in the Ventura River basin. To the extent possible, future socioeconomic scenarios will be consistent with existing projections of population, land use, and other socioeconomic factors developed by the study partners as part of other recent or concurrent planning efforts.

Task 4: Develop Modeling Tools and Inputs

Task 4 will develop the modeling tools and corresponding input datasets that will be used to evaluate water supplies, demands and operations in the Ventura River basin under baseline and future scenarios (Task 5) and to evaluate proposed adaptation and mitigation strategies (Task 7).

Figure 1 provides a schematic illustration of the conceptual approach to modeling water supplies, demands, and operations for the Basin Study. The conceptual approach includes three main steps:

- (1) Development of model inputs for each scenario;
- (2) Use of models to simulate water supplies, demands, and operations under each scenario and under the No Action Alternative and proposed adaptation and mitigation strategies; and
- (3) Calculation and analysis of study metrics based on model outputs.

SWRCB is currently working with a contractor to update, refine, and expand existing groundwater and surface-water models of the Ventura River basin. The contractor will also develop a nutrient transport model to estimate the amount of nutrients loaded to the surface water from agricultural practices via groundwater. SWRCB is also preparing a separate contract to update an existing water management model of the basin. In addition, Reclamation has developed an ET Demands model to estimate crop evapotranspiration and irrigation requirements for irrigated lands. These models will serve as the primary modeling tools for the Basin Study.

The study team will identify the inputs to each model that must be modified or adjusted to represent baseline and future scenarios, including but not limited to climate inputs (e.g., precipitation and temperature), hydrologic inputs (e.g., streamflow, infiltration, and recharge), and water demand inputs (e.g., stream diversions, groundwater pumping rates, and crop irrigation requirements). Default historical inputs to each model will then be modified to represent each study scenario. For example, precipitation and temperature inputs to the surface-water hydrology model will be modified to reflect projected trends in monthly means and interannual variability under each climate scenario.

It should be noted scenario inputs for one model may depend on the results of another model; these potential dependencies are represented by green arrows in Figure 1. For example, streamflow inputs to the water management model under a given climate scenario will be based

on outputs of the surface-water hydrology model under the same climate scenario. Similarly, inputs to the groundwater hydrology model—e.g., streamflows at the groundwater model boundary, reservoir stage, surface water diversions, and groundwater pumping rates—will likely be based the outputs of the water management model. As part of this task, the study team will identify and map all linkages between model inputs and outputs and develop a workflow for incorporating climate, sea level, and socioeconomic scenarios into all relevant model inputs. The modeling workflow may involve an iterative approach to represent interactions and feedbacks between inputs to the various models.

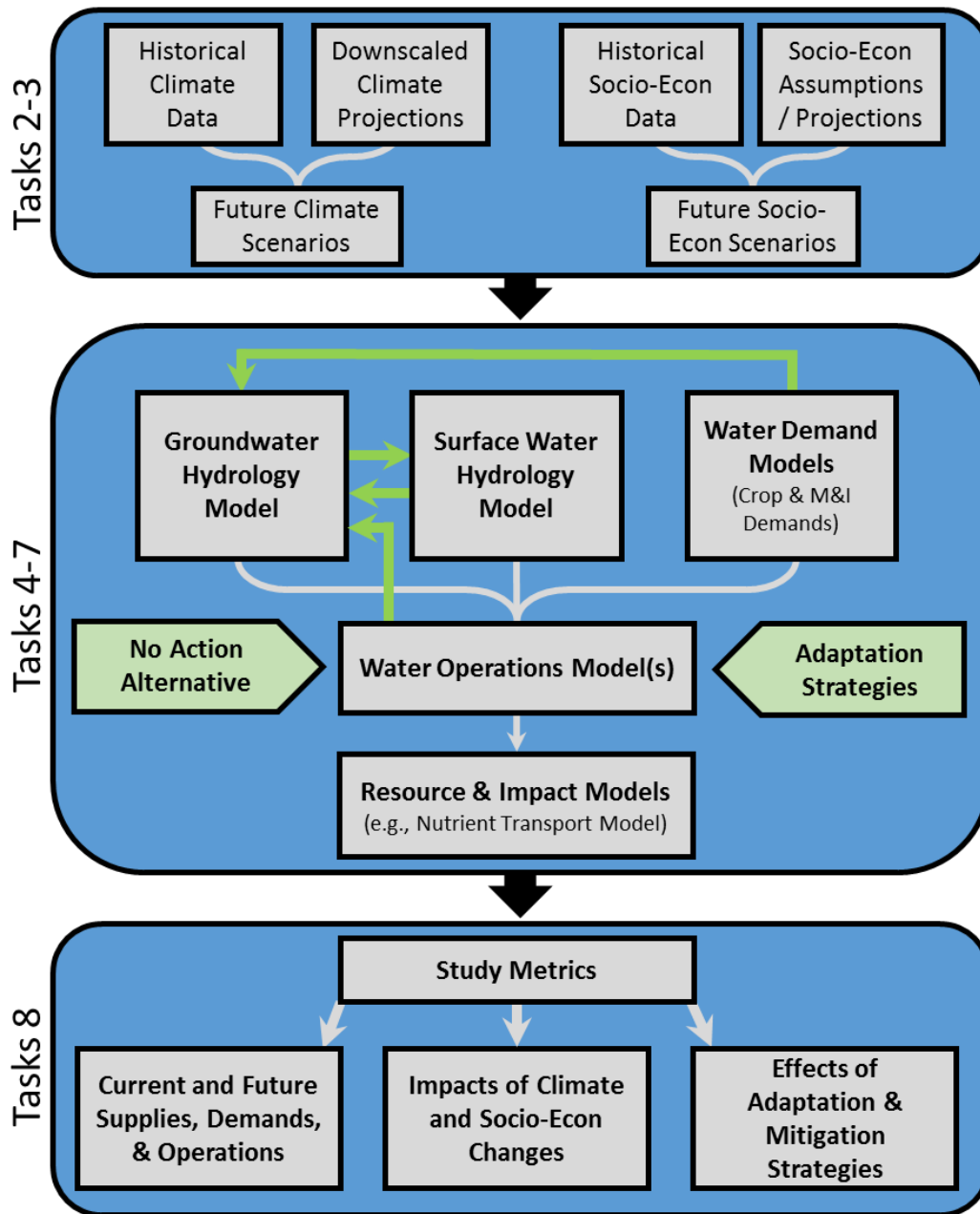


Figure 1: Schematic illustration of conceptual modeling approach. Green arrows represent dependencies between inputs to one model and outputs of another model.

Task 5: Simulate Supplies, Demands, and Operations – No Action Alternative

Task 5 will use the modeling tools, inputs, and workflow developed in Task 4 to evaluate and characterize water supplies, demands, and operations under current and future conditions in the absence of any change in surface water or groundwater management—i.e., assuming no change in water resources infrastructure, operations, or management within the study area, often referred to as the No Action Alternative. Models will be used to evaluate evaluate water supplies, demands, and operations throughout the Ventura River basin, including runoff and streamflow, infiltration and recharge, municipal and agricultural water demands, surface water storage and diversions, and groundwater levels and pumping rates. Study metrics will then be calculated from model results to characterize current and future supplies, demands, and operations and to evaluate potential impacts and risks from climate change, sea level rise, and socioeconomic factors. As noted under Task 4, modeling of water supplies, demands, and operations may involve an iterative approach if needed to represent interactions and feedbacks between inputs to the various models.

Task 6: Develop Adaptation and Mitigation Strategies

In Task 6, study partners will work together and with local stakeholders to identify adaptation and mitigation strategies to address current and projected imbalances between water supplies and demands. Development of adaptation and mitigation strategies will include consideration of any projected imbalances or failure to meet operating objectives under the No Action Alternative (Task 5). Adaptation and mitigation strategies may include, but are not limited to, changes to the operation of existing infrastructure, development of new infrastructure, conjunctive management of surface-water and groundwater resources, and/or water conservation and demand reduction measures. Where applicable, Task 6 will leverage strategies and alternatives developed by the study partners and/or local stakeholders as part of other recent or concurrent efforts.

