

Regular Meeting  
June 20, 2023  
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 Board President, Mike Etchart, called the meeting to order at 6:02 pm. The meeting was also available via teleconference.

### 2. Roll Call

**Present:** Board President, Mike Etchart, Board Directors: James Kentosh, Christian Oakland, Joe Pangea, and Christy Cooper. Staff Present: General Manager, Justin Martinez, and Board Secretary, Summer Ward. Attorney Present: Stuart Nielson.

**Absent:** None

### 3. Approval of the Minutes

**Approval of May 16, 2023, Regular Board Meeting minutes.**

Director Cooper made the motion to approve May 16, 2023, Regular meeting minutes. Director Pangea seconded the motion.

No Public Comment.

Cooper/Pangea

(5) Ayes- M/S/C

### 4. Public Comments

- None

**\*\*The Board went into closed session at 6:03 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.

- CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION  
(Paragraph (1) of subdivision (d) of Gov. Code § 54956.9)  
Name of case: *Santa Barbara Channelkeeper v. State Water Resources Control Board, et al.*,  
Los Angeles County Superior Court Case No. 19STCP01176

- PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
(Gov. Code § 54957(b))  
Title: General Manager and Assistant General Manager

**\*\*The Board adjourned closed session at 6:19 pm\*\***

Attorney S. Nielson stated that the Board discussed the closed-session agenda items, and no action was taken.

## 6. Financial Matters

**Approval of Payroll and Payables from May 16, 2023, to June 15, 2023, in the amount of:**

Payables:	\$ 79,671.13
Payroll:	<u>\$ 43,051.75</u>
Total:	\$122,722.88

Director Cooper made the motion to the Payroll and Payables from May 16, 2023, to June 15, 2023. Director Kentosh seconded the motion.

No Public Comment.

Cooper/Kentosh

(5) Ayes – M/S/C

## 7. Board Discussion/Actions

### a. **Approve Performance Management & Incentive Pay Policy. (Etchart/Oakland)**

Director Oakland presented the proposed Performance Management & Incentive Pay Policy, created to provide a framework for evaluations and merit pay. The concept is that 2% of current salaries would make the fund pool, and a point system for continuous points or bonus points would be applied. The idea is that those in the lower section of their pay scale would receive continuous points that would bump up their salary range. Employees at the top of their range would receive bonus points paid as a lump sum rather than an increase to the hourly rate. There is a timetable for the assessments and the evaluation criteria. The General Manager will provide the point recommendations for each employee, and the Board will approve or modify them. Employees will have an appeal period if they disagree with the points awarded. This policy will provide the District with a framework and more control over the salary expense while keeping it at the market level. Mr. Martinez and Ms. Ward stated that this would provide the District with good checks and balances and a framework that has not previously existed in the District.

Director Kentosh stated this was very well thought out and asked Director Oakland what he used to create it. Director Oakland replied this was modeled after the government; he simplified it for the size of the District.

Director Cooper requested clarification on what happens when employees are at the top of their range. If the employee is assessed to have enough bonus points, they would be eligible for a bonus or lump sum check rather than an hourly rate increase, keeping them within their salary range.

Director Etchart added that this would improve the Districts' budget and fiscal responsibility.

Director Kentosh asked how the bonus payments work with PERS; Mr. Martinez stated he would have staff provide documentation of the impact on PERS.

Director Oakland made the motion to approve the Performance Management and Incentive Pay Policy, effective immediately. Director Kentosh seconded the motion.

No Public Comment.

Oakland/Kentosh

(5) Ayes – M/S/C

**b. Approve compensation adjustments and/or incentive pay for the General Manager and the Board Secretary & Assistant General Manager based on performance evaluations. (Etchart/Oakland)**

Director Etchart stated that the Board completed performance evaluations for General Manager Justin Martinez and Board Secretary & Assistant General Manager Summer Ward covering the previous two-year period. The Executive Committee recommends a 4% merit increase for each of them, equaling a 2% merit increase for each year of the evaluation period, effective July 1, 2023.

Director Cooper requested clarification regarding the merit versus the cost of living adjustment (COLA). The merit increase is based on performance, and the COLA is inflation based and applied to all positions. All positions will receive a 5% COLA effective July 1, 2023, approved by the Board at a previous meeting.

Director Oakland made the motion to approve a 4% merit increase each for the General Manager and the Board Secretary & Assistant General Manager, effective July 1, 2023. Director Pangea seconded the motion.

No Public Comment.

Oakland/Pangea

(5) Ayes – M/S/C

**c. Approve incentive/bonus payments for District Staff. (Etchart/Oakland)**

Director Oakland stated that as a result of all the work that has been done related to the increased regulations, reporting, and drought response, the Executive Committee recommends bonus payments to staff, \$1,000 to each staff and \$2,000 to senior management. Director Pangea asked if this bonus applied to all positions, even the newly hired. The Board agreed that a \$500 bonus would be paid to the newest employee.

