

**VENTURA RIVER WATER DISTRICT
MINUTES OF REGULAR MEETING SEPTEMBER 14, 2016**

Directors present were: E. Lee, B. Kuebler, M. Hanson, J. Curtis, and P. Wiles. Also present were: Attorney Lindsay Nielson, Kear Groundwater representative J. Kear, General Manager/Board Secretary B. Rapp, and Office Manager A. Bakken. Public present were: Mr. George Galgas and Mr. & Mrs. Paul Harber.

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. FINANCIAL EXPENDITURES FOR AUGUST 2016
- B. FINANCIAL REPORTS FOR MAY & JUNE 2016
- C. MEETING MINUTES FOR APRIL 13 & 27, MAY 11, JUNE 8 & 29, JULY 13 AND AUGUST 10, 2016
- D. RESOLUTION 2016-303 CALPERS CONTRIBUTIONS TAX DEFERRED

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
VENTURA RIVER WATER DISTRICT**

RESOLUTION NO. 2016 – 303

Resolution TO TAX DEFER employer and MEMBER PAID

Contributions to CalPERS

WHEREAS, prior to July 1, 2016 the governing body of the Ventura River Water District elected to pay the Employer Paid Contribution and the Employee Paid Member Contributions (EPMC) for the CalPERS retirement with both contributions being tax deferred; and

WHEREAS, beginning July 1, 2016 the governing body of the Ventura River Water District elected to have the employees pay the Employee Paid Member Contributions (EPMC); and

WHEREAS, the governing body of the Ventura River Water District has determined:

- The Employer Paid Contribution shall be tax deferred.
- The Employee Paid Member Contributions shall be tax deferred.
- The effective date of this Resolution shall be 07/01/2016.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the Ventura River Water District elects all Employer and Employee contributions to be tax deferred, as set forth above.

PASSED, APPROVED AND ADOPTED this 14th day of September 2016.

AYES: _____ NOES: _____ ABSENT: _____
ATTEST: _____

Ed Lee – President

Bert J. Rapp – Secretary of the Board

M. Hanson moved for approval, 2nd by P. Wiles. Approved 5-0. J. Curtis abstained from approval of 8/10 minutes.

4. PUBLIC COMMENT- FOR ITEMS NOT ON THE AGENDA - None**5. PROTEST HEARING-ADOPTION OF COST OF SERVICE RATES, APPENDIX I OF THE RULES AND REGULATIONS: RESO 2016-302**

B. Rapp presented details on water rate changes and how the changes will affect customers. Proposed change is prompted by legal case in San Juan Capistrano over tiered water rates. Detailed description included change from tiered water rates to cost classes. Cost classes are determined by water usage. The monthly base fee will be lowered from \$14.70 to \$10.00. The Purchase Water Surcharge will only be charged to customers served well water and will therefore be eliminated completely for the Monte Via and Casitas Springs neighborhoods. The district is required to remain revenue neutral and the rate structure is intended to give customers a strong economic tie to their water usage. If adopted, new rates would go into effect on September 15, 2016 and appear on customer bills November 1, 2016.

E. Lee asked for board comments and noted one letter of protest had been received by the district on September 7th. Public present P. Harber submitted an additional letter of protest.

P. Harber protests the rate changes and indicated his belief that the Casitas Springs neighborhood should not have to pay for capital improvement projects as they are not on pumps and tanks and are on gravity feed from the dam. He expressed concern over his neighborhood being included in the Purchase Water Surcharge over the past years. B. Rapp explained the maintenance that is done by the district in Casitas Springs including the replacement of a large pipe on Nye Road that was paid for by all customers not just Casitas Springs. P. Harber requested a map of that replacement.

E. Lee requested action for adoption of resolution 2016-302.

J. Curtis moved for approval, Seconded by B. Kuebler and approved 5 – 0.

VENTURA RIVER WATER DISTRICT**RESOLUTION 2016 – 302****A RESOLUTION OF THE BOARD OF DIRECTORS OF THE VENTURA RIVER WATER DISTRICT APPROVING COST OF SERVICE WATER RATES****AND REVISIONS TO APPENDIX I OF THE RULES AND REGULATIONS**

WHEREAS, Tiered rates are required to reflect the cost of providing the water served in each tier; and,

WHEREAS, the District has conducted a Cost of Service water rate analysis and assigned costs to each cost class of customers based on cost of service; and

WHEREAS, District revenues are significantly impacted by reductions in water usage while the District is required to remain revenue neutral, neither making or losing money; and

WHEREAS, the proposed cost of service rates include provisions for a Water Sales Fluctuation Reserve and the ability to adjust the unit cost of water when usage fluctuates; and

WHEREAS, the District held a customer workshop on July 20, 2016 to discuss, among other issues, the cost of service rate analysis; and

WHEREAS; The VRWD Board of Directors held a public hearing on September 14, 2016 at least forty-five (45) days after properly noticing each water customer/property owner within the boundaries of the district as proscribed in the California Constitution Article XIII D, § 6, Subdivision (a) (also known as Proposition 218) to present justification for a proposed water rate change and receive public testimony or written protests; and,

WHEREAS, in the Protest Hearing Notice and at the Public Hearing on September 14, 2016 the rate change was presented for implementation September 15, 2016; and

WHEREAS, VRWD did not receive written protests against the rate change from a majority of the property owners as prescribed by Proposition 218 in order to reject the rate change.

