

## MINUTES

**The meeting was called to order at 6:04 p.m.**

---

### **1. Roll Call**

The meeting was called to order by the Board President Mike Etchart at 6:04 pm at the District Office.

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

Absent: None.

### **2. Approval of the minutes**

Approval of January 15, 2019, Regular Meeting minutes:

Mr. Harrold made the motion to approve January 15, 2019, Regular Meeting minutes. Mr. Kentosh seconded the motion.

Mr. Kentosh stated that the language at the beginning of the closed session needs revision and to add for item 6b: “as described in the Draft Allocation Program inclosed in the agenda packet.”

Harrold/Kentosh

All Ayes

M/S/C

### **3. Public Comments**

Mr. Cornejo introduced himself as a customer of MOWD that has applied for a will-serve for an ADU. His submittal of plans to the County is pending a decision on his will-serve letter for his property at 211 N. La Luna. Mr. Cornejo is requesting an update from the committee on the timeframe for a decision.

Ms. Von Gunten – was present.

***\*\*Agenda item out of order\*\****

**5. k) New Meters & Expansion of Services**

Mr. Hollebrands explained that Mr. Cornejo has been waiting patiently during this transition period with MOWD policy. Mr. Kentosh stated he is working on the draft policy that will address will-serve letters and the ADU regulation. Essentially, no new water will be granted. Mr. Kentosh will schedule the committee to meet and provide clarity within 30 days and a decision within 60 days.

**4. Financial Matters**

- Approval of Payroll and Payables from January 16<sup>th</sup> to February 15<sup>th</sup>, 2019 in the amount of:

Payables -	\$ 196,453.09
Payroll -	<u>\$ 46,271.35</u>
Total -	\$ 242,724.44

Mr. Kentosh made the motion to approve the Payroll and Payables from January 16<sup>th</sup> to February 15<sup>th</sup>, 2019. Mr. Krumpschmidt seconded the motion.

Mr. Harrold noted that income was approximately \$120,000 less than expenses this month. Mr. Hollebrands stated there were some big expenses during the month including non-capitalized repairs to wells 1 & 2, attorney fees, purchased water, and the financial auditor. Mr. Krumpschmidt requested clarification on why the Casitas standby/sales appropriations were only \$4,000. Mr. Hollebrands stated that at the time of budget preparations it was not known that MOWD would be on Casitas the majority of the fiscal year, so it had been underbudgeted, however, the expense of purchased water is recouped through the additional Casitas Surcharge on the customers' bills. Mr. Harrold asked what work WREA was performing; Mr. Hollebrands responded that they are assisting with circulation pump design and flow dynamics. Ms. Engle noted the increase in Lab fees, which were attributed to Title 22 requirements and the increase in samples for the tank drain and new well. Mr. Hollebrands presented a new table included in the packet that outlines the Fiscal Year Budget expenses and revenues compared to last year.

Public Comment – None.

Kentosh/Krumpschmidt  
All Ayes  
M/S/C

**5. Board Discussion/Actions**

- a) Election of Board Member Offices of President and Vice President.

**Mr. Kentosh made the motion to re-elect Mr. Etchart as President. Ms. Engle seconded the motion.  
The Board agreed that Mr. Etchart had done a great job this past year as President of the MOWD Board.**

**Kentosh/Engle  
All Ayes  
M/S/C**

**Ms. Engle made the motion to re-elect Mr. Kentosh as Vice-President. Mr. Krumpschmidt seconded the motion.  
The Board agreed that Mr. Kentosh had done a great job this past year as Vice-President.**

**Engle/Krumpschmidt  
All Ayes  
M/S/C**

**b) Standing Committee Appointments.**

**Mr. Hollebrands presented the previous Standing Committee table for revision. The Executive Committee will remain as Etchart & Kentosh; GSA will be revised to reflect “Appointed Representative” instead of a standing committee, the new Policy Committee will be an ad hoc committee; other committees will remain the same. Mr. Hollebrands to make the necessary revisions to the document.**

**c) Approval of Proposal from Susan Edlinger**

**Mr. Hollebrands presented the proposal from Susan Edlinger, Consultant for the amount of \$4,000.00 for a 3-month contract.**

**Mr. Kentosh made the motion to approve the proposal from Susan Edlinger in the amount of \$4,000.00 for leadership training for Mr. Hollebrands. Mr. Krumpschmidt seconded the motion.**

