

**VENTURA RIVER WATER DISTRICT  
MINUTES OF REGULAR MEETING MAY 16, 2018**

Directors present were: Jack Curtis, Peggy Wiles, Bruce Kuebler and Marvin Hanson. Directors absent were: Ed Lee. Also present were: Attorney Paul Huff, General Manager/Board Secretary Bert Rapp and Office Manager Amy Joy Bakken. Public present were: Renee Roth from the Ojai Valley Green Coalition, Jon Turner of Phoenix Civil Engineering, Michael Rothenhoefer of Allied Public Risk and Doug Smith of Coastal States Insurance.

1. **CALL MEETING TO ORDER**- President Jack Curtis called the meeting to order at 3:00 P.M.
2. **PLEDGE OF ALLEGIANCE** – Jack Curtis.
3. **CONSENT AGENDA:**
  - A. **MINUTES APRIL 18<sup>TH</sup>, 2018**
  - B. **FINANCIAL REPORTS FOR MARCH AND APRIL 2018**

Marvin Hanson moved for approval of the consent agenda, seconded Bruce Kuebler and carried 4-0.

4. **PUBLIC COMMENT (FOR ITEMS NOT ON THE AGENDA)** – None.
5. **AUTHORIZATION TO ADVERTISE FOR BIDS FOR VALLEY MEADOW DRIVE PHASE I** – Bert Rapp discussed the Valley Meadow Drive Phase I project. This capital improvement project will lower water pressure, create a looped water system and replace 360 feet of 6" asbestos cement pipe. The estimated cost for the project is \$525,000. The project is budgeted at \$262,000 in the 10 year capital improvement program but can be increased before the adoption of the FY 18/19 budget if needed. Some special tasks are included with this project such as an arborist, archeological consultant, and biologist. Jon Turner of Phoenix Civil Engineering discussed the importance of having these specialists on site for proper consideration of the trees, potential Native American artifacts and endangered species. Bert Rapp recommended approval of plans and specifications, authorization to advertise for bids, approval of task order for Phoenix Civil Engineering for bidding, construction inspection & administration at \$48,085 and adoption of the mitigation monitoring program. Bruce moved for the recommended actions, seconded Peggy Wiles, and carried 4-0.
6. **DRAFT BUDGET FOR FY 2018/19**– Bert Rapp presented updates to the draft budget for FY18/19 including updated revenues as of March 31, anticipated increases to health insurance and retirement, and a review of the cost of living percentage increase. Two significant increases in staff costs are the \$14,000 increase to the CalPERS expense and the 3.8% cost of living percentage. As the cost to the District would be too great to include both in the budget, Bert Rapp recommended a cost of living salary increase of 1% along with the \$14,000 increased CalPERS expense. Ventura River Water District (VRWD) was recently upgraded to a Grade III water system facility. Therefore, Bert Rapp stated that the salary schedule should be modified to include a pay range for a Utility Worker III. The cost over a five year period for the Cloud Based GIS System was also discussed. The Upper Ventura River Groundwater Agency (UVRGA) contribution of \$50,000 will be included again for FY 18/19. Bruce Kuebler gave a brief statement regarding the finances of the UVRGA. He noted that UVRGA is hoping the five agencies that committed to a \$50,000 contribution will continue to do so going forward to decrease the burden of a large extraction fee on the private de minimis pumpers. The Board consensus was to keep the proposed budget changes as recommended by Bert Rapp.
7. **APPROVAL OF FY 2018/19 CONSERVATION GRANT TO THE OJAI VALLEY GREEN COALITION**- Renee Roth from the Ojai Valley Green Coalition (OVGC) gave a presentation on the work she has done in the Ojai Valley and for VRWD customers over the last year since the original grant agreement. The OVGC met with VRWD customers to assess water wise landscape options, provide education on grey water systems and rain water capture, assess efficient irrigation systems, etc. They also had tables at local events to promote conservation. Bert Rapp noted that the OVGC's activities were all covered in the current MOU with the District. Bruce moved for approval of the

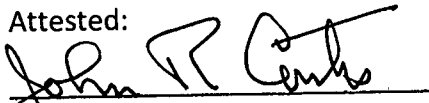
recommended action to approve a \$10,000 grant to the OVGC, seconded Peggy Wiles and carried 4-0.