NOW THEREFORE BE IT RESOLVED, by the Board of Directors of the Ventura River Water District hereby adopts revised Appendix I to the Rules and Regulations dated September 14, 2016 and declares that the new water rates will be effective with the October 31, 2016 billing period, i.e.: water meter readings from September 15, 2016 to October 14, 2016 utilizing the water rates as indicated in the Rules and Regulations Appendix I.


PASSED, APPROVED AND ADOPTED this 14th day of September 2016.


AYES:

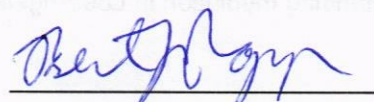
NOES:

ABSENT:

ATTEST:


Ed Lee, President


Bruce Kuebler, Vice-President



Bert J. Rapp, Secretary

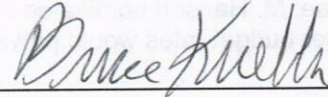
6. **DESIGNATION OF WATER BUDGET RATE SUB-COMMITTEE** - J. Curtis volunteered to serve on committee. M. Hanson nominated P. Wiles to serve. P. Wiles agreed to do so. B. Rapp discussed how water budget rates would provide individual water budgets for each customer based on their need.
7. **REQUEST FOR TUITION REIMBURSEMENT – P. WILES**
P. Wiles would like to attend the Ventura County Water course offered at CSU Channel Islands. Tuition for the class is \$80. J. Curtis moved for approval, Second M. Hanson. Approved.
8. **SEPTEMBER 22, 2016 DROUGHT SUMMIT** – Casitas Municipal Water District is sponsoring a Drought Summit on September 22, 2016. B. Rapp will be doing a presentation on behalf of the Ventura River Water District and asked for board review and comment on materials to be presented. B. Kuebler recommended revisions to the statement to include possibility of connecting to the state water supply. B. Kuebler noted the recent Ojai City Council vote which passed 4-1 to connect to the state water system.
9. **ADD OFFICE MANAGER TO SAFE DEPOSIT BOX** – B. Rapp requested board approval to add new office manager, A. Bakken, to the safe deposit box. L. Nielson inquired about how the district is insured against fraud. B. Rapp responded that the Ventura River Water District is insured against

employee fraud. J. Curtis moved to approve adding Amy Bakken to the safe deposit box, seconded E. Lee, approved 5-0.

10. **UPDATE ON WELL #7** – J. Kear of Kear Groundwater gave an update on the drilling of well #7. J. Kear praised the district for how well the project was planned and executed. The drilling contractor took a little more time than planned which could cause them to owe liquidated damages. G. Galgas asked J. Kear about timeline of well drilling. J. Kear gave account of dates that drilling contractor, Jensen Drilling, completed different parts of the process. Kear Groundwater is monitoring water levels by the minute in the well and will keep monitoring systems in place during well development pumping.
11. **LAFCo SPECIAL DISTRICT ALTERNATE MEMBER** – E. Lee commented on applicant A. Waters and his experience with the Waters family. B. Rapp also made positive comments on A. Waters. J. Curtis indicated his vote would be for A. Fox. Board discussed qualifications for serving on the LAFCo board. J. Curtis shared his experience as he served on the LAFCo board in the past. J. Curtis nominated A. Fox, Seconded by M. Hanson. Approved 5-0.
12. **GENERAL MANAGERS REPORT ON WELLS, WATER STATUS** – B. Rapp explained the level of the aquifer is 36.4 feet below the 25 year average for September 1st. Lake Casitas is providing 30% of our water. Customers conserved water at 41% in August, going beyond the target conservation rate of 30%. Well #1 is pumping 736 GPM this month down 22 GPM since last month. Wells 2, 3 & 4 are not pumping due to low water levels.
13. **OLD & NEW BUSINESS** – B. Kuebler inquired about status of water allocation. B. Rapp responded that he expected to have a draft of the allocation for the next Board meeting. B. Kuebler update on Groundwater Sustainability noting a scheduled conference call to review revisions to the Joint Powers Agreement from the County. B. Rapp discussed fire flow test in Casitas Springs. The Rollseal pressure reducer is being removed and replaced with pipe in order to increase pressure. Then the fire flows will be retested. B. Rapp also stated he will be attending mediation in Los Angeles on Monday, September 19th for the Jesse Small case.
14. **EXECUTIVE SESSION** – None
15. **MEETING ADJOURNMENT** – 4:50 P.M.

Attested:


Ed Lee, President


Bruce Kuebler, Vice President