

Minutes of the Casitas Municipal Water District  
Board of Directors Regular Meeting Held  
May 15, 2006

A special meeting of the Board of Directors was held May 15, 2006 at Casitas' Office, Oak View, California. Directors Kaiser, Bennett, Baggerly, Word and Hicks were present. Also present were John Johnson, General Manager, Rebekah Vieira, Clerk of the Board; and Attorney, Rob Sawyer. There were nine staff members and two members of the public in attendance. Director Kaiser led the group in the flag salute.

1. Public comments.

Larry Yuva asked about the minutes from the April 26th meeting regarding the retirement benefit discussion and he suggested that someone should be recussing themselves from that discussion as there is a board member that this may apply to. Rob Sawyer said he is not sure about what the speaker is referring to. Larry it mentions where the counsel says that if we go to the legislator and it gets pipelined in then the public still might come in. Do you recall that? Rob answered yes, Attorney General Opinions are not legally binding. Larry said it is proper to recuse yourself. Rob replied that it is a legal opinion that the board is seeking.

2. Board of Director comments.

Director Hicks thanked Brian Roney and his staff for getting the water park up and running. He thought we should expand the food choices in the future. He added that the Water Park was the best he has seen it look. In addition Director Hicks has requested that copies of the Huell Howser programs on the CA water system be ordered for the district.

3. Recommend approval of the Park Incident Reduction Program. APPROVED

Brian Roney reported that he had spoken with the Executive committee a month ago to discuss incidents regarding the recent Easter Sunday. The discussion was if there was anything staff could do to reduce incidents in the park. He passed out a graph showing incidents the last five years. They have been anything ranging from animal calls to drowning to sewage spills. The highest being boat assists and medical. We have a number of incidents where customers have chosen not to be in compliance with the park ordinance. This proposal is based on a four part program; early notification and voluntary compliance, early eviction, sheriff and chp support and finally using an ordinance violation or citation program. This program was taken verbatim that United Water has in effect. Uses existing park ordinance and a notice of ordinance violation. We are not peace officers; this is issued as public officers. It would involve an in house bail schedule that was previously approved by Ventura Superior Court. This is in compliance with water code sec 71660. The citation would be mailed or left on vehicle. It does not require a signature and it indicates the bail schedule. A follow up letter will be mailed. United has 80% compliance with payment of the fines. There is an appeals process. We want to promote a safe environment.

Director Hicks asked why there were so many assists on boats in 2004. Brian replied that a lot has to do with the frequency with the patrol activity. Mr. Johnson added that there was one day of high winds with a lot of tows.

Director Baggerly asked if there was criteria set to establish when an early eviction would take place. Brian felt that we want to use as much discretion as possible. The first greeting is hi, have you been here before. Someone who has been there knows the rules and is potentially a willing violator. This is different then someone who has never been there before.

Director Baggerly said he is comfortable with the enforcement.

Brain reported that a report to the recreation committee would be made on a monthly basis regarding the program. Director Word added that when you look at letters and communication from customers a criticism is when they are disturbed at night. This gets at that problem. Keep for a family camping experience and atmosphere.

On the motion of Director Bennett, seconded by Director Word and passed the above recommendation was approved.

4. Budget and Business Plan Workshop – Continued from May 8, 2006 meeting
  - a. Preliminary budget and business plan discussions and presentation by
    - i. Engineering
    - ii. Water Quality/Lab
    - iii. Pipeline
    - iv. Information Technology
    - v. Recreation

#### Engineering – Steve Wickstrum

Steve Wickstrum presented his business plan and budget for the Engineering department. The Associate Civil Engineer position has been vacant and we are actively seeking a candidate for this position. This is difficult as the number of engineers is down and the cost of living is rising. Engineering provides service to other sections in our district.

