

VENTURA RIVER COUNTY WATER DISTRICT
REGULAR MEETING HELD MAY 8, 2013

Pursuant to due and official notice, a regular meeting of the Board of Directors of the Ventura River County Water District was held at 409 Old Baldwin Road, Ojai, California on May 8, 2013.

Directors present were J. Curtis, M. Hanson, T. Jamison, and E. Lee. Also present were General Manager/Board Secretary Bert Rapp, Office Manager/recording secretary Janet Schaefer, and Counsel Lindsay Nielson. Public present were Mr. George Galgas, and Mr. Bruce Kuebler.

1. CALL MEETING TO ORDER – President M. Hanson called the meeting to order at 5:30 o'clock p m.
2. PLEDGE OF ALLEGIANCE – Led by E. Lee
3. CONSENT AGENDA – A. MINUTES FOR THE REGULAR MEETING OF APRIL 10, 2013.
B. FINANCIAL EXPENDITURES FOR APRIL 2013 AND FINANCIAL REPORT FOR
MARCH 2013.

T. Jamison moved for approval of the consent agenda, seconded by J. Curtis and carried.

4. PUBLIC COMMENT – None
5. DIRECTOR ELECTION FOR NEW OFFICERS – E. Lee moved to nominate T. Jamison for Vice President, and J. Curtis for Treasurer, seconded by J. Curtis and carried.
6. APPOINTMENT OF NEW BOARD MEMBER, RESOLUTION 2013-278. - President M. Hanson stated that there were five applicants to fill the Board vacancy. J. Curtis reported that the committee of J. Curtis and T. Jamison had interviewed the five candidates and selected the top two most qualified candidates. The top two were then interviewed by E. Lee and M. Hanson in a second interview. Following the second interview, one of the top candidates withdrew for personal reasons. Leaving one top candidate. J. Curtis moved to approve Resolution 2013-278, seconded by T. Jamison and carried by a unanimous roll call vote.

RESOLUTION # 2013- 278
APPOINTMENT OF NEW DIRECTOR FILLING SEAT VACATED BY EDWARD P. RAMSEYER

WHEREAS, On January 9, 2013 Edward P. Ramseyer notified the VRCWD Board that he would be vacating his seat on the Board in May or June of 2013 because he would be moving out of the District; and

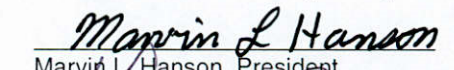
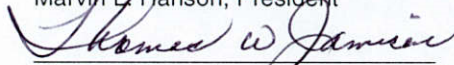
WHEREAS, On February 13, 2013 the Board appointed two Directors, J. Curtis and T. Jamison to serve as an interview committee of the interested applicants; and



WHEREAS, Notices of the opening on the Board were posted at the Corner Market, Dahls Market and at Builders Mart hardware store on March 13, 2013. In addition an article was published in the Ojai Valley News indicating an opening on the Board and the application deadline of April 1, 2013; and

WHEREAS, Five applications were received and the five applicants were interviewed by the subcommittee on April 15th and 16th and the interview subcommittee selected the two top applicants; and

NOW THEREFOR, the Board of Directors hereby selects Bruce Kuebler to fill the vacant seat left by the departure of former Director Edward P. Ramseyer.

ADOPTED this 8th day of May 2013.


Marvin L. Hanson, President

Thomas W. Jamison, Treasurer


Ed E. Lee, Director

John R. Curtis, Director

B. Rapp administered the Oath of Office to B. Kuebler. Director Kuebler was immediately seated. President M. Hanson instructed staff to draft a thank you letter to the candidates not selected, that will be signed by the Board President. Counsel L. Nielson reminded staff to file the Resolution of appointment with the County Clerk.

7. DROUGHT PREPARATIONS 2013/14 – B. Rapp reported that the rainfall in 2012 was 11.6", and it was 8.4" in 2013. Average rainfall is 24" per year. The aquifer is at record low levels, about 8' lower than it was in 1990. With the low water level it is anticipated that Well #4 will lose the ability to pump by August, and will need to be shut down. Loss of that water production will require more purchased water. To prepare for that, various treatment options were discussed to allow blending with Casitas water.

To maximize production from Well #1, cleaning and pump replacement were recommended to be moved up from year 2017 to the 2014 budget year. And \$30,000 will be included in the draft 2013/14 budget to investigate Well #5 viability.