**Mr. Krumpschmidt encouraged as much in-person training as possible, versus telephone or skype. Mr. Krumpschmidt expressed concern regarding the requirement of 24 hr notice of cancellation. The board agreed that due to unforeseen emergencies it might be impossible to provide that much notice — Mr. Hollebrands to discuss changing this item before signing the proposal. Ms. Engle proposed approving the expense, with Mr. Etchart conducting a progress check-in with staff to assess improvements.**

**Kentosh/Krumpschmidt  
4-Ayes and 1- Opposed  
M/S/C**

**d) Approval of Contractor to replace 4 system valves**

Mr. Hollebrands presented 3 job bids to perform the 4 system valve replacements located at W. Lomita/S. La Luna and the trio at Fernando/N. La Luna. These valve replacements are accounted for in the Capital Improvement budget. Mr. Hollebrands recommended Sam Hill & Sons bid for two reasons: good work history with the District and lowest bid; Quality Ag has never worked for the District, and Toro has a good work history with the District but the highest bid.

Mr. Harrold made the motion to approve Sam Hill & Sons bid for the 4 valve replacements in the amount not to exceed \$35,500.00. Mr. Kentosh seconded the motion.

Harrold/Kentosh  
All Ayes  
M/S/C

- e) Request of relief from Mr. J. Maruszewski in the amount of \$3,000.00 for a leak on his property while out of town.  
Mr. Hollebrands presented the customer letter and bill for consideration of adjusting the bill amount. The high usage was detected during the regular meter reads when Mr. Martinez was sent back for the re-read he verified that there was a leak on the back part of the property and determined which valve needed to be shut off. The customer was notified immediately of the leak and repairs were made timely. Mr. Hollebrands noted that the total bill amount is for \$ 3,137.34, of which \$783.00 is for the Drought Surcharge. The Board discussed the current policy and the importance of not setting precedence for leak adjustments. After careful consideration and discussion, the Board supports Mr. Hollebrands adjusting off the Drought Surcharge of \$783.00 this one time. Mr. Hollebrands to notify the customer in writing of bill adjustment with available payment plan option and Ms. Ward to make the necessary bill adjustment. Further, Mr. Kentosh recommended developing a policy for leak adjustments.

Public Comment:

Ms. Von Gunten stated that she could see adjusting for a 1<sup>st</sup>-time leak but agrees to be mindful of setting a precedent.

Mr. Kentosh made the motion to remove the drought surcharge of \$738.00 for this first-time leak and extend optional payment plan. Mr. Harrold seconded the motion.

Kentosh/Harrold  
4-Ayes & 1 – Abstain  
M/S/C

- f) Request from Ms. Theresa Stark for the District to authorize a second meter for her second dwelling

**Mr. Hollebrands stated that Ms. Stark had attended last month's Board meeting to request a waiver for her unoccupied second dwelling and to get approval for a separate meter for her second dwelling. Ms. Stark came into the office and met with Mr. Hollebrands to further discuss her requests. Mr. Kentosh stated that although he supports a separate meter for the additional dwelling to help promote conservation, it will need to be discussed at Committee. Mr. Hollebrands to update Ms. Stark that the Committee will be meeting to discuss her requests and she will receive a response in 30-60 days.**

- g) Discussion and Committee member selection for the Employee Manual and Grievance Policy. Including At-will employment, Complaints, Employee Suggestions, and Grievance Forms.**

**Mr. Krumpschmidt stated that he is requesting clarity and direction related to the MOWD Employee Manual and policies. He reviewed copies of the Casitas and Ventura River Employee Manuals as a comparison. MOWD does not currently have a procedure for employee suggestions. The current Grievance Form is geared towards harassment, and it needs to be more general and provide more direction to staff. Clarification is needed regarding At-Will Employment and perhaps a current legal opinion on how best to handle this item. Mr. Kentosh suggested that Mr. Krumpschmidt collection information and meet with Mr. Etchart to develop the materials that cover the agenda bullet points for board review. The Board can then review the items and forward appropriate items to an employment attorney for review.**

**Public Comment:**

**Ms. Von Gunten stated that it is probably time for an employment attorney to review policies and make necessary updates.**

- h) Draft Allocation Program**

**Ms. Engle reported that she has been working with Mr. Hollebrands and Ms. Ward to identify and match up the meters that were not on the initial aerial data spreadsheet. Some of the issues that have been identified in working with the data include 1 parcel with 2 meters, Ag customers are being screened for participation in VCAILG program (of which many are not and will be re-classified) and also Residential and Ag meters on the same parcel. Mr. Kentosh added that the data would probably not be ready to adopt in March.**

