



OJAI VALLEY SANITARY DISTRICT

A Public Agency

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

The Special Meeting of the Ojai Valley Sanitary District Board of Directors was held at the District Office, 1072 Tico Road on December 17, 2007. The meeting was called to order by Chairman Curtis at 7:01 p.m. roll call taken as follows:

DIRECTORS PRESENT: William E. Lotts
J.R. (Jack) Curtis
Russ Baggerly
William M. Stone
Peter M. Kaiser
Stan Greene (arrived 7:10 p.m.)

DIRECTORS ABSENT: Randy Burg

STAFF PRESENT: John R. Correa, General Manager
Ronald E. Sheets, Operations Superintendent
Brenda Krout, Clerk of The Board

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 (Special Meeting None Permitted)**

Special Meeting no additions or amendments are permitted.

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 present 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

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.

ACTION

Upon motion of Director Lotts, seconded by Director Kaiser and passed by unanimous roll call vote Item Nos. 7-8 on the consent calendar were approved as submitted.

7. **Approval of Minutes** - Special Meeting November 19, 2007 (a tape recording of each meeting is retained at the District Office for a minimum of 4 years)

8. **Approval of Checks**

Approve the checks for payment as submitted.

ACTION ITEMS:

9. **Contract No. 2007-16 – Larry Walker Development of Ventura River Nutrient TMDL Work Plan**

Mr. Correa reviewed the need to develop a Stakeholder-led TMDL for Algae on the Ventura River and the Los Angeles Regional Water Quality Control Board staff's request that a work plan and timeline for the development of the algae TMDL be developed.

Director Greene arrived at this point in the meeting, 7:10 p.m.

The need for Larry Walker Associates assistance in the development of the work plan and timeline was discussed.

ACTION

Upon motion of Director Lotts, seconded by Director Kaiser and passed by unanimous roll call vote the Chairman was authorized to sign Contract No. 2007-16, Agreement For Development of Ventura River Nutrient TMDL Work Plan between Ojai Valley Sanitary District and Larry Walker Associates, in an amount not to exceed \$41,000; and Budget Adjustment No. 2008-15, authorizing the transfer of \$41,000 from the Treatment Plant Upgrade Reserve into the Management/Engineering & Technical Services account (No. 5620.03) to fund this contract was adopted.

10. **Contract No 2007-17 – Mandell Municipal Counseling – Development of Community Facilities District – Replacement For SDS Financing Program**

Mr. Correa explained that this proposed contract is a companion to the contract with Harris & Associates for the development of a program to utilize Community Facilities District (CFD) as a replacement for the District's current SDS program. This contract will provide legal assistance to fully develop the documents and processes for a CFD program.

Pat Baggerly addressed the Board as a representative of the Environmental Coalition. Ms. Baggerly submitted the following questions to the Board: How much will be the total cost for developing this program? And Who will pay for this cost?

Chairman Curtis responded to Ms. Baggerly's first question stating the total cost will be approximately \$60,000. Mr. Correa explained that the cost can be recouped from future CFD participants; it is up to the Board to decide if they want to recoup the funds from a set number of participants or over a set number of years.

Ms. Baggerly addressed the Board referencing the Board's September 2007 meeting where Mark Mandell was referred to as a bond counsel when in fact now it is known that he isn't a bond counsel. Ms. Baggerly expressed her opinion that the Board should know the whole cost of developing this new program before they keep approving pieces of the process. Ms. Baggerly stated she is concerned that the District may end up not being able to recoup all of the cost if not enough properties participate in this new program.

The Board discussed various aspects of the proposed contract in relation to the development of a CFD program and discussed how financing would be handled through the CFDs. Director Kaiser expressed concern about potential direct or indirect costs that may be passed on to current rates payers.

Mr. Correa explained that there are still a lot of questions that need to be answered about how and if the CFD will work the way we have envisioned, however, Mr. Correa emphasized that the only way to find the answers to these questions is to continue with the necessary consultant contracts.

MOTION

Director Greene made a motion, seconded by Director Kaiser to approve the contract for only Phase I and then bring the remainder of the contract back to the Board to consider continuing on with the other Phases.

Board discussion continued on how the tax exempt status of this type of funding would be handled and the fact that the services of a bond counsel will be needed in addition to Mr. Mandell's legal services.

