

**VALLEY OF THE MOON WATER DISTRICT  
REGULAR MEETING MINUTES  
March 4, 2008**

A regular meeting of the Board of Directors of the Valley of the Moon Water District was held on Tuesday, March 4, 2008, 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 Mark Bramfitt** called the meeting to order at 6:30 P.M. and led the Pledge of Allegiance.

Roll Call by **Deputy Secretary Walk** noted the following present:

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| Directors Present:  | Mark Bramfitt<br>Ron Prushko<br>Ed Kenny<br>Sanford Smith<br>Russell Townsend         |
| District Personnel: | Shari Walk, Office Supervisor<br>Paul Gradolph, Operations and Maintenance Supervisor |
| General Manager:    | Krishna Kumar   |
| Public Present:     | Sandi Hansen, <u>Sonoma Index-Tribune</u>   |

**2. PUBLIC COMMENTS**

There were no public comments.

**3. CONSENT CALENDAR**

- A. Minutes of the February 5, 2008 Board of Directors Meeting
- B. Notice to Bidders: Agua Caliente, Trinity Oaks, El Verano area water mains, Project No. 2912

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

**4. PUBLIC HEARING - NONE**

**5. OPERATIONAL & COMMITTEE REPORTS**

- A. Monthly Financial Reports & Disbursements

Motion by **Vice President Prushko**, seconded by **Director Smith**, and carried unanimously by a roll call vote to approve the monthly Financial Reports & Disbursements for the month of January 2008 in the amount of \$249,571.03.

**B. Current District Projects and Significant O & M Issues**

**Operations and Maintenance Supervisor Paul Gradolph** presented the summary review of current District projects and significant operations and maintenance issues for February 2008, as follows:

- **Project #2902 – Production Well No. 5:** A preconstruction meeting was held with the contractor on February 25<sup>th</sup>. At the meeting, District staff, the design engineer and the contractor discussed the project schedule, material submittals and site conditions. Site work was planned to begin in March and the project completion was scheduled for late fall.
- **Project #2912 – Agua Caliente, Trinity Oaks, El Verano Water Mains:** Staff had been waiting for the weather to dry up to start this project. Bids would be solicited until April 17, 2008.

In response to **Vice President Prushko**, Mr. Gradolph stated that the Carmel Project was expected to start soon.

Responding to **President Bramfitt**, Mr. Gradolph reported that in the process of installing a 6” water line on Verano Avenue, a 2” gas line was nicked. Mr. Gradolph said all the proper procedures were followed, including contacting USA prior to excavation; marking the lines; and calling 911 and PG&E directly after the incident. PG&E had responded and fixed the leak. The markings were not accurate, and therefore the line was hit. No one was injured or affected in any manner.

**President Bramfitt** stated he was happy it turned out reasonably well.

**C. Water Source Report**

There were no comments on the Water Source Report.

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| <b>6. RECEIVE &amp; FILE PRESIDENT’S AND DIRECTOR’S REPORTS OR COMMENTS</b> |
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**Director Smith** reported that he would be attending the ACWA/JPIA Personnel and Insurance Committee meeting on March 13<sup>th</sup> in Sacramento, where a number of insurance policy renewals would be discussed.

**Director Smith** also reported that he received a letter from Valley Center Municipal Water District endorsing Merle Aleshire for President of ACWA/JPIA. Mr. Aleshire was the person responsible for the rules governing how the Board of ACWA/JPIA was to act regarding the consumption of alcohol at ACWA/JPIA events. Director Smith did not feel that Mr. Aleshire was a good candidate for ACWA/JPIA presidency, since he is in total opposition of everyone else on the board. Director Smith planned to cast a “NO” vote unless any of the directors had any objection. The Directors expressed their opinion that since Director Smith was the appointed person representing the District on ACWA/JPIA matters, his judgment on how to vote was okay with the rest of the board.

**Director Kenny** reported that he had heard some adverse comments on the District's decision to go ahead with the Well No. 5 Replacement Project.

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

### **A. Water Advisory Committee (WAC) Meeting of March 3, 2008**

**General Manager Krishna Kumar** reported that the WAC recommended approval of the Sonoma County Water Agency's (Water Agency) budget by the Water Agency's Board of Directors and it also approved a prudent reserve policy for the Water Transmission Operations and Maintenance Fund (O&M Fund).

**Vice President Prushko** clarified with Mr. Kumar that the WAC is made up of elected members from each of the governing bodies of the water contractors.

**Mr. Kumar** further reported that the WAC also approved an MOU regarding Sonoma-Marin Saving Water Partnership and had asked the governing boards of the water contractors to consider approving the MOU. Staff would bring the item for the Board's consideration at the April meeting.

**Mr. Kumar** also reported that at the recommendation of the Technical Advisory Committee, the WAC approved to send a letter to the State Water Resources Control Board (SWRCB) in support of the 'watershed approach' to address allocation of water as well as habitat restoration in the Russian River tributaries. This watershed approach had been listed as a viable option for determining water availability in the Draft Policy Paper on In-Stream flows published by the State Water Resources Control Board (SWRCB). The SWRCB was examining how best to approach the in-stream flows, both in the main stem of the Russian River, and all the other tributaries.

**Vice President Prushko** asked how it could be managed any different than was being managed currently. **President Bramfitt** said that the 'watershed approach' would bring both legal and illegal diverters to the table.

