



OJAI VALLEY SANITARY DISTRICT

A Public Agency

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MINUTES OF REGULAR MEETING OF BOARD OF DIRECTORS OJAI VALLEY SANITARY DISTRICT

The Regular Meeting of the Ojai Valley Sanitary District Board of Directors was held at the District Office, 1072 Tico Road on October 23, 2006. The meeting was called to order by Chairman Curtis at 7:03 p.m., and roll call taken as follows:

DIRECTORS PRESENT:	Russ Baggerly Stan Greene Randy Burg William M. Stone John R. Curtis William E. Lotts Peter M. Kaiser
DIRECTORS ABSENT:	None
STAFF PRESENT:	John K. Correa, General Manager Brenda Krout, Clerk of the Board Ronald E. Sheets, Operations Superintendent
OTHERS PRESENT:	Mark A. Zirbel, District Legal Counsel

3. **Pledge of Allegiance**

Chairman Curtis led the pledge of allegiance.

4. **Additions or amendments to the Agenda**

None

5. **Public Concerns** (items not on the agenda - three minute limit). This is an opportunity for members of the public to speak on items not on the agenda. (The Ojai Valley Sanitary District Board of Directors encourages all interested parties to speak on any issue on this agenda in which they have an interest, or on any matter subject to the District's jurisdiction. It is the desire of the Board that its business be conducted in an orderly and efficient manner. All speakers are requested to fill out a Speaker's Card and submit it to the Clerk of the Board before the item is taken up for consideration. All speakers are requested to pre

sent their information to the Board as concisely as possible with a three (3) minute time limit. Allowing an individual to speak more than three minutes is at the discretion of the Chairman of the Board. Speakers are encouraged to refrain from restating previous testimony. No response will be given or action taken unless an emergency exists. Items requiring action will be referred to staff or placed on a subsequent agenda.)

None

6. **Board Concerns** (Items not on the agenda - three-minute limit)

None

PRESENTATIONS:

7. **Integrated Regional Watersheds Management Plan – Update**

Mr. Correa introduced Sue Hughes, of the County Executive Office, explaining that Ms. Hughes would be presenting an Update on the status of the Integrated Regional Watershed Management Plan.

Ms. Hughes explained the history of the Integrated Regional Watershed Management Plan (IRWMP) and how its purpose is to help the County (multiple agencies within the County) to be eligible to receive Proposition 50 funds. IRWMP is a cooperative effort involving the County and many public agencies within the County, the District being one of them.

Ms. Hughes explained that the next step in the process is for all of the participating agencies to adopt the Plan which will be completed and ready for adoption in November 2006. Ms. Hughes urged the Board to consider adopting the Plan at their November 27, 2006 meeting.

The Board thanked Ms. Hughes for her presentation. Ms. Hughes left the meeting at this time.

CONSENT ITEMS: - All consent items are considered in a single motion and voted on without discussion. Any item removed from the consent list at the request of a Board member or the public will be considered immediately following approval of the remaining consent items.

Director Greene requested a correction be made to the October 2, 2006 minutes. The correction requested was to Agenda Item No. 22, b. The paragraph on this item should be corrected as follows:

Director Greene reported on the APCD meeting he recently attended where he learned about APCD's pending rule which would classify biosolids treatment as an essential service. This pending classification would make it possible for project, like the one planned by VRSD, to build a biosolids facilities in the County.

ACTION

Upon motion of Director Baggerly, seconded by Director Lotts and passed by unanimous roll call vote (with Director Stone abstaining from the vote on approval of the October 2, 2006 minutes due to his absence from this meeting) Item Nos. 8-10 on the consent calendar were approved as corrected.

8. **Approval of Minutes** - Special Meeting October 2, 2006. (a tape recording of each meeting is retained at the District Office for a minimum of 4 years)
9. **Luscombe Annexation (OVSD-2006-05) – Resolution No. 2006-18**
 - a. Find the Luscombe Annexation (OVSD 2006-05) to be Categorically Exempt in accordance with CEQA Section 15319 (a);
 - b. Direct Staff to file a Notice of Exemption in accordance with CEQA Section 15062; and
 - c. Adopt Resolution No.2006-18 initiating proceedings for the Luscombe Annexation (OVSD 2006-05).
10. **Approval of Checks and Warrants**

Approve the checks and warrants for payment as submitted.

ACTION ITEMS:

CHAIRMAN CURTIS ANNOUNCED THAT AGENDA ITEM NO. 20 WOULD BE ADDRESSED PRIOR TO ITEM NO. 11

20. **Quarterly Investment Report**

Mr. Correa introduced Howard Smith and Beth Moreau from Morgan Stanley, explaining that Mr. Smith and Ms. Moreau were present to review with the Board the Quarterly Investment Report showing the performance of the District's investments with Morgan Stanley over the past three months.

Mr. Smith reviewed the District's overall yield rate in both accounts held with Morgan Stanley; one account is primarily short term investments and the other account (identified as the Managed Account) is longer term investments.

Ms. Moreau reviewed the strategy used to invest the District's funds held in the Managed Account.

Both Mr. Smith and Ms. Moreau responded to questions from the Board.

The Board thanked Mr. Smith and Ms. Moreau for their presentation; they both left the meeting at this time.