Top priorities: Safety is at the top of the list. We include safety in our contracts. We are involved in protection of facilities with underground service alerts to protect pipelines. If there is a hit it ends up being a day or two of Brian's time to fix it. Last four weeks we have been getting 80 telephone pole replacements per week and we have a lot of lines near telephone poles. We have one person there to handle this. We do about 80 checks per week. There are times when there are none. We have to do these. If not, we could be out of service and more time spent. We handle internal and external customer service, working with the allocation program and writing services agreements. It takes a lot of time for this. Capital projects as developed and assigned – planning and design contract administration. Hydrology – maintain hydrology stations and put together the hydrology records. Drawings and records - we have people who set us up with a system. Our drawings are getting close to 50 yrs old. We are looking at potential for a different type of format. Special reports always come up. We moved from homeland security and

vulnerability studies to emergency response and then supply and demand. Permits are constant. Then there is other office administration and Emergency response – This becomes priority number one when it is number one. It is seasonal but it happens.

Key functions: Board management support. These are things that you need to know or John has a request. We figure it out, define the scope and find answers. We handle engineering design and contract management, office administration, customer service, facility protection, special projects and issues. We are involved in the Matilija dam decommissioning and water rights and fisheries issues. We did a report on Robles last year and will complete another one in a few months. On occasion we get out of here for an AWWA or CCUWA meetings.

Strategic issues: The biggest consumer of staff time is customer service, both internal and external which are often unplanned. Our drawings are aging. Director Hicks asked if there are backup records for these drawings. Steve replied that the drawings for Casitas are here. There are no backup for these. The drawings the Bureau of Reclamation developed in 1957 – 1959 are records that are housed in Folsom. There are some drawings at pump plants. Director Hicks said if they are critical we need backups on them. Mr. Johnson commented that we have money in the budget to capture records this year. Director Hicks thought that is money well spent. Director Baggerly asked if they would be digitized to read in archview or GIS? Steve thought that was doubtful at this time. Employee hiring – we have not had much success for second associate engineer. This is an issue facing the water industry. It is difficult to find qualified applications and there is likely to be a period of time when engineering, water operators and district operators are going to be few and far between as there is not a lot of growth in that area. This is industry wide. Director Kaiser asked if we have participated in local universities career day. Steve said he has never participated in a career day but would have loved Casitas to participate. Director Hicks asked if we have tried Monster. Steve answered yes but has not had good success as the applicants were looking for sponsorship to come to America. We have a good opportunity for job satisfaction, we have plenty to do. We are all part of implementing the Baker Management study; we have the five year fisheries plan, water rights challenges, hydrology and balancing supply and demand.

Another strategic issue this district is facing is the long term facilities maintenance and replacement. We need to address this now. Our facilities are almost 50 years old. In the last 30 years there have been a lot of improvements and now we have to maintain what we have.

Measures and metrics - for services facility protection we strive for zero hits. We have clamped down on that by increasing our follow up on work by others. Director Baggerly asked if there is anyone who serves as construction supervisor. Steve replied that Andy does that with underground service alerts. We try to prevent things from happening, have a good marking of these lines and work with the contractor.

Director Baggerly asked about safety training outlined in everybody's business results – specifically Cal OSHA training and loss control. Safety is an issue and we want to reduce our lost time. Steve said this is critical to us; we do get out in the field.

Director Baggerly asked about having ten projects but estimating that only six would be completed. Steve said it depends. Some jobs take years to complete. It depends on what comes up. Director Baggerly said everybody uses the same percentage. Steve said for me it is a starting point. Decisions are made to hold off, and capital projects are waylaid a lot of reasons.

Steve then spoke of contingencies – winter conditions are our priority. This past year we got a lot of projects done including FEMA and others. Now we have the Fairview tank and Andy has a 20 day jury duty assignment. Now this becomes something that Neil and I will take care of. When one is out it impact us.

Mr. Johnson said we may want to discuss the amount of time allowed for jury duty with our negotiating groups. What is happening now is you are asked if your employer pays you while on jury duty and if so you are picked. The folks that are setting the juries they have changed the rules. Those employees that are paid for jury duty are holding more of a load. Perhaps we should consider some kind of limit. We will talk with the union about it. Seems like a good time to do it. Director Word said it could be a policy – how much are we willing to pay. The County gets picked a lot and they pay. Director Kaiser said some of these are outside our control. We don't need to penalize our employees. Mr. Johnson said if the employee does not get paid they won't be on that jury. Director Bennett suggested that this be sent to a sub committee.

