

MINUTES

The meeting was called to order at 6:12 p.m.

1. Roll Call

The meeting was called to order by the Board President Mike Etchart at 6:12 pm at the District Office.

Present were: Board President Mike Etchart, Board Directors, Jim Kentosh, Mike Krumpschmidt, Diana Engle and Larry Harrold. Staff Present: General Manager, Mike Hollebrands and Board Secretary, Summer Ward. Attorney, Lindsay Nielson was also present.

Absent: None.

2. Approval of the minutes

Approval of the July 17, 2018, Regular Meeting minutes:

Mr. Harrold made the motion to approve the July 17, 2018, Regular Meeting minutes. Mr. Krumpschmidt seconded the motion.

Harrold/Krumpschmidt
All Ayes
M/S/C

3. Public Comments

Ms. Von Gunten – Provided a statement regarding her residency history and also of her attendance and past participation on the MOWD Board. Ms. Von Gunten asked how someone could get an item agendaized for a future board meeting discussion.

Mr. Kaufer stated that he is a resident and lives on Encinal, he is here tonight due to concern about the water situation that is listed in Old Business.

4. Financial Matters

- Approval of Payroll and Payables from July 16th to August 15th, 2018 in the amount of:
Payables - \$ 82,532.63

Payroll -	<u>\$ 31,211.46</u>
Total -	\$ 113,744.09

Mr. Harrold made the motion to approve the Payroll and Payables from July 16th to August 15th, 2018. Mr. Krumpschmidt seconded the motion.

Public Comment – None.

Harrold/Krumpschmidt
All Ayes
M/S/C

5. Board Discussion/Actions

- a) Consideration and approval for a cost-of-living increase of 4%. Mr. Hollebrands reviewed the Long Beach & LA cost of living reports, which showed a 3.9% increase in the cost of living. Mr. Hollebrands is proposing a 4% COLA raise for staff. Mr. Hollebrands estimates the fiscal impact to be approximately \$17,000 annually. Mr. Krumpschmidt is concerned about granting a 4% COLA during a time with decreased water sales due to the ongoing drought, recommended a stepped raise of 2% then remaining 2% six months later. Kentosh recommended keeping the COLA at the published rate of 3.9% not rounded to 4%. Ms. Engle requested that the fiscal impact include payroll, payroll taxes, retirement, etc... for overall budget impact. The Board requested more definitive calculations of the fiscal impact for this and future agenda items.

Mr. Kentosh made the motion to approve the 3.9% COLA raise for staff, effective current pay period. Mr. Krumpschmidt seconded the motion. Mr. Kentosh requested to withdraw his motion, Mr. Krumpschmidt agreed with request to withdraw M/S.

Mr. Kentosh made the motion to grant ½ of the 3.9% COLA immediately and postpone the other ½ until after the next Board Meeting. Mr. Krumpschmidt seconded the motion. Mr. Kentosh requested to withdraw his motion, Mr. Krumpschmidt agreed with request to withdraw M/S.

Public Comment –

Ms. Von Gunten stated that she disagrees with balancing the budget on the backs of the employees.

Mr. Kaufer has worked as a public employee and the cost of living increase is the right thing to do and shouldn't quibble too much over it. He added that as a rate paying customer of MOWD he would be willing to pay the small increase to support such a raise for the staff.

- b) Consideration and approval for the District to increase its contribution rate for dependant medical insurance (only) from 55% to 75%.
Mr. Hollebrands presented the item with the fiscal impact of approximately \$7000.00 annually for the district, impacting 3 current employees who have 2+ dependents. The Board will review contribution amount next fiscal period to possibly increase to full 100% for dependents.

Mr. Krumpschmidt made the motion to approve the increase from 55% to 75% for the District contribution towards employee medical insurance for 2+ dependents. Mr. Harrold seconded the motion.

Public Comment –

Ms. Von Gunten stated that she felt due diligence had been done and agree with Ms. Engle that it would help to have the fiscal impacts written out clearly.

Mr. Kaufer thanked the Board for the opportunity to comment on agenda items.

Krumpschmidt/Harrold

All Ayes

M/S/C

- c) Discussion of Potential Structures for UVRGA Technical Advisory Committee(s).

Ms. Engle presented the GSA TAC design options and how each option could potentially impact the District. Mr. Krumpschmidt noted that the “Other Models” section seemed to be more of a hybrid approach that would be most flexible and low fiscal impact for the District. Ms. Engle requested that if any Board Directors have further input on one of the TAC design options to please email that information to her prior to the next GSA meeting.

Public Comment –

Ms. Von Gunten stated that it is a small community and would be most effective to draft a robust Conflict of Interest policy and enforce it regularly.

Mr. Kaufer made a statement regarding the order of the agenda. Additionally, he is unable to stay for the remainder of the meeting, however, he has reviewed the agenda packet and is satisfied with the work being done by the District.

