

VALLEY OF THE MOON WATER DISTRICT
REGULAR MEETING AGENDA
March 2, 2004

A regular meeting of the Board of Directors of the Valley of the Moon Water District was held on Tuesday, March 2, 2004, in the Board Chambers of the District Office at 19039 Bay Street, El Verano, California.

1. CALL TO ORDER - PLEDGE OF ALLEGIANCE - ROLL CALL

President Michael Woods called the meeting to order at 6:30 P.M. and led the Pledge of Allegiance. Roll Call by **Deputy Secretary Shari Walk** noted the following present:

Directors Present:	Mark Bramfitt Ed Kenny Ron Prushko Sanford Smith Michael Woods
Directors Absent:	None
District Personnel:	Paul Gradolph, Operations & Maintenance Supervisor Shari Walk, Office Supervisor
General Manager:	Lee Harry
Board Secretary:	Shari Walk
Public Present:	John Fernandez, Steve Perry, Sandi Hansen, Sonoma-Index Tribune

2. PUBLIC COMMENTS

John Fernandez, 358 Napa Road, Sonoma, raised the question of what would occur if a resident were to have a water heater break or other type of water leak while that resident was on vacation or otherwise away for an extended period. He noted that resident would be assessed a penalty along with the cost of the excess water and he questioned the right of appeal a resident would have in such a case.

General Manager Lee Harry noted that Mr. Fernandez was a resident of the City of Sonoma and he could not speak to the City of Sonoma's policy, the VOMWD's Leak Adjustment Policy was based on certain criteria. Under VOMWD policy, the leak would have to be one that would not be readily observable to the owner of the property or to someone who was watching a property in the owner's absence.

With the VOMWD's new rate structure, **Mr. Harry** explained that the Leak Adjustment Policy would apply to the uniform commodity rate at the time. He reiterated that the ordinances listed certain requirements that must be made and leak adjustments were not offered for irrigation leaks because of the VOMWD's policy that irrigation systems needed to be properly maintained.

Mr. Harry advised Mr. Fernandez that if he had a need to address a leak he should speak to the City of Sonoma to be apprised of that jurisdiction's leak adjustment policy.

3. CONSENT CALENDAR

- A. Receive and Approve Minutes of February 3, 2004
- B. Cancel Regular Meeting of March 16, 2004

Motion by **Director Bramfitt**, seconded by **Director Kenny** and carried unanimously by a voice vote to adopt the Consent Calendar, as shown.

4. PUBLIC PRESENTATION

There was no public presentation.

5. OPERATIONAL & COMMITTEE REPORTS

- A. Approve Current Financial Reports for January 2004

Motion by **Director Bramfitt**, seconded by **Vice President Smith** and carried unanimously by a roll call vote to approve the monthly Financial Reports & Disbursements for the month of January 2004 in the amount of \$203,870.41.

- B. Review/Comment on Current District Projects and Significant O & M Issues

Operations and Maintenance Supervisor Paul Gradolph presented his summary review of current District projects and significant operations and maintenance issues for February 2004 related to the following:

- **Project #2855 - Glen Ellen Storage Tank:** The VOMWD had received a favorable judgment regarding the lawsuit contesting the Mitigated Negative Declaration California Environmental Quality Act (CEQA) action and would be determining the steps necessary to proceed with the project;
- **Project #2865 - Future Production Well at Arnold Drive and Felder Road:** Action on the Initial Study and proposed Negative Declaration had been tabled pending the results of additional studies;
- **Project #2875 - Donald and Hanna Storage Tank Painting:** The project had been completed and a Notice of Completion had been filed on February 19, 2004.
- **Project #2878 - Arnold Drive, Horn Avenue, Garric Avenue, Hill Drive and Mound Avenue** and
- **Project #2879 - Loma Vista Drive:** The main line replacement projects were currently being surveyed by the VOMWD Consulting Engineers Brelje and Race and 50 percent drawings had been completed and were being reviewed by VOMWD staff, to be returned to Brelje and Race next week at which time 90 percent drawings would be presented. The projects were expected to commence in June 2004.

