

Minutes of the Casitas Municipal Water District  
Board of Directors Meeting Held  
October 10, 2007

A meeting of the Board of Directors was held October 10, 2007 at Casitas' Office, Oak View, California. Directors Baggerly, Word, Hicks, Handley and Kaiser were present. Also present were Steve Wickstrum, General Manager, Rebekah Vieira, Clerk of the Board and Attorney, Rob Sawyer. There were five staff members and one member of the public in attendance. Director Baggerly led the group in the flag salute.

1. Public comments.

None

2. Board of Director comments.

Director Kaiser asked to have a discussion added to the recreation committee agenda regarding the concept of variances for large groups that plan in advance to use the restaurant. How do we provide for the opportunity for civic groups to use the restaurant and how to get around the parking as there are only ten available tickets used for parking.

Director Handley commented on the Los Angeles Times Articles on MWD water cuts. Their customers will see some drastic reductions. Director Word reminded the Board that 75% of Ventura County's water comes out of the delta. President Baggerly added we are the only area that is self sufficient.

Director Handley then mentioned attending the Ojai Valley Green Coalition and that Paul Jenkin is working on a presentation on the water budget for the Ojai Valley. Director Handley thought Casitas should be represented that night. Mr. Wickstrum offered his assistance to look over what Paul puts together. Director Word asked to have some specifics on the event and perhaps discuss it at the Executive Committee.

3. Consent Agenda

ADOPTED

- a. Minutes of the September 26, 2007 Board Meeting.
- b. Resolution authorizing the execution of an agreement with Ernst and Young for audit services for the State Water Project.
- c. Resolution awarding a contract for the Filter Vessel interior Repair and Coating to ERS Industrial Services, Inc in the amount of \$307,468.33.

President Baggerly commented on item b and asked if anything had come up with the audits for the state water project. Mr. Wickstrum answered that he

was not aware of anything. Denise Collin mentioned that the previous audit is available if anyone would like a copy.

The consent agenda was offered by Director Kaiser, seconded by Director Word and passed by the following roll call vote.

|         |            |   |
|---------|------------|---|
| AYES:   | Directors: | Kaiser, Handley, Hicks, Word and Baggerly |
| NOES:   | Directors: | None                                      |
| ABSENT: | Directors: | None                                      |

Resolutions are numbered 07-50 and 07-51.

4. Bills APPROVED

Director Hicks questioned #25389 to PSR Environmental Services Inc. for a fuel spill. He asked if we went back to the vendor and billed them for overfilling the tanks. Brian Roney responded that we are invoicing the company for the costs as it was determined to be their driver error.

On the motion of Director Hicks, seconded by Director Word and passed, the bills were approved.

5. Committee/Manager Reports APPROVED FOR FILING

- a. Water Resources Committee
- b. Personnel Committee
- c. Finance Committee

Mr. Wickstrum reported that Casitas is participating in Ojai Days as a joint effort with other area water agencies to meet the public, answer questions and provide conservation devices on site. President Baggerly added there is a meeting on Friday regarding this and also mentioned that he is planning on staffing the booth at Ojai Days. Director Kaiser applauded the efforts of staff for the collaboration. Mr. Wickstrum added that we are united in the message for the need for water conservation. It is our resource and we have to use it correctly.

Mr. Wickstrum then mentioned the request that was heard in Water Resources by Jim Pendleton. He had requested that we look upstream on Santa Ana creek at the Taft property. Casitas does not want to get between two neighbors regarding their water supply.

Director Word asked about the status of the RFP for the water rate study. Mr. Wickstrum explained that he is waiting for input from the committee and it will be on the next Finance Committee agenda.

Director Hicks mentioned that Ventura River County Water District should be applauded for getting ahead of the curve on the conservation issue. Mr. Wickstrum added that we all need to use water wisely all the time. Director Hicks asked about Golden State's participation. Mr. Wickstrum noted that there is a change in they are participating with us at this time and in 1990 they did not. They are involved with us with the message.

On the motion of Director Word, seconded by Director Kaiser and passed, the Committee/Manager reports were approved for filing.

6. Recommendation to adopt the Fixed Asset Policy APPROVED

Mr. Wickstrum reported this has been something that has been a long time coming and Denise has overturned a lot of things at the district. It is common occurrence in public sector. Some of the things were depreciated like a slurry project over 75 years when it only lasts 5 – 6 years. We went through things and set some years to try to adhere to on capital items and begin to depreciate these as we go along. We have established a fixed asset policy with straight line depreciation. We need to have the board adopt this and proceed forward with the fixed asset policy.

Director Word asked why the policy had 7/1/2006 as an effective date. Denise Collin answered because we made adjustments from the audit so it can be as clean as possible.

President Baggerly pointed out that Steve and Denise are clearly not following what a lot of public agencies do. Other agencies say that is the way it has always been done but Steve and Denise are saying we are not going to do that anymore. They have taken a fresh look at procedures and policies. This is a big step forward. He applauded their efforts.

