

Regular Meeting  
November 16, 2021  
6:00 pm

Meiners Oaks Water District  
202 W. El Roblar Drive  
Ojai, CA 93023-2211

## Minutes

The meeting was called to order at 6:00 pm.

1. **Call to Order**

The meeting was called to order by the Board President, Mike Etchart, at 6:02 pm via teleconference.

2. **Roll Call**

**Present:** Board President, Mike Etchart, Board Directors: James Kentosh, Diana Engle, Christian Oakland, and Loni Anderson. Staff Present: General Manager, Justin Martinez, and Board Secretary, Summer Ward. Attorney Present: Stuart Nielson, Jeanne Zolezzi (closed session), and Greg Jones (closed session).

**Absent:** None.

3. **Approval of the Minutes**

**Approval of October 11, 2021, Special Meeting Minutes**

**Approval of October 19, 2021, Regular Meeting Minutes**

Director Engle made the motion to approve October 11, 2021, Special Meeting minutes, and the October 19, 2021, Regular Meeting minutes. Director Anderson seconded the motion.

No public comment.

Engle/Anderson

**Roll Call Vote:**

Etchart - Y      Engle- Y      Kentosh - Y      Oakland – Y      Anderson - Y

All Ayes – M/S/C

4. **Public Comments** – None present.

**\*\*The Board went into closed session at 6:05 pm\*\***

**\*\* J. Zolezzi joined at 6:05 pm \*\* G. Jones joined at 6:35 pm\*\***

5. **Closed Session: The Board of Directors held a closed session to discuss litigation, pursuant to the attorney/client privilege, as authorized by Government Code Sections §54957 & 54956.8, 54956.9, and 54957.**

- State Case: SBCK v. SWRCB, San Francisco Superior Court, Case # CPF-14-513875
- Meiners Oaks Water District v. Moll, Ostling and Ojai Vista Farms 56-2018-00515474-CU-OR-VTA/
- Personnel matters

**\*\* J. Zolezzi left at 6:28 pm \*\* G. Jones left at 7:01 pm \*\***

**\*\*The Board adjourned closed session at 7:15 pm\*\***

Attorney S. Nielson stated that the Board discussed current ongoing litigation and personnel matters in closed session, and no actions were taken.

6. **Financial Matters**

**Approval of Payroll and Payables from October 16 to November 15, 2021, in the amount of:**

Payables:	\$161,117.20
Payroll:	<u>\$ 40,926.73</u>
Total:	\$202,043.93

Director Anderson made the motion to the Payroll and Payables from October 16 to November 15, 2021. Director Engle seconded the motion.

No public comment.

Anderson/Engle

**Roll Call Vote:**

Etchart - Y      Engle- Y      Kentosh - Y      Oakland – Y      Anderson - Y

All Ayes – M/S/C

7. **Board Discussion/Actions**

**a. Approve Financial Audit FY 2019-2020. (C. Fanning)**

Ms. Fanning, CPA, presented the MOWD 2019-2020 Financial Audit, including a review of the financial statements, audit findings, management letter, and required supplemental information. Ms. Fanning noted that the financial statements were comparable to the previous year, with no new disclosures. Footnote contingencies described unknown future economic impact of COVID-19 on the District.

The Board engaged with Ms. Fanning regarding recommended practices, including policies and procedures, internal controls, allowance for doubtful debts, and summary of unadjusted errors.

Ms. Fanning stated there were no deficiencies or issues of non-compliance.

No Public Comment.

No Motion.

**b. Approve Resolution 20211116-1: FY 19-20 Financial Audit (Ward)**

Ms. Ward presented Resolution 20211116-1: FY 19-20 Financial Audit to accept the financial audit presented by Ms. Fanning, CPA.

Director Kentosh made the motion to approve Resolution 20211116-1: FY 19-20 Financial Audit. Director Anderson seconded the motion.

No Public Comment.

Kentosh/Anderson

**Roll Call Vote:**

Etchart - Y    Engle- Y            Kentosh - Y            Oakland – Y            Anderson - Y

All Ayes – M/S/C

***\*\*Ms. Fanning left the meeting at 8:00 pm.\*\****

**c. Approve Resolution 20211116: AB 361 – Brown Act: Remote Meetings During a State of Emergency, subsequent to Resolution 2021921: AB 361. (Ward)**

Ms. Ward presented Resolution 20211116: AB 361 – Brown Act: Remote Meetings during a State of Emergency. Ms. Ward stated that this is subsequent to Resolution 20211019, approved in October. The resolution maintains that due to the ongoing health and safety concerns described in the most recent Ventura County Health order on September 18, 2021. Therefore, resolution 20211116, if passed, would be in effect for 30 days, and a subsequent resolution will be presented every 30 days until the health orders are lifted.

Director Kentosh made the motion to approve Resolution 20211116: AB 361 –Brown Act: Remote Meetings during a State of Emergency. Director Engle seconded the motion.

Director Kentosh noted a misnumbering on the resolution heading, Ms. Ward to correct.

No Public Comment.

