

Regular Meeting

July 19, 2022

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 6:01 pm via teleconference.

2. Roll Call

Present: Board President, Mike Etchart, Board Directors: James Kentosh, Christian Oakland, Loni Anderson, and Christy Cooper. Staff Present: General Manager, Justin Martinez, and Board Secretary, Summer Ward. Attorneys Present: Stuart Nielson.

Absent: None

3. Approval of the Minutes

Approval of June 21, 2022, Regular Meeting Minutes.

Director Anderson made the motion to approve the June 21, 2022, Regular meeting minutes. Director Kentosh seconded the motion.

Ms. Ward noted that the June 30, 2022, Special Prop 218 Hearing minutes were included in the packet but did not make it on the agenda for approval. The minutes will be presented for approval at the August regular meeting.

No public comment.

Anderson/Cooper

Roll Call Vote:

Etchart - Y Kentosh - Y Oakland – Y Anderson – Y Cooper - Y

(5) Ayes- M/S/C

4. Public Comments

- No comments.

****The Board went into closed session at 6:05 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.

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- State case: SBCK vs. SWRCB, San Francisco Supreme Court, Case# CPF-14-513875

****The Board adjourned closed session at 6:07 pm****

Attorney S. Nielson stated that the Board discussed pending litigation in a closed session, and no action was taken.

6. Financial Matters

Approval of Payroll and Payables from June 16, 2022 to July 15, 2022, in the amount of:

Payables:	\$300,852.28
Payroll:	<u>\$ 43,054.67</u>
Total:	\$343,906.95

Director Oakland made the motion to the Payroll and Payables from June 16, 2022, to July 15, 2022. Director Cooper seconded the motion.

No public comment.

Oakland/Cooper

Roll Call Vote:

Etchart - Y Kentosh - Y Oakland – Y Anderson – Y Cooper- Y

(5) Ayes – M/S/C

7. Board Discussion/Actions

a. Approve Resolution 20220719: AB 361 – Brown Act: Remote Meetings During a State of Emergency, subsequent to Resolution 20220621. (Ward)

Ms. Ward presented Resolution 20220719: AB 361 - Brown Act: Remote Meetings During a State of Emergency, subsequent to Resolution 20220621. This resolution must be renewed every 30 days to cover the Committee and next regular board meetings.

Director Anderson made the motion to approve Resolution 20220719: AB 361 - Brown Act: Remote Meetings During a State of Emergency. Director Oakland seconded the motion.

No Public Comment.

Anderson/Oakland

Roll Call Vote:

Etchart – Y Kentosh – Y Oakland – Y Anderson – Y Cooper – Y

(5) Ayes – M/S/C

b. Approve Resolution 20220719-1: New Water Rates. (Etchart/Martinez)

Director Etchart reviewed the Prop 218 Hearing that was held on June 30, 2022 for the new water rates. Director Kentosh noted one public member that brought up some good points about low interest loans, however, after reflection, the District needs to continue forward with current budget process. The District received a total of 29 protest ballots out of 1349 notices mailed or 2% protest rate, 50% plus 1 (676) would prevent the vote to adopt the rates. Therefore, the Board is closed the hearing period. Director Kentosh requested that the resolution wording be revised to read “period of three years.”

Director Kentosh made the motion to approve Resolution 20220719-1: New Water Rates, with the revision to three years. Director Cooper seconded the motion.

No public comment.

Kentosh/Cooper

Roll Call Vote:

Etchart - Y Kentosh - Y Oakland – Y Anderson – Y Cooper- Y

(5) Ayes – M/S/C

c. Approve Resolution 20220719-2: Policies for Water Service with Appendix A: New Fee Schedule. (Martinez)

Mr. Martinez presented the 20220719-2: Policies for Water Service & Fee Schedule. The update is contained in Appendix A: Fee Schedule, for items such as new customer service deposits, administrative fees for will-serve and allocation waiver requests, fire flows, meter damage, etc. Director Kentosh requested a wording change to “Now, Therefore, be it resolved by the Board of Directors of Meiners Oaks Water District that the Fee Schedule in Appendix A is hereby adopted and that this Resolution 20220719-2 take effect on August 1, 2022.”

Director Kentosh made the motion to approve Resolution 20220719-2: Policies for Water Service with Appendix A: Fee Schedule, with revision, effective August 1, 2022. Director Oakland seconded the motion.