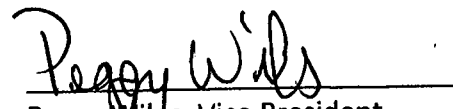
8. **APPROVAL OF RESALE WATER SERVICE AGREEMENT WITH CASITAS-** Bert Rapp stated that Casitas Municipal Water District (CMWD) found all the VRWD changes to be acceptable as well as a couple of changes made by Meiners' Oaks Water District. Bruce Kuebler noted one small correction required on page 2 of the agreement, removing the word "management" from UVRGA. Peggy Wiles moved for approval of the recommended action to adopt the resale water service agreement with Casitas Municipal Water District (with said change), seconded Marvin Hanson and carried 4-0.
9. **SELECTION OF LIABILITY INSURANCE CARRIER** – Michael Rothenhoefer of Allied Public Risk and Doug Smith of Coastal States Insurance were present to discuss Doug's recommendation that VRWD change liability insurance carriers from Water Plus Ins to Cal Mutual JPRIMA. Cal Mutual JPRIMA is a non-profit organization allowing public water agencies to join as it currently represents California mutual water companies. A quote was also obtained from VRWD's current Worker's Compensation carrier, SDRMA. Bruce Kuebler expressed some concern regarding the experience of JPRIMA. Michael Rothenhoefer responded that JPRIMA is re-insured by Allied Insurance which has many years of experience. There was some general discussion regarding the issue of inverse condemnation and the effect these cases have had on public agencies in recent years. The main difference between the JPRIMA policy and the SDRMA policy is the coverage for the inverse condemnation (JPRIMA offering 10 million dollars of coverage and SDRMA offering 1 million). Bert Rapp stated that he discussed this opportunity to change liability insurance carriers with Ed Lee as his background and experience is in insurance. Ed Lee stated he was okay with the District changing to the Cal Mutual pool. The quoted cost from SDRMA came in at \$33,600 compared to JPRIMA's \$39,420. Doug Smith stated he would like to try to reduce the cost on their offer to be more competitive. Bert Rapp's recommended actions were to authorize the Board President to sign the agreement with Cal Mutuals to join JPRIMA, direct GM to complete the application for membership with Cal Mutuals and select Cal Mutuals JPRIMA to provide liability insurance for the District for the next three years. After some discussion, the Board consensus was to agree to the recommended actions if Doug Smith was able to confirm a reduced cost of \$35,000 by end of day May 17<sup>TH</sup>, otherwise this agenda item would be re-adjourned to Friday May 18<sup>th</sup> at 11:00 am to further discuss the issue. Peggy Wiles moved for approval of the Board consensus, seconded Bruce Kuebler and carried 4-0 (AYES: Bruce Kuebler, Peggy Wiles, Jack Curtis and Marvin Hanson. NOES: None. ABSENT: Ed Lee.)
10. **VOTE FOR LAFCO SPECIAL DISTRICT REPRESENTATIVE COUNTY OVERSIGHT BOARD-** Bert Rapp recommended either Mark Johnson of Simi Recreation & Park District or Mike Mishler of Pleasant Valley Recreation and Park District because those districts are the most impacted by redevelopment agencies. Jack Curtis stated he knew both candidates and felt that Mark Johnson was likely the best qualified candidate. Bruce Kuebler moved for approval to vote for Mark Johnson for LAFCO Special District Representative, seconded Marvin Hanson and carried 4-0.
11. **UPDATE ON THE UPPER VENTURA RIVER GROUNDWATER AGENCY-KUEBLER-** The stakeholder engagement plan was adopted at the last UVRGA meeting and it will be reviewed each year and updated as needed. Jordan Kear was authorized to start work on two of the three studies he will be involved in. He still has to give a proposal for the observation well at the confluence with San Antonio Creek. Next month's meeting will focus on negotiating with DWR for the grant agreement. The biggest issue facing the agency right now is the continuation of the \$50,000 contribution from the five outside agencies to keep the extraction fee low enough as to not negatively impact the private pumpers. The budget options committee will develop the fee and look at legal issues and so on. The committee consists of Bruce Kuebler, Mary Bergen and Emily Ayala, a local rancher. The budget committee hopes to have a fee established by the end of the year. No action was taken on this item.