Steve commented on an item on the budget sheet that was mislabeled.

Director Hicks said last Friday we decided that we are going to dip into the reserves to get Bob his catwalk. Steve said he had already done the engineering; he had one thing to check on and then get to RFP.

Capital Projects scheduled:

The weirs do not meet what Fish and Game wanted. Capital projects also include vault painting, catwalks. Those with minor costs we are assisting. The bigger ones we are doing the planning. We need to be doing the tank coatings at Fairview reservoir. We have five tanks that are close to that. Another 11 that also have not been coated since construction. There has been no interior tank coating at this district. It is time to change that. We need to be doing corrosion management. We need to make the infrastructure that we put in last forever if we can. None of the tanks are seismic retrofitted. Last tank was constructed in 1971 prior to seismic retrofits. We are not unusual. This is something that many districts are facing. It is something that we have to follow up on and get rolling.

Director Baggerly asked about the water recover well, based on Bob's presentation is that going to change? Steve answered I agree with Bob 100% there will not be frog water put into the drinking water. Using one of the existing wells is questionable. We need to hire a firm to come in do a pilot well and test. Steve continued explaining that we need to keep up on the canal roads. In future years roads will need maintaining. One of the

biggest changes is we are not growing we are not putting in treatment plants, we have to maintain what we have for longevity.

#### Water Quality Lab – Susan McMahon

Susan asked the board if they had any questions on her budget and business plan as her budget stays pretty stable. The issue Susan brought forward was hiring another full time position for water quality.

Water Quality priorities: meet current standards. Sampling in the lake and distribution system, regulatory monitoring and data analysis and reports to regulators. More regulations and more responsibility in the near future. Disinfection by product stage two rule due this year cause increased monitoring and report. Also have the long term 2 giardia crypto monitoring last two years. Also there is more interest and concern on algae control. EPA listing algae, blue green algae have mcl for in the future and monitoring and unregulated contaminant rule begin in 2007.

The current gaps are data management, meeting report deadlines, monitoring, and the solution is staffing.

For background, we used to have four full time positions in 1995 and currently we have one which is me and two part time positions. We have improved efficiencies, eliminated and reduced some programs. The problem with part time positions is we have difficulty retaining part time staff. Part time employees leave for full time positions for other water agencies. This creates work flow problems. It takes a lot of time to train new employees. A full time employee would have knowledge retention and continuity, familiarity with the district system and good judgment. Susan estimated that we could hire someone for \$40,000 total compensation of \$64,000 including benefits. Initial increase of \$20,000. Advantages of full time for Casitas supports number one board priority, minimize public health risks for customers. Full time employee would be trained and meet regulatory and monitoring requirements.

Director Hicks asked if any of the part time people are qualified for Full time. Susan thought perhaps but was not sure of the license for treatment. One has a degree in chemistry. Susan uses the part time employees for up to 1500 hours per year. Typically they have been off to another job before they reach the maximum hours. Typically they work 3 – 3.5 days per week.

Director Bennett asked if Susan had looked at another business to come in and do some of this work. Susan had not done this. Director Word commented that we should look hard at how many hours were used and what we are using. He thought we would be hard pressed to replace two part times with one full time if part time are working more than 20 hours per week. Susan added that she did have a full time person in 1995 and she had been here a number of years, the workflow was smoother and not as disruptive. Director Hicks added that if you think you need a full time person he would be in favor of that. Director Word said we have to find another \$24,000. Director Kaiser was also in favor of that. Director Baggerly thought it should be brought to the personnel committee. Susan ended her presentation thanking the board for their consideration.

## Pipeline – Brian Taylor

Brian explained that he has one of the smallest departments in the district. His position is foreman and there are two pipeline workers and a mechanic.

