

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

August 20, 2008

An Adjourned Meeting of the Board of Directors of Vista Irrigation District was held on Wednesday, August 20, 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, Jewell and Williams.

Directors absent: Mendez.

Staff present: Roy Coox, General Manager; Lisa Soto, Secretary of the Board; Eldon Boone, Assistant General Manager; Brett Hodgkiss, Administrative Services Manager; Brent Reyes, Public Education Assistant; Sherry Thorpe, Safety & Risk Manager; and Marian Schmidt, Administrative Assistant.

Other attendees: Judith Islas of Liebert Cassidy Whitmore; and Jaime Bonilla, a member of the public.

3. PLEDGE OF ALLEGIANCE

Assistant General Manager Eldon Boone led the pledge of allegiance.

4. APPROVAL OF AGENDA

08-08-101 *Upon motion by Director Dorey, 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

General Manager Roy Coox stated that a printing error had occurred in the check register (Consent Calendar Item F) on the check numbering sequence. He pointed out that the first digit in the range had erroneously been dropped from the report showing the range to be 3231 through 3319. Mr. Coox stated that the actual check numbers range from 33231 through 33319.

08-08-102 *Upon motion by Director Jewell, seconded by Director Dorey and unanimously carried, the Board of Directors approved the Consent Calendar, including Resolution No. 08-33 approving disbursements with corrected numbering sequence.*

A. Claim for damages

See staff report attached hereto. Staff recommended and the Board rejected the claim of SDG&E in its entirety.

B. Parcel map and Grant of Right of Way

See staff report attached hereto. Staff recommended and the Board approved the parcel map and Grant of Right of Way No. V99 (via parcel map) for a middle school, known as Rancho Minerva Middle School, consisting of approximately 28.10 gross acres owned by Vista Unified School District, located at 2317 Foothill Drive, Vista (WOI-3004; LN 2003-030; APN 178-130-91; DIV NO 3).

C. Parcel map and Grant of Right of Way

See staff report attached hereto. Staff recommended and the Board approved the parcel map for a boundary adjustment (merger of lots) and accepted Grant of Right of Way No. R38 (via parcel map) for a two single-family residential lot split consisting of approximately 1.09 gross acres owned by James C. and Maureen A. Richards, located at 449 Hannalei Drive (Paradise View Way), Vista (WOI-2995; LN 2008-018; TPM 20995; APN 183-320-24; DIV NO 3).

D. Quitclaim of blanket and Reserved Easements

See staff report attached hereto. Staff recommended and the Board Approved Quitclaim No. 641 quitclaiming a portion of Blanket Easement No. 107 and a portion of Reserved Easement No. H91 over a retail commercial property consisting of approximately 18.61 gross acres, owned by Target Corporation, a Minnesota Corporation, located at Business Park Drive, Vista (APN 221-010-36 & 37, LN 2005-047, DIV NO 5).

E. Minutes of Board of Directors meetings on August 5 and 6, 2008

The minutes of August 5 and 6, 2008 were approved as presented.

F. Resolution ratifying check disbursements

RESOLUTION NO. 08-33

BE IT RESOLVED, that the Board of Directors of Vista Irrigation District does hereby approve checks numbered 33231 through 33319 drawn on the Union Bank of California totaling \$141,888.44.

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 20th day of August 2008.

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

7. ENFORCEMENT OF INTERIM AGRICULTURAL WATER PROGRAM RULES FOR PARTICIPANTS EXCEEDING ALLOCATIONS

See staff report attached hereto.

Director Jewell noted that the staff report for this item included two addresses, but no names. He asked to know the names of the parties involved, to assure he had no conflict of interests. Public Education Assistant Brent Reyes stated that the name of the party on Evergreen Lane was Jaime Bonilla and the name of the party on Mason Road was N. Inowe. Director Jewell stated that he did not believe he had any conflicts. He requested in future that staff be sure to include both names and addresses on this type of report. Mr. Coox responded that staff would check with General Counsel to see if there would be any privacy considerations associated with presenting the information in that way in the future.

Mr. Jaime Bonilla was invited to address this Board if he desired. He stated that he was there in his own defense, as he just could not believe that he used 200 units of water the previous month. Mr. Bonilla stated his case before the Board, stating that he does all he can do to conserve water. He requested leniency from the Board and time to prove that he has made considerable cut backs to his usage. Mr. Bonilla stated that he felt that he was being singled out.