No Public Comment.

Kentosh/Oakland

Roll Call Vote:

Etchart - Y Kentosh - Y Oakland – Y Anderson – Y Cooper- Y

(5) Ayes – M/S/C

d. Approve Resolution 20220719-3: Authorizing grant application, acceptance, and execution for the CA Department of Water Resources' Small Community Drought Relief Program. (Cooper/Martinez)

Director Cooper provided an overview of the DWR Small Community Drought Relief Program, noting that funding is prioritized for urgent drought projects. Director Cooper stated that Mr. Martinez and Ms. Ward have been busy working hard on the grant application write-ups. All of the projects fit the grant criteria, as well as qualify for 100% funding.

Mr. Martinez reported that the District is submitting applications for the tank replacement, Nitrate Blending, Valve Replacements and water quality improvements at two locations. Director Kentosh asked for Attorney Nielson's opinion of the resolution. Attorney Nielson stated the resolution looked fine and it is appropriate to get full board approval on grant agreements.

Director Cooper made the motion to approve Resolution 20220719-3: Authorizing grant application, acceptance and execution for the CA Department of Water Resources' Small Community Drought Relief Program. Director Anderson seconded the motion.

No Public Comment.

Cooper/Anderson

Roll Call Vote:

Etchart – Y Kentosh – Y Oakland – Y Anderson – Y Cooper – Y

(5) Ayes – M/S/C

e. Review and approve Resolution 20220719-4: Local Agency Conflict of Interest Code. (Ward)

Ms. Ward presented Resolution 20220719-4: Local Agency Conflict of Interest. Ms. Ward noted that this is a biennial review, no changes other than dates were made to the contents of the resolution. This resolution gets submitted the Ventura County Office of Elections, and is part of the Form 700 Conflict of Interest process.

Director Cooper made the motion to approve Resolution 20220719-4: Local Agency Conflict of Interest. Director Oakland seconded the motion.

No Public Comments.

Cooper/Oakland

Roll Call Vote:

Etchart – Y Kentosh – Y Oakland – Y Anderson – Y Cooper – Y

(5) Ayes – M/S/C

f. Approval of FY 2022-2023 Budget. (Kentosh/Martinez)

Ms. Ward presented the FY 2022-2023 Budget, noting that the draft expenditures were presented to the board in May. There were three line items that were adjusted to reflect increased vendor expenses, including the District liability and workers compensation insurance, laboratory fees and membership dues. The income portion has been prepared according to the new rate schedule. The budget summary outlined total operating expenditures of \$1,605,000, capital expenses of \$653,500, with a total operating and capital expenses of \$ 2,258,250. Projected revenues are \$2,055,544, a shortfall of \$202,956, to be absorbed by reserve funds. Reserve fund beginning balance of \$1,420,361.49 would reduce to \$1,217,405.49.

Director Kentosh made the motion to approve the FY 2022-2023 Budget. Director Oakland seconded the motion.

No Public Comments

Kentosh/Oakland

Roll Call Vote:

Etchart – Y Kentosh – Y Oakland – Y Anderson – Y Cooper – Y

(5) Ayes – M/S/C

g. Approve Resolution 20220719-5: Annual Budget FY 2022-2023. (Kentosh/Martinez)

Director Etchart presented Resolution 20220719-5: Annual Budget FY 2022-2023.

Director Kentosh made the motion to approve Resolution 20220719-5: Annual Budget FY 2022-2023. Director Anderson seconded the motion.

No Public Comments

Kentosh/Anderson

Roll Call Vote:

Etchart – Y Kentosh – Y Oakland – Y Anderson – Y Cooper – Y

(5) Ayes – M/S/C

h. Approval of Ziptility GIS Software Services Agreement for \$5,000. (Martinez)

Mr. Martinez presented the Ziptility GIS Software Service Agreement. Mr. Martinez explained that districts will be required by regulation starting in 2023 to GIS map all assets. District staff have reviewed several GIS programs, including ESRI. Ziptility is a small company from Indiana that modeled its GIS software after the ESRI platform, however, the cost is affordable and provides us with flexibility within the web-based software and the District owns the data. Mr. Martinez added that the District will rent the GIS equipment to capture the data points, and will budget to purchase its own equipment in the following fiscal year. The Ziptility service contract is \$5,000 per year, renewed annually.