Core business functions include pipeline maintenance. The crew is responsible to repair maintain and repair all roads, gate valves, air valves, hydrants, check valves. 6-7000 valves in the system. We recommended that valves are operated once a year. We are lucky if we get through it every three or four years. We have valves we know will not shut. We have a 48 inch valve above the office here and we can't get it down.

The crew is response to operate Robles in accordance with the BO we get resources from other departments to help out with staffing. That is the biggest challenge to get the resources when we need them.

Cross connection – we test all district backflow devices every year. Meter field test, we test 60-90 meters per year. We also handle service line repairs.

I took over the Garage to get our vehicles and parts up to our standards. We are trying to move forward to supply the needs of the rest of the district and it continues to be a challenge.

Strategic issues:

Replacing valves for Rincon balancing reservoir they can't shut and they have been taken out of the budget this year. Replacing the 54" valve structure. We are not doing line check and operating valves we can't get the water shut off.

Recoating the pipe spans on Rincon main. This has not been painted in the 17 years I have been here. Need to be coated.

Flow tube installations

Paint exterior of Rincon surge tank needs to be painted.

Vault painting - Three vaults the piping inside of the vaults I would not feel comfortable to blast it and recoat. To replace the piping I would have the entire Oak View district system off water for two years. It is imperative we stay on top of our vault painting. We are almost to replacing instead of painting.

Director Baggerly asked if these are the same issues we heard in 2004. Brian replied yes, the farther behind the more it takes to fix.

At Robles fish passage – we need to install a crane and hoist. To remove a screen or brush we have to hire a crane to lift it. Our crane cannot lift them out. The reach is the biggest issue.

We want to install electric gates on the canal access road getting some but would like to add a few more. We had four approved but have an additional six or seven. Director Bennett asked how many vaults you are talking about. Brian answered hundreds. Director Kaiser added looking at the annual valve checking if that was done on an annual basis what type of future replacements would there be, less because they are being checked annually? Brian replied yes. Steve added that the system is getting 50 years old. The ones above the office were put in 1958.

Meter testing is currently a handwritten program and Brian would like to get a program where it can be accessed by multiple people.

Garage – assist with the purchase of new vehicles. Prioritized ones that needed to be replaced. We are off our program of replacing vehicles every six years because of budget restraints. Those being replaced are because of desperate need.

Capital Projects:

Backhoe – Our section has one and recreation has one. If that goes down I am out of business. We would like to take ours and give it to recreation and we will take the new backhoe. The backhoe at recreation needs a lot of repairs. Recreation is in need of a dump truck, the current one is 20 years old. Two half ton trucks on there.

In pipeline we discussed the crane for the fish passage and money for the brush system. We made some modifications and they seem to work. We may need to make more modifications. After time the cable stretches.

Director Kaiser asked how much have you allotted for safety training. Brian replied it is under training, covers safety like the two day confined space training. Includes upkeep of distribution certification and stuff like that.

Director Word asked if we could have that detail on what requested for the garage.

IT – Kevin Nguyen

Kevin handed out an updated business plan. He informed the board that we are a small district and we have a sophisticated network structure. The creation of the IT dept has helped widen the view of the districts need. His job to serve every department and to ensure that applications work together in house.

Top priority: Make sure system is up and running. We depend on the system daily. Need to have resources to our network, reservations has to be running or we lose money. The water park in the summer needs to be running without down time. Keeping the district and recreation web site up to date and to revise the web site every two years. We got a contractor to develop web site for recreation. It is Carole's and my job to update it. Carol is updating minor changes and then comes to me for assistance.

I ensure that all the district computer laptop and desktop printer and copier are working properly. In summer recreation is busy and the camping system print receipts, e-mail confirmation, and checks people in when camping.

I ensure that network communication equipment is functioning properly. Have a small district 3 t-1 lines and fiber optics. My job to make sure equipment is working and work with outside contractors to make sure we are getting the right technology for our district.

