



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 December 22, 2008. The meeting was called to order by Acting Chairman Lotts at 7:01 p.m.

2. Seating of Newly Elected Directors

Mrs. Krout, Clerk of the Board, administered the Oath of Office to 3 of the 4 Directors (Baggerly, Lotts & Galgas) beginning new terms of office; Director Kaiser (who is also being a new term) was absent from the meeting. Clerk of the Board administered the Oath of Office to Director Kaiser on December 15, 2008 at the Real Property Ad Hoc Committee meeting.

The newly sworn in Directors took their seats at the Board table.

3. Roll call taken as follows:

DIRECTORS PRESENT: Russ Baggerly
Randy Burg
John R. Curtis
William E. Lotts
Stan Greene
George Galgas

DIRECTORS ABSENT: Peter M. Kaiser

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

OTHERS PRESENT: Mark Zirbel, District Legal Counsel

4. Pledge of Allegiance

Acting Chairman Lotts led the pledge of allegiance.

5. Additions or amendments to the Agenda

None

6. **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

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

None

PUBLIC HEARINGS:

None

PRESENTATIONS:

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.

Director Galgas requested Item No. 8 be removed from the consent calendar. Acting Chairman Lotts announced that Item No. 8 would be addressed following approval of the remaining consent items.

ACTION

Upon motion of Director Baggerly, seconded by Director Curtis and passed by unanimous roll call vote Item No. 9 on the consent calendar was approved as submitted.

8. **Approval of Minutes** - Regular Meeting November 24, 2008 (a tape recording of each meeting is retained at the District Office for a minimum of 4 years)

9. **Approval of Checks**

Approve the checks for payment as submitted.

ACTION ITEMS:

ITEM NO. 8 – REMOVED FROM CONSENT CALENDAR

Director Galgas announced that he would abstain from voting on the approval of the minutes of the November 24, 2008 meeting because he was not in attendance at that meeting.

8. **Approval of Minutes** - Regular Meeting November 24, 2008 (a tape recording of each meeting is retained at the District Office for a minimum of 4 years)

ACTION

Upon motion of Director Baggerly, seconded by Director Curtis and passed by majority roll call vote, with Director Galgas abstaining, the minutes of the regular meeting November 24, 2008 was approved as submitted.

10. **District's Web Site Update**

Duane Eells, Zest Net, presented an overview of the proposed updates to the District's web site. Mr. Eells reviewed the process used to develop the proposed updates, which included recommendations and suggestions from the Public Relations/Newsletter/Ordinance Committee and District staff.

Mr. Eells also shared with the Board the statistics of the frequency of visitors to the District's web site.

Mr. Eells responded to questions from the Board.

ACTION

Upon motion of Director Burg, seconded by Director Baggerly and passed by unanimous roll call vote the Acting Chairman was authorized to sign Contract No. 2008-15, Agreement For Technical Services For Website Re-Design Between Ojai Valley Sanitary District and Zest Net, Inc., in an amount not to exceed \$11,000.

Mr. Eells left at this point in the meeting, 7:43 p.m.

11. **Treatment Plant Buildings – Bird Repellant System**

Staff reviewed the difficulty encounter over the years trying to keep the swallows from nesting on the operations and maintenance buildings at the Treatment Plant, noting that the Bird-B-Gone appears to be a solution to the problem.

The Board reviewed the situation and the recommended solution. Some Directors voiced concerns about the potential increase in mosquitoes around the Treatment Plant facility if the swallows are discouraged from nesting in the area. It was suggested that some type of structure be built, in an out of the way area of the Treatment Plant, so the swallows would be able to nest on it to maintain the mosquito control provided by the presence of the swallows.

Director Burg suggested a sound device be installed on the buildings; these devices emit a sound designed to discourage swallows from approaching the buildings. Director Burg felt this would be a less costly solution.

ACTION

Upon motion of Director Greene, seconded by Director Burg and passed by unanimous roll call vote it was agreed that this item would be tabled until the January 2009 Board meeting, staff was directed to research alternative solutions to the swallow nesting problem, especially the sound device alternative mentioned by Director Burg.

12. **NPDES Permit Notice of Violations 2006-2008**

The December 9, 2008 letter from State Water Resource Control Board notifying the District of discharge violations was reviewed. Staff noted they are in the process of disputing one of the 8 violations listed.

ACTION

Upon motion of Director Baggerly, seconded by Director Curtis and passed by unanimous roll call vote staff was authorized to pay the penalty as outlined in the SWRCB letter dated December 9, 2008 up to the amount of \$24,000; and staff was directed, prior to issuing the penalty payment to the SWRCB, to exhaust all efforts in getting the list of violations corrected and to get approval from SWRCB to divert a portion of the penalty to the Ventura River Stream Team as a SEP project.

13. **Development of District Financial Policies**

The need to develop written financial policies for the District was discussed. The proposal from Anita Lawrence to assist staff in developing these policies was reviewed.