Task 7: Simulate Supplies, Demands, and Operations – Adaptation and Mitigation Strategies

In Task 7, the Study Team will evaluate and characterize water supplies, demands, and operations under selected adaptation and mitigation strategies. Strategies developed in Task 6 will undergo initial review and screening, potentially including initial analysis based simplified representation of adaptation and mitigation strategy. Selected strategies will then be evaluated in detail using the modeling tools developed in Task 4.

Strategies will be simulated by modifying the configuration and/or input datasets of modeling tools to represent proposed adaptation and mitigation strategies. If it is not possible to represent a given strategy directly in the models, proposed strategies may be represented by post-processing model outputs (e.g., by using a spreadsheet to calculate changes in reservoir storage and surface water diversions under a given alternative). Study metrics will then be calculated from the model results and characterized similar to the No Action Alternative (Task 5). A bracketing approach will be used to evaluate uncertainties regarding future climate and socioeconomic conditions.

Task 8: Analysis and Comparison of Adaptation and Mitigation Strategies

Task 8 will analyze and compare simulated study metrics from Task 5 (No Action Alternative) to simulated study metrics from Task 7 (adaptation and mitigation strategies) to evaluate effects of proposed strategies on water supplies, demands, and operations. Task 8 will consider study

metrics related to the quantity of water supplies and demands, imbalances between supplies and demands, and reliability of water deliveries. Task 8 will also consider metrics and indicators related to flood control, hydropower generation, water quality, recreation, fish and wildlife habitat, species or habitats protected under ESA, and flow-dependent ecological resiliency (see Task 1). In addition to metrics and indicators based on model results from Tasks 5 and 7, Task 8 may consider factors such as relative costs and social acceptance; however, this task will not include a detailed benefit-cost analysis of proposed strategies.

Task 9: Prepare Basin Study Report

Finally, results from Tasks 1-8 will be compiled and summarized in a final study report and executive summary. Technical memoranda detailing the data, methods, and results of each previous task will be included as appendices to the final study report.

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VENTURA RIVER WATER DISTRICT

DATE: April 19, 2017
TO: Directors
FROM: Bert J. Rapp, P.E. General Manager
SUBJECT: WATER AND DISTRICT UPDATE

Wells & Production

The static aquifer level at Well #2 on April 1, 2017 was at elevation 544.3. The level rose 10.3 feet since the first of last month and 75 feet since the low January 1st. The aquifer is currently 8 feet ABOVE the 25 year average for April 1st.

Well #3 & 4 are on line and pumping. Well #1 was pumping at 950 gpm but is now off line because the electrical conductors have been removed so conductors to Well #7 can be installed in the same conduits serving Well #1. Well #3 was turned on March 3rd and is pumping at a rate of 375 GPM. Well #4 was turned on April 3rd for the first time in four years and is pumping at a rate of 1,050 GPM. Well #2 could be pumped but is not needed at this time.

Supplemental Water from Casitas

No supplemental water was purchased from Casitas in March.

Usage

Sales dollars billed on March 31, 2017 amounted to \$102,248 (\$21,300 under budget for March). Last year we billed \$112,000 during the same period. Water sold in March 2017 amounted to 16,312 HCF, a decrease of 45% below the 29,812 HCF sold in March 2013.

Charts are enclosed to depict the ground water status and water usage. On April 1, 2017, Lake Casitas level was 43.8% of full capacity at elevation 500.95, 66.1 feet below spill elevation of 567.1 with storage of 111,512 AF. The lake has increased 0.5% or 0.9 feet and increased 1,596 AF feet since last month. Since January 1st the lake has increased 22,197 AF from a low storage of 89,315 AF.

Electronic Billing The number of customers using automatic/free billing & payments increased from 225 to 281. The number of customers selecting e-bills is now 128 saving the District about \$0.56/bill or about \$860 per year in direct costs plus reduced staff processing time.

Customer Complaint Log

A copy of the Customer Complaint Log is attached.

Scholarship

The District received a \$600 scholarship that paid for the tuition for Director Wiles attendance at the California Special Districts Leadership conference for new Directors.

Auditor Request for Proposals

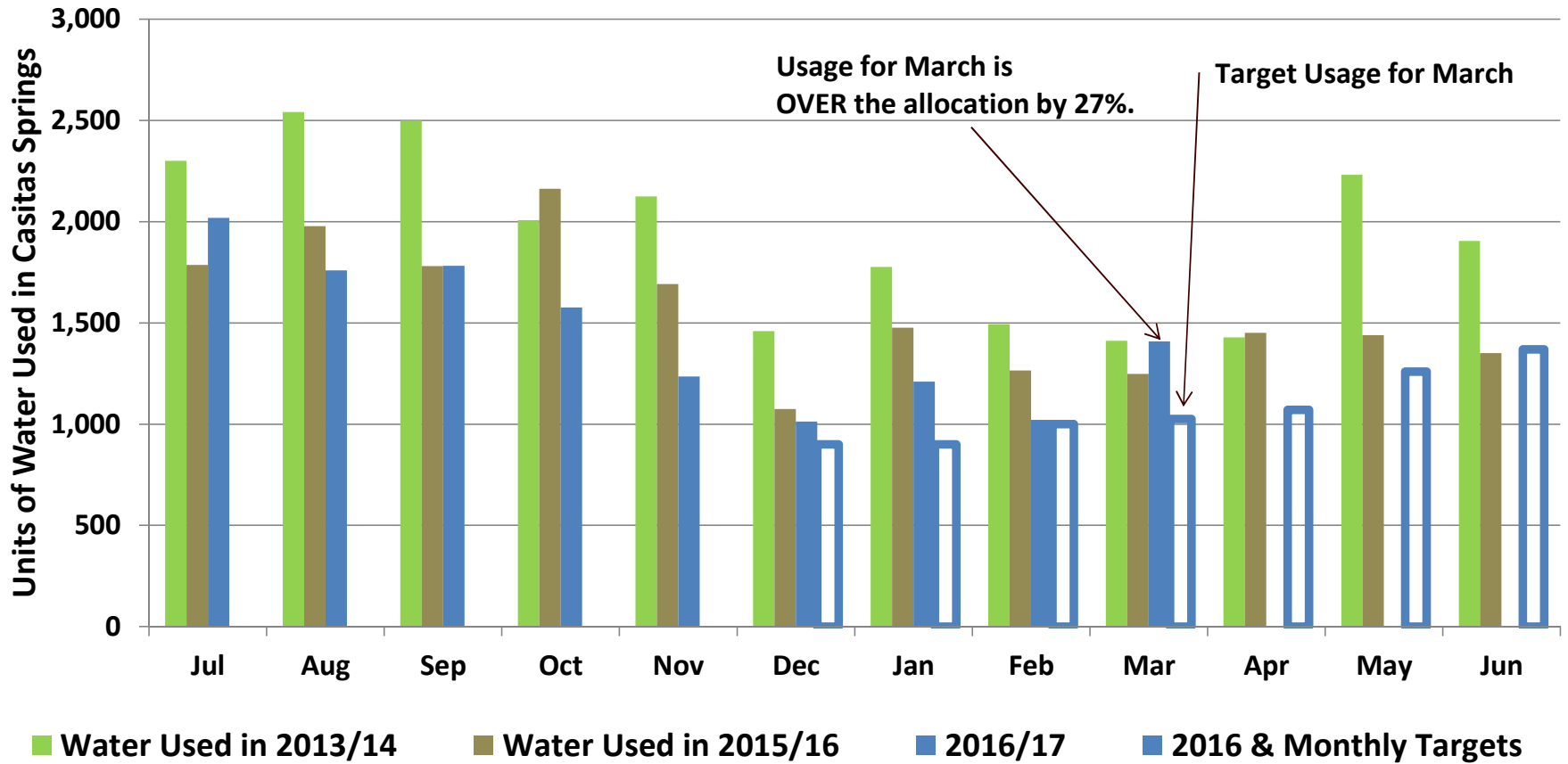
Every 5 years the District typically changes auditors to keep fresh eyes on the District financial matters. Staff has advertised for cost proposals from local accounting firms to provide auditing services to the District. Proposals are due into the District on Tuesday April 18th. The General Manager requests that an ad hoc committee be formed to interview the firms and recommend an auditor to the Board at the May meeting.

