

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

April 30, 2008

An Adjourned Meeting of the Board of Directors of Vista Irrigation District was held on Wednesday, April 30, 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: MacKenzie, Dorey, Mendez, Jewell and Williams.

Directors absent: None

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; Sherry Thorpe, Safety and Risk Manager; and Marian Schmidt, Administrative Assistant.

Other attendees: Steve Roe and Rick Ryerson of Charter Equities; Mike Coleman of Coleman Planning Group; Teresa Hall and Jere Diersing of the Naval Facilities Command; Bob Duncan representing the Navy SERE School, and Jonathan Olson of the Navy's Office of the Commander, Pacific Fleet.

**3. PLEDGE OF ALLEGIANCE**

Director Dorey led the pledge of allegiance.

**4. APPROVAL OF AGENDA**

08-04-56	<i>Upon motion by Director Dorey, seconded by Director Mendez 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.

**6. CONSENT CALENDAR**

08-04-57	<i>Upon motion by Director Mendez, seconded by Director Williams and unanimously carried, the Board of Directors approved the Consent Calendar, including Resolution No. 08-21 approving disbursements.</i>
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A. Amendment to the Annual Patch Paving contract

See staff report attached hereto as Exhibit A-1. Staff recommended and the Board approved an amendment to the existing contract with Fuller Paving & Development, Inc. to perform the District's patch paving of small excavations under 400 square feet throughout the balance of the 2007-08 fiscal year at a cost not to exceed \$20,000.

B. Treasurer's Report as of March 31, 2008

See staff report attached hereto as Exhibit A-2. The Board noted and filed the Treasurer's Report as of March 31, 2008.

C. Agreement for Consulting Engineering Services

See staff report attached hereto as Exhibit A-3. Staff recommended and the Board approved the Scope of Work and Fee Proposal from Project Design Consultants (PDC) for the South Santa Fe Avenue (North) waterline relocation design and authorized the General Manager to execute the Agreement pending legal review of PDC's proposed changes to the District's standard Agreement for Services (LN 2007-015; DIV NO 03 & 05).

D. Pilot SCADA System for the Warner Ranch Well Field

See staff report attached hereto as Exhibit A-4. Staff recommended and the Board authorized the General Manager to enter into a contractual service agreement with IDAC West for the development of the pilot SCADA (Supervisory Control and Data Acquisition) system on the Warner Ranch.

E. Claim for damages

See staff report attached hereto as Exhibit A-5. The Board rejected the claim of Donald Bowden for the survey and replacement of his property corner.

F. Minutes of Board of Directors meetings on April 16 and 21, 2008

The minutes of April 16 and 21, 2008 were approved as presented.

G. Resolution ratifying check disbursements

**RESOLUTION NO. 08-21**

**BE IT RESOLVED, that the Board of Directors of Vista Irrigation District does hereby approve checks numbered 32395 through 32485 drawn on the Union Bank of California totaling \$522,786.26.**

**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 30<sup>th</sup> day of April 2008.**

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

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## 7. NAVY LEASE EXPANSION STATUS REPORT

See staff report attached hereto as Exhibit B.

Director of Water Resources Don Smith introduced Jonathan Olson, Environmental Planner with the Commander, Pacific Fleet Environmental Office, who introduced Teresa Hall and Jere Diersing of the Naval Facilities Command; and Bob Duncan representing the SERE School. Mr. Olson conducted a PowerPoint presentation (attached hereto with Exhibit B) which outlined the critical path and proposed actions involved with the expansion of the training areas at the Remote Training Site Warner Springs.

08-04-58	<i>Upon motion by Director Mendez, seconded by Director Jewell and unanimously carried, the Board of Directors affirmed present staff direction to continue cooperation with the Navy's lease expansion process.</i>
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President MacKenzie thanked Mr. Olson for the update, and stated that the Board would look forward to another update around the end of the year or the beginning of 2009.

Mike Coleman, Teresa Hall, Jere Diersing, Bob Duncan, and Jonathan Olson left at this time.

## 8. LEASE OF DISTRICT PROPERTY

See staff report attached hereto as Exhibit C.

General Manager Roy Coox stated that in the past, the District had been approached several times by people interested in purchasing the District owned vacant land north of Pipeline Drive, and the Board has maintained that it would not be interested in selling the land, preferring to retain it for possible future District use. Mr. Coox stated that Charter Equities recently approached the District with an offer to lease the property that staff thought might be beneficial for all parties concerned.

Mr. Coox stated that in Charter Equities' proposal, the property would be used for outside storage of equipment, for which there is a real need in the business park area. Mr. Coox stated that this arrangement would eliminate the need for the District to maintain the property, while someone else would make improvements as required by the City such as paving, fencing, drainage. After termination of the lease (a ten year term was proposed) the District could take back the property and use it for its own purposes.

