

**VALLEY OF THE MOON WATER DISTRICT**  
**REGULAR MEETING AGENDA**  
May 4, 2004

A regular meeting of the Board of Directors of the Valley of the Moon Water District was held on Tuesday, May 4, 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
District Counsel:	Bob Maddow Jeffry Polisner
Board Secretary:	Shari Walk
Public Present:	Ken Borba, Mickey Cooke, Erik Holbek, Steve Perry, and Bill Hoban, Sonoma Index-Tribune

**2. PUBLIC COMMENTS**

There were no public comments.

**3. CONSENT CALENDAR**

- A.** Receive and Approve Minutes of Regular Meeting of April 6, 2004
- B.** Receive and Approve Minutes of Special Meeting of April 24, 2004
- C.** Receive and Approve Minutes of Special Meeting of April 27, 2004
- D.** Adopt Resolutions
  - 1. Resolution No. 040501, Approving Fire Hydrant Installation Agreement with Robert Kruljac

2. Resolution No. 040502, Approving Water Facilities Agreement with Burbank Housing
3. Resolution No. 040503, Approving Fire Line Service Agreement with Creekside 50 LLC
- E. Adopt Resolution No. 040504 Ordering an Election to be Held and Requesting Consolidation with the November 2, 2004 General Election.
- F. Adopt Resolution No. 040505 Approving ACWA's January 2004 Guidelines for Conduct
- G. Cancel Regular Meeting of May 18, 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 March 2004

**Office Supervisor Shari Walk** advised the Board that half of the VOMWD's customers had been sent bills reflective of the new rate for the month of March. Distribution of the Water Quality Report had also been commenced this date. She added that notices for the May 25, 2004 Workshop at Altimira School had also been sent out.

Motion by **Director Bramfitt**, seconded by **Director Smith** and carried unanimously by a roll call vote to approve the monthly Financial Reports & Disbursements for the month of March 2004 in the amount of \$263,573.95.

- 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 April 2004, as follows:

- **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 the Board would consider a Resolution of Necessity at the current meeting regarding property acquisition;
- **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 #2878 - Arnold Drive, Horn Avenue, Garric Avenue, Hill Drive and Mound Avenue** and
- **Project #2879 - Loma Vista Drive:** The plans for the main line replacement projects had been completed by Brelje and Race and reviewed by VOMWD staff. A request for authorization to put the project out to bid would be considered by the Board at the current meeting. The project was on schedule with construction anticipated in early summer.

**Mr. Gradolph** explained that later in the meeting the Board would be asked to approve the Capital Improvement Program (CIP) Budget for 2004-2005. He added that VOMWD staff had completed the in-house project on Verano Avenue where 760 feet of 4 inch steel main had been replaced. When asked, he stated that the 4 inch steel pipe had been replaced with 6 inch C-900 PVC.

**General Manager Lee Harry** reported that on the streets the VOMWD was working on with the CIP projects for the next fiscal year, the VOMWD was running into a difficulty again with the County on encroachment permits and what the County wanted the VOMWD to do to repave streets. He noted that the first request of the County was unreasonable for the amount of work being done. He stated that VOMWD staff would be working with the County to address that concern.

C. Water Source Report

**Director Prushko** noted a 5 percent usage on the VOMWD wells in March. He inquired when those wells would be turned on, to which **Mr. Gradolph** noted that all wells were on with the exception of Mountain Avenue. The numbers would therefore increase as a result. The wells had been unused to allow them to recharge to the benefit the summer demands.

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

**Director Smith** reported that he had just come from the Joint Powers Insurance Agency (JPIA) Conference in Monterey when the most interesting sessions related to Workers' Compensation and what the Workers' Comp Reform Bill might and might not do. The general consensus was that nothing would be known for a full year. He stated that did not touch on the problems with rates although the most likely to be seen was some sort of consistency in how particular issues were treated for particular classification of workers. Ten districts had been approved for coverage with the JPIA, one of which was Sacramento Suburban, the successor district to the district where Senator Ortiz had concerns. He noted that all those who had done wrongful acts with Sacramento Suburban's predecessors were being convicted of crimes already on the books. Nothing that Senator Ortiz had proposed would add to the penalties to be assessed against those individuals.