Water Budget Rates

On April 5th staff and the Water Budget Rate ad hoc committee met with RDN, the consultant preparing the water budget rates for the District. The minutes of that meeting are attached.

March 27, 2017

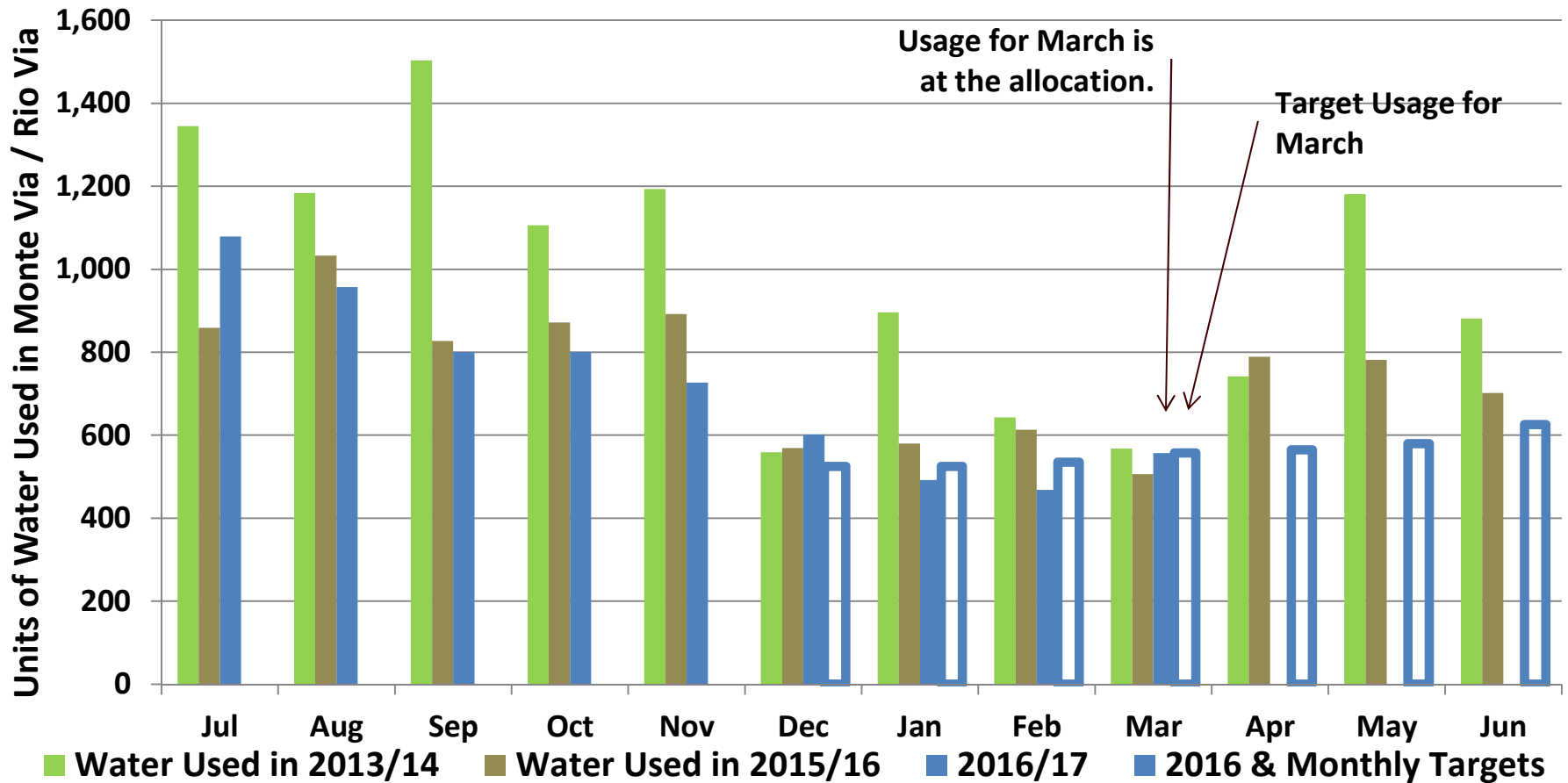
Chart #1
Casitas Springs Actual and Target Water Usage
to Meet Casitas Conservation Goal



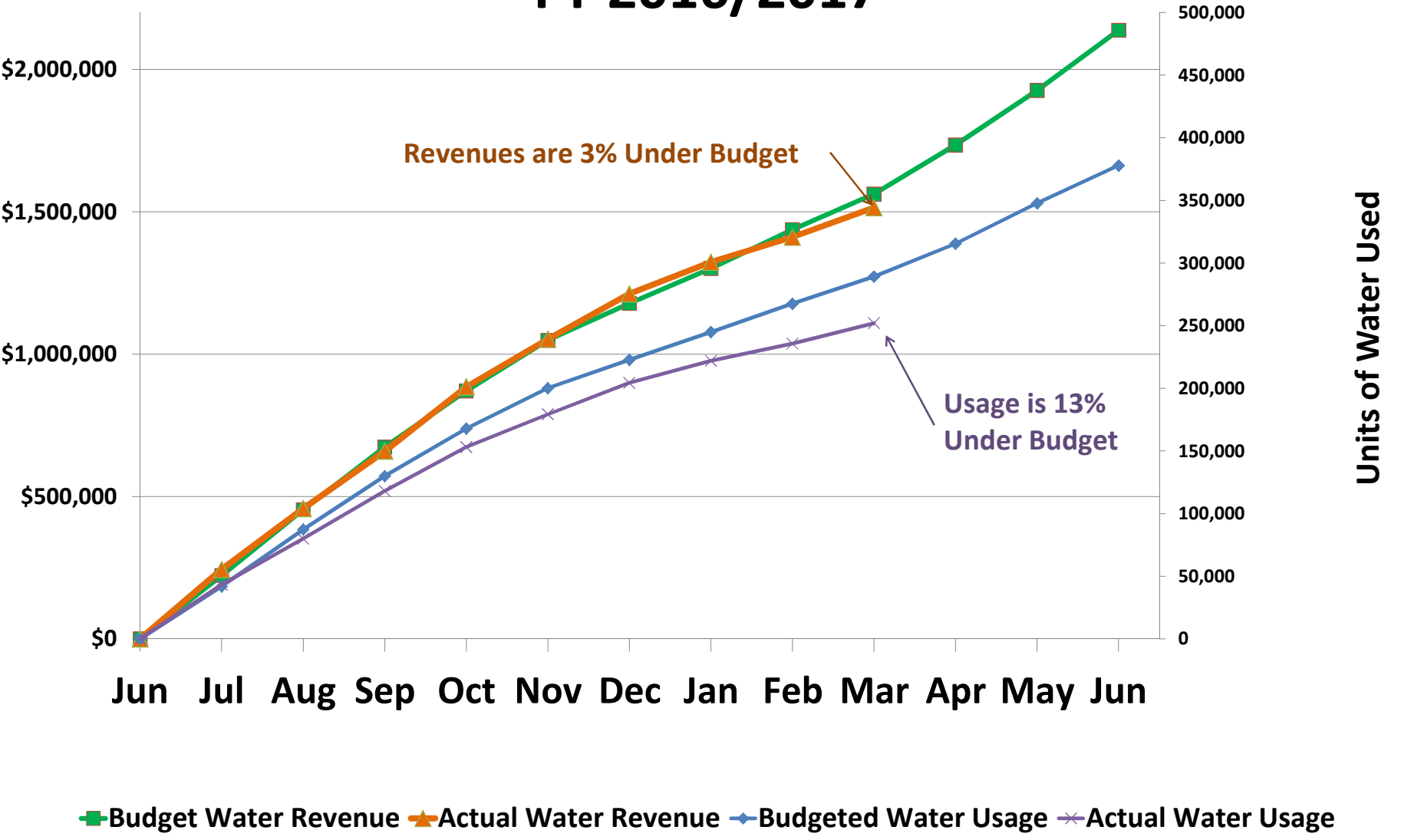
March 27, 2017

Chart #2

Monte Via / Rio Via Actual and Target Water Usage to Meet Casitas Conservation Goal



