

MINUTES OF THE ADJOURNED MEETING OF THE  
BOARD OF DIRECTORS OF THE  
VISTA IRRIGATION DISTRICT

April 2, 2008

An Adjourned Meeting of the Board of Directors of Vista Irrigation District was held on Wednesday, April 2, 2008, at the offices of the District, 1391 Engineer Street, Vista, California.

**1. CALL TO ORDER**

President MacKenzie called the meeting to order at 8:30 a.m.

**2. ROLL CALL**

Directors present: Dorey, Mendez, Jewell, and MacKenzie.

Director Williams joined the meeting at 8:33 a.m.

Staff present: Roy Coox, General Manager; Elaine Chan, General Counsel; Lisa Soto, Secretary of the Board; Eldon Boone, Assistant General Manager; Brett Hodgkiss, Administrative Manager; Don Smith, Director of Water Resources; Brian Smith, Director of Engineering; Ken Bouchard, Director of Facilities; Michael Hamilton, IS Specialist; Brent Reyes, Public Education Aide; and Marian Schmidt, Administrative Assistant.

Other attendees: Scholarship award recipients: Luis Velasquez of Rancho Buena High School; Lukas Smith of Tri-City Christian; and Brittany Smith of Rancho Buena Vista High School. Also in attendance were friends and family of the award recipients.

**3. PLEDGE OF ALLEGIANCE**

Director Jewell led the pledge of allegiance.

**4. APPROVAL OF AGENDA**

08-04-45	<i>Upon motion by Director Dorey, seconded by Director Jewell and unanimously carried, the Board of Directors approved the agenda as presented.</i>
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**5. PUBLIC COMMENT TIME**

No public comments were presented on items not appearing on the agenda.

Director Williams arrived at this time.

**6. CONSENT CALENDAR**

President MacKenzie requested a correction to Item 11 of the draft minutes of March 19 in the paragraph following minute order 08-03-43, the last sentence. The correction should be to attribute the comments in that sentence, which had been incorrectly attributed to President MacKenzie, to General Counsel Elaine Chan in part, and the remainder to General Manager Roy Coox.

President MacKenzie requested that the Board's discussion of Item 15 in the March 19 minutes be shown verbatim, since there was confusion among the Board members regarding this item.

08-04-46 *Upon motion by Director Mendez, seconded by Director Jewell and unanimously carried, the Board of Directors approved the Consent Calendar, including the minutes of the March 19, 2008 Board meeting as amended, and including Resolution No. 08-19 approving disbursements.*

A. Claim for damages - Shannon Molloy Scott

See staff report attached hereto as Exhibit A-1.

B. Minutes of Board of Directors meeting on 3/19/08 and Board workshop on 3/12/08.

The minutes of March 19, 2008 were approved as amended. The minutes of the March 12, 2008 workshop were approved as presented.

C. Resolution ratifying check disbursements

**RESOLUTION NO. 08-19**

**BE IT RESOLVED**, that the Board of Directors of Vista Irrigation District does hereby approve checks numbered 32185 through 32297 drawn on the Union Bank of California totaling \$206,480.95.

**FURTHER RESOLVED** that the Board of Directors does hereby authorize the execution of the checks by the appropriate officers of the District.

**PASSED AND ADOPTED** by the following roll call vote of the Board of Directors of Vista Irrigation District this 2nd day of April 2008.

**AYES:** Directors Mendez, Jewell, MacKenzie, Dorey and Williams  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** None

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**7. PRESENTATION OF CSDA SCHOLARSHIPS**

See staff report attached hereto as Exhibit B.

On behalf of the Board, President MacKenzie awarded a \$1,000 scholarship to Luis Velasquez from Rancho Buena Vista High School as VID's winner of the California Special Districts Association scholarship contest, and \$500 scholarships to Brittany Smith from Rancho Buena Vista High School and Lukas Smith from Tri-City Christian High School as runners-up. She congratulated the recipients, and wished them well.

The award recipients, friends, and family all left at the conclusion of this item.

## 8. DIVISION REPORTS

See staff report attached hereto as Exhibit C.