Mr. Gradolph also reported with respect to significant O & M issues that the Sonoma County Water Agency's (SCWA's) scheduled permanent repair of an aqueduct break that had occurred in August 2000 in Glen Ellen had been delayed due to a difficulty dewatering the line. He noted that permanent repair would

be completed before the summer period.

In response to **Director Prushko**, **Mr. Gradolph** explained that the replacement of the Carmel Avenue line replacement was not scheduled until 2005 in order to allow a developer to finish construction on a replacement of a portion of that line.

C. Water Source Report

Mr. Harry reported that with three wet years in a row and with more conservation savings projected, the effect that the new water rates will have on revenue is uncertain. Staff will monitor its current revenue closely as we prepare for our 2004-2005 annual budget, but some assumptions must be used until we get a full year of revenue under the new rate structure.

6. RECEIVE & FILE PRESIDENT'S AND DIRECTOR'S REPORTS OR COMMENTS

Director Bramfitt advised that he intended to attend the Association of California Water Agencies (ACWA) Conference in Legislative Symposium in Sacramento on March 30th.

Vice President Smith reported that he had been appointed to the Insurance and Personnel Committee of the Association of California Water Agencies. He stated that a meeting of that Committee had been scheduled for March 24 in Sacramento.

Director Prushko stated that he had been appointed to ACWA's Groundwater Committee although he had not been apprised of when that Committee meeting had been scheduled.

President Woods stated that he had been appointed to the ACWA Energy Committee but would not be able to attend the March meeting of that Committee.

7. GENERAL MANAGER'S AND DISTRICT COUNSEL'S REPORTS

A. Report of WAC Negotiating Meeting of February 23, 2004

General Manager Harry stated with respect to the February 23 WAC Negotiating meeting that little had been done given the fact that several members were not present given their lobbying activities in Washington, DC. He commented that the work would continue at the negotiating session scheduled for later in the month.

B. Report of Regular WAC Meeting of March 1, 2004

Mr. Harry reported that several significant things had occurred at the March 1 WAC meeting. He noted that the VOMWD had received a report related to the Santa Rosa Wastewater Program, and that the alternatives would be considered at an upcoming meeting. He stated that the VOMWD had communicated with the City of Santa Rosa that one of its alternatives which appeared to be the least expensive, and potentially the preferred alternative, was a direct discharge alternative either to the wetlands area around the Russian River or directly into the Russian River. He noted that the direct discharge into the Russian River was only projected to occur in the winter when flows were high. Given that Santa Rosa's discharge of a significant amount of sewage upstream from the water intake of SCWA Water, **Mr. Harry** stated that the VOMWD needed to closely monitor this project and, if necessary, to file an official objection to that situation. He commented that Randy Poole of the SCWA was scheduling a meeting, to include the

VOMWD, to determine whether or not Santa Rosa's alternatives would directly affect the VOMWD's water supply. He stated that he would keep the Board of Directors informed of that situation.

Director Bramfitt confirmed that one of the options being considered by the City of Santa Rosa was a direct discharge into the Russian River ahead of the collectors for the SCWA.

Mr. Harry noted that there was significant opposition to the direct discharge alternative. He added that the issue would be ongoing for some time. He further clarified that a specific amount of wastewater would be projected incrementally per year as the growth occurred and Santa Rosa wanted a plan to do that. A number of options were being considered in that case. The water to be placed into the Russian River was proposed to be tertiary treated but not treated to drinking water standards.

If the City of Santa Rosa were to seriously pursue that alternative, **President Woods** requested that staff monitor that situation and return to the Board to engage in some effort with an environmental consulting firm in cooperation with other contractors and the SCWA to ensure that Santa Rosa's environmental work was carefully evaluated and prepare a record to provide a basis for the VOMWD's position.

Mr. Harry emphasized that the monitoring was very important given the potential impacts to VOMWD.