**Director Smith** also reported that in the final session of the JPIA Board of Directors, the possible expulsion of the Rainbow Water District in the Fallbrook area had been discussed. He noted that District had 321 claims averaging in excess of \$10,000 per claim over the past 20 years. The District also had nine General Managers in 11 years, had three new Boardmembers and now had a Board willing to spend some money. He noted that the major problem with the District's infrastructure was that there had been no capital improvement projects in 20 years, no rate increase in 10 years, and the District had tried to get a bond issue passed to provide \$40 million to replace what in some cases were 75 year old pipes. The bond issue was defeated by a 2:1 margin. On a "pay as you go basis" the District had indicated that it would place \$5 million into projects involving infrastructure replacement or repair each year, which would only bring that District to the point where it should be right now in 20 years. The District had been kicked out of the JPIA effective July 1, 2005, but that this action may be rescinded if the District meets its commitments to improve.

**Director Smith** used that as an example of emphasizing the importance of CIP projects to maintain a district's infrastructure. When that was not done, issues such as those associated with the Rainbow Water District occurred. In that case, he stated that there was close to \$3.5 million in claims already settled just on property damage matters alone.

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

A. Report of WAC Negotiating Meeting of April 26, 2004

**General Manager Harry** stated that the April 26 Water Advisory Committee (WAC) meeting had gone on a parallel track with the negotiations for the Temporary Impairment Memorandum of Understanding (MOU) with the goal of having everything done by July. He commented that the fourth generation of the Draft Restructured Water Agreement had been completed and had been sent to District Counsel Bob Maddow for review. The most salient factors in that agreement related to the conversion of the WAC to a two tiered system requiring an elected official to serve on the WAC to meet quarterly, and the creation of a Technical Advisory Committee (TAC) to meet monthly. The VOMWD Board of Directors would have to select an elected representative to meet quarterly with the WAC.

The other issues related to consolidation by removing some funding categories from the Operations and Maintenance Fund by the creation of new funds. It is estimated that the costs of water from the Sonoma County Water Agency (SCWA), will increase by approximately \$34 an acre foot.

B. Report of Regular WAC Meeting of May 3, 2004

**Mr. Harry** stated that the regular WAC meeting was very short and there was little discussed. The meeting adjourned to a negotiating session for the extension of the Temporary Impairment MOU. He noted that many things had been taken out of that MOU and placed in the Restructured Water Agreement. There would be some issues related to negotiations of Table 1, the extension of the water the VOMWD was allowed during the summer under the Temporary Impairment MOU.

In response to **Director Bramfitt**, **Mr. Harry** clarified that the increase would be caused by charges to the agency increasing due to increased requirements to pay for portions of the endangered species issues. The ability of the SCWA to pay for these increases through use of general fund revenues is doubtful. Any increase will not be in effect during fiscal year 2004-2005.

**Mr. Harry** added that under the present arrangement the annual entitlement could be changed under Section 1.2 of the Restructured Agreement, which was the old Eleventh Amended Agreement provision. Once the General Plan was in compliance with the VOMWD's actual growth projections, he noted that Randy Poole of the SCWA, if he could find additional water, had agreed to place that issue as one of the SCWA's first priorities. He clarified that the Temporary Impairment MOU had to do with the rate of pumping during the summer periods.

B. Report on Workshop May 25, 2004 - Altimira School (Multi Purpose)

**Mr. Harry** highlighted the status of the arrangements for the conservation workshop scheduled for May 25 and noted that one of the issues would relate to how to reduce water use during the summer.

**Mr. Harry** reported that there was a CD available with respect to Waterwise Gardening. He stated that the SCWA conservation specialists would also participate, and that Bob Freeland, the VOMWD's Conservation Specialist would address conservation measures and touch on other issues. He stated that he would offer a presentation on the changes to the rate structure and advise that with no reduction of outside water use for irrigation during the summer, water bills could increase significantly. He stated that staff would begin getting the word out, and a good turnout was hoped for on May 25.

**President Woods** noted that VOMWD ratepayers should be provided a graphic idea of how water usage

would affect his/her water bills.

**Mr. Harry** also noted that congress was expected to authorize another \$100 million to fund the Pacific Salmon Restoration Fund for the Pacific Northwest, which would be divided between California, Washington, Oregon and Idaho.