AMENDED MOTION

Director Greene amended his motion to direct Mr. Correa to meet with Mr. Mandell, Ms. Cox (Harris & Associates) and the bank that will be involved in the financing (Santa Barbara Savings) in order to get the Board's questions answered before the Board moves forward with additional contracts for developing the CFD process. Mr. Correa was also directed to arrange for Mr. Mandell and Ms. Cox to address the Board at a future meeting. Director Kaiser, the second of the original motion, agreed with the amendment.

Ms. Baggerly addressed the Board again pointing out that the scope of work in the Mandell contract states that a bond counsel will be needed. Ms. Baggerly urged the Board not to proceed with approving this contract, noting it may result in spending current rate payers' funds that will never be recouped.

Mr. Zirbel, District Legal Counsel, stated it would be a good idea to get bond counsel involved early in the research and development of the CFD program.

Director Baggerly stated he would like to see all of the potential problems and associates costs laid out before more funds are spent.

It was agreed that a Special Workshop Board Meeting would be scheduled for the Board to hear from staff and the consultants to receive answers to the questions they have raised.

Directors Greene and Kaiser agreed to withdraw their amended motion.

Staff was directed to proceed a meeting with the consultants to obtain answers to questions raised at this meeting and to arrange for the consultants to meet with the Board. A Special Workshop Board Meeting will be scheduled in future months for the Board to hear directly from the consultants.

11. **Strategic Plan Review Schedule**

Staff discussed working on reformatting the layout of the District's Strategic Plan to improve the flow of the information and make the document more usable.

ACTION

Upon motion of Director Greene, seconded by Director Kaiser and duly passed staff was directed to present a draft reformatting of the Strategic Plan to the Board at a Special Strategic Plan Study Session Meeting to be held on Monday February 4, 2008 at 6:00 p.m., dinner to be provided to Board and staff.

12. **Election of Officers & Appointment of Committees & Board Representatives**

Chairman Curtis announced that according to District Bylaws, the Clerk of the Board should conduct the Election of Officers.

Mrs. Krout conducted the election beginning with nominations for Chairman.

Mrs. Krout called for nominations for Chairman. Director Stone was nominated for Chairman. Nominations were closed. Director Stone was elected Chairman.

Mrs. Krout called for nominations for Vice-Chairman. Director Kaiser was nominated for Vice-Chairman. Nominations were closed. Director Kaiser was elected Vice-Chairman.

Mrs. Krout called for nominations for Secretary. Director Lotts was nominated for Secretary. Nominations were closed. Director Lotts was elected Secretary.

Mrs. Krout called for nominations for Assistant Secretary. Directors Baggerly and Greene were nominated for Assistant Secretary. Director Greene declined the nomination. Nominations were closed. Director Baggerly was elected Assistant Secretary.

Chairman Stone assumed leadership of the meeting following the conclusion of the elections.

Appointment of individual Directors to serve on Board Committees and as the Board's representative to outside boards, committees and agencies for calendar year 2007, will occur at the January 2008 regular Board Meeting.

INFORMATION ITEMS – FOR RECEIPT & FILE

13. **Review of District's Disaster Operations Plan**

Mr. Sheets presented an overview of the District's Disaster Operations Plan. A copy of the Plan was distributed to each Director.

Director Kaiser left at this point in the meeting, 8:47 p.m.

A map overview from the District's GIS system was used to point out various District facilities and areas of concern during and following a disaster.

Pat Baggerly addressed the Board asking questions about the Disaster Plan. Ms. Baggerly questioned how the District's Plan fits into the Sheriff department's disaster plan. Ms. Baggerly also suggested a warning siren be placed at the Treatment Plant to warn employees in the event of a break in the Casitas Dam.

The Board suggested various disaster scenarios be practiced with the employees and that a copy of the Plan be placed in every District vehicle.

The Board complemented staff on the content and lay-out of the Plan.

14. **CSRMA Executive Board Nominations**

Received and filed.

15. **Annual Connection Charge Reserve Report**

Received and filed.

16. **Monthly Investment Report**

Received and filed.

17. **Monthly Financial Reports**

Received and filed.

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

Received and filed.

19. **Committee Reports**

No reports.

20. **Oral Reports On Meetings, Seminars, or Conferences Attended**

Director Greene presented a brief overview of the CEQA Workshop that he and other Directors attended in November. Director Greene noted that the meeting emphasized the need for good backup data to be compiled on any project that involves mitigation actions.

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

Received and filed.

22. **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

None

- c. General Manager

None

23. **Adjournment**

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

William E. Lotts, Secretary

APPROVED:

William M. Stone, Chairman