Director Oakland made the motion to approve bonus payments of \$1,000 to each staff, \$500 to the new employee, and \$2,000 to senior management. Director Pangea seconded the motion.

No Public Comment.

Oakland/Pangea

(5) Ayes – M/S/C

**d. Presentation of Water Shortage Contingency Plan and Approve Resolution 20230620: Adoption of Water Shortage Contingency Plan. (Ward/Martinez)**

Ms. Ward presented the Water Shortage Contingency Plan (WSCP), a new state regulation. Senate Bill 552 includes new responsibilities and requirements at the local level to help small water suppliers and rural communities to reduce their risk of water supply amid a water shortage event. Small water suppliers must have a water shortage contingency plan by July 1, 2023, which is an abridged version of the urban water management plan. MOWD developed this plan in collaboration with the Ventura River Water District and incorporated the Casitas Urban Water Management Plan and the Upper Ventura River Groundwater Agency's Groundwater Sustainability Plan. The minimum requirements for the WSCP are provided in California Water Code §10609.60. The MOWD plan includes drought-planning contacts, local public safety partners and vendors, state and local agency contacts, regional mutual aid networks, triggering mechanisms and levels for action, mitigation, response, communication, enforcement, and relief actions. The approved plan will be made publicly available on the District website.

Director Kentosh shared that he felt this plan was very well written.

Director Cooper recommended that in a future version, the District consider adding more specific language for the General Manager or designee to add or modify response actions within each stage.

Ms. Ward then presented Resolution 20230620: Adoption of the Water Shortage Contingency Plan.

Director Kentosh made the motion to approve Resolution 20230620: Adoption of the Water Shortage Contingency Plan, effective immediately. Director Pangea seconded the motion.

No Public Comment.

Kentosh/Pangea

(5) Ayes – M/S/C

**e. Presentation of the proposed FY 2023 – 2024 Budget and Approve Resolution 20230620-1: Adoption of FY 2023 -2024 Fiscal Budget. (Oakland/Martinez)**

Director Kentosh gave the committee a brief history of the MOWD budget preparations and fee structure. Directors Oakland and Cooper worked with staff to prepare the FY 2023-2024 Budget. The Budget Committee presented the proposed budget based on the FY 23-24 rates, fees, and anticipated expenses. Stage 1 conditions went into effect on June 1, 2023.

Mr. Martinez and Ms. Ward reviewed the summary of changes to the projected expenses, including salaries and related expenses, liability and worker's compensation insurance costs, UVRGA extraction fee rates, technical work for the wells, implementation of smart meters, new incentive for customers to setup autopay on the District's online payment portal and capital projects including the remaining portion of the approved replacement treatment plant design plans, grant assistance for the replacement treatment plant, new well engineering costs, valve replacements, and the Meiners Rd pressure zone; structure improvements include a new  $\frac{3}{4}$  ton field truck due to age and cost of maintenance for existing truck, and the office HVAC system; field equipment includes Chlorine alarms at each facility, a generator welder and air compressor.

Projected revenue was based on FY 23-24 water rates and Stage 1 conditions. Additionally, the District is seeking a state grant for the replacement treatment plant, which would provide the District with \$335,000 to cover the design costs already paid to MKN.

The total projected operating and capital expenses are \$2,414,000, and the total projected revenue from all sources is \$2,419,786.00, with a net of \$5,786. The District projects total fiscal reserves to start at \$1,751,425.30 and end at \$1,955,423.24.

Director Cooper made the motion to approve Resolution 20230620-1: Adoption of FY 2023-2024 Budget. Director Oakland seconded the motion.

No Public Comment.

Cooper/Oakland

(5) Ayes – M/S/C

**f. Discussion of the 2022 – 2023 Ventura County Grand Jury Final Report: Water Availability for Wildfires in Ventura County. (Etchart)**

Director Etchart presented the Ventura County 2022-2023 Grand Jury Final Report: Water Availability for Wildfires in Ventura County that he received last week and was made available to the public 48 hours later. The findings and recommendations are reasonable and reflect all water agencies in Ventura County. The MOWD Safety & Emergency Committee will review and create an action plan for addressing each element. The District has 90 days to submit its response to the findings and recommendations.

No Public Comment.

No Motion.

**g. Approve New Meters & Expansion of Services Policy revision, effective immediately. (Martinez/Kentosh)**

Mr. Martinez reviewed the proposed revisions on pages 3 and 4 to the newly adopted New Meters & Expansion of Services policy, based on the move from Stage 3 to Stage 1 drought conditions. The revision provides a threshold based on lake capacity for allowing project applicants to purchase additional allocations from Casitas. “When Lake Casitas is between 70-80% of capacity, project applicants may be allowed to fund the acquisition of additional allocation from Casitas and proceed with their projects as outlined in this policy. In this stage, MOWD will not issue more than 1 acre foot of water per year, an applicant may not purchase more than 20% of an acre-foot of water per account, subject to final Board approval.” “May be subject to change under Emergency Conditions, as determined by the Board of Directors.”