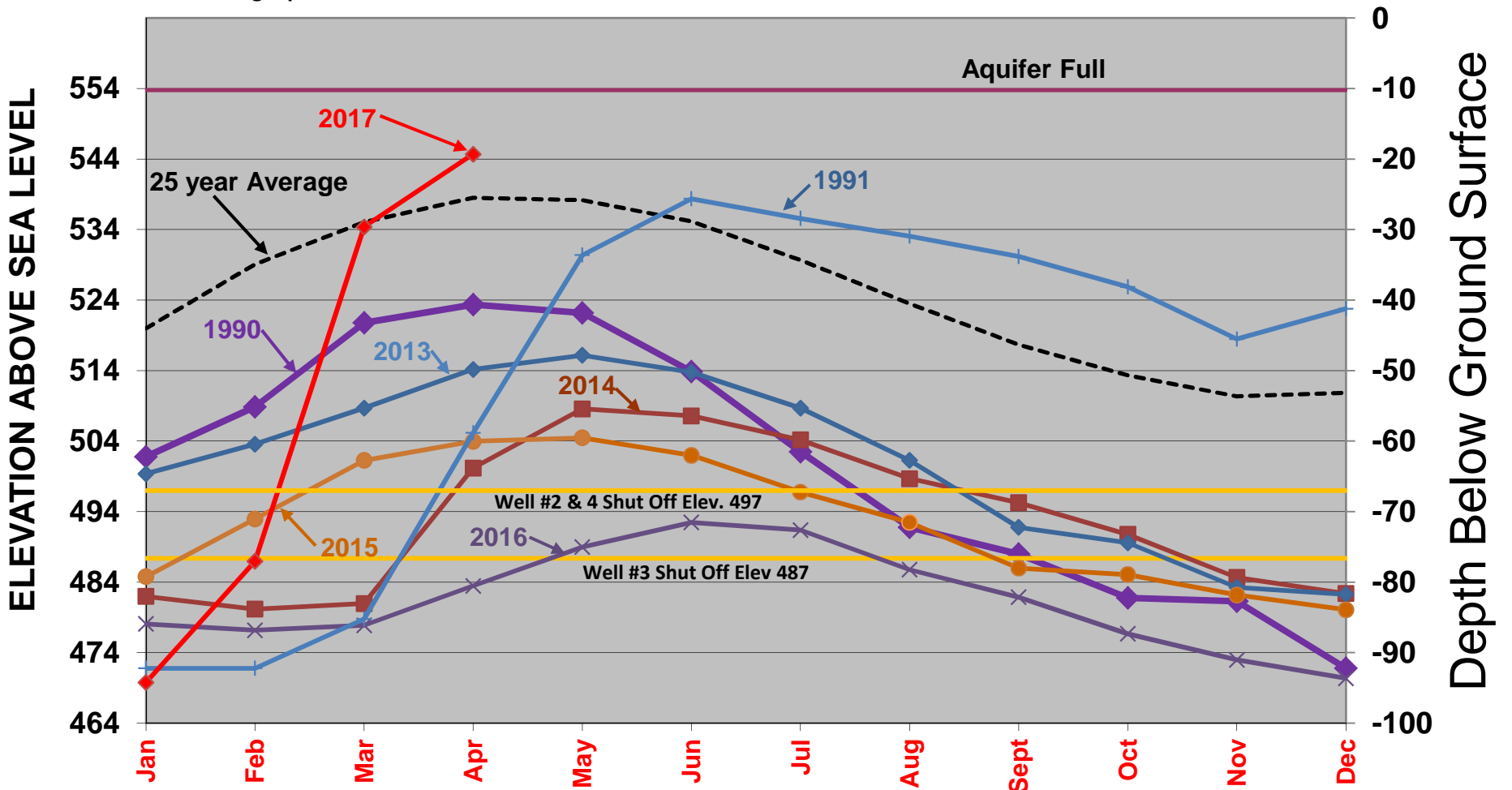
Water Revenues & Usage FY 2016/2017



AQUIFER LEVEL BELOW REFERENCE VRWD WELL # 2 FIRST DAY OF THE MONTH

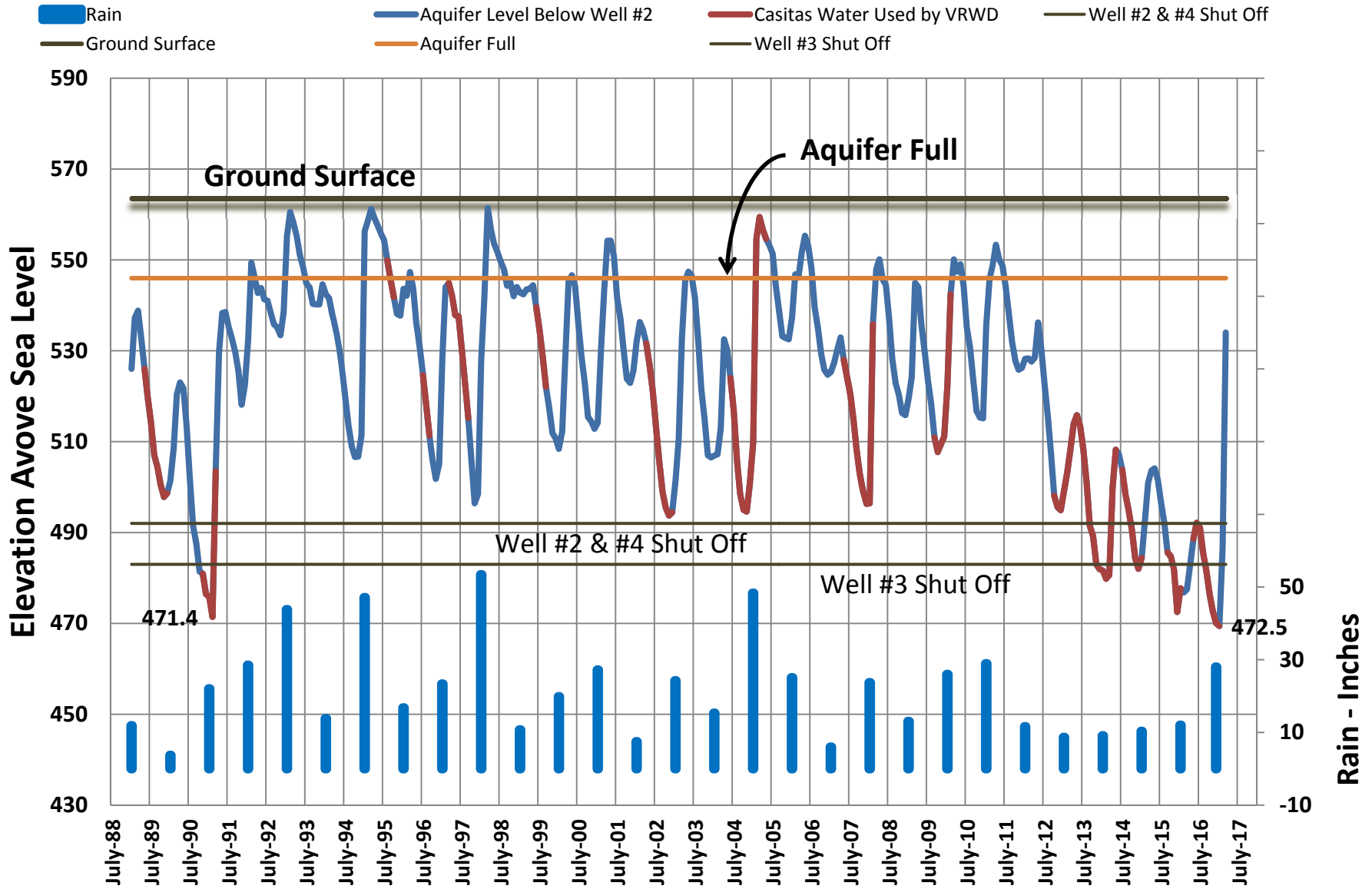
- 25 Yr AVG
- 2014
- ◆ 1991
- ◆ Aquifer Full
- ◆ 2013
- ◆ 1990
- 2015
- Well #3 Shut Off
- ◆ 2016
- ◆ 2017
- ◆ Well #2 & #4 Shut Off