**Director Smith** asked if there was any movement in stopping the illegal diversions from the Russian River before the parties had to talk about the control of the flows for the salmon population which cut into what the Sonoma County Water Agency could reasonably expect to take out of the River. Mr. Kumar said that was precisely the issue the SWRCB was trying to address. It was not easy, and one approach was to have all the parties who were affected and who are potential beneficiaries of the River to sit together and come to a consensus on how to reasonably allocate the available water.

**Mr. Kumar** reported that Randy Poole from the Water Agency indicated there might be the possibility of not requesting the SWRCB for reduction in diversions from the Russian River this summer.

In response to **Vice President Prushko**, Mr. Kumar explained that the excess water received in winter could not be cumulatively stored in the reservoirs as the United State Army Corps of Engineers (Army Corps) had to release some of that stored water for flood control purposes. However, the Water Agency was working with the Army Corps to get the current flow regime changed to better match with the current conditions which could potentially result in better water supply storage. Additionally, the Army Core recently transferred to the Water Agency the control of releases from Coyote Valley Dam on a temporary basis.

**President Bramfitt** further reported on the approval of the prudent reserve policy for the O&M Fund by

WAC, stating that the District General Manager was instrumental in making that happen. He pointed out that the Water Agency was asking all of the contractors to fund the build up of the prudent reserve through a rate increase, and traditionally those reserves have never been in a separate account, were never monitored, measured, or reported out as a separate line item in the O&M Fund budget. With this policy in place, those funds would be tracked in a separate account.

**Vice President Prushko** asked what the Water Agency's goal was to achieve in their reserve account, to which Mr. Kumar stated around 6 million dollars, or three months of their operation and maintenance expenses.

**President Bramfitt** added that this money was to be used for operational and maintenance emergencies only, it was not intended for capital projects or for paying salaries. The most important thing about the prudent reserve was it helped with an Agency's credit rating and its ability to raise funds.

**President Bramfitt** also noted that for the past ten years under an agreement with the Water Agency, the water contractors had been sending funds through the rates they paid to the Water Agency for conservation, and then the Water Agency gave it back to the contractors. Therefore if any contractor was going above and beyond the conservation programs that were funded back, it was not being counted by the Water Agency, so the contractors didn't have an accurate way of reporting what all the contractors were doing in terms of conservation. With this new program, the contractors hold the funding themselves, run the programs themselves, it's in their own budgets, and it's under their own control. This may tell a much better story to the public in regards to the efforts being made in conservation, and Mr. Kumar had a lot to do with that as well.

**Mr. Kumar** updated the board regarding the request from Jeff Stuhr, a District customer, made at the February 2008 Board meeting. Mr. Stuhr had requested the Board to explore the possibility of introducing a subsidy program for a hot water re-circulating system which resulted in reduced water use. Mr. Kumar reported that the California Urban Water Conservation Council (CUWCC) conducted a summary evaluation in 2006 to determine the potential for efficient hot water distribution systems to become a California Best Management Practice. After a careful analysis of the results from the evaluation, CUWCC did not recommend this as a BMP, pending further studies and analysis. To the best of staff's knowledge, currently there were no incentive programs covering this area. Staff would continue to monitor developments, including recommendations from CUWCC, if any, and report back to the Board if and when CUWCC recommends this as a BMP for possible adoption of an incentive program.

In response to **President Bramfitt**, Mr. Kumar said that he and Mr. Gradolph had visited Mr. Stuhr's home to see the device in action and to discuss this matter with him.

**Mr. Kumar** informed the Board that he will be on vacation from March 13<sup>th</sup> through March 28<sup>th</sup>.

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| <b>8. OLD/NEW BUSINESS</b> |
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A. AB 1600 Annual Report for FY 2006-2007

**General Manager Kumar** reported that AB 1600 relates to development fees that local agencies collected, and in the case of the District it was the capacity fees. AB 1600 requires each local governing board to publish annually what had been collected, the amount of interest that was collected on that amount, and the expenditures from that fund. In the event any funds were not

expended within five years of collection, the board had to make a finding about when it planned to spend the monies. As indicated in the report prepared by staff, there was no unexpended capacity fees' remaining after five years of their collection, therefore the board had no findings to be made.

**President Bramfitt** adjourned into Closed Session at 7:05 P.M., noting that only item 9.B would be discussed.

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| <b>9. CLOSED SESSION</b> |
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- A. Real property negotiations pursuant to Government code Section 54956.8 – District Negotiator: General Manager: Property: 2020 Heaven Hill Road and 2400 Sobre Vista Road: Subject: Terms and price
- B. Public Employee Performance Evaluation Pursuant to government code Section 54957-General Manager.

**President Bramfitt** reconvened into open session at 7:22 P.M. and advised that there was nothing to report from Closed Session.

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| <b>10. REQUEST FOR FUTURE AGENDA ITEMS</b> |
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There was no request for future agenda items.

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| <b>11. ADJOURNMENT</b> |
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Motion by **Director Smith**, seconded by **Director Prushko**, and carried unanimously by a voice vote to adjourn the meeting at 7:24 P.M. The next scheduled meeting is a regular meeting on April 1, 2008.

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Shari Walk, Deputy Board Secretary

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Mark Bramfitt, Board President