Director Anderson asked about Ziptility's data security measures. Director Cooper stated that there are many CMM systems, and even with a small system implementations can be rough.

Director Cooper made the motion to approve the Ziptility GIS Software Service Agreement for \$5,000. Director Kentosh seconded the motion.

No Public Comments

Cooper/Kentosh

Roll Call Vote:

Etchart – Y Kentosh – Y Oakland – Y Anderson – Y Cooper – Y

(5) Ayes – M/S/C

i. Approval of Meiners Rd Pressure Zone #2 Technical Memorandum Peer Review Proposal for \$7,973. (Martinez/Kentosh)

Mr. Martinez presented the Meiners Rd Pressure Zone #2 Technical Memorandum for peer review. Director Kentosh worked hard to prepare the technical memorandum that will be peer reviewed by MKN Associates for \$7,973. MKN will evaluate and make recommendations for the zone storage, booster pump stations, alternatives for improved efficiency and fixed emergency power.

Director Kentosh approved the Meiners Rd Pressure Zone #2 Technical Memorandum Peer Review by MKN Associates for up to \$8,000. Director Oakland seconded the motion.

No Public Comments.

Kentosh/Oakland

Roll Call Vote:

Etchart – Y Kentosh – Y Oakland – Y Anderson – Y Cooper – Y

(5) Ayes – M/S/C

j. Status update and discussion on the draft “New Meters & Expansion of Services” policy. (Kentosh/Anderson/Martinez)

Director Kentosh reported that the committee met and would like to address the moratorium on new meters and expansion of services. Director Kentosh explained that there was a difference of opinion on the matter, however, a compromise is being presented. Director Anderson stated that the district has an obligation to rate payers and if we defer to another agency, such as Casitas, that does not feel responsible. Director Anderson shared that she supports lifting the moratorium for those that can build within their current allocation. This would allow for growth but perhaps not the larger projects. Casitas is already preparing for Stage 4 Drought by the end of the year and a good chance of Stage 5 by next year if we do not receive enough rainfall. Director Anderson added that she is not comfortable allowing customers to go get an additional allocation from another agency.

Mr. Martinez added that he and Ms. Ward met with Casitas recently and discussed the purchasing of additional allocations, they support our Board making the policy to set a threshold for new meters and expansion of services. The Committee is recommending a threshold of 35% lake capacity, at or below 35% would prevent new meters and expansion of services.

Director Oakland expressed that an allocation is a slice of the pie. Our pie is not whole, we are on our emergency backup supply 3-6 months out of the year. We cannot allocate more water than we have.

Director Cooper agreed with Directors Oakland and Anderson, stating we are in a severe drought and it feels inappropriate to lift the moratorium today. The top priority is to stabilize the supply for existing customers before looking to expand allocations.

Director Anderson requested the board not refer to it as a moratorium, rather a threshold. Director Kentosh stated his reluctance to be the bad guy, but supports the change. Director Etchart agreed with the consensus, and expressed sympathy for both sides.

The committee will bring the revised draft policy for board approval at the next regular meeting.

No Public Comments.

No Motion.

k. Discuss draft Terms & Conditions for the City of Ojai joining the UVRGA. (Kentosh)

Director Kentosh reviewed that the City of Ojai has requested to join the UVRGA, and that he was appointed to the sub-committee tasked with having discussions and negotiations with the City of Ojai. Director Kentosh explained that this is just a starting point, with some basic Terms & Conditions for the City to participate.

Director Anderson expressed that if it's the MOWD Board's position that the City should not be joining, why do we need to approve Terms & Conditions. Director Anderson shared her concerns about Director Kentosh negotiating and participating in discussions at the UVRGA sub-committee, as she is worried that decisions may be made without the full board's involvement. Director Kentosh responded that he is the approved MOWD representative and would never make a decision without board approval. Director Cooper asked what the costs and benefits are to the City joining? How would it benefit our groundwater basin? Director Kentosh replied that these are questions that can all be addressed in the sub-committee meeting with the City of Ojai. Director Oakland agreed with Directors Anderson and Cooper, that if the Board's stance is that the City of Ojai should not join the UVRGA, why engage in these terms and conditions. Director Etchart explained that Director Kentosh is one of three UVRGA Directors that are tasked with discussing and negotiating with the City of Ojai, all discussions would be brought back to each member agency prior to a decision or vote. Director Kentosh requested a motion for approval on the draft terms and conditions, so that he would have the support of MOWD, while participating in the UVRGA sub-committee. The Board did not reach consensus and no motion was made regarding the draft terms and conditions.