C. VOMWD Water Supply Entitlements

Mr. Harry stated that he had spoken to Randy Poole about the VOMWD's frustration with its water supply entitlements and the fact that the VOMWD was already up to the maximum 3,200 acre feet per year. He noted that Mr. Poole had suggested and it had been placed on the agenda to authorize in the next year's budget \$100,000 for the SCWA to conduct a study to find an additional water source beyond the Eleventh Amended Agreement which could be through groundwater, additional water rights on the river or allocation of additional water, or the like. He stated that had been supported by all the water contractors with the exception of the City of Petaluma.

Mr. Harry stated that the first thing was to get the General Plan updated to coincide with the VOMWD's actual growth and then to get the SCWA to find, through a variety of ways, to offer the VOMWD its needed 1,000 acre feet.

D. Information on 2004 ACWA Spring Conference

Mr. Harry reported that the ACWA Spring Conference had been scheduled for May 5th, 6th, and 7th, and the JPIA would be on May 3rd and 4th in Monterey. He stated that he would not plan to attend given that the time period was so close to his retirement. He suggested that members interested in attending that conference identify that interest to VOMWD staff.

E. Letter from Winzler & Kelly

Mr. Harry stated that based on the request by Barbara Roy at the last meeting for a rationale for not using the Sonoma Development Center in lieu of a new storage tank for needed storage in the Glen Ellen pressure zone, because the question had been asked so often an informal study had been sought to address that question. The study was made available to the Board.

President Woods advised that the report was made available to the public at the meeting and to Ms. Roy by mail. Any other interested party could receive the report upon request.

F. Receive of Final Judgment on Hill Road Lawsuit

Mr. Harry reported that the Final Judgment had been received on the Hill Road Lawsuit, which Judgment had been entered on February 23, 2004.

G. ACWA Legislative Symposium, March 30, 2004

Mr. Harry further reported that ACWA had scheduled its Legislative Symposium on March 30, 2004 at the Holiday Inn, Capitol Plaza in Sacramento, from 8:00 A.M. to 3:30 P.M. Director Bramfitt will be registered and any other Interested Directors were asked to advise staff of their intent to attend.

8. OLD/NEW BUSINESS

- A. **Discuss/Direct Staff:** Consideration of Adopting the January 2004 ACWA Document Guidelines for Conduct - a Primer for Public Water Agency Officials as the "Code of Conduct" for the Board of Directors of the Valley of the Moon Water District, and Replace the Existing District By-Laws with Policies and Procedures

Mr. Harry explained that there were some archaic By-Laws that the VOMWD had since 1993. He noted that the Board had requested that the item be placed on the agenda. He referred to the January 2004 ACWA Document Guidelines for Conduct - a Primer for Public Water Agency Officials that had been received and which he suggested would be important for the Board to consider. He also presented a copy of the VOMWD's By-Laws and General Operating Guidelines currently in effect.

Mr. Harry sought a discussion of what had been presented. He noted that District Counsel had advised that it was very unusual to use what were called By-Laws and suggested a change to Policies and Procedures. District Counsel had also noted that it was now very unusual to require Directors to sign checks. He suggested that the Board might consider the designation of two staff people; the General Manager and the Confidential Employee to be eligible to sign checks. If this change were made, in the absence of one or the other a Boardmember would be asked to sign checks.

Director Kenny verified with Mr. Harry that there was a limitation of funds that staff could authorize in that the General Manager was only authorized to approve up to \$5,000 and the check limitation was \$2,500.

Mr. Harry added that he did not advocate a change in check signing but sought the Board's input with respect to the recommendations.

Director Prushko sought a continuance of the status quo and noted that the Directors had the responsibility to oversee VOMWD funds.

Vice President Smith agreed that there should be a Board oversight on funds given that the VOMWD was not particularly large and it would be an important function of the Board. He also suggested that specific items on reimbursement as included in the By-Laws needed to be considered. He suggested that the current limitations in the By-Laws were insufficient and outdated.