Sounding Pipe Elevation = 565.42

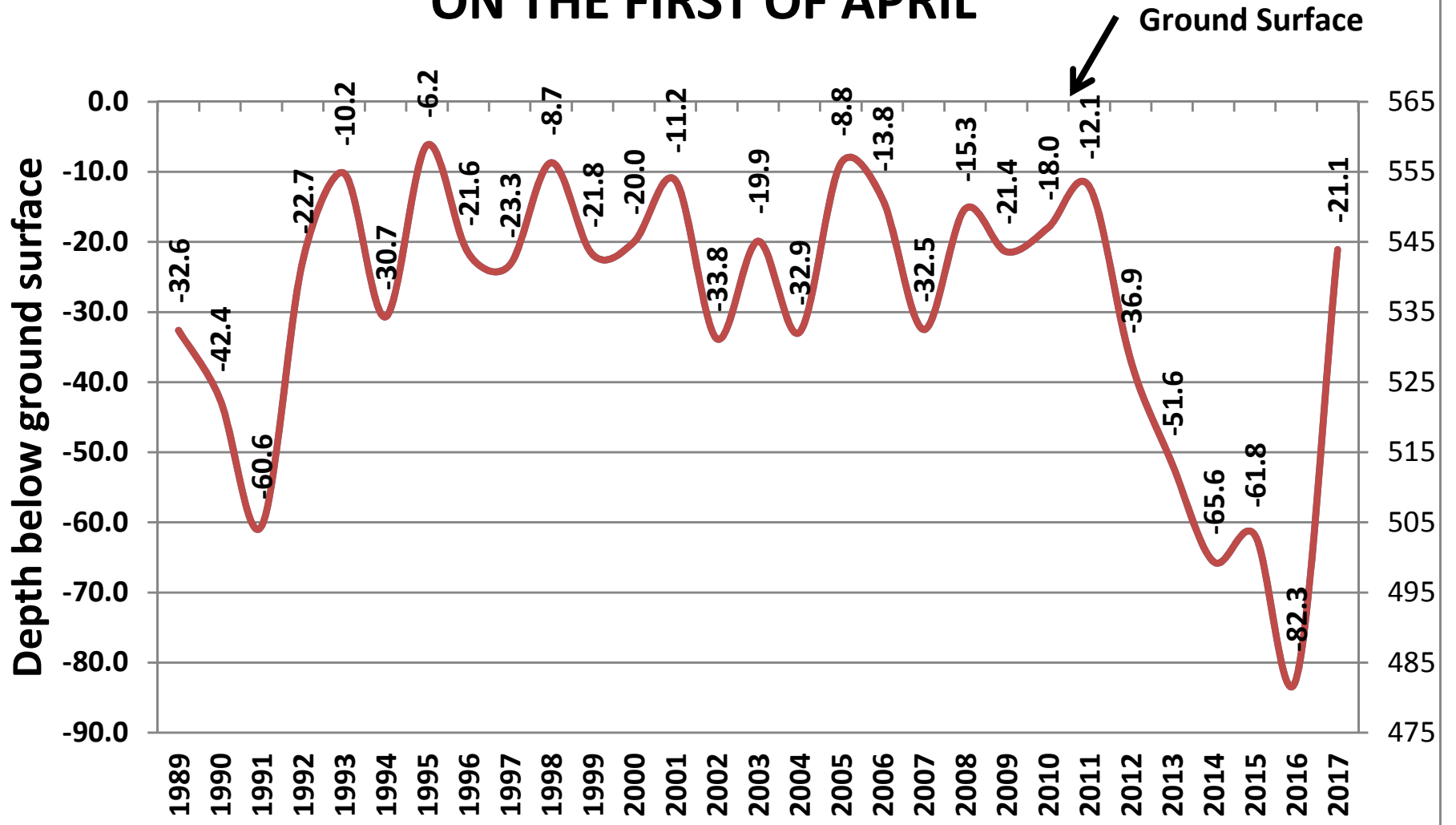


WATER LEVEL HYDROGRAPH

VENTURA RIVER UPPER BASIN AQUIFER LEVELS at VRWD Well #2



DEPTH TO GROUND WATER IN WELL #2 ON THE FIRST OF APRIL