Kentosh/Engle

**Roll Call Vote:**

Etchart - Y   Engle- Y            Kentosh - Y            Oakland – Y            Anderson - Y

All Ayes – M/S/C

**d. Discuss and provide direction to Staff on draft Ordinance 21-11-16: Director Compensation. (Etchart)**

Director Etchart presented the draft Ordinance 21-11-16: Director Compensation (replacing Ordinance 98-10-20). Attorney Nielson stated that the District must publish the pending approval of the Ordinance in the local paper for two weeks. The Ordinance can be approved in the public meeting, and then the 60-day public period begins.

Director Anderson requested clarification on whether participation in legal matters would constitute compensation. Attorney Nielson stated yes, it could be listed as a separate line item. Further, any work captured in item 6 of the Board Compensation policy would require board approval each month.

Staff to work with Attorney Nielson and Director Etchart to revise the draft Ordinance and begin the process of publishing the public hearing for the Ordinance approval.

No Public Comment.

No Motion.

**e. Select contractor and approve expense for Meiners Rd. tank demolition and removal. (Kentosh/Martinez)**

Mr. Martinez presented bids for demolition and removal of the Meiners Rd. tank, with the goal to complete the project by December 31, 2021. Mr. Martinez recommended Toro Enterprises at \$17,268.

Director Oakland requested clarification on the list of exclusions and whether the scope of work was provided. Mr. Martinez stated that the exclusions are standard language for this type of work, and the scope was provided to the contractors in the bid request.

Director Anderson made the motion to select Toro Enterprises up to \$17,268 for demolition and removal of the Meiners Rd. tank. Director Kentosh seconded the motion.

No Public Comment.

Anderson/Kentosh

**Roll Call Vote:**

Etchart - Y   Engle- Y            Kentosh - Y            Oakland – Y            Anderson - Y

All Ayes – M/S/C

**f. Discuss and consider approval of hiring a temporary Administrative Clerk, job description with an estimated payroll expense up to \$25,000. (Ward)**

Ms. Ward presented a request to hire a temporary Administrative Clerk to assist with an increase in and backlog of administrative work related to regulatory requirements and current and future projects. The goal would be to have the clerk assist with the daily tasks to free up the other administrative Staff to focus efforts on more complex tasks and allow for staff cross-training.

Director Engle asked why request a temporary versus permanent position. Ms. Ward stated that this would be an ideal way to study the possible need for a permanent position if the position proves to be efficient and effective.

Director Engle made the motion to approve hiring a temporary Administrative Clerk, the job description, and payroll expense up to \$25,000. Director Anderson seconded the motion.

No Public Comment.

Engle/Anderson

**Roll Call Vote:**

Etchart - Y   Engle- Y            Kentosh - Y            Oakland – Y            Anderson - Y

All Ayes – M/S/C

**g. Approve draft Fraud Detection & Prevention policy. (Ward/Martinez)**

Ms. Ward presented the draft Fraud Detection & Prevention policy in response to the financial audit recommended actions. The draft policy was reviewed by the District Auditor, Staff, Director Kentosh, and Attorney Nielson and is reflective of their input. Ms. Ward added that the Staff's goal is to review the District policies and procedures, update as necessary, and post to the District website.

Director Anderson made the motion to approve the Fraud Detection & Prevention policy. Director Oakland seconded the motion.

No Public Comment.

Anderson/Oakland

**Roll Call Vote:**

Etchart - Y   Engle- Y            Kentosh - Y            Oakland – Y            Anderson - Y

All Ayes – M/S/C

**h. Discuss and consider approval of the request to release/sell two District vehicles. (Martinez)**

Mr. Martinez shared that the District was made aware by the CHP that per the slow-moving vehicle code, the District golf carts will no longer be permitted to drive throughout the District. In addition, the EZ-Go registration officer was renewing tags, but will no longer be allowed to re-register these vehicles. Additionally, the District's old crew truck has been replaced with the truck purchased in 2020. Mr. Martinez has requested approval to sell one golf cart and the old crew truck through GovDeal, associated with CSDA. A portion of the auction sales goes back to CSDA. GovDeals currently works with 115 special districts in California. The funds received would be allocated toward the AMI meter exchange program.

Director Engle made the motion to approve the sale of the two District vehicles. Director Anderson seconded the motion.

No Public Comment.

Engle/Anderson

**Roll Call Vote:**

Etchart - Y   Engle- Y   Kentosh - Y   Oakland – Y   Anderson - Y

All Ayes – M/S/C

**i. Discuss alternative filtration options for the replacement treatment plant. (Kentosh)**

Director Kentosh discussed the alternative filtration process for the replacement treatment plant, specifically stainless cartridge filters. The cost of replacing the cartridge filters is estimated at \$60,000 per year. Overall, the cost of the alternative filtration process would be too expensive. Director Kentosh, based on his findings, recommends the District go back to the original plan to design a filtration plant based on EPD pressure filters. The RFP will be sent out at the end of November.

No Public Comment.

No Motion.

