

**VENTURA RIVER WATER DISTRICT  
MINUTES OF REGULAR MEETING MARCH 18, 2020**

Directors present were: Ed Lee, Bruce Kuebler, Jack Curtis and Marvin Hanson. Director present via telephone: Peggy Wiles. Also present were: Attorney Lindsey Nielson, General Manager/Board Secretary Bert Rapp, Office Manager Amy Joy Bakken and District Field Staff Joe Zuniga, Mark Albertsen and Craig Lee. Public present were: Richard Parsons, Kathy Dawson, Louis Price, Charlie Foote, Frances Fitting and Alan Connell.

1. **CALL MEETING TO ORDER-** President Ed Lee called the meeting to order at 3:00 P.M.
2. **PLEDGE OF ALLEGIANCE** – Ed Lee.
3. **CONSENT AGENDA:**
  - A. MINUTES FEBRUARY 19<sup>TH</sup>, 2020
  - B. FINANCIAL REPORTS FOR JANUARY AND FEBRUARY 2020

Marvin Hanson moved for approval of the consent agenda items, seconded Bruce Kuebler and carried 5-0.

4. **PUBLIC COMMENT (FOR ITEMS NOT ON THE AGENDA)** – None.
5. **REQUEST BY TICO MUTUAL TO ANNEX INTO VRWD** – Tico Mutual has formally requested annexation into the Ventura River Water District (VRWD) and each shareholder submitted a signed agreement to VRWD. The VRWD Board first discussed the possible annexation of Tico Mutual at the June 21, 2017 Board meeting and approved the annexation Guidelines for the Tico shareholders to consider. The State Division of Drinking Water is encouraging small water companies to consolidate and offering zero interest loans and sample agreements to help the process. Bert Rapp presented the recommended next steps including preparing a Memorandum of Understanding (MOU), notifying the State Division of Drinking Water of intent to consolidate, preparing to apply to LAFCO and working with Tico to determine where new pipes and connections are needed. There was some general Board discussion regarding requirements for the loan, assurance of the receipt of the loan prior to LAFCO approval and items to include in the draft MOU. **Public Comment:** Kathy Dawson and Alan Connell of Tico Mutual commented that working with Bert Rapp has been great and they look forward to working with the District. Bert Rapp recommended accepting the written request to annex from the Tico Shareholders and directing the General Manager to prepare a MOU describing the annexation responsibilities of each party. Marvin Hanson moved for approval of the recommended actions, seconded Jack Curtis and carried 5-0.
6. **SANTA ANA/BURNHAM ROAD-SELECTION OF PIPE ALIGNMENT** – The water main between Santa Ana/Burnham roads is located in an easement in the back yards of the neighborhood. The District is presently working on replacing the old pipe which has been failing. Phoenix Civil Engineering prepared a cost analysis for three different methods of replacing the pipeline (Existing Location-Open Cut, Install in surrounding streets, or Pipe Bursting and Open Cut). Bert Rapp explained how sections of the pipe are only about a foot deep which would require hand digging for some of the replacement methods. VRWD Field Staff commented to the Board regarding the challenges associated with maintaining the stretch of pipeline in its current location including multiple structures, farm animals, gates, etcetera which make access to the pipeline difficult. Bert Rapp recommended Directing the General Manager to install the replacement water main in the Santa Ana/Burnham road area in the public streets. Bruce Kuebler moved for approval of the recommended items, seconded Jack Curtis and carried 5-0.