Vice President Smith sought the inclusion of specific dollar amounts in terms of reimbursements and sought reasonable ceilings in the By-Laws or Policies and Procedures of the VOMWD.

Director Kenny agreed. He sought a continuation of the current process where checks were concerned.

Director Bramfitt generally supported the Guidelines recommended by ACWA as well as the recommended Code of Conduct and expressed his appreciation for the discussion regarding the limits. He suggested that given the size of the VOMWD, one and not more than two members of the Board should attend the conferences and the like. With respect to check signing, he commented that when he had been President, it had seemed cumbersome for staff to have him come to the VOMWD Offices to sign checks when there was fully competent and trusted staff that could do the same thing. He noted that the Board would have another meeting to consider the issues prior to making any determination.

Mr. Harry stated that specific amounts had not been included because under the ACWA Code of Conduct attendance at conferences would be through the approval of the Board, which could include whatever it wanted for the policies and procedures. Rather than lock the Board in he suggested that maintaining flexibility might be preferential. If establishing a dollar amount for a hotel, he stated that amount should be equal to the conference hotel since it could be cumbersome without that provision. He requested clarification if set amounts for breakfast, lunch and dinner would be adopted. He supported a reasonable amount and stated that receipts should be required.

Director Prushko commented that he had no opportunity to review the current Board policy, although he had reviewed the recommended guidelines for conduct. He therefore sought a continuance of the situation to allow him an opportunity to review the material and the existing procedures.

President Woods stated that the VOMWD's current By-Laws were very specific on a number of different points, providing lots of detail for potential disputes between Boardmembers and members of the public. He noted that the previous By-Laws required compliance with Roberts Rules of Order at the meeting and the current policy and procedures also made that mandatory. He thought that the President or the Chair should be allowed to make the decision on parliamentary issues. He noted that Roberts Rules of Order were more applicable in larger organizations. While the Board could use them as a guide, he suggested that relying on Roberts Rules of Order was a very cumbersome process.

President Woods also noted that District Counsel was the attorney for the Board and not for the Board President and the language in the By-Laws where the Attorney was to report to the Board President should be modified. He added that there were a few other items that should be considered and modified. He liked the idea of the ACWA Code of Conduct and he liked the idea of Policies and Procedures with the elimination of the By-Laws consistent with the current provisions for modifying the By-Laws.

The item was continued to the next meeting for further discussion.

- B. **Discuss/Approve:** Task Order No. 04-921-01 to Winzler & Kelly Engineers in the Amount Not-to-Exceed \$25,000 to Prepare a Vulnerability Assessment for the District

Mr. Harry explained that it had been long known that for the VOMWD with a population of greater than 3,300 people a Vulnerability Assessment would be required to comply with EPA requirements to perform a vulnerability analysis on our system by June 30, 2004. He noted that the Health Department was to have assisted the VOMWD in the process but due to funding problems that had not been able to occur. To avoid any further delays and to be able to meet the June 30, 2004 deadline, **Mr. Harry** recommended that the VOMWD contract with Winzler & Kelly Engineers to prepare a Vulnerability Assessment. He noted that a

proposal had been received, with a schedule for when the work would be done to comply with a schedule for completing a draft by June 1, 2004 to allow appropriate time to review and finalize the assessment prior to the June 30, 2004 deadline for filing with the EPA.

When asked, **Office Supervisor Shari Walk** reported that the funds would be taken from 921 Professional Services Account. The budget amount for that account would be slightly exceeded as a result of the item.

Vice President Smith stated that he had been through the routine with other agencies and he was bothered that Washington had required such things as a Vulnerability Assessment without funding that required assessment, which he suggested was unfair to VOMWD ratepayers. He questioned who would receive the report.

Mr. Harry advised that the Vulnerability Assessment would be confidential and would be submitted through confidential means to the EPA, which would keep that information confidential. The Vulnerability Assessment would be a confidential document within the VOMWD and would not be released to anyone. He also noted that the Vulnerability Assessment could be considered by the Board in Closed Session.

Director Prushko also objected to the federal requirement that would have to be paid by the VOMWD ratepayer.