Director Dorey and Director Jewell received minor clarifications regarding items on the Division Reports. The Board noted and filed the reports. General Manager Roy Coox pointed out that this particular installment of the Division Reports was prepared prior to the recent Board workshop, where revisions to the reports were discussed. He advised that staff's next effort would be to take the current report and condense it to create an "issues" version of the report. Mr. Coox said that both versions would be presented side-by-side at an upcoming meeting for the Board's consideration as to format and content for the future.

## 9. REQUEST FOR PROPOSAL FOR AUDITING SERVICES

See staff report attached hereto as Exhibit D.

Mr. Coox stated that AKT, LLP, the outside auditor who has done the District's annual audit for the past three years, had just completed its three-year contract with the District. A standard provision in the contract allows for its extension one year at a time for an additional two years. Mr. Coox stated that with changes in accounting standards and conditions, the bid from AKT came back 66% higher than the previous year. Mr. Coox stated that staff believed it would be prudent at this time to send out a Request for Proposals to a list of qualified local and regional firms. Assistant General Manager, Eldon Boone provided an overview of the new accounting standards and the increased fieldwork that will be involved with future audits.

Director Jewell inquired whether there was a legal reason for this to be an agenda item, since staff merely wished to put the contract out for bids. Mr. Boone responded he was not aware of a legal reason, but he believed it to be an issue of appropriateness, since the auditor is hired to audit the work of staff. Mr. Coox added that there is no requirement in the District's purchasing policy to bring this item to the Board prior to the recommended selection, but that staff tries to let the Board know when items of particular interest to the Board are going out to bid. He stated that this practice is the result of past concern by the Board, when the District was in the process of receiving bids, and the Board was unaware that the process was in progress. Mr. Coox advised that this item was agendized more as a communication tool than an approval tool. Director Jewell suggested that this type of item could be placed on the Consent Calendar in the future. Mr. Coox concurred with this suggestion, and stated that staff would make note of Director Jewell's comments, and on a case-by-case basis, perhaps staff will move more of these types of items to General Manager's comments rather than providing a full staff report. President MacKenzie stated that she would personally rather see a staff report, but she would leave it at the discretion of staff whether it should be a regular agenda item or a consent calendar item.

08-04-47	<i>Upon motion by Director Dorey, seconded by Director Mendez and unanimously carried, the Board of Directors approved the Request for Proposal for auditing services and authorized staff to send it to the proposed list of auditing firms.</i>
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## 10. PUBLIC SECTOR WATER EFFICIENCY PROGRAM

See staff report attached hereto as Exhibit E.

Mr. Coox stated that the Metropolitan Water District of Southern California (MWD) has developed a program to assist public agencies in improving their water use efficiency. Mr. Coox stated that Administrative Manager Brett Hodgkiss and Public Education Aide Brent Reyes, along with

representatives from the Vista Unified School District and the City of Vista, met with representatives from MWD to learn more about the Public Sector Water Efficiency Program. Mr. Coox stated that there are three components to the program, but the component of most relevance to VID and the other two public agencies is the Enhanced Device Incentives program, which will provide incentives or subsidies for upgrading to water efficient irrigation devices. Mr. Coox stated that as staff moves forward with plans to refurbish the landscaping in front of the District Headquarters, efforts will be made to take advantage of this program to obtain some free equipment. President MacKenzie requested that staff continue to keep in contact with City staff as plans for the new City hall are being developed, to help them take advantage of this program.

## 11. STRATEGIC PLANNING

See staff report attached hereto as Exhibit F.

Mr. Coox introduced this item, stating that after the recent Board workshop, which was the last scheduled workshop with facilitator Bob Rauch, the Board asked that this item be brought back for discussion of how to proceed .

