

**VALLEY OF THE MOON WATER DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING MINUTES
August 4, 2015**

A regular meeting of the Board of Directors of the Valley of the Moon Water District was held on Tuesday, August 4, 2015, 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 Foreman 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:	Mark Heneveld Ed Kenny Ron Prushko Jon Foreman
General Manager:	Daniel Muelrath
District Personnel:	Matt Fullner, Operations & Maintenance Supervisor Shari Walk, Administration & Finance Manager
Public:	Bruce Adams, Clarence Jenkins & Karla Noyes

2. PUBLIC COMMENTS

There were no public comments.

3. CONSENT CALENDAR

- A. Minutes of the July 7, 2015 Board of Directors Meeting.
- B. Notice Inviting Bids – Walnut Ave., Oak St., Railroad Ave., Penny Lane, Center St., and La Mancha Water Mains Replacement Project No. 2947
- C. Valve Project Change Orders.

Director Prushko requested consent calendar item C to be pulled and discussed.

On motion by **Director Heneveld**, seconded by **Director Kenny**, and carried unanimously by a voice vote to adopt consent calendar items A & B as shown.

General Manager Muelrath discussed the project change orders and how they were attributed to labor required to remove extra concrete around the valve. On motion by **Director Kenny**, seconded by **Director Heneveld**, and carried unanimously by roll call vote to approve consent calendar item C.

4. PUBLIC HEARING - NONE

5. OPERATIONAL REPORTS

A. Monthly Financial Reports & Disbursements for June 2015.

Administration & Finance Manager Walk reported that for fiscal year 2014-2015, the revenues were down by \$440,728 and expenses were down by \$702,820, netting a surplus of \$262,092. Those dollars have been transferred to fund the Capital Improvement Program.

On motion by **Director Prushko**, seconded by **Director Heneveld**, and carried unanimously by a roll call vote to approve the monthly Financial Reports & Disbursements for the month of June 2015 in the amount of \$398,454.46.

B. Water Source Report.

Operations and Maintenance Supervisor Fullner reported that we received 24% of our water in June from wells. Production was down due to fewer days in the billing cycle.

C. Operational updates.

Operations and Maintenance Supervisor Fullner reported the following:

- The installation of the new generator at Chestnut Booster has been completed. The next location for a permanent generator will be at the Heaven Hill Booster site.
- Interviews for the two open positions, Meter Reader/Field Services Technician I and Water Distribution System Operator I are complete, and the top candidates are now going through background checks.
- Attended a steel tank seminar recently and learned a lot of good valuable information.
- The General Manager and I met with a representative of the proposed pool project located on Verano Avenue to go over water demand calculations for the project.

6. PRESIDENT'S AND DIRECTORS' REPORTS OR COMMENTS

President Foreman brought up the current practice of rotation each year for board president and vice president. He feels it should be by elections as in the Board Policies and Procedures.

Director Prushko wishes to retain a democratic approach and thinks the current practice is working where every director gets a turn at being the board president.

President Foreman tabled the item to an unspecified date and moved to agenda item 8.A & 8.B at this time.

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

General Manager Muelrath reported the following:

Water Supply Levels: Lake Sonoma is at 78% of current target water supply for this time of the year and Lake Mendocino is at 60% of current target water supply or this time of the year.

SDC update: Supervisor Gorin called a meeting on July 24th with City of Sonoma, SCWA and VOMWD to discuss SDC's water system future. All parties agreed that the resources need to be preserved, but no discussion of who will take local control when SDC closes. President Foreman and I met with Assembly

member Dodd to discuss SDC's water system and closure (see handout). I have a meeting this Thursday with Supervisor Gorin, SCWA and City of Sonoma to discuss what we should "ask" for in the closure plan.

UWMP Demand Analysis: Is complete and shows that with currently projection demands and conservation that VOMWD will not exceed SCWA entitlement during the term of planning horizon, 2040.

AMI: Staff has reviewed a draft version of the consumer engagement portal where our AMI customers can view near real time usage. The launch date is expected in late fall. The installation of approximately 1,500 additional meters is expected to take place this winter.