In response to **President Woods** with respect to facilities where several agencies had an interest, such as the aqueduct, **Mr. Harry** stated that to his knowledge the SCWA had done its own Vulnerability Assessment, which would include all the aqueduct facilities, and the connection, which belonged to the SCWA. The VOMWD would only consider its local infrastructure, primarily its booster stations, its storage tanks and its wells.

Director Prushko found the demand by the EPA to be excessive when considering the accumulation of agencies involved.

Director Bramfitt described the expense as poorly spent money.

Mr. Harry commented that the results of the Vulnerability Assessment would likely require the VOMWD to change some of its current operating procedures.

Motion by **Vice President Smith**, seconded by **Director Prushko** and carried unanimously by a roll call vote to approve Task Order Number 04-921-01 in an amount not to exceed \$25,000 to perform all work necessary to prepare the Valley of the Moon Water District's Vulnerability Assessment by June 30, 2004.

C. **Discuss/Direct Staff:** Additional Public Outreach and Workshop for District Customers Regarding the New Water Rate Structure

Mr. Harry explained that the item had been submitted for discussion as to whether or not public outreach was needed as part of the VOMWD's new rate structure. He noted that there had been numerous reports in the Sonoma Index-Tribune, two separate mailings for all customers had been conducted and had included comparisons of the current and new structure, some comments and some requests for intermission and tips had been received.

Mr. Harry stated that the question remained as to whether or not an additional workshop would be conducted to help advise the public of the higher water bills that would result with higher water use, and to

present information on how they can cut down on their water use particularly irrigation water.

President Woods sought increase efforts to advise the public of the new water rates. He noted that at one point letters to the highest water users were to be distributed. Given the number of users involved, he recommended that a workshop be scheduled to better educate the public of the water rates and to advise them on ways to decrease their water use.

Director Bramfitt supported a workshop to better inform and educate the public. He added that the workshop should be geared to all water users. He added that as a Boardmember he would be happy to be present at such a workshop.

President Woods stated that the workshop did not have to be at a regular Board meeting. He would also be willing to attend a workshop.

When asked, **Ms. Walk** stated that the water bills with the new rates were just now going out. As to how many objections had been received, she noted that few inquiries had been received given that it was winter and water bills were low. Those who had made those inquiries were actually going to be paying less for his/her water bills.

Mr. Harry was asked to schedule a workshop at a site that could accommodate the large number of people expected.

Mr. Harry stated that regarding the upcoming closed session, Item 9A would not be discussed

President Woods declared a recess at 7:32 P.M. prior to convening into Closed Session at 7:35 P.M.

9. CLOSED SESSION

- A.** Conference with Legal Counsel Pursuant to Government Code Section 54956.9, Subsection C, Anticipation of Initiation of Litigation (1 Potential Case). [THIS ITEM WAS REMOVED FROM THE CLOSED SESSION.]
- B.** To Consider the Appointment and/or Employment of a Public Employee, General Manager Pursuant to Government Code Section 54957(b)(1).
- C.** Conference with Labor Negotiator Pursuant to Government Code Section 54957.6; Agency Negotiator: General Manager Lee Harry; Negotiating Parties: International Union of Operating Engineers, Stationary Local 39 AFL-CIO.
- D.** Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8; Negotiate Price and Term of Payment. Agency Negotiator: Lee J. Harry; Negotiating Parties; Labre Trust. Renewal of Existing Well Lease: APN 052-251-33.

10. RECONVENE IN OPEN SESSION

President Woods reconvened into open session at 8:09 P.M. and reported no action was taken in Closed Session.

11. **REQUEST FOR FUTURE AGENDA ITEMS**

There was no request for future agenda items.

12. **ADJOURNMENT**

Motion by **Director Kenny**, seconded by **Director Smith** and carried unanimously to adjourn the meeting at 8:10 P.M. The next scheduled meeting is a Regular Meeting on April 6, 2004 at 6:30 P.M.

Shari Walk, Deputy Board Secretary