President MacKenzie reiterated that the purpose of this agenda item was to plan how to proceed in the development of a strategic plan. She passed around for the Board members' perusal, the strategic plan recently developed by the CSDA Board with the facilitation services of Bob Rauch. The Board then discussed how frequently it should hold workshops in order to get under way with the *development of a strategic plan. Some members indicated that every other month would be adequate, while others thought more frequently would be better.*

The Board discussed its wish to first establish its top five goals, and eventually objectives under each of the goals, and whether there was a need for a facilitator to help with that process. The consensus of the Board was to continue the services of Bob Rauch for this purpose. The Board indicated a preference for half-day sessions, from about 9:00 a.m. to 2:00 p.m.

President MacKenzie suggested that if the District will be paying Mr. Rauch's travel expenses, it might make sense to schedule a couple of half-day sessions on consecutive days. Mr. Coox said that if so directed by the Board, he would contact Mr. Rauch for a revised proposal, and see what his costs will be, and he will bring that back for the Board's approval.

Mr. Coox summed up for the Board what had just been discussed, suggesting that the Board engage Mr. Rauch for as many sessions as the Board feels will be necessary in order to flesh out goals, and perhaps establish some of the objectives as well. The next step would be to prioritize the goals, and direct staff to fully develop and plan for each goal, one at a time. Mr. Coox agreed that by taking the process in small pieces, the Board won't be tasked with massive involvement in the beginning, and staff won't have a huge task in the end. Mr. Coox concluded that once goals are established and prioritized, staff can develop one goal thoroughly and bring it back for the Board to review, and once approved, the Board can give direction to staff to move on to the next goal.

08-04-48

*Upon motion by Director Mendez, seconded by Director Jewell and unanimously carried, the Board of Directors directed staff seek a proposal from Bob Rauch of Rauch Communications for future Board workshops to develop goals and objectives.*

President MacKenzie suggested leaving the choice of locations up to staff, and requested that lunch be provided. Mr. Coox stated that from a staff perspective, it's better to hold the workshops offsite to avoid distractions. He said staff will seek to find the best location at a reasonable price.

Mr. Bouchard and Mr. Brian Smith left the meeting at this time.

**12. MATTERS PERTAINING TO THE ACTIVITIES OF THE SAN DIEGO COUNTY WATER AUTHORITY**

See staff report attached hereto as Exhibit G.

Director Williams reported that the CWA General Manager and General Counsel received raises of 3.5 percent and three days of additional executive leave. He reported that the Water Authority Board had a long discussion about the public relations campaign that will support the new drought rules. He said there was also a discussion regarding rates, and it was pointed out that 50% of the Water Authority's revenue is fixed rates; and with a mandatory cut CWA will have to increase the commodity rate in order to compensate. Director Williams commented that it's a problem that all the agencies face. Mr. Boone stated that there was particular concern among the agricultural agencies because the volume of their sales is decreasing much more than other agencies', yet their Water Authority costs are not reducing proportionately.

Mr. Boone advised that the rate model drafted by CWA staff includes both a low and high range of expected rates in the future, and assumes 100% participation in the 20-Gallon Challenge. Mr. Boone stated that both ranges show an estimated 10% reduction in water sales as a result of the 20-gallon challenge. The Water Authority will have to raise their rates to make up for the reduced revenue. Mr. Coox interjected that the 20-Gallon Challenge is proving to be a challenge, and the Water Authority is not yet realizing the water savings it had expected.

**13. REPORTS ON MEETINGS AND EVENTS ATTENDED BY DIRECTORS, AND AUTHORIZATION FOR DIRECTOR ATTENDANCE AT UPCOMING MEETINGS AND EVENTS**

See staff report attached hereto as Exhibit H.

Director Williams reported briefly on the ACWA Region 10 meeting he had attended.

Director Dorey stated that he attended an ACWA Groundwater Committee meeting in Sacramento on March 21. He pointed out that the minutes from the meeting were provided for the Board at the dais. He reported that Mary Scruggs of the Department of Water Resources (DWR) spoke regarding the Integrated Water Resources Information System (IWRIS) which utilizes a geographical information system called GeoTracker. DWR says this system, which will track all public agency wells in the State, is expected to be up and running by July 2008. Director Dorey said participation in the program by public agencies will be voluntary initially, but he believes eventually it will be mandated.