No Public Comments.

No Motion.

8. General Manager's Report

Mr. Martinez reported that the Casitas Lake level has dropped to 32.6%. Stage 4 drought restrictions at 30% lake capacity. The valley could be looking at Stage 5 drought by this time next year, if we do not receive a significant amount of rainfall this winter. The demand on our system is steady, the south Casitas connection was turned on July 19, 2022, the Fairview connection remains off at this time. Well production is dropping due to low water levels. Seasonal rainfall totals at the Casitas Dam 17.76", Matilija Dam 22.03".

Mr. Martinez stated that the VRIF-2 grant projects are anticipated to be awarded in August 2022, which includes the well feasibility study, land resiliency partnership, and the advanced metering infrastructure. Additional grant applications for the DWR Small Community Drought Relief Program are being drafted for nitrate blending at well 8 for \$560,000, water storage tank replacement \$TBD, and valve replacements \$100,000. The replacement Treatment Plant 100% design is underway with MKN Associates. Mr. Martinez reviewed the well levels and specific capacities, as well as total water pumped and sold.

No Public Comment.

9. **Board Secretary's Report**

Ms. Ward presented the monthly Board Secretary report highlighting that MOWD is an approved utility for the new California Low Income Household Water Assistance Program (LIHWAP), eligible households can get a one-time assistance of up to \$2,000 to pay off water and/or wastewater arrearages (from any time period). Staff is aware of at least three customers that have applied for program assistance. The District received one public records request from LaFCO for pumped and purchased water data 2009-2021. The MOWD Prop 218 Public Hearing for new water rates was held virtually on June 30, 2022. Annual allocations for Agriculture and Commercial customers will “reset” to the full annual allocations following the July 31 billing statement (as this bill cycle covers June 18- Jul 19).

Ms. Ward reported that the draft Financial Audit FY 2020-2021 was presented in June 2022, the final audit will be presented by Ms. Fanning at the August 19 regular meeting. No unusual occurrences with customer billing or customer service.

Ms. Ward emphasized that the nomination period for the November 9, 2022 General Election is open, all Directors that intend to run for re-election will need to schedule an appointment with County Elections to submit their candidate paperwork. The nomination period is open July 18- August 12, 2022. The District has posted the (4) open seats and instructions for how to contact County Elections Division, outside the District Office, on the sidewalk sign, on the District website and social media.

No Public Comment.

10. **Board Committee Reports**

- Executive & Personnel Committee: No report.
- UVRGA: Discussed under item 7 (k).
- Budget/Rate Committee: Discussed item 7 (b).
- Emergency Management Committee: No report, Director Oakland requested Ms. Ward gather sample Emergency Plans from other districts.
- Allocations, New Meters & Expansion of Services Committee: Discussed item 7 (j).
- Grants: Director Anderson provided a brief update that the committee has engaged with Cal Rural Water Association, regarding grant and technical support. The Committee will bring to the board a technical assistance agreement, to get started. Director Anderson reached out to Regina Hirsch regarding IRWM grant projects.

11. **Old Business**

- State Water: No update.
- Matilija Dam Removal Update: No update.

12. **Director Announcements/Reports**

- Director Kentosh: Director Kentosh stated that he is not planning to run for re-election this fall, unless something changes.

- Director Oakland: The District needs to make the new well feasibility a top priority. Mr. Martinez replied that he and Director Kentosh are engaging with a hydrogeologist to get started, but need to address potential conflicts of interest with Attorney Zolezzi.
- Director Anderson: A potential customer outreach program focused on Fire Safety Assessments, will get with staff regarding the timing and logistics.
- Director Cooper: Thanked Jim for all of the wonderful things he has done for the District over the years and hopes that he reconsiders running for re-election.
- Director Etchart: The UVRGA voted Director Etchart as the new Board Chair.

13. **Meeting Adjournment**

There being no further business to conduct at this time, Board President Mike Etchart adjourned the meeting at 8:16 pm.

Board Secretary

Board President