**District Counsel Bob Maddow** advised that he had begun the process of reviewing the Restructured Water Supply Agreement from the SCWA. He characterized that document as complex. He had not become involved with the revised Temporary Impairment MOU but would address that situation next week. With respect to the Association of California Water Agencies (ACWA) conference, he stated that he would be at the ACWA Conference for the next couple of days.

**Mr. Maddow** noted his understanding that VOMWD Directors would not be attending the ACWA conference this time, and as such he brought the Board up to date on a couple of Supreme Court cases related to water agencies; one where the US Supreme Court had made a decision regarding the Clean Water Act, and whether or not a National Pollutants Discharge Elimination System (NPDES) permit was required for the removal of water from one hydrology basin to another. He stated that the case had raised a series of issues. The case had not yet been concluded. There were two to three other cases with similar issues. He noted that fourteen eastern states (the wetter part of the country) had focused on water quality issues while the western states (the dryer part of the country) existed because of the transfer of water from one basin to another. He stated it was an area that deserved attention and there would be a program at the conference to discuss those issues.

With respect to a California Supreme Court case having to do with an employment law related to the use of long term temporary employees either from engineering firms or firms providing computer programmers who might work at the water district for a long period of time, **Mr. Maddow** stated that while those individuals were employees of the independent contractors they fell into the Common Law Employee Test. He stated that the Common Law Employee Test had been found to be applicable in that case. As a result, there would be additional litigation in that case and some parallel cases had been put into suspension. He was not aware of whether or not the case would create a situation of impact to the VOMWD.

On an unrelated matter, **Mr. Maddow** stated that it had been a pleasure working with the Board and with the General Manager. On the occasion of Mr. Harry's upcoming retirement, he stated that the VOWMD had been very fortunate to have a water pro such as Mr. Harry, who would be missed.

## **8. OLD/NEW BUSINESS**

- A. **Discuss/Adopt/** Finding of Necessity Regarding Property Acquisition of a Portion  
**Direct Legal Counsel:** of the Property at 1475 Hill Road, Glen Ellen, California

**Mr. Harry** pointed out a correction to the staff report under Background, Issue 2, which should have read as follows: *Whether the project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.* He stated that the resolution was correct.

**President Woods** inquired if Mr. Jacobson, the property owner, or someone authorized to represent him was present at this time. Mr. Jacobson was not present, nor was there anyone present to represent him.

PUBLIC COMMENTS:

**Steve Perry**, Glen Ellen, commented that the paper did not definitely state whether this issue would be addressed at tonight's meeting. When asked, he stated that he had not received a notice of the meeting.

**Officer Supervisor Shari Walk** reported that the agenda had been e-mailed to those on the regular list to receive information on the item.

**Mr. Perry** commented that \$24,000 for .29 acres had got to be one of the best land deals in Glen Ellen. He asked the Board to ensure that the proposal had been sited in the appropriate place to be consistent with Issue 2 as previously quoted.

**Mr. Harry** described the project, noted that for many years it had been known that there was a storage deficiency in Glen Ellen in that the operating reserve should be 25 percent of the daily maximum demand, and that the VOMWD therefore needed 152,000 gallons of storage in the Glen Ellen pressure zone for operating demand. He added that the emergency reserve should be equal to 100 percent of the average daily demand, which would be 203,000 gallons. The fire flow reserve should be two hour duration at a thousand gallons per minute pumping rate for residential and 2,500 gallons a minute for commercial. There should therefore be 300,000 gallons of fire reserve. The total storage needs of the Glen Ellen pressure zone is 655,000 gallons. Currently, the VOMWD only has the Saddle Tank with 150,000 gallons of storage. As such, there is a current deficiency of 505,000 gallons.

**Mr. Harry** identified the source of that information from Brelje & Race Consulting Engineers, Valley of the Moon Water Storage Plan of 1999. He stated that in September 2001 Winzler & Kelly Engineers had offered information related to the necessity of the water storage tank, and had indicated that the Glen Ellen pressure zone was serviced by the Saddle Tank only and that the Hill Road location would add additional storage tanks in the zone. The report found that the location of Hill Road would provide optimum equalization for the system having the SCWA's Aqueduct on one side and the Saddle Tank and the new water tank on the other to offer optimum hydraulic benefit. Further, the geographic location of the Hill Road site was similar to the elevation of the Saddle Tank so that the flows could be balanced hydrologically without the necessity of adding booster pumps or altitude valves.