Another priority is to provide hardware and software support. Set up new employee's in system. Make sure that all of the hardware and virus free. I keep up to date with emerging technology which is why I go to the consumer electronic show to learn about upcoming technology review with the GM to see what is the right technology to implement so we have the right resource to perform the job.

President Kaiser asked about the digital imaging system. That would be something you are planning to convert documents. Kevin said it would be for everything district wide. I know how important that document is and the time it takes to look up something. I have to determine the need. Need to have a back up of important document and make it searchable. Board documents, engineering docs, resolutions will go into this system.

Voice mail system. The system is running under DOS and is old and sometimes when we receive a call and during the transfer the call gets lost. I first wanted to replace the phone system as well but we have a good phone system but we need to replace the voice mail system. The phone system at Recreation needs to be replaced. The system will eliminate problems that we have the customers. When customers call in some will get dropped. New system will place them in a queue and we will have a message and promotion on the lake. If budget gets approved completion is Oct 30 2006. Phone system is under Brian's budget.

Replace District Accounting System – This is a project Denise and I will work together. Will set up field trip visit other agencies and evaluate.

I want a secure wireless access point in this building. I want to make sure that computers work together. I want to have standards. Don't want Intel and then AMD, it makes support job harder.

I would like to continue to go to the technology show annually in Las Vegas. I get new information in software, hardware, cell, wireless. I don't have time to attend everything.

I am also working on the remote access for the Fisheries Biologist working out of his home in Oregon.

Business Results – Service the goal is no down time, Keep web site up to date. When I am here update get done about five minute after requested. When not here I set up two outside consulting firms for emergency network assistance. I will train additional staff to update their own sections.

Digital imaging – completion 2007. Will take time to scan the stuff in and convert what we already have in digital format. Completion date for voice mail Nov 30, 2006.

Kevin then showed a revised web site that he and Ron had been working on.

Director Word asked about the committee reports and minutes as he would like to see past agendas and minutes

Ron Merckling showed the Water Conservation area showing the free water customer devices. Each manager would update their sections or provide the information to do so.

Director Hicks thought it was pretty impressive. Director Word added the critical part is updating it. Ron Merckling pointed out the latest news showing the list of press releases.

President Kaiser thought it was very good. Director Bennett encouraged Kevin to think in terms of the customer point of view. Manager stuff may not be priority number one.

Director Kaiser called for a quick recess. At 5:25 p.m. and then return to session at 5:30 p.m.

#### Recreation – Brian Roney

Brian showed a revised business plan? Director Word asked if we could get copies of this plan.

Brian introduced Larry Chavez, Maintenance Worker III.

Larry Chavez spoke to the board asking for a full time position to be added to the District Maintenance crew. We have a new program implemented with the district crew. We have three part time employees budgeted. Some of the duties we are performing are weed abatement mowing, unplugging drains, and rodent control, light construction and miscellaneous work. We still have a lack of bodies. I am lobbying for a full time position. Originally we tried to get a schedule for our crew to maintain a site and clean it out and improve it. As we are finding out it is hard to maintain a consistent schedule. We are putting out fires. If we had another full time position we could make more strides. We are not getting done structural repairs to pump plants and buildings, tree trimming, road repairs and large painting projects. There is a dire need but we are not able to get it done. We had a recent request from electric staff to paint Fairview pump plant. We would have to abandon weed abatement. We are spinning our wheels a little bit. If we had another FT employee we could get more completed and increase the magnitude with a certain number of skills. Previously there was a full time and a painter. Someone to help with painting would help a lot.

In addition if we had another FT employee help with Robles canal in the winter when maintaining the facility. That would take a lot of pressure off. With our crew we have two vehicles that we have pulled out of recreation and they are two vehicles short. It would be wonderful to have our own vehicle. I have a vehicle I use for spraying and it is hard to supervise the crew when I am spraying. When I am spraying, sick attending meetings the crew is unsupervised. Under our goals and objectives from the Baker Study

provide employees with the tools they need. That is why I am here today. I am held responsible to make this program work but I can't do it without help.

