

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

June 4, 2008

A Regular Meeting of the Board of Directors of Vista Irrigation District was held on Wednesday, June 4, 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; Lisa Soto, Secretary of the Board; Brett Hodgkiss, Administrative Services Manager; Don Smith, Director of Water Resources; Brent Reyes, Public Education Specialist, and Marian Schmidt, Administrative Assistant.

Other attendees: California Friendly Landscape Contest Winner Amy Chio and Honorable Mention recipients Nancy Jones and Shirley Harpold.

3. PLEDGE OF ALLEGIANCE

Director Williams led the pledge of allegiance.

4. APPROVAL OF AGENDA

08-06-70 *Upon motion by Director Mendez, seconded by Director Jewell and unanimously carried, the Board of Directors approved the agenda as presented.*

5. PUBLIC COMMENT TIME

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

6. CONSENT CALENDAR

Director Jewell recused himself from Item C of the consent calendar due to an attorney-client relationship with property owner, Gary Hover.

08-06-71 *Upon motion by Director Dorey, seconded by Director Williams and unanimously carried (with Director Jewell recused on Item C), the Board of Directors approved the Consent Calendar, including Resolutions 08-23 honoring retiring VID employee Bill Moore, and 08-24 approving disbursements.*

A. Resolution commending retiring VID employee Bill Moore

See staff report attached hereto. Staff recommended and the Board adopted a resolution.

The Board adopted Resolution No. 08-23 honoring Bill Moore, Engineering Specialist, for twenty three years of service to the District by the following roll call vote:

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

A copy of Resolution No. 08-23 is on file in the official the Resolution book of the District.

B. Remote meter reading pilot study

See staff report attached hereto. The Board noted and filed this informational item.

C. Grant of Right of Way

See staff report attached hereto. Staff recommended and the Board accepted Grant of Right of Way No. C117 for a new 25-foot wide specific easement over property owned by Gary Hover and Edward Corn, located at Via Paradiso, Vista (LN 2006-022; APN 181-270-55; DIV NO 5).

D. Minutes of Board of Directors meeting on May 21, 2008.

The minutes of May 21, 2008 were approved as presented.

E. Resolution ratifying check disbursements

RESOLUTION NO. 08-24

BE IT RESOLVED, that the Board of Directors of Vista Irrigation District does hereby approve checks numbered 32660 through 32761 drawn on the Union Bank of California totaling \$304,545.03.

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 4th day of June 2008.

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

7. 2008 CALIFORNIA FRIENDLY LANDSCAPE CONTEST

See staff report attached hereto.

Brent Reyes thanked the contest winner and runners-up for their attendance and for allowing him to meet with them at their properties and take pictures of their landscaping. Mr. Reyes said that the photos of these properties are fine examples to show other customers to help promote water wise landscaping. President MacKenzie presented the runners-up Nancy Jones and Shirley Harpold each with a certificate, and the winner, Amy Chio, with a plaque. President MacKenzie and the rest of the Board members congratulated and thanked the contestants for their good efforts in water wise landscaping.

8. CLOSED SESSION FOR CONFERENCE WITH LEGAL COUNSEL

President MacKenzie adjourned the meeting to closed session at 8:35 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).

The meeting reconvened in open session at 10:02 a.m. President MacKenzie declared that no reportable action had been taken.

9. CLOSED SESSION FOR CONFERENCE WITH LEGAL COUNSEL

President MacKenzie re-adjourned the meeting to closed session at 10:02 a.m. for a conference with legal counsel to discuss the following pending litigation:

- A. Significant exposure to litigation pursuant to subdivision (b) of Government Code section 54956.9 - two cases.
- B. Initiation of litigation pursuant to subdivision (c) of Government Code section 54956.9 – two cases.

The meeting reconvened in open session at 10:25 a.m. President MacKenzie declared that no reportable action had been taken.

A brief break was taken from 10:25 a.m. to 10:30 a.m. Upon return from break, retiring employee Bill Moore was present in the audience along with many VID employees who came to wish Mr. Moore well in his retirement.

