



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 April 27, 2009. The meeting was called to order by Chairman Kaiser at 7:00 p.m. and roll call taken as follows:

- DIRECTORS PRESENT:** Peter M. Kaiser
John R. (Randy) Burg
John R. (Jack) Curtis
William E. Lotts
Russ Baggerly
George Galgas
Stan Greene
- DIRECTORS ABSENT:** None
- 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

3. **Pledge of Allegiance**

Chairman Kaiser 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 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)

Director Baggerly urged staff to consider a policy about employees coming to work sick in response to the swine flu predicted to become a pandemic.

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 Baggerly, seconded by Director Curtis 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 March 30, 2009. (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 and warrants for payment as submitted.

CHAIRMAN KAISER ANNOUNCED A CHANGE IN THE ORDER OF THE AGENDA ITEMS; INFORMATION ITEM NOS. 18 & 19 WILL BE ADDRESSED PRIOR TO ITEM NO. 9

18. **Monthly Investment Report**

Received and filed.

19. **Quarterly Investment Report**

Howard Smith, Morgan Stanley, was in attendance to discuss the quarterly investment report. Mr. Smith reviewed the report discussing the condition of today's investment market and the anticipated future trends. Mr. Smith responded to questions from the Board.

The Board thanked Mr. Smith for his report. Mr. Smith left the meeting at this time.

ACTION ITEMS:

9. **Ventura Avenue Sewer Improvement Project Unit 1 Construction Contract No. 2009-09**

Staff distributed copies of the abstract of the bids received, noting that Lash Construction was the apparent lowest responsible bidder.

The design engineer from AECOM, Tess Wallace, was in attendance and responded to the Board's questions regarding the makeup of the bids received.

ACTION

Upon motion of Director Lotts, seconded by Director Greene and passed by unanimous roll call vote Contract No. 2009-09 was awarded to Lash Construction, the apparent lowest responsible bidder, and the Chairman was authorized to sign the contract; and Budget Adjustment No. 2009-31, transferring \$2,598,720 from the Collection System Replacement Reserve to provide adequate funding for this contract was adopted.

Prior to the vote on the preceding motion, Buz Bonsall addressed the Board. Mr. Bonsall explained that he is the owner of the property east & west of the District's wastewater treatment plant. Mr. Bonsall stated that Lash Construction has approached him regarding the possibility of disposing of excess material from the Project onto his property. Mr. Bonsall explained to the Board that it would not make any sense to put fill on his property if fill was not also placed on the adjacent property which is owned by the District. Mr. Bonsall expressed his opinion that placement of fill would be beneficial to both properties.

Mr. Correa acknowledged that Mr. Bonsall previously discussed this proposal with him and noted that staff is investigating the acquiring of a grading permit to be able to do place fill on both properties.

Mr. Bonsall left the meeting at this time.

10. **Ventura Avenue Sewer Improvement Project Unit 1 – Services During Construction Contract No. 2009-10**

The need for management and inspection services during construction was discussed.

ACTION

Upon motion of Director Curtis, seconded by Director Burg and passed by unanimous roll call vote the Chairman was authorized to sign Contract No. 2009-10 in an amount not to exceed \$145,750; and Budget Adjustment No. 2009-32 to provide funding for Contract No. 2009-10 was adopted; and Budget Adjustment No. 2009-33 to provide funding for the inspector services was adopted.

Ms. Wallace left the meeting at this time.

11. **Preliminary Fiscal Year 2009-10 Budget**

The Board reviewed and discussed the two budget scenarios presented by staff. One scenario was based on maintaining the monthly sewer service rate at the current level with the use of funds from the Stabilization Reserve; and the other scenario was based on a rate increase resulting in a balanced budget using a small amount of funds from the Stabilization Reserve.

ACTION

Upon motion of Director Baggerly, seconded by Director Galgas and passed by unanimous roll call vote the Preliminary Fiscal Year 2009-10 Budget based on maintaining the monthly sewer service rate at the current level was accepted as submitted by staff; and a detailed review and discussion of the Preliminary Fiscal Year 2009-10 Budget was directed to be conducted at the Special Meeting Budget Workshop scheduled for Monday May 4, 2009 at 6:00 p.m.

12. **GASB 45 – Post Employment Health Benefits - Funding**

A proposal to satisfy the District's Post Employment Health Benefits Trust Fund's deficit was discussed.