Director Hicks questioned the tree trimming. Since we are self insured for Work Comp we might want to farm that out. It has a high incident for accidents. Larry replied that we are budgeting for outside contracts for that. BH we had a tree that fell on a tent. We have some vulnerability there. John we need to take a hard look at this.

Mr. Johnson commented that in the past we have had an arborist check the trees and focus on the trees that have trouble. Director Word added we should do that periodically.

Mr. Johnson added we have talked to your board on how to get the work done and keep the cost down. We have presented information and we need to talk more as to how to deal with it. My feeling is if you sat down and said do you need more employees everyone would say they need more. There are three things to consider. One do we do it enough to get good at it. If we don't we should contract out. We don't do a lot of structure repairs to building and we don't do a lot of painting. I don't feel you have been presented enough information about what is going on to understand what the best fit is. We have tried to provide resources and have the time to get the maintenance done. Full time employees cost more. Every employee is a 20 year employee.

Director Bennett added we are falling behind. We need to come up with some solutions and I don't think we can hire all the employees they want.

Mr. Johnson added I don't know if we would hire a full time employee to mow grass and cut hedges. We need full time employees to do the specialty items you do all the time. Certain parts of the district have a tremendous load as far as stand by time. There are a lot of issues to weigh to come up with a reasonable program.

Mr. Johnson added that Larry has accomplished a lot; he wants to get a whole bunch more done. It isn't that we aren't accomplishing a lot. You can spend all their time to cut brush. How important is it to cut brush.

Larry added that the program has only been in effect for this year. It takes a long time to show part timers where the facilities are and for training. There were some concerns about part time crews being sent out unsupervised. Larry had hoped to get a lead person but doesn't have one yet. They all have a part time mentality.

Director Bennett asked is it just you the only full time and whole crew of part time. Larry replied yes. Director Word added if Larry is not there Gerry is the Boss. Brian added that only one time in the last three months did he have three part time people working. Now he has a person working 20 hours per week. Only 1 two week period had three part time people 40 hours per week. We have raised the salary to attract more people. Director Word asked why we have an aversion for numbers on the org chart – Why don't we put numbers on here.

Brian Roney then showed his power point presentation.

Recreation has balanced the last 15 years. Some years are up, some down, last year we had a hic up. Year end financials showed a loss of \$83,000. When the auditors were done we had a \$430,000 shortage. \$277,000 is additional expenses through some formula problems correcting payroll work order closings that should have been closed on an annual basis. Overhead increased 12% and depreciation went up – capital improvements in the district – funding the repayment for the Lazy River.

Mr. Johnson commented that we have had the overhead discussion. Look in the past and compare overhead, they compare favorable with the size organization. They are a third. They pay about a third. Water rates pay two thirds, recreation pay one third. Water rates two third revenue, recreation one third. Look at numbers year by year or added up there is a balance on how much is expended and how much effort is going into the organizations. You won't find that in the sections but will find it in the water rates.

Brian reported salaries and benefits off \$94,000. Work orders off by \$40,000. Overhead up \$58,000. Depreciation up \$148,000. Lazy River construction costs kicked in. Mr. Johnson added that he doesn't know why but we did not start to depreciate it. Denise found it. It should have been in for several years. This is for one year. Director Hick asked how fast you are depreciating. Mr. Johnson replied straight line over 20 years Director Bennett asked if this correction came about with the new auditors. Brian said loose ends were cleaned up. Mr. Johnson added that these types of things have happened with our audits. All costs are associated with recreation and are part of how we balance the system.

Brian commented on the remaining \$15,000 reductions in revenue which was bad debt write off.

Plans for Future.

Need to get back on track with facility improvements which require approval from the Bureau, rate increases to cover operating expenses and generate a balancing fund.

Good News

Boating and water ways reimbursed the district \$450,000. Mr. Johnson commented that Brian deserves a lot of credit to convince them of that.

Plants for future.