VRWD WELL PUMPING COMPARISON IN HUNDRED CUBIC FEET-ALL WELLS

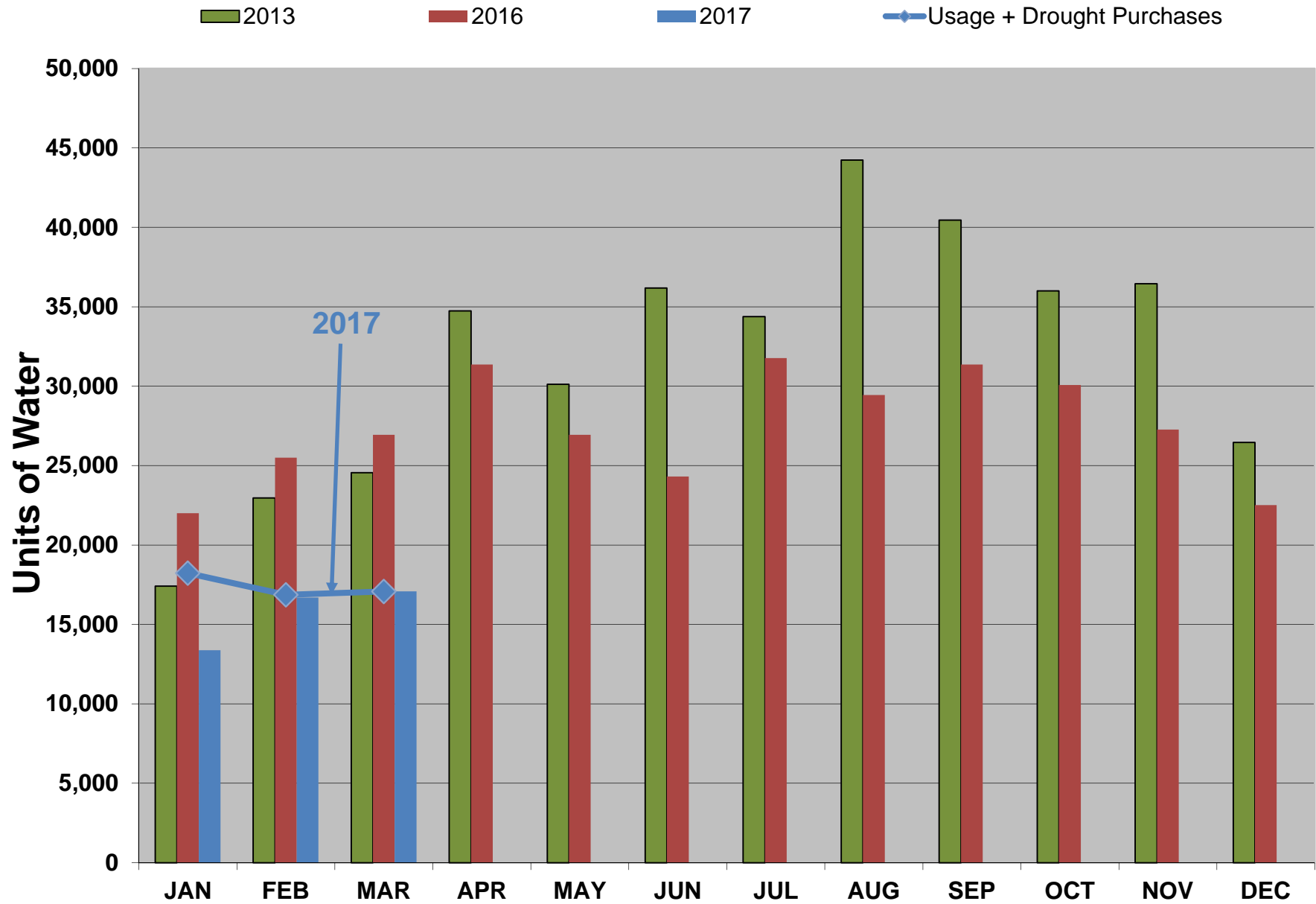
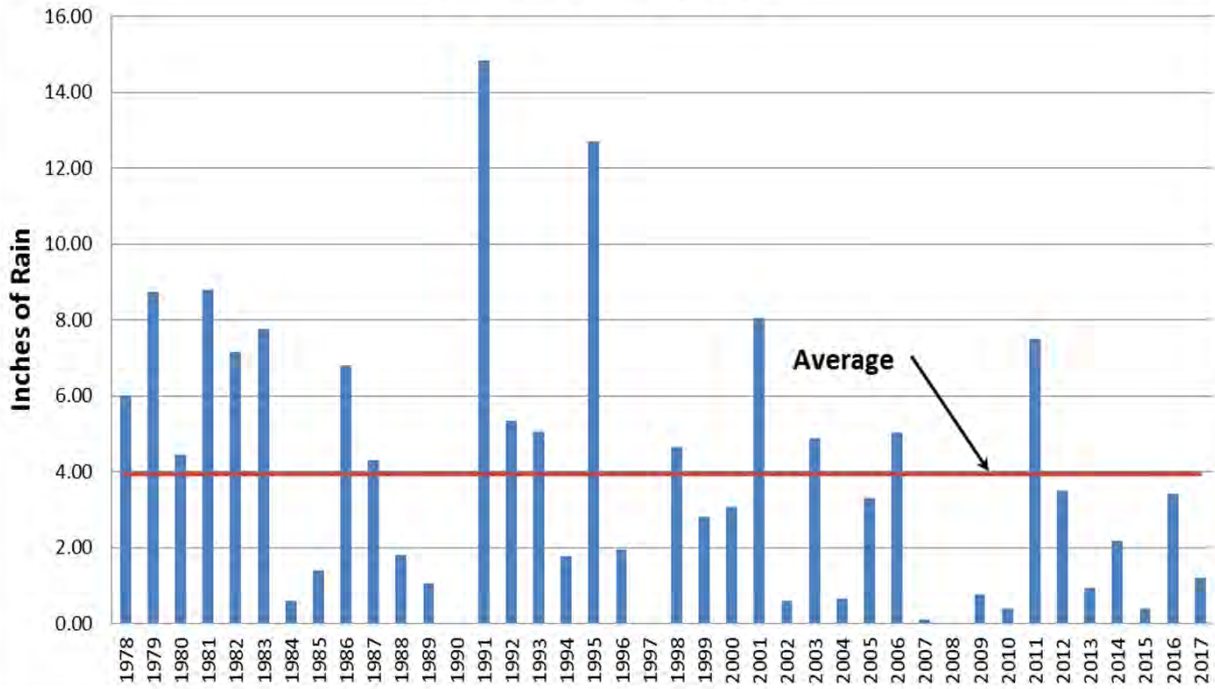
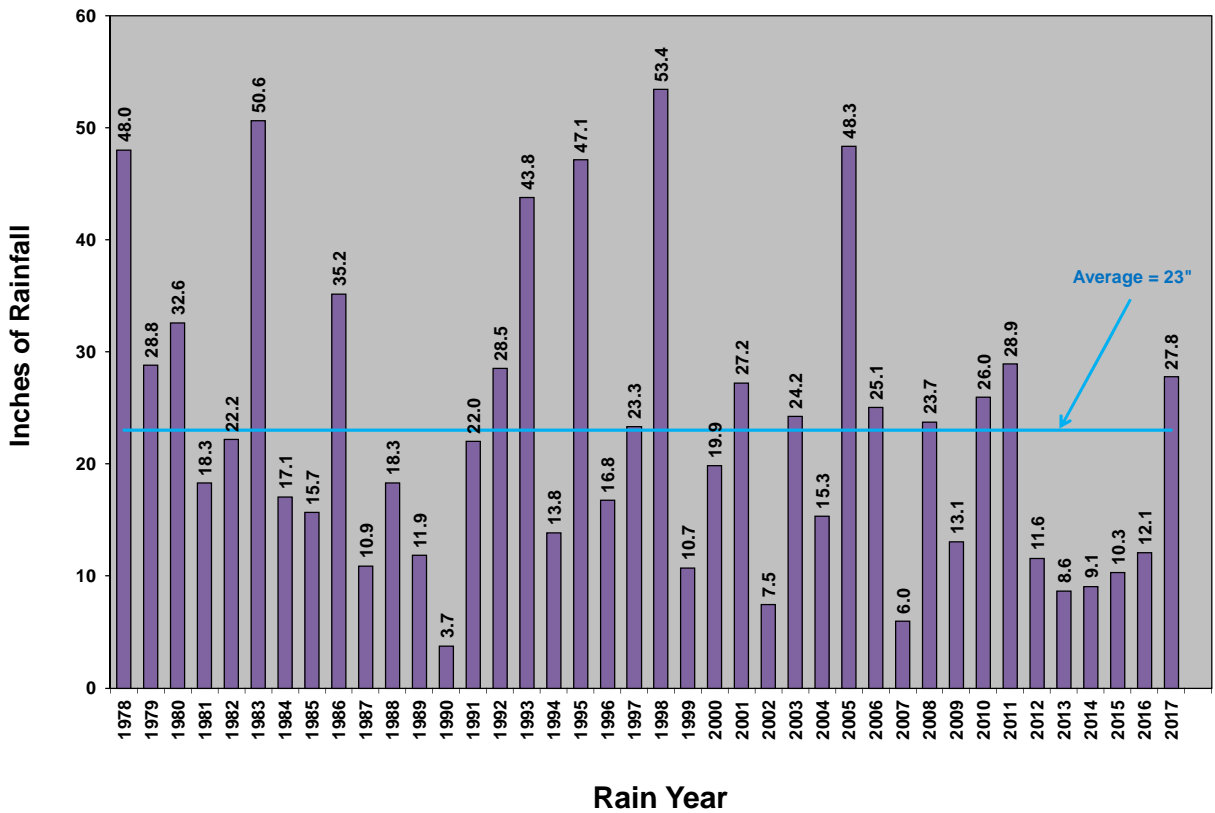