**Mr. Harry** explained that the site had originally been investigated. He reported that Wes Jacobson had come to his office to discuss his Hill Road property. Mr. Jacobson had indicated that the site would be a good location for a water storage tank.

**Mr. Harry** stated that he had explained at the time of Mr. Jacobson's visit that the VOMWD had recently purchased property for the Bolli storage tank. He had advised Mr. Jacobson that the price of the land in that case was approximately \$25,000. The Jacobson property had been the subject of two evaluations. An appraisal by Hamilton Ricci & Associates had appraised the property at \$24,000, after which a formal notice had been sent to the property owner with an offer. Mr. Jacobson had countered that offer for \$125,000 plus a two inch water hookup. The VOMWD Board had determined that the counter offer was unacceptable. He had communicated with Mr. Jacobson several times who had insisted on that price.

**Mr. Harry** stated that when two parties were so far apart and unwilling to negotiate changes, the only way for a public agency to address the issue is to consider acquiring the property through eminent domain action. He then presented a diagram of the property being sought at the proposed 0.3 acre site.

**Mr. Harry** explained that the .3 acre site was needed because of the grading requirements and the drainage requirements, that the tank would be sited in such a way as to protect it from maximum visibility, and that

some of the material would be used to berm up to protect the visuals from Hill Road and from the property across the street.

**Mr. Harry** stated that the staff recommendation was to adopt Resolution No. 040506 authorizing, empowering and directing legal counsel to acquire the property, prepare the proceeding and deposit probable just compensation based on the appraisal, with the details as shown in the staff report dated May 4, 2004.

**Jeffrey Polisner** an attorney with the Maddow firm reported that there were a number of issues that had to be addressed to allow the Board to adopt a Resolution of Necessity. He referred to a letter in the Board packets dated March 26, 2004 to Mr. Jacobson advising him of the hearing and the consideration of a resolution to allow him an opportunity to be present to make objection to the issues.

**Director Woods** verified that Mr. Jacobson had received a personal letter advising of the meeting.

**Mr. Polisner** stated that the financial issues related to the value of the site were not before the Board at this time. He reported that VOMWD staff had made a valiant attempt to avoid a Resolution of Necessity although those efforts had not been successful. He stated that another finding required to be made was that the location of the project was located in a manner which caused the greatest public good and the least private injury, which issues Mr. Harry had explained in terms of the hydrology aspects of the project and the least private injury. He stated that the Hill Road site was a good site for the water tank and the monetary differences were the source of the controversy.

**Mr. Polisner** added that the project was necessary given the deficiency of the storage area and the fact that a storage tank was a public use. A finding would have to be made in the Resolution that the requirements of the California Environmental Quality Act (CEQA) had been met. He noted that there had been litigation on that subject and the VOMWD had prevailed. The court had also recently denied a motion for a new trial. The time for the appeal had not yet run and it was unknown at this time whether or not there would be an appeal of that situation.

**Mr. Polisher** advised that the adoption of the Resolution of Necessity was essentially a six month document and something must occur within that period. The Board could choose to wait to proceed with eminent domain action pending the filing of an appeal. He stated that by adopting the Resolution, the findings would implicitly be made. Four affirmative votes would be required to adopt the resolution.

**Director Smith** had recused himself on the CEQA action because he lived within 1,200 feet of the subject site. He inquired whether or not he could vote on the present action.

**Mr. Polisner** stated that his office had reviewed that situation and could find no reason that Director Smith would have to recuse himself.

**President Woods** stated that the matter of the Glen Ellen Storage Tank had been considered at many meetings, the need had been identified on many occasions and many locations had been considered over the years for the placement of the tank. He stated that he was therefore persuaded that the project was critically needed and that it should proceed to the extent legally possible. He emphasized that the VOMWD had been very conservative in using its power of eminent domain and it had not as a practice condemned property. He supported proceeding with the Resolution of Necessity at this time.