BACK TO ITEM NO. 11

11. **Prior Fiscal Year Budget – Income & Expense Reconciliation**

Staff explained the outcome of the Income & Expense Reconciliation of the Prior Fiscal Year Budget.

ACTION

Upon motion of Director Lotts, seconded by Director Baggerly and passed by unanimous roll call Budget Adjustment No. 2007-08 transferring surplus income received in fiscal year 2005/06 to replace the contribution reductions made to three of the reserve funds in prior years, to restore the funds transferred out of the SDS Reserve in FY 2002/03 and to transfer the remaining surplus into the Rate Stabilization Reserve was adopted; the distribution to the reserves to be as follows:

- Treatment Plant Replacement Reserve \$196,560
- Collection System Replacement Reserve \$186,480
- Equipment Replacement Reserve \$72,947
- SDS Reserve \$9,718.
- Rate Stabilization Reserve \$10,479

12. **Incomplete Contracts & Purchases From FY 2005/06 Budget – Budget Adjustment No. 2007-07**

Carrying over outstanding expenditures from the prior fiscal year into the current fiscal year was reviewed.

ACTION

Upon motion of Director Burg, seconded by Director Greene and passed by unanimous roll call vote Budget Adjustment No. 2007-07 continuing outstanding expenditures from the prior fiscal year into the Fiscal Year 2006/2007 Budget in the amount of \$501,855 was adopted.

13. **Roof Replacement – Office Building**

The need for a roof replacement on the office buildings was discussed.

ACTION

Upon motion of Director Baggerly, seconded by Director Lotts and passed by unanimous roll call vote G.M. Weeks' proposal of \$14,550 to replace the roof on the office buildings located at 1072 Tico Road was accepted; and Budget Adjustment No. 2007-09 authorizing funds from the Building Reserve to be used to fund this replacement project was adopted.

Director Kaiser and Burg suggested staff conduct a study of the viability of installing solar panels on the office roof tops and to solicit cost proposals for such a project.

14. **Ojai Valley-Wide Discussion Group – Appoint Representative**

ACTION

Upon motion of Director Burg, seconded by Director Greene and duly passed Director Baggerly was appointed to attend, as a representative of this Board, the meetings of the Ojai Valley-Wide Discussion Group as organized by Supervisor Bennett; Director Baggerly's attendance at these meetings will qualify as a 'day of service' at the direction of the Board.

15. **Manhole Adjustments – Contract No. 2006-11 – Dial Construction, Inc.**

Mr. Zirbel advised the Board that Contract No. 2006-11 should be amended to add a provision requiring that prevailing wages be paid during this project.

ACTION

Upon motion of Director Lotts, seconded by Director Kaiser and passed by unanimous roll call vote the Chairman was authorized to sign amended Contract No. 2006-11 (amended according to District Legal Counsel's advise) Agreement for Manhole Adjustments between Ojai Valley Sanitary and Dial Construction, Inc., in the amount not to exceed \$66,600.

16. **Contract No. 2006-12 – Larry Walker & Associates – De-Designation of Lower Ventura River Groundwater Basin Beneficial Uses**

The benefits of continuing on with this endeavor were discussed.

ACTION

Upon motion of Director Greene, seconded by Director Lotts and passed by unanimous roll call vote the Chairman was authorized to sign Contract No. 2006-12, Agreement for Technical Services For De-Designation of Lower Ventura River Groundwater Basin Beneficial Uses Between Ojai Valley Sanitary District and Larry Walker Associates, Inc., in an amount not to exceed \$17,345; and Budget Adjustment No. 2007-10 authorizing the transfer of \$17,345 from the General Fund to Major Expenditures-Office - Mgmt/Engrg & Tech Service account to provide funding for this contract was adopted.

17. **November & December Regularly Scheduled Board Meetings**

The Board meeting schedule for November and December was discussed.

ACTION

Upon motion of Director Kaiser, seconded by Director Burg and duly passed the regularly scheduled meeting in November will remain as scheduled for November 27, 2006; the regularly scheduled meeting on December 25, 2006 was cancelled and a special meeting scheduled for December 18, 2006.

INFORMATION ITEMS – FOR RECEIPT & FILE

18. **Update on Accounting Software**

Received and filed.

19. **Monthly Financial Reports**

Received and filed.

20. **Quarterly Investment Report**

Addressed earlier on the agenda.

21. **Staff Reports - Operations, Administration and Management of the District**

Received and filed.

Mr. Sheets presented a verbal report on the operation activities of the collection system and treatment plant.

22. **Committee Reports**

Received and filed.

23. **Items of Interest/Correspondence/Articles**

Received and filed.

24. **Discussion** (items not on the agenda - three-minute limit)

- a. Public - (Public is requested to present completed speaker's card to Clerk of the Board)

None

- b. Board Members

Director Greene reported that at a recent public forum for the Ojai City Council candidates he heard one of the candidates say something negative about local sewers. Director Greene stated that a few days later at Ojai Day he (Director Greene) had the opportunity to direct this individual to the District's information booth to talk to Mr. Correa; Mr. Correa was able to answer many of this person's questions.

- c. General Manager

None

25. **Adjournment**

Chairman Curtis adjourned the meeting at 9:37 p.m.

John R. Burg, Secretary

APPROVED:

John R. Curtis, Chairman