CHART # 3

March Rainfall Record

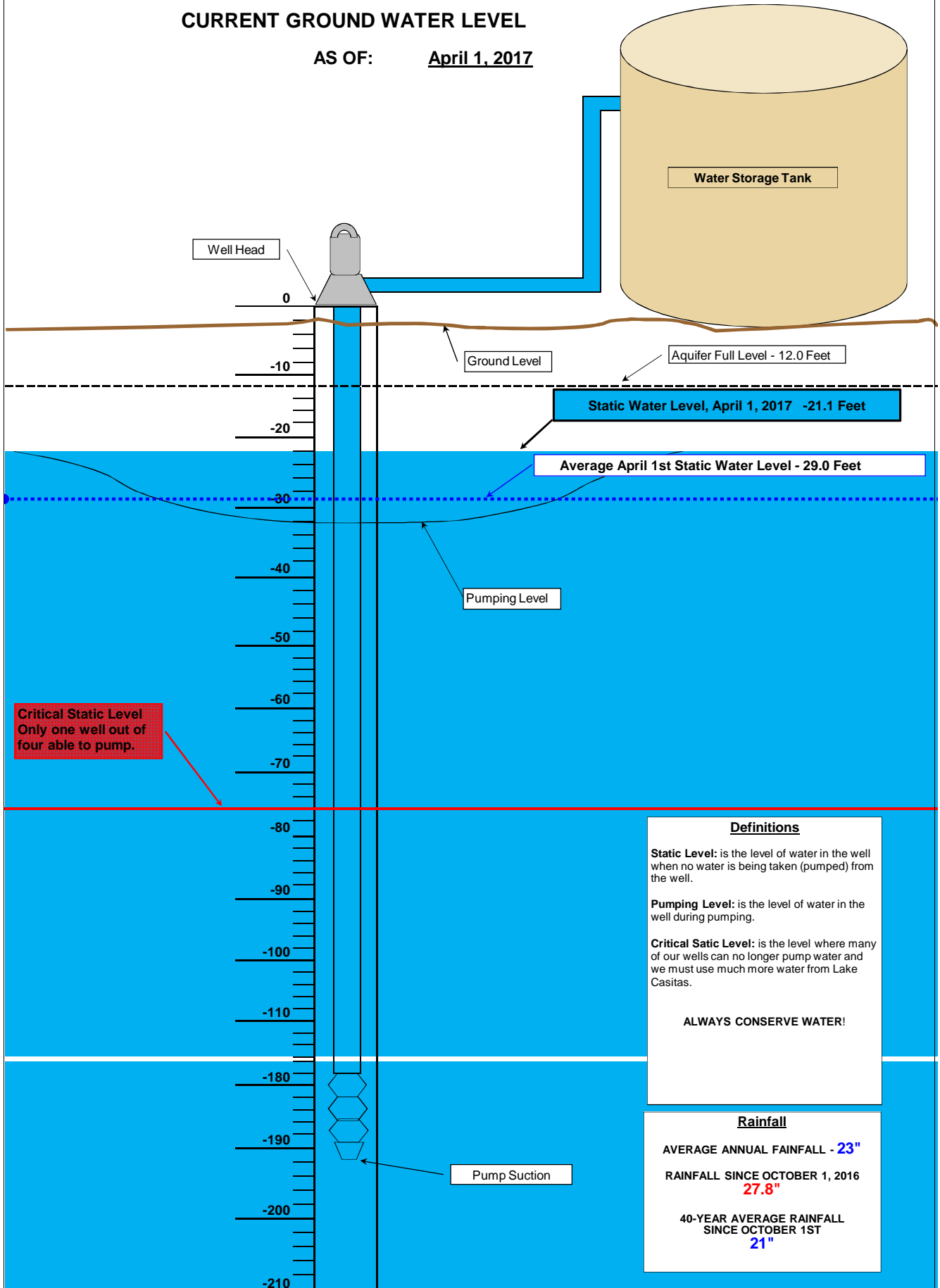


Historic Annual Rainfall - At VRWD Office



**VENTURA RIVER WATER DISTRICT
CURRENT GROUND WATER LEVEL**

AS OF: April 1, 2017



RAIN ACCUMULATION PER MONTH

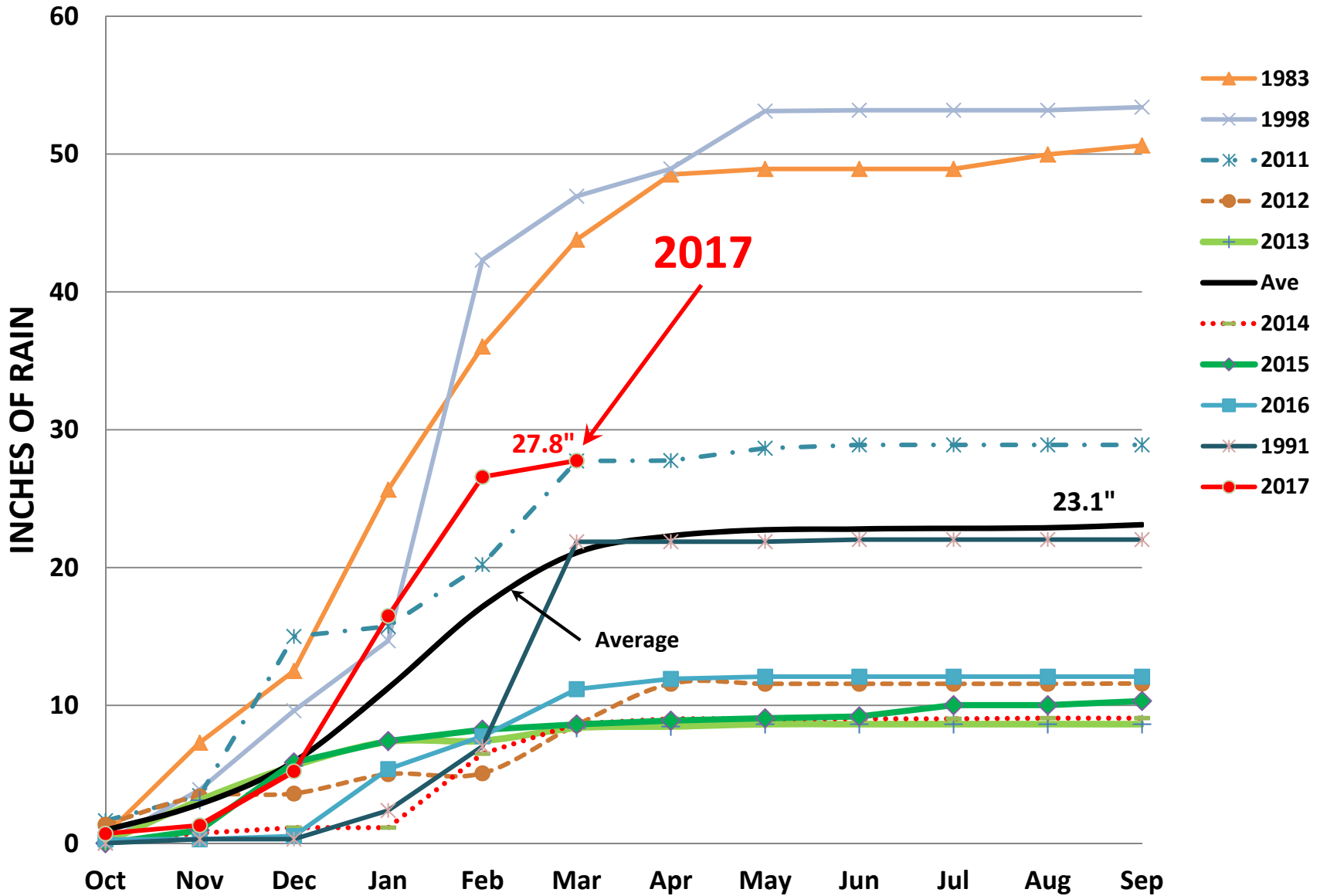
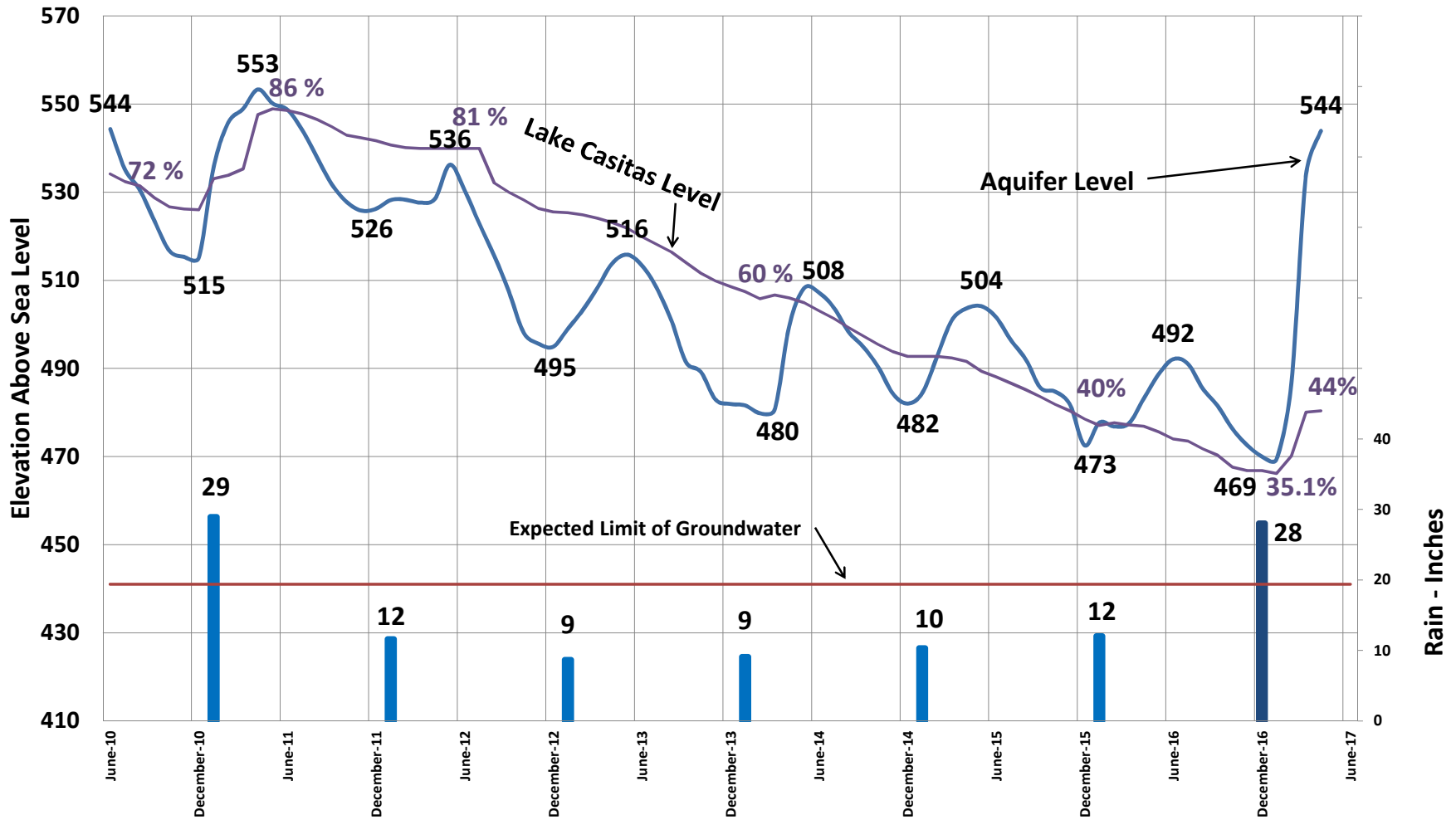


