

**VALLEY OF THE MOON WATER DISTRICT  
BOARD OF DIRECTORS  
REGULAR MEETING MINUTES  
February 4, 2014**

A regular meeting of the Board of Directors of the Valley of the Moon Water District was held on Tuesday, February 4, 2014, 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 Heneveld** 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:

Directors:	Ed Kenny Ron Prushko Jon Foreman Mark Heneveld
Directors Absent:	Meghan Peddicord
General Manager:	Daniel Muelrath
District Personnel:	Matt Fullner, Operations & Maintenance Supervisor Shari Walk, Office Supervisor
Public:	James Scriven

**2. PUBLIC COMMENTS**

There were no public comments.

**3. CONSENT CALENDAR**

- A. Minutes of the January 7, 2014 Board of Directors Meeting.
- B. Notice Inviting Bids.

On motion by **Director Prushko**, seconded by **Vice President Foreman**, and carried unanimously by a voice vote to adopt the consent calendar as shown.

**4. PUBLIC HEARING - NONE**

**5. OPERATIONAL REPORTS**

- A. Monthly Financial Reports & Disbursements for December, 2013.

On motion by **Vice President Foreman**, seconded by **Director Kenny**, and carried unanimously by a roll call vote to approve the monthly Financial Reports & Disbursements for the month of December 2013 in the amount of \$308,618.16.

**B. Water Source Report.**

Operations and Maintenance Supervisor Fullner reported that all wells are off except Larbre.

**C. Operational updates.**

Operations & Maintenance Supervisor Fullner reported the following:

- The water levels in the wells have been rising but are 8' lower from last year. Mr. Muelrath further reported that wells in the Sonoma Valley are all down around 20%.
- Several leaks have been discovered and repaired through our leak detection program
- Staff completed the California Air Resource Board requirements for on-road vehicles and backhoes & are now focusing on Generators

In response to Director Prushko, Mr. Fullner outlined the trucks that are scheduled to be replaced, along with the ones that will be retrofitted.

<b>6. PRESIDENT'S AND DIRECTORS' REPORTS OR COMMENTS</b>
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**President Heneveld** reported he attended the WAC meeting, where all the prime contractors adopted a resolution, supporting a voluntary 20% water reduction.

**Director Prushko** commented about an article in the Press Democrat that contained conflicting information. In the future, he thought the board should receive copies of information SCWA was releasing to the press, since facts can be reported incorrectly.

<b>7. GENERAL MANAGER'S AND DISTRICT COUNSEL'S REPORTS</b>
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General Manager Muelrath reported the following:

**Water & Technical Advisory Committee Meetings**

1. Dennis Rodoni, North Main Water District was elected the Chair, and Mike Healy, City of Petaluma was elected the Vice Chair of the WAC.
2. Water supply conditions - Lake Sonoma is at 64%, and Lake Mendocino is at 36%. Based on the low levels, the WAC adopted a resolution supporting the governor's request for 20% voluntary conservation.
3. SCWA draft budget includes projections for reduced sales this year in addition to the use of over \$6 million dollars of their O&M reserves to help prevent rate spikes. This results in a wholesale water rate increase to VOMWD of 3.19% for FY 2014-2015. SCWA also showed long range rate projections, which indicates a lower rate of increase for VOMWD if the habitat restoration is successful versus the pipeline project.

## Water Shortage Contingency Plan Overview

The District has an adopted Urban Water Shortage Contingency Plan; however, staff is recommending revisions to that plan. Those revisions involve updating the number of water shortage stages and how potential allocations would be attributed to customer. The proposed updates will be brought to the Board in either the March or April meeting for adoption. At this point in time VOMWD is supporting the governor's call for 20% conservation but not activating a stage of the plan.

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

#### **A. Proposed Operations and Maintenance and Capital Improvement Program Budgets for Fiscal Year 2014-15.**

General Manager Muelrath presented an overview of the Budget and Capital Improvement Plan, noting the most critical drivers of expenses and revenues. He explained the current SCWA rate proposal, and described how the District's proposed rate increase would affect customer bills.

Office Supervisor Walk explained several accounts in which the increase was over a normal cost of living increase.

The Directors commented on the expansion of the Capital Improvement Program (CIP) and proactively addressing critical needs of the District. Appreciation was expressed for keeping the District rates nearly the lowest in the Bay Area while maintaining high levels of service.

On motion by **Vice President Heneveld**, seconded by **Director Kenny** and carried unanimously by a roll call vote to take the following actions:

- 1) Authorized staff to mail notices to all District customers regarding the proposed 3% water rate increase and 7% service charge increase for FY 2014-15;
- 2) Set June 3, 2014, 6:45 P.M. as the date and time of the Public Hearing to a) review the protests received regarding the proposed water rate increase and b) receive public comments regarding the 2014-15 proposed budget.

#### **B. District's Miscellaneous Charges.**

General Manager Muelrath introduced this item, noting the current schedule of miscellaneous charges was last revised in 2004 and includes an annual adjustment based on the consumer price indexes. The recommended new fees are onsite water audit, unable to access meter, meter tampering, repeat customer service request, and start of service. It was recommended to delete the customer deposit if the start of service fee is approved. Unauthorized turn-on at existing metered location and after hours service charge are fees that staff recommends be increased.

Motion by **Vice President Foreman**, seconded by **Director Prushko**, and carried by a voice vote to adopt Resolution No. 140201, revising the District's Miscellaneous Charges, effective July 1, 2014.

**President Heneveld** convened into Closed Session at 7:58 P.M.

**9. CLOSED SESSION**

- A. Public Employee Performance Evaluation Pursuant to Government Code Section 54957-General Manager.

**President Heneveld** reconvened from Closed Session at 8:24 P.M. There was nothing to report.

**10. ADJOURNMENT**

Motion by **Vice President Foreman**, seconded by **Director Kenny**, and carried unanimously to adjourn the meeting at 8:25 P.M. The next scheduled meeting is a regular meeting on March 4, 2014 at 6:30 P.M.

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Shari Walk, Deputy Board Secretary

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Mark Heneveld, Board President