- i) Draft Budget/Rate FY 19-20, including meeting minutes from 1/23/19 and 2/11/19.**

**Mr. Hollebrands reviewed that that agenda packet includes the meeting minutes prepared by Mr. Kentosh, as well as the proposed rates and draft Prop 218 notice. Mr. Kentosh stated that the main point of the committee is to set the direction for the new rates and there has been a differing philosophy related to variable/fixed costs. Historically, the District followed a 50/50 model, Mr. Kentosh was recommending a 60/40 approach. The Committee has negotiated to a 53/47 ratio of variable to**

fixed cost approach. Ms. Engle supports a 50/50 approach and requests that an itemized budget be presented prior to requesting approval of any new rates

- j) Draft Rates / 218 Notice 2019-2023  
Discussion occurred in above agenda item 5i.

## **6. General Manager's Report**

- **Operations & Maintenance Report**  
Mr. Hollebrands reported that last Thursday 2/14/19 we turned off the Casitas connection and are running off our wells. MOWD can meet demand with only one well, currently well 7. Well 4 is producing a lot of air in the line, which is being evaluated by WREA. Mr. Kear believes that the new well may be a little underdeveloped, which would be resolved by continuing to pump water at that well, which has a 60ft drawn down currently. WREA will be onsite tomorrow to discuss the design of the new treatment plant. Mr. Kentosh recommended dropping the rpms to help with reducing the amount of air being produced. The vibration issue at well 4 was evaluated by the 3<sup>rd</sup> party and the G.M. would like to request written recommendations from CMS on how best to brace the foundation and building to reduce the vibrations.  
Mr. Hollebrands stated that the submersible pump is set in well 2, with test pump at 350 gals/min with 5 ½ ft drawdown. We are waiting on pricing from Oilfield Electric for wiring. Well 1 work continues; Treatment Plant has new flash mixers being installed and panel repairs.  
Ms. Engle asked if there was a need to perform lead testing on the new well 4 site, Mr. Hollebrands stated we comply with all State required testing. Mr. Hollebrands will present all pricing and updated information at the next Regular Board meeting.
- **Form 700 Submittals–** Reminder that all 700 Forms are due before April 1, 2019.

## **7. Board Committee Reports**

- **GSA (1/10/2019) –** Ms. Engle reported that the GSA has been struggling with administrative assistance for the Grant Writer, Bryan Bondy. The agency has been actively recruiting for administrative support and board secretary, without a good response. The GSA will be seeking to collaborate with MOWD on an interagency agreement for Ms. Ward to maintain her current full-time position with MOWD, as well as fill the GSA administrative support/board secretary position. The agreement will be cost neutral for MOWD.
- **Drought Committee (1/11/2019) –** Discussed under item 5i.

**8. Old Business**

- Ventura, Ojai Water Conjunctive Use Partnership – No update.
- Matilija Dam Removal – No update.
- Cold Water Formation – No update.
- Generators – No update.
- Special Districts Grand Jury Report – Tabled to March.

**9. Board of Directors’ Reports/Comments**

- Mr. Etchart – None.
- Mr. Kentosh – None.
- Mr. Krumpschmidt – None.
- Mr. Harrold – None.
- Ms. Engle – None.

Ms. Ward announced that February is MOWD’s 70<sup>th</sup> Anniversary. We are providing custom leather portfolios for each Board member and staff, as well as reusable tote bags for customers.

The Board went into closed session at 8:46 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.

- Conference with Legal Counsel – General Manager 54957 (b)(4)
- Conference with Legal Counsel – Existing Litigation (Paragraph (1) of subdivision (d) of Section 54956.9)
  - Meiners Oaks Water District vs. Moll, Ostling and Ojai Vista Farms 56-2018-00515474-CU-OR-VTA/
  - State Case: SBCK vs. SWRCB, San Francisco Superior Court, Case # CPF-14-513875

The board adjourned from closed session at 9:50 pm.

Mr. Nielson stated that in closed session they discussed updates on the ChannelKeeper and Moll cases, as well as personnel matters. No decisions were made during the closed session.

**11. Meeting Adjournment**

There being no further business to conduct at this time, Board President Mike Etchart adjourned the meeting at 9:52 pm.

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary