

Minutes of the Casitas Municipal Water District  
Board of Directors Meeting Held  
March 14, 2007

A meeting of the Board of Directors was held March 14, 2007 at Casitas' Office, Oak View, California. Directors Baggerly, Word, Hicks, and Handley were present. Director Kaiser was absent. Also present were Steve Wickstrum, Interim General Manager, Rebekah Vieira, Clerk of the Board; and Attorney, Rob Sawyer. There were three staff members and 14 members of the public in attendance. Director Baggerly led the group in the flag salute.

1. Public comments.

None

2. Board of Director comments.

President Baggerly reported that Director Kaiser was not in attendance.

Director Hicks reported that we have our final interviews with our previous managers of the district. A DVD of the interviews will be put in the library.

Director Handley commented about the audit from the last meeting. It would be great to have the number of the liquidity of the district represented in the audit. President Baggerly said it may be represented as restricted and unrestricted reserves. Director Word added we have some for cash flow, the numbers are all there. In addition Director Handley thought it might be better to list professional services/legal fees as legal fees and questioned why it is under source and supply and not administration. He then commented that the recreation department balance sheet is easy to read and suggested something like that for the rest of the district.

3. Consent Agenda

APPROVED

- a. Minutes of February 28, 2007 meeting.
- b. Recommend approval of the Ojai Wine Festival Agreement.

On the motion of Director Word, seconded by Director Hicks and passed, the consent agenda was approved.

4. Bills

APPROVED

Director Hicks questioned #2346 for advice on the fish screen. Mr. Wickstrum reported that we had Montgomery Watson Harza take a look at the screens and we are waiting for their report. There has been a delay in developing a testing phase of what they develop.

On the motion of Director Handley, seconded by Director Hicks and passed, the bills were approved.

5. Committee/Manager Reports
  - a. Hydrology Report

APPROVED FOR FILING

Mr. Wickstrum reported that the hydrology report is usually done and presented in December. Most of this information is also in the fish habitat report. The Hydrology report includes rainfall through October 1, 2006, stream flow measurements and evaporation and supplements with the fisheries report.

On the motion of Director Word, seconded by Director Hicks and passed, the Committee/Manager Reports were approved for filing.

6. Provide direction to staff and/or discuss, review and make a determination whether to withdraw the takings claim against the Unites States of America.

TABLED

President Baggerly reported that this would have been our last opportunity with a full board to discuss this issue but Mr. Kaiser is not here. He recommended that we table the issue.

Director Hicks recommend that we hear from the public today.

Jim Coultas agreed with tabling it for two reasons. First, the Judge may make a determination that will strongly affect the case. It is premature to do anything before the decision. Second, transparency, this is an important issue. Every single Ag water user should have a notice of when it is on the agenda and resale as well. It is a huge issue. He suggested putting it off for a month and notifying every Ag user with a letter explaining the situation.

Gary Wolfe explained that he grew up in Ventura and fished in the Ventura River from the 1950's. He supports anything that can bring the steelhead back. The Board has a fiduciary obligation to rate payers and the cost of fish ladder needs to be born by a larger group. This is an issue with the Endangered Species Act. Overall importance of saving endangered animals is critical but should be borne by a larger group.

Jim Rusch added that he agreed with what has been said and the motion to table it. What the Judge does may have some bearing. This should be heard before a large gathering of the rate payers and then you would want to go into great detail on it at that time. President Baggerly added if it goes to trial the rate payers will hear about it.

Director Hicks explained this is going to be biggest decision this board ever makes. It is critical to get input from the community. Director Hicks made the motion to table this for at least 30 days. Director Word agreed that we have a broad public campaign to let people know it will take place. When we went into this we were advised the decision could be made in closed session and we decided to make the decision in the public forum. To make any kind of decision to change at this juncture has to be done in the same way. It will be critical. If the Government had been willing to negotiate or be

more reasonable in the approach this would never have been considered. We need to think very carefully about this and as broad of basis as possible.

On the motion of Director Hicks, seconded by Director Word and passed the item was tabled for at least 30 days.