The Board discussed whether the property could be leased to a private company without first offering it to other public agencies. General Counsel Elaine Chan stated that the District would have to go through the procedure of offering the land to other public agencies if the property were to be leased out exclusively. She opined that in this proposed arrangement, the District could retain, or in some way share possession of the property, thereby eliminating the need for the District to go through that process.

The Board discussed environmental concerns with this type of lease arrangement, and the expensive clean-up that would most likely be required after the term of the lease. Director Dorey expressed concerns about co-using the property, which he felt would serve to elevate the District's obligations and exposure with regard to environmental issues. Director Jewell cautioned that if this property were leased to a private, profit-making entity, it could affect the District's property taxes. Mr. Boone responded that cost would be to the lessee, who would have to pay a possessory interest tax to

the County. Director Jewell stated the he believed that if the lessee failed to pay this tax, it could become attached as a lien on the property and an obligation on the part of the District to clear before the property could be sold. Director Jewell believed that if the Board wished to pursue leasing this property, it would be best to list it with a professional commercial property real-estate firm, so that the Board could be well informed of all liabilities and obligations before entering into any such arrangement. Director Mendez added that as stewards of property which belongs to the ratepayers, he saw no valid reason for the Board to risk exposing the District to the types of liabilities which had been discussed.

08-04-59      *Upon motion by Director Dorey, seconded by Director Jewell and unanimously carried, the Board of Directors denied the request of Charter Equities to lease the District vacant property on Engineer Street, Vista.*

The Board directed staff to add as a topic for Board discussion at a future strategic planning workshop “the disposition of all vacant District owned properties”.

**9. DISTRICT REORGANIZATION**

See staff report attached hereto as Exhibit D.

Mr. Coox provided a brief overview of the District reorganization. The Board noted and filed the report.

**10. REVISION OF DIVISION REPORTS**

See staff report attached hereto as Exhibit E.

The Board expressed that the new shorter format of the Division Reports was appreciated and directed staff to proceed as in the example, advising staff to just keep the information in the report pertinent.

President MacKenzie recognized that there was a member of the public, Mr. Alejandro Sanchez, who wished to address the Board on an item not appearing on the agenda. She requested concurrence from the Board to revisit Public Comment time on the agenda. President MacKenzie informed Mr. Sanchez of the five minute time limit, and with that, she welcomed him to address the Board at this time.

**5. PUBLIC COMMENT TIME**

Mr. Alejandro Sanchez of 519 N. Citrus Avenue in Vista addressed the Board regarding his concerns about current economic conditions and the struggles he and his neighbors face, and his thoughts on VID’s billing practices. President MacKenzie thanked Mr. Sanchez for his input.

**11. STRATEGIC PLANNING WORKSHOPS**

See staff report attached hereto as Exhibit F.

08-04-60

*Upon motion by Director William, seconded by Director Mendez and unanimously carried, the Board of Directors accepted the summary notes from facilitator Bob Rauch for the Board workshop of March 26, 2008; and, accepted the proposal from Rauch Communication Consultants for additional workshop facilitation; and authorized the General Manager to execute a contract for three additional strategic planning workshops as outlined in the proposal.*

The Board discussed dates for the two half-day Board workshops and decided on Tuesday, June 10 and Tuesday, June 24, 2008.

A brief break was taken from 10:01 to 10:14. Upon return from the break, present in the audience were Don Smith, Brett Hodgkiss, Brian Smith, Ken Bouchard and Mr. Sanchez.

## **12. BOARD ALLOWANCES**

See staff report attached hereto as Exhibit G.

The Board discussed whether or not they would be in favor of exploring the concept of receiving an allowance for Board related expenses such as cell phones, laptops, paper, toner, etc. Within this discussion, an increase in the current per diem was also discussed as an alternative means of off-setting expenses which presently are not specifically reimbursable. President MacKenzie stated that she personally would not be in favor of an allowance, nor would she be in favor of an increase to the per diem for this reason. President MacKenzie stated that she would rather that the Board be reimbursed for actual costs, with a receipt, for items purchased for VID business. Director Jewell responded that the current District policy does not allow for reimbursement of these types of Board expenses.

General Counsel Chan stated that Government Code Section 53232.3 allows for reimbursement of expenses which are actual and necessary, provided that Board members submit expense reports and documentation for their expenditures. Ms. Chan opined that a regular allowance for a set dollar amount is inconsistent with this Government Code. President MacKenzie stated that she believes under normal circumstances, the expenses which had been discussed are already covered by the current per diem. She added that when unusual circumstances dictate that Directors use large amounts of their own paper, toner, ink, etc., Directors should simply bring in a receipt and be reimbursed for these actual and necessary expenses. Director Jewell reiterated that this can not be done with the current Board policy.

The Board discussed the need to review the Board policy regarding travel and reimbursement. President MacKenzie stated that this policy should be reviewed on a yearly basis and suggested it be done in January.

The Board tabled any further discussion of Board allowances.

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

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

See staff report attached hereto as Exhibit H.