Motion by **Director Kenny**, seconded by **Director Bramfitt** and carried unanimously by a roll call vote to adopt Resolution No. 040506 authorizing, empowering, and directing Legal Counsel for the District to:

- a. Acquire, in the District's name, the real property and property rights described in Exhibit "A" to the staff report dated May 4, 2004 in accordance with the provisions of eminent domain in the Code of Civil Procedure.
- b. Prepare and prosecute in the District's name such proceedings in the proper court.
- c. Deposit the probable just compensation based on appraisal and to apply to the court for an order permitting District to take possession and use said property for said public use and purposes.

**B. Discuss/Authorize:** Auditing Services for FY 2003-2004 to Larry D. Johnson, CPA

**Mr. Harry** stated that now was the time to pursue an auditing service for FY 2003-2004. He referred to the staff report, stated that Mr. Larry Johnson had been an excellent auditor and had been performing the audit under a three year audit up to last year. Given the new Governmental Accounting Standards Board (GASB) requirements, the VOMWD had entered into a one year contract with Mr. Johnson to perform the 2002-2003 audit. He identified the need for auditing services for the current fiscal year. He also acknowledged concerns from ACWA and from the Board of using the same auditor to continue to prepare the VOMWD's audits.

**Mr. Harry** recommended the approval of another one year proposal for Mr. Johnson to conduct the audit with a commitment from staff that in plenty of time next year a Request for Proposal (RFP) would be prepared and submitted to a group of qualified auditors, including Mr. Johnson, for Board action. The proposal for \$5,700, which was the same fee from last year plus the GASB fee, was recommended.

**President Woods** stated that he had been very happy with Mr. Johnson's work, that Mr. Johnson had done an excellent job, and that Mr. Johnson had provided the project on time and within budget, although he was concerned that there should be a rotation amongst auditors. As such, he would have proposed that another auditor be considered for this year, although with a change of General Managers, he was inclined at this point to support Mr. Johnson this year and to pursue an RFP next year.

**Director Bramfitt** agreed with the exception of including Mr. Johnson in the round of auditors for the next round. He had no problem with Mr. Johnson but suggested that a true rotation should include other auditors only.

**Mr. Harry** stated that the reason why Mr. Johnson had been recommended for inclusion was that other independent auditors would likely be twice as expensive.

**Director Bramfitt** did not want to restrict future Boards although he acknowledged the need to rotate auditors. He clarified, when asked, that Senator Ortiz had proposed legislation to mandate a new auditor every five years, although that legislation had not yet been adopted.

Motion by **Director Bramfitt**, seconded by **Director Smith** and carried unanimously by a roll call vote to approve an agreement to hire Mr. Larry D. Johnson to perform the annual audit for the Valley of the Moon Water District for an amount of \$5,700 for the fiscal year ending June 30, 2004 and authorize the President of the Board to sign the agreement.

**C. Discuss/Direct** Preliminary Operations and Maintenance & Capital Improvement



**Mr. Harry** stated that the information was being presented as directed by the Board for a balanced budget and for no rate increase until there was a full year tracking of the new rate structure. He advised that the proposed budget would be a balanced budget. The money gained from the sale of the final piece of real property would be used to balance the operations and maintenance budget

**Mr. Harry** clarified that the budget deficit of \$227,000 would be eliminated and there would be a total transfer to the CIP of \$810,000, which was within the guidelines adopted for the VOMWD's Five Year CIP, at which time there would be a balanced budget without the need for a rate increase.

**Office Supervisor Walk** responded to a number of **President Woods'** questions regarding specific line items for the budget. Some of the things covered were the need to pay accrued vacation to the retiring General Manager, reduced Directors' compensation given that there was generally only one meeting a month, and clarified that the Directors' budget was below the budgeted amount for training, travel, dues, subscriptions and the like and that the budget for temporary help had also been reduced as a result of reduced Board meetings.

**President Woods** also referred to water quality testing which had more than doubled, going from \$13,000 for this year to a projected \$30,000.

In response, **Mr. Gradolph** stated that much of the water quality monitoring schedule from DHS was on a three year rotation and a number of wells would come up on the three-year rotation next year. The water quality testing was also being conducted for new wells. He stated that the rotation for DHS monitoring and other water quality analyses had been included in the budget.