10. RETIREMENT PRESENTATION FOR BILL MOORE

See staff report attached hereto.

After a few words from General Manager Roy Coox, President MacKenzie presented Mr. Moore with a resolution and a gift from the Board of Directors. President MacKenzie, on behalf of the Board, thanked Mr. Moore for his years of service, and wished Mr. Moore well in his retirement. Mr. Moore thanked the Board for making VID a great place to work and wished Mr. Coox well in his new position as General Manager.

A break was taken from 10:40 a.m. to 11:00 a.m. for refreshments and celebration of Mr. Moore's retirement. Upon return from break, present in the board room were Don Smith, Brian Smith, Ken Bouchard, and Marlene Kelleher.

11. DIVISION REPORTS

See staff report attached hereto.

The Board received clarification regarding the IAWP cutback.

Mr. Brian Smith provided a brief status report on the Vista Flume Preliminary Design project. Mr. Smith stated staff should be able to provide a full update regarding the Vista Flume project to the Board by July 2008.

12. UPDATE OF DISTRICT PURCHASING POLICY

Mr. Coox stated that the main provision being updated was the approval threshold for the General Manager from \$25,000 to \$50,000. Mr. Coox stated that the \$25,000 limit was first officially set in 1996 when he came on-board with VID and established the District's first purchasing policy. Mr. Coox added that he believed the limit had already been informally set at \$25,000 for some time before that. Mr. Coox said that staff surveyed other Districts and found that \$50,000 was the most common threshold for General Managers' approval. President MacKenzie stated that the Fiscal Policy Committee is in agreement with the changes proposed by staff. She added that the Board will receive Quarterly reports on contracts approved by the General Manger up to \$50,000 and change orders not cumulatively exceeding the lesser of 20% of the contract amount or \$200,000. President MacKenzie said that in the future these reports will be included with the quarterly financial reports.

08-06-72	<i>Upon motion by Director Jewell, seconded by Director Dorey and unanimously carried, the Board of Directors adopted the attached revised District Purchasing Policy, which will supersede existing Section 4.3 of the District Rules and Regulations.</i>
----------	---

Mr. Ken Bouchard and Ms. Marlene Kelleher left the meeting.

13. REQUESTS FOR PROPOSAL FOR GENERAL COUNSEL AND SPECIAL COUNSEL

Mr. Coox stated that staff has prepared requests for proposals for the General Counsel and Special Counsel contract services , with corresponding lists developed by staff of candidate firms. Mr. Coox asked how the Board wished to proceed with the Special Counsel portion in light of the deadlines and timing involved with water rights case. With regard to the timing on the Water Rights matter, the Board indicated that it would prefer not to be rushed into a decision. The Board indicated that all of the proposals for both General and Special Counsel positions should be provided to the Board along with staff's recommendations.

President MacKenzie asked how the lists were compiled. Mr. Coox stated that staff included firms who had experience with public agencies, who worked in the area, or had been recommended to staff. In addition, staff intends to advertise the positions. The Board expressed a desire to have the lists include as many candidates and firms as possible. The Board directed that the deadline for proposals for General Counsel be set six weeks from the date of publication. The Board suggested some specific additions to both lists of candidates.

08-06-73	<i>Upon motion by Director Dorey, seconded by Director Jewell and unanimously carried, the Board of Directors authorized the General Manager to send the attached Request for Proposals for General Counsel with a deadline of six weeks from the date of publication.</i>
----------	--

The Board discussed the approach for seeking Special Counsel. Mr. Coox explained the dilemma in this situation has to do with the approaching deadline from FERC. Mr. Coox said that if significant progress is made on the case, and if a tentative agreement is on the table by the end of June, it would need to be reviewed by someone who is familiar with this area of law. Mr. Coox presented some potential options for approaching this situation, such as hiring an interim Special Counsel for a temporary

engagement. Mr. Coox advised that another complication which exists is that most of the qualified candidates will most likely already be involved with the QSA, and may have a conflict. The Board discussed the complications, options, and strategies for approaching the matter of hiring special counsel. The consensus of the Board was that it did not want to hire an interim Special Counsel.