Director Williams reported that the Water Authority Board adopted its Long-Range Financial Plan for fiscal year 2007-2008. Director Williams stated that the Water Authority Board also adopted an operation plan for Olivenhain Dam detailing how water will be transferred between Olivenhain and Lake Hodges.

**14. 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 I.

Director Mendez, Director Jewell, and President MacKenzie all reported that they had attended the Water Agencies Quarterly meeting, where the presentation was not particularly informative.

Director Jewell stated that he attended the Governance Foundations seminar where he learned about an interesting case regarding the Brown Act, involving a director's breach of closed session confidentiality. Director Jewell said it was a good reminder which he wished to share, about the importance of maintaining the confidentiality of closed session discussions.

Director Jewell and Director Dorey reported that they attended a meeting of the San Luis Rey Watershed Council, which they agreed continues to forge ahead slowly. Director Dorey interjected that while the group's progress is slow, it's getting better. He added that a meeting of the by-laws committee had been scheduled.

Director Dorey reported that he attended a meeting of the Upper San Luis Rey Watershed Authority where there were no big issues discussed. He reported that the group has nearly completed its groundwater study, which has been held up by a land owner who has not been cooperative.

Director Williams reported that he attended the North County Water Group meeting where the Lake Hodges/Olivenhain issue was the focus of discussion.

President MacKenzie reminded that the CSDA Annual Conference was coming up in September 2008 in Irvine. She stated that the program is shaping up to have some very good speakers. She requested that this item be added to the Schedule of Upcoming Meetings and Events.

Director Jewell requested to attend the Law of the Colorado River seminar June 26-27, 2008 in Reno, Nevada.

08-04-61	<i>Upon motion by Director Dorey, seconded by Director Mendez and unanimously carried, the Board of Directors approved Director Jewell to attend the Law of the Colorado River seminar June 26-27, 2008 in Reno, Nevada.</i>
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**15. ITEMS FOR FUTURE AGENDAS AND/OR PRESS RELEASES**

See staff report attached hereto as Exhibit J.

Mr. Coox reported that the budget had been reviewed by the Fiscal Policy Committee, and it would be presented to the Board at the May 21, 2008 Board meeting. Mr. Boone stated that the revisions to the Purchasing Policy would be ready for the Board meeting in May as well. President MacKenzie requested that, since there will only be one meeting in May, the Purchasing Policy be delayed until June so the May agenda won't be overloaded. President MacKenzie confirmed that the Drought Response Plan would be on the May 21 agenda. President MacKenzie requested the Draft Budget and Draft Drought Response Plan be provided to the Directors as soon as they are ready, so there would be plenty of time for Directors to review the documents before the Board meeting.

**16. DIRECTOR COMMENTS**

None were presented.

**17. COMMENTS BY GENERAL MANAGER**

Mr. Coox informed the Board that staff had a meeting with the landscape designer for the headquarters landscape redesign. He stated that as soon as a schematic was ready, he will provide it to the Board. Mr. Coox commented that the landscape designer had made some intriguing suggestions with regard to the landscape on the street side of the front parking lot involving an educational conservation garden with displays, signage, and walkways leading to the monument.

Mr. Coox reported that the penstock remediation is complete and water is currently being released through the Escondido Canal. He added that the Treatment Plant will once again be able to treat local water.

Mr. Coox provided an update regarding an encroachment issue at Warner Ranch. He stated that the owners have not complied with the District's request to remove the encroachment, so District crews will remove it within the next few weeks, and the property owners will be billed.

Mr. Brett Hodgkiss left the meeting at this time.

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

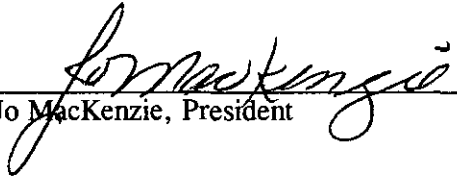
President MacKenzie adjourned the meeting to closed session at 11:20 a.m. for a conference with legal counsel to discuss the following pending litigation:

- A. San Luis Rey Indian Water Rights Settlement per Govt. Code section 54956.9(a).
- B. Southwest Engineering, Inc. vs. Vista Irrigation District, Case No. 37-2007-00051041-CU-BC-NC, per Government Code section 54956.9(a).
- C. Northwest Pipe Company vs. Southwest Engineering, Inc., Safeco Insurance Company of America, and Vista Irrigation District, Case No. 37-2007-00053946-CU-BC-NC, per Government Code section 54956.9(a).

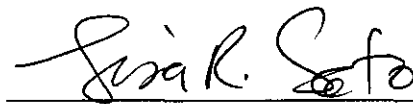
The meeting reconvened in open session at 12:35 p.m. President MacKenzie declared that there was no reportable action taken on closed session Item A. She further reported that there was no need for the Board to go into closed session on Items B and C.

**19. ADJOURNMENT**

There being no further business to come before the Board, at 12:35 p.m., President MacKenzie adjourned the meeting.

  
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Jo MacKenzie, President

ATTEST:

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