In response to **Director Prushko** as to the budget item for postage, **Ms. Walk** stated that the fee for mailing was being outsourced. She noted that the VOMWD rate was \$.37 per piece and at most the new bills would involve a \$.309 bulk rate per piece.

**Mr. Harry** stated that the budget would be returned to the Board on June 1<sup>st</sup> and the approval of the budget would be recommended at that time.

**Director Bramfitt** stated that it was a rare holiday for ratepayers not to see an increase and he noted that expenses had been raised and had modestly been passed on to the ratepayer every year. He appreciated that with the implementation of a new rate structure, many customers were seeing a decrease in rates.

**Director Bramfitt** was otherwise concerned given the earlier report that more SCWA charges per acre foot of water was anticipated. While he was happy to accept the budget, as is, he was concerned with how rates might be affected in the future.

**Mr. Harry** agreed that incremental annual rate increases were preferable. He noted that he had been assured by Mr. Poole that the SCWA rate increase would not be effective for the next fiscal year.

**Director Prushko** inquired whether or not Mr. Poole had any justification for a 10 percent increase in the cost of water from the SCWA.

**Mr. Harry** stated that justification from the SCWA would be provided.

- D. Discuss/Approve:** Notice Inviting Bids for the Arnold Drive, Horn Avenue, Garric Avenue, Hill Drive, Mound Avenue (Glen Ellen Water Mains) and Loma Vista Water Main Projects Nos. 2878 and 2879

**Mr. Harry** stated that plans and specifications had been received from Brelje & Race regarding the projects involving Arnold Drive, Horn Avenue, Garric Avenue, Hill Drive, Mound Avenue and the Loma Vista Water Main Projects Nos. 2878 and 2879.

When asked, **Mr. Gradolph** stated that the Loma Vista project had been budgeted at \$451,280 while the Arnold Drive, Horn Avenue, Garric Avenue, Hill Drive and Mound Avenue projects had been budgeted at \$690,300, although **Ms. Walk** clarified that the \$690,300 had been lowered to \$524,000.

**Director Prushko** sought details of the project and **Mr. Gradolph** indicated that the plans and specifications are available for Director Prushko's review.

Motion by **Director Bramfitt**, seconded by **Director Prushko** and carried unanimously by a voice vote to authorize staff to advertise notice to bidders for construction of water main replacement projects identified as Nos. 2878 and 2879 in the current Capital Improvement Project.

- E. Discuss/Adopt:** Resolution No. 040507, Approving the Change to LAFCO's Apportionment Formula

**Mr. Harry** stated that the Local Agency Formation Commission (LAFCO) had determined that it would be more appropriate for the present funding arrangement charging a one third/one third/one third, of LAFCO costs respectively to the county, cities and special districts, to change the allocation to have 40 percent paid by the county, 40 percent paid by the cities and 20 percent paid by the special districts. He stated that the proposal would have to be accepted by a majority of all participants.

**Ms. Walk** verified that the budget included what had been paid last year.

Motion by **Director Prushko**, seconded by **Director Kenny** and carried unanimously by a voice vote to adopt and authorize the President to sign Resolution No. 040507 approving the LAFCO proposal beginning in fiscal year 2004-05, funding of net operating costs for Sonoma County LAFCO to be apportioned according to the following formula: County - 40 percent; cities as a whole - 40 percent; independent special districts, as a whole - 20 percent.

**President Woods** declared a recess at 7:36 P.M. prior to convening into Closed Session at 7:40 P.M.

## **9. CLOSED SESSION**

- A.** To Consider the Appointment and/or Employment of a Public Employee, General Manager Pursuant to Government Code Section 54957(b)(1).
- B.** 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.

## **10. RECONVENE IN OPEN SESSION**

**President Woods** reconvened into open session at 8:04 P.M. and reported that no action had been taken in Closed Session.

**11. REQUEST FOR FUTURE AGENDA ITEMS**

There was no request for future agenda items.

**12. ADJOURNMENT**

Motion by **Director Bramfitt**, seconded by **Director Kenny** and carried unanimously to adjourn the meeting at 8:07 P.M. The next scheduled meeting is a Regular Meeting on June 1, 2004 at 6:30 P.M.

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Shari Walk, Deputy Board Secretary