ACTION

Upon motion of Director Baggerly, seconded by Director Curtis and passed by unanimous roll call vote satisfying the District's Post Employment Health Benefits Trust Fund's deficit with a lump sum deposit into the District's account in the California Employers' Retiree Benefit Trust (CERBT) on or before July 1, 2009 was approved; and an internal loan from the Treatment Plant Replacement Reserve in an amount equal to approximately \$1,788,000 to fund the lump sum payment into the CERBT; term of the loan to be for a period of approximately 4 to 7 years with an interest rate equal to the rate the District receives annually on invested fund was authorized; and Joe Sintov's proposal to complete an updated actuarial report reflecting the decision to fully fund the Trust Fund, in an amount not to exceed \$2,500, was accepted; and staff was directed to submit, prior to July 1, 2009, the required funds and documentation to

CERBT to implement the decision to fully fund the Trust; and staff was directed to utilize the portion of the 1 percent property tax the District receives annually above the amount recognized in the budget, to make the annual payment on the internal loan; and Budget Adjustment No. 2009-30 transferring \$2,500 from the Rate Stabilization Reserve into the Other Professional Services-Office account (5660.03) to fund the required actuarial report was adopted.

13. **Change of Checking Account To Ojai Community Bank**

Staff's request to change the District's checking account functions to the local Ojai Community Bank was reviewed.

ACTION

Upon motion of Director Curtis, seconded by Director Burg and passed by unanimous roll call vote staff was authorized to open a checking account with the Ojai Community Bank with authorized signatories the same as the District's existing savings account at Ojai Community Bank; and staff was directed to close the BusinessScape checking account with Morgan Stanley.

14. **Identity Theft Prevention Program**

An Identity Theft Prevention Program, to comply with the Federal Trade Commission's Red Flags Rule, was reviewed.

ACTION

Upon motion of Director Baggerly, seconded by Director Curtis and duly passed the Identity Theft Prevention Program was adopted as presented and staff was directed to implement the provisions of the Program.

15. **California Special Districts Association's Bylaws – Proposed Amendment**

Proposed changes to CSDA's Bylaws were reviewed.

ACTION

Upon motion of Director Curtis, seconded by Director Baggerly and duly passed the proposed CSDA Bylaws amendments were discussed and staff was directed to return the District's ballot with a "Yes" vote for the proposed amendments.

INFORMATION ITEMS – FOR RECEIPT & FILE

16. **Committee Meetings To Be Scheduled**

The following Committee meetings were scheduled:

- Ordinance/Public Relations/Newsletter Committee – May 11th @ noon
- Real Property Committee – May 12th – tentative – time yet to be determined
- Executive Committee – June 1st @ noon

17. **Monthly Financial Reports**

Received and filed.

18. **Monthly Investment Report**

Addressed earlier in agenda.

19. **Quarterly Investment Report**

Addressed earlier in agenda.

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

Received and filed.

21. **Committee Reports**

Received and filed.

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

Director Galgas reported that he recently attended the Ventura County Special Districts Association (VCSDA) meeting. Planning Ethics training classes for next year was discussed at the meeting and it was announced that a tug boat tour of the harbor is being planned for VCSDA's June meeting.

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 Curtis reported on the progress of the Committee he was assigned to attend that is working on a procedure for the Special Districts of Ventura County to appoint a representative to serve on the Ventura Regional Sanitation District Board of Directors. A draft procedure has been sent for legal review and should be ready in the near future to be presented to each participating Special District for approval.

Directors Curtis and Lotts announced that the VCSDA has acquired a booth at the Ventura County Fair to be utilized by all special districts. Districts can take turns displaying information in the booth during the Fair. It was the general consensus of the Board that the District should participate in this booth. It was agreed that the Ordinance/Public Relations/Newsletter Committee will be tasked with coordinating the District's participation in this booth.

Director Burg stated he would still like to see the District increase its pursuit of identifying illegal connections to the sewer. It was agreed that this topic will be placed on the Board's next agenda to request a committee be appointed to pursue this issue.

c. General Manager

None

25. **Adjournment**

Chairman Kaiser adjourned the meeting at 9:45 p.m.

John R. (Randy) Burg, Secretary

APPROVED:

Peter M. Kaiser, Chairman