

**VENTURA RIVER COUNTY WATER DISTRICT
REGULAR MEETING HELD FEBRUARY 14, 2007**

Pursuant to due and official notice, the regular meeting of the Board of Directors of the Ventura River County Water District was held at 409 Old Baldwin Road, Ojai, California on February 14, 2007.

President E. Ramseyer called the meeting to order at 5:30 o'clock P.m.

There were present Directors J. Curtis, M. Hanson, T. Jamison, E. Lee, and E. Ramseyer. Also present were General Manager Matthew Bryant and, recording secretary/Office Manager Janet Schaefer. Representing Counsel was Stuart Nielson. Counsel Lindsay Nielson arrived at 6:00 o'clock p.m. No public was present.

T. Jamison moved for approval of the minutes of the regular Board meeting held January 10, 2007 and the emergency Board meeting held February 2, 2007, seconded by J. Curtis and carried.

E. Lee moved for approval of the financial statements for December 2006 and the disbursements for January 2007. Accounts Payable check numbers 8118 – 8174, Trust check numbers 2511 – 2512 and Payroll check numbers 4039 – 4054 totaling \$63,508.59, seconded by M. Hanson and carried.

J. Curtis moved for approval of Resolution 2007-215 Declaring an Emergency Situation on Well #2, seconded by T. Jamison and carried by a unanimous roll call vote.

**RESOLUTION # 2007 - 215
RESOLUTION DECLARING AN EMERGENCY SITUATION ON WELL # 2**

WHEREAS, water production is at 60% of the average productivity due to the failure of the District's Well # 2 endangering the capacity of the system for fire flow and interruption of water service to our customers thus creating an emergency need for a replacement well to maintain the reliability of the system, and;

WHEREAS, with the approaching peak demand period and aquifer levels 50% below normal due to the lack of rainfall, and;

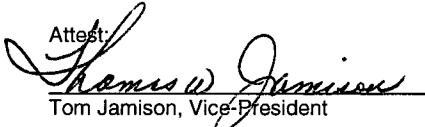
WHEREAS, without Well # 2 the District will be forced to purchase water from Casitas Municipal Water District to meet peak summer demand.

NOW THEREFORE, BE IT HEREBY RESOLVED; that an emergency exists for the need of drilling a replacement well.
PASSED, APPROVED AND ADOPTED this 14th day of February 2007.

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


Eddie Ramseyer, President

Attest:


Tom Jamison, Vice-President

J. Curtis moved for approval of Resolution 2007-216 Declaring a CEQA Categorical Exemption for the Replacement of Well#2, seconded by T. Jamison and carried by a unanimous roll call vote.

**RESOLUTION # 2007 - 216
A RESOLUTION DECLARING A CEQA CATEGORICAL EXEMPTION FOR THE REPLACEMENT OF WELL # 2**

WHEREAS, the Ventura River County Water District Board of Directors has declared an emergency exist for the need to drill a replacement well; and

WHEREAS, on the basis of the evaluation a Notice of Exemption was prepared for the project as a Class 2 Categorical Exemption under CEQA section 15302 Replacement or Reconstruction of existing facilities where the new structure will be located on the same site involving negligible or no expansion of capacity; and,


NOW THEREFORE, BE IT RESOLVED; that the Board of Directors of Ventura River County Water District find that the project is categorical exempt.

PASSED, APPROVED AND ADOPTED this 14th of February 2007.

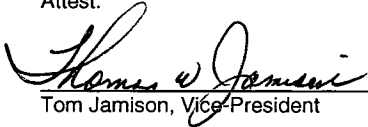
AYES: Curtis, Hanson, Jamison, Lee, Ramseyer

NOES: None

ABSENT: None


Eddie Ramseyer - President

Attest:


Tom Jamison, Vice-President

The Finance/Rate Committee of Hanson and Lee reported that they met with Staff on February 6, 2007 to discuss future rates and how to fund the Well #2 replacement. The committee recommendation is to obtain a line of credit to help with potential cash flow shortage and to impose a 14% rate increase for well system customers, 7% for operations and 7% to fund the well replacement. Also to raise rates 14% for the Casitas Springs and Monte Via, Rio Via customers who are on purchased water source full time. Defined as 7% for operations and 7% for a Capital Improvement Reserve Fund designated for those service areas.

A draft letter to the customers to comply with the requirements of Proposition 218 was discussed and suggestions for revision were given to Staff. Counsel was asked to define the notification requirements for compliance to Proposition 218. Staff was instructed to draft two letters one to the well system customers and one to the purchased water customers and return them to the Board for approval.

Staff was instructed to continue to pursue options for financing or a line of credit.

The Allocation Committee of Curtis and Lee attended a meeting with the Casitas MWD Water Resource Committee on January 29, 2007 that was widely attended. CMWD Director Baggerly advised that a list of all concerns was being compiled and the CMWD Allocation program is being revised and will take some time and will be given serious consideration. M. Bryant reported the next meeting is scheduled for February 21, 2007.

The Personnel Committee of Hanson & Jamison reviewed the Personnel Policy with regard to employee training. The Committee recommendation is to revise the policy to not pay for pre-employment training and certification but to fund post employment training and certifications. Staff will present a draft to the Board to consider revising the policy at a later date.

M. Bryant reported that Staff completed a survey formulated by the State Health Department in conjunction with U. C. Davis on Technical, Managerial and Financial operations of the District. The survey is designed to help Districts self score to define areas of compliance and areas that need improvement. VRCWD scored 69% overall with deficient scores in Infrastructure at 51%, Management and Financial Controls at 65%, and Preventative Maintenance at 59%. Staff recommends concentrated improvement in these areas in the form of establishing reserve funds for Capital Asset Replacement, Emergency Reserve and a defined Preventative Maintenance plan. Areas of compliance are Emergency Preparedness at 85%, Safe Drinking Water Act Compliance at 97%, Certified Operators at 100%.

The proposal from Layne Christensen Company to drill a replacement well for the failing Well #2 was discussed. M. Hanson moved to approve the proposal as presented at \$318,500, seconded by J. Curtis and carried by a unanimous roll call vote.

M. Bryant reported that the plans for the new shop structure have been reviewed by the County and corrections are required. Vinci & Associates will make the corrections and resubmit the plans.

M. Bryant reported that the cooperating agencies for the Ventura River Steelhead HCP continue to meet to finalize the final draft. The final draft will be submitted to the regulating agencies for review.

M. Bryant reported on wells, production and usage. The aquifer level in Well #2 on February 1st was at 38'.1" and is up 2' from the prior month.

Counsel will write a letter to the Counsel for Mr. Hibberd to inform him of the problems encountered in attempts to complete the final phase of replacing the concrete driveway to finalize this project.


The meeting was adjourned to a break at 7:15 o'clock p.m.

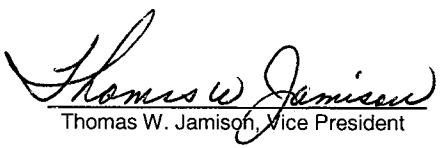
The meeting reconvened at 7:18 o'clock p.m.

J. Curtis reported that the Ojai Valley Sanitary District is interested in acquiring the Honor Farm field directly across the street from the District office on Old Baldwin Road and asked if there is any interest in combining facilities at that location. The Board did not express interest at this time and no action was taken.

There being no further action to come before this meeting on motion duly seconded the meeting was adjourned at 7:34 o'clock p.m.

Attested:


Eddie P. Ramsey, President


Thomas W. Jamison, Vice President