- 7. PROPOSED WATER RATE INCREASE OF 3% EFFECTIVE APRIL 13, 2020** –The 2017 approved Protest Hearing Notice has a 6% rate increase scheduled for this year. The General Manager is recommending a 3% rate increase be implemented. It has been two years since rates were last adjusted in February 2018 and the L.A. area Consumer Price Index is currently running at 3.1% for the last 12 months. Bert Rapp showed the financial graphs for the ten-year capital improvement program and cash requirements if a rate increase is not implemented, which showed VRWD revenues becoming deficient by FY 2022/2023 without the rate increase. Bert Rapp went on to discuss the application of the water rate increase, either including a raise to the base rate and tiered rates or freezing the base rate and increasing the tiered rates only. He showed examples of many other water agencies in California with low base rates and indicated about 26% of people living in Southern California are served by agencies with base rates lower than VRWD. Bruce Kuebler asked if an analysis had been done to determine the effect on the rates and revenue if the base was dropped lower than the current base. Bert Rapp responded that it had not and that he would investigate it for future review. Bert Rapp recommended the following actions: 1) Approve a 3% rate increase effective April 13, 2020. 2) Approve Option 1 of APPENDIX I of the rules and regulations to apply the rate increase to the cost of water and keep the base rates unchanged. Bruce Kuebler moved for the recommended actions, seconded Marvin Hanson and carried 5-0.
- 8. COMPLIANCE WITH SB 998 – WATER SHUT OFF PROTECTION ACT & UPDATE TO RULES AND REGULATIONS** –Senate Bill 998 which aims to reduce water shutoffs for non-payment requires compliance by April 1. Amy Joy Bakken gave a brief review of the changes that will be implemented in order to comply with the new law. About ten days will be added to the timeline for shutoffs for non-payment, a copy of the delinquency policy will be provided in multiple languages, the renter and the landlord will be notified when a payment is late, and payment plans will be extended from three to six months. The rules and regulations were edited to allow staff some flexibility in implementing communication tools in order to adaptively manage the requirements of the law and best serve VRWD customers. Sections 10 & 11 of the Rules and Regulations were significantly re-written to come into compliance. There was some general board discussion regarding the impacts of the COVID-19 situation as it relates to late penalties and shutoffs. Bert Rapp stated he would like to waive late fees for those impacted and postpone shutoffs for non-payment. The board consensus was to help customers that were impacted. Bert Rapp recommended approving the Rules and Regulations dated March 18, 2020. Bruce Kuebler moved for approval of the recommended action, seconded Jack Curtis and carried 5-0.
- 9. BOARD REPORTS ON MEETINGS ATTENDED & UPDATE ON THE UPPER VENTURA RIVER GROUNDWATER AGENCY (UVRGA) – BRUCE KUEBLER**–There was a UVRGA meeting on the second Thursday of the month. Items of interest included four responses for request for new legal counsel. The current counsel has a conflict of interest representing another user so new counsel is required. There was some discussion regarding the specifics of the law firms who responded. District counsel Lindsey Nielson commented that the Westlake firm was likely the best choice. The first workshop on groundwater sustainability will be presented on May 7. They are hoping for some media coverage of the details of the plan. No action was taken on this item.
- 10. GENERAL MANAGERS REPORT ON WATER & DISTRICT STATUS** - The aquifer is currently 4 feet above the 30-year average for March 1 at an elevation of 528.9 feet. Well #1 is pumping 946 GPM, up 17 GPM from last month. Well #7 is pumping 768 GPM up 8 GPM from last month. Wells #2, #3 & #4 were not online in February. No supplemental water was purchased from Casitas in February. Sales dollars billed on February 29, 2020 amounted to \$123,729 which was \$5,339 over budget for February. Water sold in February amounted to 20,738 HCF, a decrease of 30% below the 29,667 HCF sold in February 2013. On March 1, 2020, Lake Casitas level was 41.4% of full capacity at elevation 500.7, 66.3 feet below spill elevation of 567 with storage of 98,544 AF. The lake has decreased 0.3% or 0.4 foot and

decreased 616 AF feet since last month. Bert Rapp briefly discussed District activities over the last month including Parker pipe manifold installation set for Monday March 30th, review of backflow preventers with the County, cancel of Casitas Springs outage, and update on Well 2 & 3. Bert Rapp also gave an update on VRWD's response to COVID-19/Coronavirus which included waiving penalties for those financially impacted by the virus, delaying shutoffs, adjustments to board meeting location, and safety adjustments for staff. No action was taken on this item.

**11. OLD & NEW BUSINESS**-None.

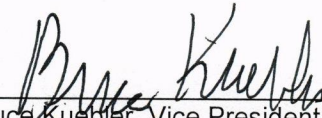
**12. EXECUTIVE SESSION**-Ed Lee moved into executive session at 4:12 pm to discuss pending litigation. No action was taken on this item.

Ed Lee adjourned the meeting at 4:20 pm.

Attested:



Ed Lee, President



Bruce Kuebler, Vice President