Value added services like the Jr. Lifeguard program we have to make it look like something new. Minor improvements to look better to stretch three years to four to five years.

Budget is currently balanced. Increased funding part time staff and the \$450,000 Boating and waterways grant surplus revenue.

Request are for a new full time position \$33,000. Two vehicles, one ton crew cab and one ton utility bed for new full time position.

Correct \$2,000 negative error on cost applied services to district. \$40,000 error in depreciation rate. Budget included \$60,000 grant funding, recycled tire grant. We have been told that they are in the second round of funding and more money than recipients.

\$25,000 fish stocking. No trout, are stocking bluegill, channel catfish, crayfish and red ear. Vary fishing opportunity for anglers

Request \$75,000 restored for slurry seal. This was cut last year and again this year. Restore patrol boat \$65,000. Use the Pacific Angler as back up and lab boat. Add small water slides. Replacing the spray park with a series of small waterslides that would dump in the river. It would be in the same footprint for the stairs and slide and it would dump in the river. Need to put a Gate at maintenance yard. Need to have something there – not in the budget.

\$25,000 fence replacement. Santa Ana road and saddle dam. People walk right through and this is lost revenue.

Convert truck to mini van – unit 5 – eliminate borrowing the district van. Transport our booth in a van. This can't get rained on. We would have more use from minivan.

Director Baggerly asked for copies of the power point presentation.

Director Baggerly commented that overhead bumped up to \$830,000. Director Word asked what would \$830,000 be to water payers. Mr. Johnson answered \$60,000 per percent so roughly 13%.

Director Word said there is nothing in our contract that says recreation totally pays for its own. This is our idea; our goal is to not be dependent on rate payers. If we gave recreation to someone else we would have an immediate \$830,000 bill to go to our rate payers or you would determine how many of our staff would be laid off. We can't say our rate payers don't have a benefit for this. The \$830,000 we charge the recreation department that would be added to rate payers bill or lay off 30% of staff.

Director Baggerly asked about the district maintenance business results are we developing maintenance standards? Brian answered that this is a task he has wanted to complete for four years. It has been pushed off the table. It is likely to fall off the list.

President Kaiser asked if the budget was based on projected rate increases. Brian answered it is on current rates.

Mr. Johnson reported that he kept track of items you had concern about. At our next meeting we will talk about which ones to include and which ones we won't.

President Kaiser asked for a list and indicates advantages and disadvantages of the particular request.

5. Closed Session

- a. Conference with Real Property Negotiators (Section 54956.8):  
District Designated Negotiators: John Johnson, James Word, Russ Baggerly  
Property: Appropriative water rights, including future appropriative water rights, to the waters of Matilija Creek, and associated appurtenances including Matilija Conduit.  
Negotiating Parties: Ventura County Watershed Protection District, County of Ventura, and California State Water Resources Control Board  
Under Negotiation: Price, identification and nature of consideration other than cash, and terms of payment.
- b. Conference with Legal Council- Anticipated Litigation  
Significant exposure to Litigation-Facts and Circumstances that might result in litigation against the agency, but which the Agency believes are not yet known to a potential plaintiff or plaintiffs. Government Code Section 54956.9(b)(3)(A).  
Agency Claimed against: Casitas Municipal Water District
- c. Threat to Public Services or Facilities. Government Code Section 54957.  
Consultation with Agency Counsel Robert M. Sawyer and General Manager John Johnson.
- d. Conference with Real Property Negotiators (Section 54956.8):  
District Designated Negotiators: John Johnson, James Word, Bill Hicks  
Property: Rights to operate Lake Casitas Recreation Area under Federal Water Project Recreation Act.  
Negotiating Parties: Bureau of Reclamation  
Under Negotiation: Lease, price, identification and nature of consideration, and terms of payment
- e. Conference with Legal Counsel -- Existing Litigation (Subdivision (a) of Section 54956.9, Government Code). Name of Case: Casitas Municipal Water District v. United States.

President Kaiser adjourned the meeting at 6:25 p.m. No closed session was held.

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Secretary