7. Public Hearing on Amendments to the Urban Water Management Plan

- a. Resolution to amend the Urban Water Management Plan. APPROVED

President Baggerly reported this is the time and date set for public input on the proposed amendments to the Urban Water Management Plan. He asked if there were any communications from the public. The Clerk of the Board initially reported there were none but then asked Mr. Merckling if he has received a letter. Mr. Merckling reported he had received a letter from the City of Ojai encouraging us to work on water conservation along with other agencies in the district. Director Word asked if the pages could be numbered for easier reference.

President Baggerly opened the public hearing at 4:48 p.m. As there were no comments from the public he closed the public hearing at 4:49 p.m.

The resolution was offered by Director Word, seconded by Director Handley and passed by the following roll call vote:

AYES:	Directors:	Handley, Hicks, Word and Baggerly
NOES:	Directors:	None
ABSENT:	Directors:	Kaiser

Resolution is numbered 07-20

8. Ordinance providing for a policy to protect interference, infringements or encroachments with easements. TABLED

President Baggerly reported that general counsel sent an e-mail to Rebekah earlier regarding changes to the ordinance. Mr. Sawyer passed around revised copies. He suggested that Mr. Wickstrum look at this and see if there is anything else to be cleaned up and then bring it back to another meeting for approval. President Baggerly agreed that it be tabled and brought back to the board.

9. Presentation of the Ten Year Capital Plan ACCEPTED

There was a question regarding the correct total for the capital improvements as there was a discrepancy between the electronic and hard copies. Mr. Wickstrum reported that we may need to spread some of these items but it is a good vision for the next few years and it fades out to five and ten years. This would be looked at every year and readjusted as we are going along

President Baggerly questioned the amount of money budgeted for the Accounting Software and said he can't fathom it costing that much money. Mr. Wickstrum added it

is for the financial software for the district and suggested looking at what the district spent over the last ten years on DataStream. President Baggerly thought we could build our own software system for a small agency and not spend more than \$60,000. He asked to see a breakdown of the costs. Mr. Word added that we are approving a concept; the detail still has to come. One element after this year that we don't have planned is an inflation factor which will have some bearing on true rates. Construction costs can really get high. There has been a lot of discussion of software and the need to bring it forward. If it does total \$180,000 it will have a lot in it. It won't be something that has not been tried. President Baggerly added the City of Ventura would not spend that much. Mr. Wickstrum added there are other targets that we want to hit with the software including maintenance data for preventative maintenance to tie in to Finance and a warehouse program and safety.

Director Handley asked about the catwalks for the treatment plant. He had heard some discussion about scaffolding instead of catwalks. Mr. Wickstrum explained that there are no other designs at this time. He will talk with Bob again and review it to make sure it works. If there are other ideas now is the time to get it done before we commit to this. Director Word said it was his understanding that even with catwalks scaffolding would need to be used. Mr. Wickstrum explained the catwalks would not provide access to ports on the sides where we access the interior of the filter. They will provide access to air valves on the top of the filter.

President Baggerly described the ten year capital plan as a living document that should be looked at annually and make sure it is integrated into the budget.

On the motion of Director Word, seconded by Director Hicks the ten year capital budget was accepted and passed by the board.

10. Information items:

Level of lake -3/5/2007 - -558.37 feet above mean sea level 8.63 feet below spill elevation); present storage is 231,277 acre feet (22,732 acre feet below full capacity of 254,000 acre feet, 104,277 acre feet above half capacity, or 91.05% full capacity.

- a. Letter from California State University Fresno thanking Brian Roney for his presentation on internships
- b. Thank you card from Mrs. Garst & the Yellow Room thanking Rob Weinerth for talking to the class.
- c. News Articles of Interest
- d. Investment Report

11. Closed Session

- a. Conference with Legal Counsel -- Existing Litigation (Subdivision (a) of Section 54956.9, Government Code). Name of Case: Casitas Municipal Water District v. United States.
- b. Conference with Legal Counsel - Anticipated Litigation Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9 (one potential case).

- c. Conference with Real Property Negotiators (Section 54956.8):  
District Designated Negotiators: Steve Wickstrum, Rebekah Vieira, Pete Kaiser, 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

President Baggerly adjourned the meeting at 5:07 p.m. No closed session was held.

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Secretary