**j. Discuss Redemption Church will-serve letter request, provide direction to the Allocation Committee. (Engle/Kentosh)**

Directors Engle and Kentosh provided background on the parcel and active water account, currently without a dwelling, only animals. The church would like to relocate the animals and build a primary dwelling with an ADU for church staff housing. Director Engle provided that the current allocation for that parcel is enough to supply a house and ADU, with minimal remaining variable allocation for outside irrigation. This request has come to the Board due to its unique nature. The District has not been presented with a case where a customer with an existing meter and allocation has asked for new

construction of both a primary dwelling and an ADU at the same time. The Board needs to have a consensus on the formula for debiting the current variable allocation (286 HCF/yr) by an amount to cover both dwellings. For example, current variable 286 HCF/yr – 140 HCF/yr (principal dwelling) – 100 HCF/yr (ADU) = 46 HCF/yr remaining. The Board agreed that California is facing an acute housing shortage and supports the calculation of the fixed and variable allocation. The Board provided direction to Staff to issue a will-serve letter to Redemption Church based on the existing allocation.

No Public Comment.

No Motion.

**k. Review Board Committee membership, discuss and approve any membership changes. (Etchart)**

Director Etchart presented the 2021 Board Committee Membership roster for review; consider changing some membership to include the newest Director. The Board discussed the following revisions: add staff procedure functions to the Executive Committee, remove “Drought” from Allocation Committee, New Meters & Expansion of Services membership will include Kentosh and Anderson, Emergency Management & Safety membership will include Oakland and Anderson, Grants Committee membership will include Etchart and Anderson, Ventura River Watershed Council representatives will include Martinez and Anderson. Ms. Ward to update the Board Committee Membership listing.

No Public Comment.

No Motion.

**8. General Manager’s Report**

Mr. Martinez reported that the Casitas Lake level is at 32.8%. The District is currently on Casitas water, demand has slowed, and the lower connection was turned off 10/28/2021. Mr. Martinez has continued working with Patrick at the Division of Drinking Water on the blending pilot project. The over-excavation for the antenna tower footing was completed on 11/5/2021. The grant application for source water options is in process. The District completed its 3-year Division of Drinking Water on-site inspection on 11/1/2021 and is working on recommended actions. Mr. Maxwell returned from military leave on 11/8/2021. Mr. Martinez stated that he has started working with Regina Hirsch on a potential grant to assist the District with converting to AMI smart meters. Transitioning to smart meters would allow customers and the District to have real-time eyes on the water, help with leak detection and overall conservation. The estimated cost of replacing all District meters with AMI is approximately \$400,000. The goal is to start with Agriculture, Commercial and high residential users and then phase in approximately 5% per year for the remaining residential customers.

No Public Comment.

## 9. **Board Secretary's Report**

Ms. Ward presented the monthly Board Secretary report, highlighting that the District received a Public Records Request from VC Reporter on 10/18/2021 requesting 2016 to current budgeted and actual attorney expenses, legal cases, District real estate holdings, and District wells. The response was provided 10/28/2021 with a follow-up request to review deeds in person, to be scheduled. The annual PCI Control Assessment for the District's online bill pay platform was completed on time. CA Executive Order N-42-20, the moratorium on water disconnections for non-payment, is set to expire 12/31/2021. Ms. Ward noted improvement with the number of customers starting to make payment arrangements for arrearages and, in some cases paying off full balances. Ms. Ward noted that work on the Allocation Program continues to near implementation; DataProse, the bill printing vendor, is working on formatting the data file and bill template to capture the new allocation data by customer classification.

No Public Comment.

## 10. **Board Committee Reports**

- Executive Committee: No update.
- UVRGA: Director Engle reported that the GSA has achieved a milestone and approved the tentative GSP final draft for a public hearing set for December 9, 2021.
- Allocation Committee: Director Engle reported a productive meeting to review pending will-serve letters and the creation of a will-serve request template form. The Committee will begin meeting more frequently to review the will-serve letter and waiver requests.
- Budget/Rate Committee: Pending allocation program implementation.
- Emergency Management Committee: No update.
- Staff Procedures Committee: No update.
- New Meters & Expansion of Services Committee: No update.

## 11. **Old Business**

- State Water: Director Kentosh stated that he attended the Casitas Board meeting last week, and they are still pursuing the Carpinteria connection; the City of Ventura has given Casitas a decision deadline of 12/31/2021 for the pipeline through Callagus.
- Matilija Dam Removal Update: No update.
- Nitrate Removal: Director Kentosh reported that the MKN draft report should be arriving soon.



12. **Director Announcements/Reports**

- Director Engle: No report.
- Director Oakland: No report.
- Director Kentosh: Will the District have its annual holiday dinner this year?
- Director Anderson: Stated that some ratepayers expressed concerns regarding high water pressure on the customer side of the meter. Mr. Martinez can discuss with customers options for protecting property with pressure regulators.
- Director Etchart: Stated he is happy to discuss options for the holiday dinner with Staff.

13. **Meeting Adjournment**

There being no further business to conduct at this time, Board President Mike Etchart adjourned the meeting at 9:40 pm.

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**Board Secretary**

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**Board President**