Within the Board's discussion, consensus was established that the Board would not consider a litigator to be the best fit for the position of Special Counsel. Rather, the Board would prefer someone with strong mediation skills. The Board reiterated that it did not want to be rushed in choosing Special Counsel, even with the June 30 deadline pending. The Board directed that staff continue to negotiate the Indian matter and to send a letter to FERC explaining the District's situation.

08-06-74 *Upon motion by Director Dorey, seconded by Director Mendez and unanimously carried, the Board of Directors authorized the General Manager to send the attached Request for Proposals for Special Counsel with a deadline of six weeks from the date of publication.*

Mr. Don Smith left the meeting.

14. NOMINATIONS FOR LOCAL AGENCY FORMATION COMMISSION AND SPECIAL DISTRICTS ADVISORY COMMITTEE

08-06-75 *Upon motion by Director Mendez, seconded by Director Dorey and unanimously carried, the Board of Directors nominated Jo MacKenzie to the Local Agency Formation Commission Special Districts Advisory Committee.*

15. CALL FOR NOMINATIONS TO THE CALIFORNIA SPECIAL DISTRICTS ASSOCIATION BOARD OF DIRECTORS

No action was taken on this item because Director MacKenzie is currently serving a three-year term that will expire in 2009. As such, VID is currently ineligible to make a nomination for Seat C.

16. WATER CONSERVATION GARDEN PARTNERSHIP REQUEST

The consensus of the Board was to decline to participate at this time. The Board directed the General Manager to write a letter to Mr. Weston thanking him for the opportunity, but with the District having already approved its budget for 2009, declining to participate as a Garden partner.

08-06-76 *Upon motion by Director Dorey, seconded by Director Jewell and unanimously carried, the Board of Directors directed the General Manager to write a letter to Mr. Westin thanking him for the opportunity, but declining to participate as a Water Conservation Garden Partner.*

17. REQUEST FOR MEMBERSHIP IN THE CALIFORNIA GROUNDWATER RESOURCES ASSOCIATION

President MacKenzie clarified that the membership, if approved by the Board, would be for the District, not for an individual. She stated that the Board President would then appoint a representative to the organization. She added that the full Board should receive information on the publications, seminars, meetings, branch activities and the legislative advocacy. She also suggested that the GRA be added to the list of memberships of the District for which per diem and expense reimbursement would be authorized.

08-06-77 *Upon motion by Director Jewell, seconded by Director Mendez and unanimously carried, the Board of Directors authorized a District membership to the Groundwater Resources Association of California (GRA) and directed that a revision be made to the District Rules and Regulations listing the GRA among the organizations authorized for per diem compensation and expense reimbursement for the Board appointed representative to the organization.*

With concurrence from the other Board members, President MacKenzie appointed Director Dorey as District representative to the GRA. She directed that this organization be added to the list of outside organizations to which appointment must be made at the annual organizational meeting.

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

See staff report attached hereto.

Director Williams reported he attended a SANDAG Borders Committee meeting on May 23 at which there were a number of reports on Indian matters. Director Williams said that there appears to be a whole new body of law being established regarding Indian sovereignty on reservations. He commented that it is fascinating and something to keep a watch on.

Director Williams reported that the CWA Board put off consideration of the proposed Erreca Annexation to the Lakeside Water District. Director Williams commented that this appears to be an indication of times to come with the current dry conditions.

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

See staff report attached hereto.

Director Dorey reported that he attended the San Luis Rey Watershed Council meeting where the discussion centered on the opening of a track at Pala. Director Dorey reported that the Upper San Luis Rey Watershed Authority meeting was cancelled.

Director Mendez requested to attend the Water Education Foundation Hetch Hetchy Tour in July.