8. COMPENSATION STUDY – B. Rapp presented an annual review of compensation as part of the budget process. State wide compensation data that was obtained from the State Controller website was compared to VRCWD compensation to determine if it is in line with the market rate. Director E. Lee felt strongly that the criteria used for the analysis was not correct and had a problem with the historical pay range structure. There was much discussion. Director B. Kuebler stated that the purpose of the analysis is to ensure that VRCWD employees are not being compensated beyond the market rate and he felt that was demonstrated in the study. No Action was taken.

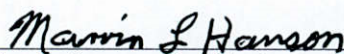
The meeting was adjourned to an executive session to discuss pending litigation at 7:20 o'clock p.m.
The meeting reconvened at 7:25 o'clock p.m. no action was taken.

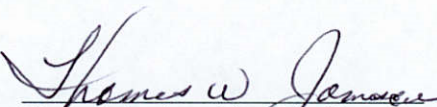
9. DRAFT BUDGET REVIEW - B. Rapp reported on changes from the first draft Budget reviewed in April. J. Curtis suggested Investigating the condition of the asbestos cement pipe on Valley Meadow Drive that is scheduled for phase two replacement in year 2017. Staff was instructed to include \$20,000 in Contract Labor expense to take samples of the pipeline for condition analysis. Staff reported that a change in liability insurance carrier to Alteris, Inc. has been recommended by Doug Smith of Coastal States Insurance. The reason for the recommendation is to have express inverse condemnation coverage and to obtain a \$5,000,000 umbrella on top of the current coverage at a lower rate than the current carrier. T. Jamison moved to accept the change in carrier, seconded by B. Kuebler and carried.
10. RADIOS FOR SCADA SYSTEM AND BUDGET TRANSFER #2 – SCADA System radios must be changed out to meet FCC compliance standards by January 1, 2014. This addition requires a change order to the current SCADA System upgrade that is in progress. Staff requested approval of the change order and Budget Transfer #2 to fund the change. E. Lee moved for approval of the change order and Budget Transfer #2, from: 93500000 Capital Improvement Contingency Fund \$8,000, to: 91500001 SCADA System Improvements \$8,000, seconded by J. Curtis and carried.
11. WATER TANK PAINTING AND INSPECTION – B. Rapp discussed the options of having an inspector present during the tank painting project or to forego the inspector for an extended warranty. The pros and cons of both options were discussed and Staff was directed to budget for the option of an extended warranty. Staff will monitor the job and purchase equipment to monitor paint thickness.
12. UTILITY COST MANAGEMENT PROPOSAL – Utility Cost Management (UCM) a company specializing in identifying utility bill savings has proposed to review the District's utility bills to see if the District is being correctly charged and if any savings can be achieved. UCM is only compensated if they find savings and would share 50-50 for three years after entering into an agreement. T. Jamison moved for approval of the agreement with the staff recommended changes, seconded by B. Kuebler and carried.
13. WELLS, WATER PRODUCTION & USAGE UPDATE - B. Rapp reported on wells, production, and usage. The static aquifer level at Well #2 on May 1, 2013 was 49.6 feet below surface. The level has risen 2.0 feet since the first of last month, and is 25 feet below the 25 year average for May. District wells cannot meet customer demand requiring the purchase of supplemental water since October 4, 2012. The Purchased Water Surcharge on the April 30, 2013 billing was at 26 cents per unit. Casitas estimates that the lake will not reach 50% capacity for two years so they will likely not start imposing drought restrictions until spring of 2015 if the dry weather continues.
14. ATTORNEY'S REPORT – EXECUTIVE SESSION – Executive session at the end of the meeting.
15. OLD BUSINESS – None.
16. NEW BUSINESS – AWA of Ventura County will host a Waterwise breakfast on Thursday May 16, 2013. B. Rapp, J. Curtis and B. Kuebler will attend. Updating photos of the Board and the cost was discussed. Director B. Kuebler will go to the photo studio to be photographed and the other Directors will not update their photos. B. Rapp presented a letter sent to customer Daniel Komaiko regarding his complaint of high water rates. The letter included a chart of VRCWD water rates as compared to other agencies in Ventura County illustrating that VRCWD has the third lowest water rates when the Purchased Water Surcharge is not in affect.

The meeting adjourned to executive session at 8:36 o'clock p.m. to discuss pending litigation.
The meeting reconvened at 8:45 o'clock p.m. no action was taken.

17. MEETING ADJOURNMENT - On motion duly seconded at 8:45 o'clock p.m. the meeting was adjourned.

Attested:


Marvin Hanson, President


Thomas Jamison, Vice President