Director Dorey reported that he attended the quarterly meeting of the Southern California Water Committee where there was a presentation by a representative from DWR concerning the Wanger decision regarding the Delta smelt. Retired California State Senator Jim Brulte also spoke at the meeting about why nothing gets done in Sacramento, and why much of the water group's inputs in Sacramento are not heard.

Director Jewell reported that he attended the Lower San Luis Rey Watershed Council meeting where the Council decided to have restricted membership. The Council scheduled a special meeting on April 14, where they will work on the development of bylaws for the organization.

President MacKenzie reported that she attended a meeting of the LAFCO Advisory Committee where the Committee reviewed some of the proposed annexations and also looked at the Municipal Service Review and Sphere of Influence for water, sewer, and recycled water in the Bonsall and Pala hydrologic areas.

President MacKenzie attended the ACWA Region 10 meeting as an ACWA Region 10 board member. She reported that there was a short discussion regarding increasing dental and medical costs. She added that within that discussion it was noted that if ACWA raises its dues, along with the cost of medical and dental insurance also going up, it may no longer be cost effective for small districts to remain members of ACWA. Discussion also included AB32 concerning global warming and carbon emissions as well as rate restructuring.

Director Jewell requested authorization to attend the CSDA Governance Foundations in Escondido in April, and the Water Law Update in San Francisco in May. General Counsel Elaine Chan stated she believed there may be a discount for a second person to attend the Water Law Update, and if so, she may consider attending as well.

Director Mendez indicated an interest in attending the CSDA Strategic Planning for Special Districts seminar in Thousand Oaks, California in August 2008. President MacKenzie directed that this event be added to the "Upcoming Meetings and Events" staff report, so Director Mendez can make a final decision on attending when the time gets a little closer.

08-04-49	<i>Upon motion by Director Dorey, seconded by Director Mendez and unanimously carried, the Board of Directors authorized Director Jewell to attend the CSDA Governance Foundations seminar on April 25, 2008 in Escondido, and the California Water Law Conference in San Francisco May 15-16, 2008.</i>
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#### 14. ITEMS FOR FUTURE AGENDAS AND/OR PRESS RELEASES

See staff report attached hereto as Exhibit I.

Director Mendez requested that the Drought Response plan be agendized for the Board's consideration soon. Mr. Coox responded that the draft Drought Response plan had just been approved by the CWA Board the previous week. As was the direction of the Board, Staff plans to next present the plan to the VID Water Sustainability Committee. Mr. Coox said the plan would be presented to the full Board in May 2008.

Director Jewell inquired about the proposed agenda item regarding increasing the spending limit for the General Manager. He wondered why it would have to wait until June or July, when it seemed to him to be a ministerial decision to be made by the Board. Mr. Boone responded that there are some other issues with the Purchasing Policy and Procedures that need to be cleaned up, and staff would like to bring it all forth at the same time. Mr. Boone then asked President MacKenzie if she would like this item to first go to the Fiscal Policy Committee. President MacKenzie suggested that it be added to the agenda for the next Fiscal Policy Committee meeting regarding the budget. Mr. Boone stated staff would try to prepare the item for the Fiscal Policy Committee meeting scheduled for April 28. He added that if the item is not ready by then, staff would schedule another Fiscal Policy meeting shortly after that. President MacKenzie said that would be fine, as two meetings may be needed for the budget anyway.

## 15. DIRECTOR COMMENTS

Director Williams asked if staff had considered addressing concerns about pharmaceuticals in the water in the next Consumer Confidence Report. Mr. Coox responded that it had not yet been considered. President MacKenzie suggested that Mr. Coox inquire at an upcoming General Managers' meeting to see what other agencies are doing.

Director Williams commented that there was a four-page advertisement in the Los Angeles Times regarding Blue Cross of California's name change to Anthem. Director Williams requested that if Mr. Coox heard anything more on this subject through Human Resources, to please let the Board know.