- d) Letter from Steve Alary on behalf of the property owner of 606 S. Rice Rd. and District response to a request for a new water service. Ms. Engle excused herself from the conference room during this agenda item. After review of the request the Board supports denial of new water service at 606 S Rice Rd. Mr. Hollebrands to send denial letter to Mr. Alary.
- e) Call for nominations for a Board member and alternate on LAFCO. Mr. Hollebrands presented the nomination materials provided by LAFCO, no Directors are interested in being nominated at this time.
- f) New Allocation & Rate Program. Mr. Kentosh provided a summary of his comparative study performed on 40 parcels, the Eagle Aerial data is looking good. He then referred to the Allocation & Demand Comparative Table that was provided, the Drought Committee will be reviewing the data in more detail and developing the program based on the validated data. It was noted by Mr. Hollebrands that the Governor just reduced the daily average to 55 gpcd. Mr. Krumpschmidt requested that Mr. Kentosh help explain to him the data and how the formulas will generate the new allocation program, outside of the regular Board meeting.
- g) General Manager's evaluation. The General Manager will be evaluated during the closed session, any potential salary increase will be brought to the September 18, 2018 Regular Board Meeting in open session.

6. General Manager's Report

- Operations & Maintenance Report – Tabled
- Board Standing Committees – Table included with minor layout revision recommended and “GSA” to be suspended.
- Wells 1,2 and 4 update – Mr. Hollebrands referred to the detailed reports in the packet provided by General Pump for wells 1 and 2. He stated that none of the down hole parts will be re-usable. Jordan Kear will be reviewing and providing recommendations for next steps. MOWD has the County and State permits in place for any well work that is approved to be completed. Mr. Hollebrands to provide RFPs at September 18th meeting, specifically the RFPs will be for well 1, well 2 and wells 1 & 2 together. The Board discussed the need to be able to stop work if the repairs fail, without obligation to complete the other well. The bids will not include the cost of the VFDs.

- **Economic Study Meeting-** Mr. Hollebrands stated that there is a conference call scheduled for August 22, 2018 at 1:00 pm to review the 3 proposals. The Board noted that there are some agencies stepping away from the study with concern regarding its validity. The Board discussion led to decision to participate further to learn more about how the study will be conducted and what the data will provide and at that point make a decision on continuing forward or withdrawing from the study.
- **Casitas MOU–** Mr. Hollebrands met with Steve Wickstrum, Casitas GM and Interim GM, Mike Flood. There will be no Stage I Allocation written into the body of the MOU, it will appear on Appendix A. The Stage allocation will be determined each May. The Board noted that the Casitas WEAP permits a \$5/unit conservation penalty, whereas, MOWD currently charges \$1/unit. Final approval of the MOU by the MOWD Board is scheduled for the September meeting.

Ms. Krumpschmidt made the motion to direct Mike Hollebrands to submit the draft MOU to Casitas for approval and then MOWD approval. Mr. Harrold seconded the motion.

Public Comment – None.

Krumpschmidt/Harrold
Kentosh – Voted No
M/S/C

7. Board Committee Reports

- **GSA (No August Meeting)**
- **Executive Committee (August 8, 2018) –** Mr. Hollebrands stated that Mr. Etchart and Kentosh met on August 8th to review the proposals for the Staff 4% COLA raise, Medical Insurance Share of Cost for 2+ Dependents and the GM performance review. No decisions were made.

8. Old Business

- **State Water Group–** Update will be provided at the Casitas Regular Board Meeting August 23, 2018 with presentations from GMs. S. Mulligan requested that 84 different options be considered. Mr. Hollebrands and Director Kentosh plan to attend the meeting.
- **Ojai Valley Water Group –** Resolution to Declare a Drought Emergency was recommended out of Steve Bennett’s office.
- **Matilija Dam Removal –** No update
- **Cold Water Formation –** Mr. Hollebrands provided copies of reports that Jordan Kear and Bryan Bondy had submitted previously, as requested at the July 17th meeting.
- **Generators –** No update

9. Board of Directors' Reports

Mr. Krumpschmidt – noted that the Bennett group is officially “WCUP,” Water Conjunctive Use Project.

Mr. Etchart – None.

Mr. Kentosh – Announced that there were no contenders that applied for the November election, all three Directors are running unopposed.

Mr. Harrold – Observed that the horse manure near well 8 is not being removed as it should be, which may be contributing to the high nitrate levels in well 8. Discussion item will be added to September agenda.

Ms. Engle – None.

The Board closed the open session at 9:30 p.m.

10. Closed Session: The Board of Directors will hold a closed session to discuss personnel matters or litigation, pursuant to the attorney/client privilege, as authorized by Government Code Sections 54957 & 54956.8, 54956.9 and 54957.

a. General Manager Evaluation – 547957 (b)(1)(2)

At 10:19 p.m. the board closed the closed session and re-opened the open session.

Mr. Nielson stated that in closed session they discussed the GM review, no decisions were made.

11. Meeting Adjournment

There being no further business to conduct at this time, Board President Mike Etchart adjourned the meeting at 10:20 PM.

President

Secretary