- 12. UPDATE ON DROUGHT ECONOMIC ANALYSIS-PEGGY WILES & BERT RAPP-** Peggy Wiles talked about the first meeting held to discuss the drought economic analysis. The possibility of using UCSB or Cal Lutheran as possible resources to complete the study was discussed. The timing for UCSB doesn't agree to the proposed schedule for the study. Cal Lutheran has not responded yet. Peggy Wiles also reached out to the local private schools to see if they would be interested in participating in the study however none of the schools have responded. Bert Rapp talked about the draft scope of work that was reviewed and the possibility of going out to private economists to do the study. Bert Rapp received the scope of work from United Water District for their drought economic study. After speaking with the person who did the work, he felt the \$30,000 cost estimate for the study was reasonable. The economists that Bert spoke with regarding the study felt that focusing on the economic impacts from a stage 5 drought and an empty lake would be the most effective approach. The next meeting will be held on June 1. Bruce Kuebler stated another Ojai Chautauqua panel is being established to discuss the status of the drought which will be held at the end of June and a economist will be invited to participate. This may help raise awareness and support for the study.
- 13. GENERAL MANAGERS REPORT ON WATER & DISTRICT STATUS-** Revenues and usage are 4% above budget for the year. The aquifer is currently 31.3 feet below the 30 year average for May 1 at an elevation of 503.9 feet. Well #1 is pumping 978 GPM, down 22 GPM from last month. Well #3 is pumping 250 GPM unchanged from last month. Well #4 is pumping 264 GPM down 11 GPM from last month. Well #7 is pumping 650 GPM unchanged from last month. Well #2 can be pumped but is not needed at this time. No water was purchased from Casitas in April. Sales dollars billed on April 30, 2018 amounted to \$147,160. Water sold in April 2018 amounted to 22,585 HCF, a decrease of 44% below the 40,335 HCF sold in April 2013. On May 1, 2018, Lake Casitas level was at 35.2% of full capacity at elevation of 490.46 feet. The lake has decreased 0.5% or 0.8 feet since last month and decreased 926 AF since last month. Hydrants and valves are being replaced as scheduled. A large drop in the groundwater depth has occurred due to the plugging of the river from the Thomas Fire. Bruce Kuebler asked if there was anything that could be done to mitigate the issue with the groundwater percolation. After some discussion, the Board consensus was for Bert Rapp to look into any options the District may have to combat or study the groundwater recharge issue. Bert Rapp will be on the Democratic Club panel discussion on Monday, May 21<sup>st</sup> at 7:00 pm.
- 14. OLD & NEW BUSINESS-** Bruce Kuebler stated he believed all of the VRWD staff should participate in the sexual harassment training that management and the Board of Directors were recently required to attend because of broadening of the law to include abusive conduct. Bert Rapp responded that was a good idea. Peggy Wiles asked what the status was of the updated website. Bert Rapp responded that a draft copy of the updated site was ready for review and would hopefully be going live in about a month.
- 15. EXECUTIVE SESSION-** Jack Curtis moved the meeting into executive session at 5:37 pm for conference with legal counsel on existing litigation as well as real estate negotiations for construction access on Valley Meadow Drive. Jack Curtis moved the meeting out of executive session at 5:53 pm. No action was taken on this item.

Jack Curtis adjourned the meeting at 5:54 pm.

Attested:

  
 Jack Curtis, President

  
 Peggy Wiles, Vice President