8. OLD/NEW BUSINESS

A. Board Vacancy – Prospective Board Member Interviews.

President Foreman introduced this item. He was pleased that the District received three applications. He stated that the task tonight was to interview the applicants in an open forum, as well as discussing their merits, and potentially selecting a Board Member.

The Board of Directors began interviewing the candidates at 6:55 p.m. with candidate, Bruce Adams being the first. Mr. Adams's interview ended at 7:03 p.m. The interview with Clarence Jenkins began at 7:03 p.m. and ended at 7:20 p.m. The interview with Karla Noyes began at 7:20 p.m. and ended at 7:30 p.m.

B. Board Vacancy – consider selecting a Board Member and approval of Resolution No. 150801 appointing the selected individual as a member of the Board of Directors of the Valley of the Moon Water District.

President Foreman confirmed that the next step was to have a discussion, and then handle the appointment in the same manner as the elections of officers for the board, with a nomination, second, and a vote.

Director Prushko, after stating that any one of the three candidates would be a great addition to this board, indicated his preferred candidate was Bruce Adams; Director Kenny concurred. Director Heneveld indicated his preference for Clarence Jenkins, as did President Foreman.

The Directors discussed the matter further, reaching a consensus selection of Bruce Adams.

Motion by **Director Heneveld**, seconded by **Director Kenny** and carried unanimously by a voice vote to adopt Resolution No. 150801 appointing Bruce Adams as a member of the Board of Directors of the Valley of the Moon Water District.

President Foreman congratulated Mr. Adams, and thanked the other candidates for applying.

At this time, **Deputy Secretary Shari Walk** administered the oath of office to **Bruce Adams**.

Director Adams was congratulated on his appointment. He took his place with the rest of the Directors at the dais.

C. Scope of District provided services regarding groundwater.

General Manager Muelrath introduced this item explaining the powers and purposes of water districts and how groundwater management is within the District's authority. The general consensus of the Board was to further investigate the following groundwater management services the District could provide in Sonoma

Valley and to bring back additional information at a future meeting including how to fund these initiatives:

- Well monitoring. Voluntary groundwater level measurements.
- Well metering. Provide voluntary metering services through the District’s AMI system with online daily reports available to user/customer.
- Conservation program. District could bulk buy conservation products, install demonstration projects, etc.
- Implementation of watershed restoration projects. In coordination with agencies such as the Sonoma Ecology Center, etc.
- Construction of water facilities. Storm water retention, infiltration ponds, groundwater injection wells, etc.
- Administration of a “save and trade” model for groundwater users. Water saved below a set threshold could be sold to users using over the threshold (factoring in land use type, etc.). This provides a true value to conserved water and a disincentive to waste water. Pilot for our current potable water AMI customers will begin this fall/winter.

D. Board of Directors Policy and Procedures Update.

General Manager Muelrath said the Board Policies and Procedures Manual was last revised in 2005 and required only minor updating and modifications to make it consistent with District policies and current regulations. The following edits were made to the manual:

- Incorporated reference to ACWA’s “Guidelines for Conduct”
- Added ethics section regarding AB 1234
- Included section on Form 700 requirements.
- Inserted the Board’s Code of Conduct from the March 2015 meeting.
- Additional minor edits for consistency and accuracy.

Director Prushko commented that he would have liked a copy of the existing Board Policies and Procedures Manual, so that he could compare the changes. General Manager Muelrath said the document doesn’t follow the same format, and therefore may be hard to follow. The general consensus of the Board was to have staff distribute the existing Board Policies and Procedures to all directors, to inform staff of any changes or comments within the next two weeks and for staff to bring back the item at the next board meeting for approval.

President Foreman convened the meeting into Closed Session at 9:05 P.M.

9. CLOSED SESSION

- A.** Conference with legal counsel to consider pending litigation, pursuant to government code section 54956.9 (a) – “VOMWD v Brown and Caldwell, et. Al”

President Foreman reconvened from Closed Session at 9:28 P.M. There was nothing to report.

10. ADJOURNMENT

Motion by **Director Heneveld**, seconded by **Director Adams**, and carried unanimously to adjourn the meeting at 9:29 P.M. The next scheduled meeting is a regular meeting on September 1, 2015 at 6:30 P.M.

Shari Walk, Deputy Board Secretary

Jon Foreman, Board President