08-06-78 *Upon motion by Director Jewell, seconded by Director Dorey and unanimously carried, the Board of Directors authorized Director Mendez to attend the Water Education Foundation Hetch Hetchy Tour, July 23-25, 2008.*

Director Jewell reported that he attended the California Water Law Conference in San Francisco in May. He provided copies for the Board of a very good lay document entitled "California Water Law" by Roderick E. Walston, Esq. of Best Best & Krieger (Attached as Exhibit 19.A.1). Director Jewell stated that he would be attending the "Law of the Colorado River" seminar in Reno later that month. Director Jewell advised that for the following few months after that, he would be busy with chemotherapy and radiation and he would have to schedule his time as he is available.

President MacKenzie pointed out the flyer for the Vista Historical Society Annual Meeting and Luncheon at which former VID Director Linden Burzell will be inducted to the Hall of Fame on Saturday June 21, 2008. President MacKenzie encouraged Board and staff to attend in honor of Mr. Burzell.

08-06-79

Upon motion by Director Dorey, seconded by Director Jewell and unanimously carried, the Board of Directors authorized Board members to attend at District expense, the Vista Historical Society Meeting and Luncheon in honor of former Director Linden Burzell.

President MacKenzie and Director Dorey stated that they would attend the above luncheon. Director Mendez requested that his best regards be conveyed to Mr. Burzell since he will be in Mexico at that time and unable to attend.

20. ITEMS FOR FUTURE AGENDAS AND/OR PRESS RELEASES

See staff report attached hereto.

President MacKenzie inquired as to the status of the Drought Response Resolution. Mr. Coox responded that staff is still awaiting a legal opinion from Liebert Cassidy on a section of the Resolution. Mr. Coox said staff was that planning to have this information for the next Board meeting. President MacKenzie directed that this item be included on the June 9 agenda. Following Board review and approval of the document, staff was directed to send the draft to the local public agencies, and then schedule a workshop for the public.

President Mackenzie requested an agenda item regarding staff's understanding of the policy for placing items on the agenda.

21. DIRECTOR COMMENTS

Director Mendez reported that City Council Member Frank Lopez inquired about the existence of wells in Vista. Mr. Coox responded that Mr. Lopez also asked him this question at a recent City Council meeting in which Mr. Coox was in attendance. Mr. Coox said that he followed up with the City Manager with information based on an informal engineering analysis done by VID on groundwater in the VID service area. The analysis discounted the existence of any significant sources of water in the area that could benefit VID.

22. COMMENTS BY GENERAL MANAGER

Mr. Coox reminded the Board of the upcoming June 9 Board meeting at 1:00 p.m. and the next Board workshop at Shadowridge Country Club on June 10 at 9:00 a.m. He reminded the Board of the follow-up Board workshop scheduled for July 14, to be held on-site in the Training Room at 9:00 a.m.

Mr. Coox informed the Board that staff has been contacted by the City of Oceanside Water Department staff regarding the Weese filtration plant expansion project. Mr. Coox reported that the Oceanside Water Department staff is preparing to take the project to the City Council, and costs have been calculated by Oceanside concerning the cost of VID's participation. Upon review, the figures were questioned by VID staff and when new information is received back from Oceanside, this information will be agendized for the Board's review.

Mr. Coox pointed out a letter which had been enclosed with the Board packets, commending VID's efforts in the area of Risk Management. He also reported that a letter had been received from CSDA requesting that VID send an opposition letter concerning AB 983. AB 983 requires public agencies to provide full, complete, and accurate plans and specifications and cost estimates to a contractor, shifting liability from design professionals to public agencies. Mr. Coox said that staff will prepare an opposition letter and send it out as soon as possible.

Mr. Coox informed the Board that in the news that morning it had been reported that Governor Schwarzenegger scheduled a press conference to announce a State-wide drought watch condition. President MacKenzie commented that this is why she feels it's important to get information out on the VID web-site and on the customer bills as soon as possible regarding VID's drought response plan.


23. ADJOURNMENT

There being no further business to come before the Board, at 12:56 p.m. President MacKenzie adjourned the meeting to June 9, 2008 at 1:00 p.m.



Robert R. Mendez, First Vice President

ATTEST:



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