Director Jewell stated that he brought in an article regarding vehicle allowances that he believed to be relevant to his question concerning a monetary allowance for the Board for Board related expenses. He suggested that the Board seek either on its own, or through ACWA or CSDA, an Attorney General opinion regarding Board allowances. President MacKenzie suggested placing the item on the agenda for Board discussion first, to see whether or not a majority of the Board would be interested in seeking additional information. She directed that staff prepare an agenda item with no further research, other than to include Director Jewell's request to consider the concept, and provide the information he has already provided to the General Manager on the subject.

Director Jewell requested that the Board move forward with the development of a Board policy manual. President MacKenzie said that she would like to set up an ad hoc committee of Director Jewell and herself to work with staff on this item. She stated that once the groundwork has been laid, she envisioned creating more ad hoc committees to work on specific portions of the manual in order to expedite the process, with a goal of completing the project by September or October 2008. The Board briefly discussed its strategy for moving forward with this project.

## 16. COMMENTS BY GENERAL MANAGER

Mr. Coox pointed out that the upcoming May 7, 2008 Board meeting poses a conflict with the Spring ACWA Conference, which is scheduled for that week. The Board discussed changing the date of the Board meeting.

08-04-50	<i>Upon motion by Director Williams, seconded by Director Mendez and unanimously carried, the Board of Directors cancelled the Regular meeting of the Board of Directors on May 7, 2008 due to anticipated lack of quorum, and scheduled an additional Adjourned meeting on April 30, 2008.</i>
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Mr. Coox reminded the Board of the upcoming Special Board meetings scheduled for April 9 and April 21, both at starting at 4:00 p.m., regarding the Southwest case pre-mediation and post-mediation.

Mr. Coox informed the Board that a letter was received from the Vista Historical Society confirming its receipt of the Board's nomination packet for Linden R. Burzell to the Vista Hall of Fame. The nomination for Mr. Burzell was the only written nomination received, along with four verbal nominations. Mr. Coox stated that the Hall of Fame Nominating Committee was scheduled to meet the following week to determine its recommendation to the Historical Society Board of Directors.

Mr. Coox stated that Mr. Boone had information for the Board in response to an inquiry by President MacKenzie regarding how the economy has affected customer service in terms of customer delinquencies. Mr. Boone reported that comparing February 2007 to February 2008, late notices are up 10%, door hangers are up 26%, and locks are up 43%, primarily related to the economy and foreclosures. Mr. Boone provided expanded information regarding delinquencies, property liens, collections, and uncollectible accounts. Mr. Boone commented that the District can only initiate liens on properties for uncollected accounts once a year in August. The Board directed staff to research why the District is only allowed to put liens on properties once a year.

VID Safety and Risk Manager, Sherrie Thorpe, and ACWA/JPIA Attorney, Robert Gokoo, joined the meeting during the above item.

A brief break was taken from 10:30 a.m. to 10:40 a.m.

**17. CLOSED SESSION FOR CONFERENCE WITH LEGAL COUNSEL**

President MacKenzie adjourned the meeting to closed session at 10:40 a.m. for a conference with legal counsel to discuss the following pending litigation:

- A. City of Vista vs. HMS Construction, Inc., adv. Vista Irrigation District, Case No. 37-2007-00057856-CU-BC-NC, per Government Code section 54956.9(a).

President MacKenzie reconvened in open session at 11:30 a.m. and declared that no reportable action had been taken. Ms. Thorpe and Mr. Gokoo left the meeting at this time.


The meeting was readjusted to closed session at 11:31 a.m. for a conference with legal counsel to discuss the following pending litigation.

- B. San Luis Rey Indian Water Rights Settlement per Govt. Code section 54956.9(a).


The meeting reconvened in open session at 12:55 p.m. President MacKenzie declared that a vote had been taken in closed session, and it was determined that the General Manager and General Counsel will attend Indian Settlement meetings and the General Manager has the authority to appoint others to attend such meetings.

**18. ADJOURNMENT**

There being no further business to come before the Board, President MacKenzie adjourned the meeting at 12:55 p.m.

  
Jo MacKenzie, President

ATTEST:

  
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Lisa R. Soto, Secretary  
Board of Directors  
VISTA IRRIGATION DISTRICT