CHART 6
Board Packet Page 48 of 52

VENTURA RIVER UPPER BASIN & LAKE CASITAS LEVELS

March 27, 2017



CUSTOMER COMPLAINT LOG

DATE	LOCATION/ADDRESS	LEAK		OTHER/	FINDINGS COMMENTS
		CUSTOMER SIDE	SERVICE or METER	DESCRIPTION	
3/1/2017	427 BURNHAM RD		X		CAL- SPOKE WITH CUSTOMER EVERYTHING WAS OK. THE AMS VALVE WAS NOT POSITIVE SHUT OFF.
3/6/2017	505 E VILLANOVA RD	X			CAL-LEAK ON CUSTOMER LINE ON HILLSIDE, DRAINING INTO METER BOX. OFF ON CUSTOMER SIDE OF METER.
3/9/2017	1501 LA PAZ DR	X			CAL- WATER APPEARD TO BE COMING ABOVE 1501 LA PAZ. SPOKE TO PROPERTY OWNER AT 1420 ARUNDALE, THEY WERE WORKING ON FINDING THE SOURCE OF WATER.
3/10/2017	197 BARBARA ST	X			CAL - CHECK FOR LEAK NONE DETECTED.
3/13/2017	1542 LOMA DR	X			MWA- SPOKE WITH THE OWNER, THEY DID HAVE A LEAK ON THEIR SIDE.
3/17/2017	11003 ENCINO		X		MJZ-ENDPOINT HAS'NT REPORTED SINCE 3/13/17 - RESET ENDPOINT ON TEXT METER USING MAGNET.
3/23/2017	617 HEATHER ST	X			CAL- CHECK FOR LEAK, METER TURN PERIODICALY- POSSILBE FLAPPER?
3/23/2017	77 CALLE VISTA DEL MONTE			x	CAL - CHECK ON CUSTOMER METER BOX, WASHING OUT. BOX IS NOT WASHING OUT. THE COUNTY PAVED ROAD RASIED CROWN OF THE STREET. SPOKE WITH

WATER BUDGET RATES

KICK OFF MEETING – Meeting Summary

9:30 a.m. VRWD Office

RDN: Robert Niehaus, Ichiko Kido & Elliott Deal

VRWD: Jack Curtis, Peggy Wiles, Amy Joy Bakken, Bert Rapp

1. **Introductions**
2. **RDN: Overview of contract** - 3 alternatives for rate structures will be analyzed and validated from VRWD financial data in line with Prop 218:
 1. Rates using VRWD current methodology
 2. Cost of service rates using RDN's Water Eco Model
 3. Water Budget Rates (main interest of the District)
 - b. Deliverables include a customized Eco-Model, 2 sample water Budget Rate Bills & two educational mailers.
3. **RDN: Summary of their normal approach to preparing Water Budget Rates**- Each household would receive an allocation for indoor and outdoor use. The indoor standard is 55gpd/person (7 HCF per month for 3 people). An item may be added to the monthly bill to allow customers to submit changes to the 3 person estimate. The outdoor allocation will depend on the data from Eagle Aerial and the evapotranspiration rate.
4. **Discussion: Will the new rates utilize the cost of service based upon the peaking factor applied to facilities combined with separated conservation costs? If so should estimates be made to:**
 - a. **Separate out personnel costs per peaking distributions**
 - i. Proportion of wells, pumps, etc. already allocated per peaking distributions
 - ii. VRWD should estimate personnel costs to determine staff time spent on base vs peaking activities to better allocate those costs
 - b. **Separate out meter replacement costs 15 years for large users, 25 years small users**
 - c. **Other**
 - i. Casitas Springs and Monte Via/Rio Via neighborhoods will have to match Casitas allocation and penalty structure
5. **Discussion: How to make initial occupancy estimates and revisions in the future.** - Customers will contact the district and request revisions to their occupancy or other factors (farm animals etc.). District will determine validation procedure for those changes.
6. **Discussion: Use Casitas WEAP as a guideline or upper limit for water budget allocations?**
- Bert Rapp is more comfortable using the WEAP as an upper limit so that the initial implementation of water budget rates are not overly conservative.

7. **Discussion: Will a comparison be made of historic customer usage versus new water budget?** - Yes, there will be a comparison.
8. **Discussion: Keep current quantity of water in Cost Classes or have varying quantities for each customer?** - To be determined by Board action at a future board meeting, tentatively September 20th, 2017.
9. **Public involvement in Water Budget Rate Development?** - Citizens committee may be established and used once the individual water budgets are estimated for feedback and decision making items. VRWD June newsletter could advertise for participants in the committee. This could increase meeting time and costs for RDN and would have to be a consideration for the Board.
10. **Is RDN comfortable with including a protest hearing provision to allow quick implementation of a rate increase when usage drops?** - Yes, suggestion to include “up to” terminology in provision, similar to our current provision.