Director Kentosh added that when the aquifer is full, it will last up to three years, so the provision requiring that MOWD be on its own wells for 12 months before allowing project applicants to purchase additional allocation seems unnecessary, which is why the threshold was proposed.

Director Kentosh made the motion to approve the proposed revisions to the New Meters & Expansion of Services Policy. Director Pangea seconded the motion.

No Public Comment.

Oakland/Pangea

(5) Ayes – M/S/C

#### **h. Presentation of the 2022 Consumer Confidence Report. (Martinez)**

Mr. Martinez presented the 2022 Consumer Confidence Report, which was reviewed with the MOWD state representative. This report notifies customers of the annual water quality sampling and includes the Casitas CCR. The notices will go out in the June bill statements and be available online and in the office.

No Public Comment.

No Motion.

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

Mr. Martinez reported that the Casitas Lake level is 74%, up 59.7 feet since January 1, 2023. Some locations' seasonal rainfall totals were unavailable due to technical issues: Matilija Dam 64.25", M.O. Fire Station 42.33", and Nordhoff Ridge 72.68". The 2023 valve replacement project has been completed; R. Meier Construction did the work. The well siting study presentation by Curtis Hopkins will be scheduled as a special meeting to allow enough time for the presentation, questions, and discussion. The District received a sampling violation from SWRCB, a level 1 assessment. The newest employee took his very first sample, which returned a positive hit for coliform; a resample was taken within 24 hours at the original source site and returned negative. It was determined to be a sampling error; however, the follow-up resample did not include two additional sample locations. The state-approved sampling plan was reviewed with staff, and additional training will be provided. Notices to customers will be included in the June bill statements, made available online and in the office. The tri-annual Lead & Copper sampling of 20 residences/buildings within the District is in progress.

No Public Comment.

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

Ms. Ward presented the monthly Board Secretary report highlighting that the District phone lines and internet migration from AT&T to Mitec Solutions are complete; the only AT&T landline remaining is connected to the SCADA system. The new phone system provides incoming calls with a phone tree and a direct dial to the after-hours on-call field staff. The SCADA software and new computer were scheduled to be installed on June 20; however, that has been delayed by about a week. All customer allocations have been increased to 100% (baseline) in the billing software and the web allocation lookup table. The SWRCB eAR for 2022 has been approved. The SWRCB *new* Water Shortage Contingency Plan was approved tonight, the Drought & Conservation Reporting is ongoing and in compliance, and the Annual Consumer Confidence Report is complete and will go in the June billing as well as posted on the District website. Ms. Ward noted that the new CA AB 1637, currently being amended in Assembly, would

require local agencies that maintain a website and emails used for the public, would need to utilize a “.gov” or “.ca.gov” domain no later than January 1, 2026. The District received approval from the State for the meinersoakswaterdistrict.ca.gov domain; however, updates from legislation indicate that special districts may be exempt from the requirement. Ms. Ward will provide an update once the assembly bill is finalized. Ms. Ward reported that the residential monthly drought surcharge would be inactive as of the June 30 bill cycle; agriculture and commercial accounts will be billed out for any annual over-allocations with the July bill cycle. Ms. Ward noted that of the 110 service orders in May, 80 were meter re-reads due to abnormal consumption, 10 account holder changes, and 7 leak checks.

No Public Comment.

#### **10. Board Committee Reports**

- Executive & Personnel Committee: No meeting.
- UVRGA: Director Etchart reported that the GSA is in the process of narrowing down well owners; they will be meeting again this week.
- Budget/Rate Committee: Met and prepared the proposed FY 2023-2024 fiscal budget.
- Emergency Management Committee: No meeting.
- Allocations, New Meters & Expansion of Services Committee: Met, discussed policy revision, and had a discussion with the Artesian regarding their request for a refund of MWAC fees paid.
- Grants: Met with the State representatives Pete and Patrick; after discussion, they told us that we would be eligible for up to \$6M per project, assuming DAC or 150% of DAC, and would include reimbursement for the design costs. The District has four applications to submit for the treatment plant project; the general application will be modified, and staff will complete the financial application; the District will seek MKN assistance for the technical and environmental (CEQA and permits) applications. There was a discussion regarding replacement storage tanks to meet supply needs based on maximum daily demand.
- Treatment Plant Design Ad Hoc Committee: No meeting.

#### **11. Old Business**

- State Water: Director Kentosh provided an update that Casitas has opted out of the project and will rely on the connection through Carpenteria.
- Matilija Dam Removal Update: No update.

#### **12. Director Announcements/Reports**

- Director Kentosh: No report.
- Director Oakland: No report.
- Director Pangea: No report.
- Director Cooper: No report.
- Director Etchart: No report.



13. **Meeting Adjournment**

The next meeting will be held on July 18, 2023. There being no further business to conduct at this time, Board President Mike Etchart adjourned the meeting at 8:08 pm.

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**Board Secretary**

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**Board President**