On the motion of Director Word, seconded by Director Handley and passed, the above recommendation was approved.

7. Recommendation to set the Reserves. APPROVED

Mr. Wickstrum reported that the board adopted a resolution in 2006 setting reserves for 06-07. The recommendation suggests keeping the current amount in undesignated funds and not moving it into other areas at this time. Director Word added that there is a lot of work being done and we have a lot of things we have budgeted for and we will be spending some of that.

On the motion of Director Word, seconded by Director Hicks and passed, the above recommendation was approved.

8. Discussion of the Distribution Uniformity Evaluation.

Mr. Wickstrum reported this was an interesting project from Cal Poly which delved into things we did in 1988-89 looking at watering effectiveness for agriculture. There was a Bureau of Reclamation grant to assist with \$45,000 paid to ITRC. The results are interesting showing there is over watering in some areas and under watering in other areas. The goal is that agriculture becomes more efficient.

Director Hicks asked how the participants were selected. Ron Merckling explained that initially we targeted those with high usage and then expanded to other Ag customers. He added that some were suspicious and did not want to participate. Mr. Wickstrum added that he hopes to be able to continue with this type of program. It helps the Ag community to better their systems, save water and improve their crops. The farmers were provided a report with in depth analysis and there will be an article on the study in the next newsletter and the report is available on our web site.

9. Resolution approving the SWEAP Financing Program. ADOPTED

Mr. Wickstrum reported that many of the people that went through the distribution uniformity study are candidates for the SWEAP financing program. Ron and Rob Sawyer have worked hard with to put together agreements with Ojai Community Bank to set up a loan program for ranchers to apply for loans from \$10,000 – \$30,000 to finance water system improvements. The agreement is in good shape and the district is ready to deposit \$100,000. This is budgeted at this time. Director Word added that if this program is accepted and successful this may be a place to put some reserves to have more available.

The resolution was offered by Director Handley, seconded by Director Kaiser and approved by the following roll call vote:

|         |            |   |
|---------|------------|---|
| AYES:   | Directors: | Kaiser, Handley, Hicks, Word and Baggerly |
| NOES:   | Directors: | None                                      |
| ABSENT: | Directors: | None                                      |

Resolution is numbered 07-52.

10. Discussion on the Quagga Mussel and potential presentations to State and Federal Agencies in an effort to protect our water.

President Baggerly suggested this item be brought to the board as he realized this is something that goes beyond what the recreation staff can deal with. We need to deal with this effectively. There is concern that if we get infected, it will destroy the fisheries, clog the intake, pumps and pipe and could spread to the Ventura River during spill. The only way to ensure the Quagga Mussel does not get in the lake is to close recreational activity at Lake Casitas. Another option is to approach the Bureau of Reclamation, and California Department of Fish and Game for assistance in creating an identification system

of boats that have been in infected waters. President Baggerly contacted United Water Conservation District and they will be glad to take part in our efforts to protect against the Quagga. Cachuma does not have control as they contract through the Bureau to Santa Barbara County Parks. It is imperative to seek help now. He asked for permission to meet with agencies to seek a remedy. We have to defend against it. Our only resort may be to close our lake to boating to protect ourselves. Director Kaiser asked how they are eradicated. Mr. Wickstrum explained that they don't have any way of eradicating it. Susan McMahon added that Metropolitan Water District is trying to use chlorination to get rid of it. President Baggerly stated that he asked Susan to attend the meeting today to provide information on the lake conditions at Casitas to determine if they are conducive to the Quagga mussel. Susan confirmed that the conditions at Lake Casitas are conducive to the Quagga Mussel. Lake Skinner, Lake Matthews, Dixon Lake, Lower Otay Reservoir and San Diego County all are infected and receive Colorado River water.

President Baggerly contacted Dr. Dwayne Maxwell and he suggested a meeting with Kevin Hunting in San Diego. President Baggerly asked for the Boards authority to ask for some action. He added that Michael Jackson is willing to meet with us on this as well as the interim agreement and the Resource Management Plan. He continued by saying if the board does not object I will make a bigger deal of it and put together a plan of attack. He also showed some signs that he had ordered to have posted at the lake.

11. Information Items:

Level of Lake – 10/01/07 –549.88 feet above mean sea level, 17.12 feet below spill elevation; present storage is 210,018 acre feet, 43,982 acre feet below full capacity of 254,000 acre feet, 83,018 acre feet above half capacity, or 82.68% full capacity.

- a. Letter from the City of Ventura regarding the Feasibility Study on the Reuse of Ojai Valley Sanitary District Effluent.
- b. Letter from the City of Ventura regarding the Annual In-District Certification.
- c. Government Finance Officers Association award of Financial Reporting Achievement.
- d. News Articles of interest
- e. Investment Report

Director Handley commented on item c, the GFOA award and thought it would be nice to congratulate Denise on her award. Director Kaiser mentioned this was mentioned in the Finance Committee. Mr. Wickstrum added that we do not have the certificate in hand yet.

President Baggerly adjourned the meeting at 5:23 p.m.

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Secretary