ACTION

Upon motion of Director Curtis, seconded by Director Greene and passed by majority roll call vote, with Director Galgas abstaining from the vote, staff was authorized to work with Anita Lawrence on a time and material basis over a period of approximately 2 to 2 ½ years to develop the identified financial policies for the District; and Budget Adjustment No. 2009-19 transferring \$15,000 from the Rate Stabilization Fund to provide the funding for the work Ms. Lawrence will complete during the remainder of this fiscal year was adopted; and staff was directed to include funding in the following fiscal year/s to cover Ms. Lawrence's work in those years related to the completion of this project.

14. **Community Facilities District Development**

Mr. Correa reviewed the progress that has been made to develop a process for the District to utilize Community Facilities Districts (CFD) to provide financing for small sewer projects (primarily septic to sewer conversions). Mr. Correa noted that any work on private property (i.e. septic system abandonment, etc) would not be funded through the CFD.

Director Baggerly shared his concern about foreclosure laws that apply to CFD when non-payment occurs. Staff agreed to further investigate the applicable foreclosure laws.

MOTION

Director Greene made a motion, seconded by Director Baggerly to table this issue to the January 2009 Board meeting directing staff to investigate the foreclosure laws as they apply to CFDs and report the results to the Board at the January 2009 meeting.

Pat Baggerly, representative of the Environmental Coalition, addressed the Board expressing her concern that this type of Mello-Roos financing is basically for developers and would be too costly, consequently not benefiting people who are struggling. Ms. Baggerly stated she was glad the Board is considering tabling this item so more questions can be answered.

VOTE ON MOTION

The vote on the preceding motion was taken at this point in the meeting. The motion made by Director Greene, seconded by Director Baggerly to table this issue to the January 2009 Board meeting directing staff to investigate the foreclosure laws as they apply to CFDs and report the results to the Board at the January 2009 meeting was passed by unanimous roll call vote.

15. **Strategic Plan Review Schedule**

The schedule to review the District's Strategic Plan was discussed.

ACTION

Upon motion of Director Baggerly, seconded by Director Curtis and duly passed staff was directed to place Review of The Strategic Plan on the agenda of the January 26, 2009 meeting.

16. **Review of Connection Fee Structure**

Scheduling of a Special Board Meeting Workshop to review the Treatment Plant and Collection System Connection Fees structure was discussed.

ACTION

Upon motion of Director Baggerly, seconded by Director Curtis and duly passed a Special Board Meeting Workshop to review and discuss the Treatment Plant and Collection System Connection Fees structure was scheduled for Monday February 2, 2009 at 7:00 p.m.

17. **Ventura Avenue Sewer Project**

Scheduling of a Special Board Meeting to review the Ventura Avenue Sewer Project was discussed.

ACTION

Upon motion of Director Baggerly, seconded by Director Galgas and duly passed a Special Board Meeting to review and discuss the Ventura Avenue Sewer Project was scheduled for Tuesday January 13, 2009 at 7:00 p.m.

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

Acting Chairman Lotts 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 Kaiser was nominated for Chairman. Nominations were closed. Director Kaiser was elected Chairman.

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

Mrs. Krout called for nominations for Secretary. Director Galgas was nominated for Secretary. Director Galgas declined the nomination. Director Burg was nominated for Secretary. Nominations were closed. Director Burg was elected Secretary.

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

In the absence of newly elected Chairman Kaiser, newly elected Vice-Chairman Greene 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 2009, will occur at the January 2009 regular Board Meeting.

INFORMATION ITEMS – FOR RECEIPT & FILE

19. **Update on I&I Identification Efforts**

Mr. Sheets presented a verbal report to the Board on the progress of the I&I efforts.

20. **Monthly Investment Report**

Received and filed.

Mr. Correa reported that a portion of the District's funds currently deposited in a money market account with Morgan Stanley will be moved into CDs to receive a higher yield.

21. **Monthly Financial Reports**

Received and filed.

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

Received and filed.

23. **Committee Reports**

Received and filed.

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

Director Baggerly reported on his attendance at CSRMA's Nomination Committee to fill 2 vacant seats on the CSRMA Executive Board. Director Baggerly noted that 2 people were selected and there is now a full Executive Board.

Director Curtis reported on his attendance at a meeting of the CSDA Board of Directors in Sacramento. Topics at this meeting included review of the 2008 annual CSDA conference held in Irvine and the need to replace CSDA's Educational Director who recently took a position with another company.

Director Curtis also reported on his attendance at a meeting of the CSDA's Finance Corporation Board of Directors meeting. The condition of the State of California's poor credit rating and how it is affecting other public agencies' borrowing was the topic of discussion at this meeting.

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

Received and filed.

26. **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)

Ms. Baggerly asked if the new Director, George Galgas, was invited to attend the upcoming CASA Conference and Ms. Baggerly also stated that Director's wives who attend the CASA Conference should register and pay for their attendance.

- b. Board Members
None
- c. General Manager
None

27. **Adjournment**

Vice-Chairman Greene adjourned the meeting at 10:105 p.m.

John R. Burg, Secretary

APPROVED:

Stan Greene, Vice-Chairman