The Board explained that he was not being singled out, but rather the District is obligated to follow the rules set forth by the Metropolitan Water District. Out of the 202 accounts on the Interim Agricultural Water Program (IAWP), there are only two in the same position as his account at this time. President MacKenzie suggested that Mr. Bonilla check his meter on a daily basis to see exactly what is going on with the water usage at his property.

President MacKenzie suggested that the Board consider not placing the flow restrictor on Mr. Bonilla's property. The Board discussed this suggestion, but noted that the problem was that the property's annual allocation was already nearly depleted. If allowed to continue unrestricted for the remainder of the year, the water used would be over the amount allocated by MWD, so the water would have to come from elsewhere, with someone else paying for it. It would also put VID over its allocation as a whole, and if that happens, VID's allocation would be reduced by that amount for the District's overall allocation for the following year. In turn, that reduction would be passed onto the individual customer the following year.

The Board discussed when Mr. Bonilla would have an opportunity to get off the program. It was noted that IAWP customers are not able to leave the program until the cut-back by MWD is over or until the program itself is modified. The Board asked how long the flow restrictor would stay in place for Mr. Bonilla's property. Staff responded that the flow restrictor would stay in place until such time that Mr. Bonilla's allocation is met, which would most likely be the end of the calendar year.

08-08-103 *Upon motion by Director Jewell, seconded by Director Dorey and unanimously carried, the Board of Directors authorized the installation of flow restrictors at 961 Mason Road and 1071 Evergreen Lane until the properties are on target to meet their annual allocations.*

Mr. Bonilla left after this item, as did Mr. Brent Reyes and Ms. Sherry Thorpe.

8. POSTING RESOLUTIONS/ORDINANCES TO DISTRICT'S WEB SITE

See staff report attached hereto.

The Board discussed various alternatives to the original question, which was to investigate what it would take to post all of the District's resolutions and ordinances on the District's website. President MacKenzie suggested placing the resolutions from 1995 to present on the website since that would be the simplest solution, and since those resolutions would most likely be the most relevant. Mr. Hodgkiss responded that this would still involve the cost of creating a new section on the District's website and data entry since the District's website is not based on HTML programming. The files would have to each be posted one at a time.

Information Systems Manager Teri Callahan joined the meeting during this discussion.

The Board discussed its desire to have greater access to historic documents and information for projects the Board wishes to pursue, such as the development of the Board policy manual. The Board also discussed its desire to make this type of information more readily accessible to the public on the District's website. The Board discussed a variety of ideas such as providing Directors access to the District's intranet from outside the District; having all the minutes from 1923 to present available to Directors on CD; or providing the Directors Microsoft SharePoint software on their home computers so they can search all the data on CD at one time. President MacKenzie suggested sending this item back to staff for a new report exploring some of these options.

08-08-104 *Upon motion by Director Jewell, seconded by Director Dorey and unanimously carried, the Board of Directors directed that staff provide the Board with a DVD containing the resolutions and ordinances with a searchable index from 1995 to present.*

08-08-105 *Upon motion by Director Jewell, seconded by Director Dorey and unanimously carried, the Board of Directors directed that staff investigate incremental alternatives with timeline and cost, to posting all of the District's ordinances and resolutions on the District's website, and report back to the Board.*

Upon conclusion of this discussion, Mr. Brett Hodgkiss and Ms. Teri Callahan left the meeting.

A brief break was taken from 10:00 to 10:12. Upon return from break Mr. Don Smith had joined the meeting. Also joining the meeting were the VID Special Counsel team, Mr. John Carter, Mr. Orlando Foote, and Mr. Bill Swan (by teleconference).

The following agenda item was taken out of order.

11. GENERAL COUNSEL SELECTION PROCESS

See staff report attached hereto.

The Board discussed how it would like to approach the process of selecting the District's new General Counsel. Director Jewell expressed a concern about bringing an outside person (Mark Weston, General Manager of Helix Water District) to participate as part of the screening panel. Director Jewell's specific concern was with Attorney/Client privilege during the screening process.

Legal Counsel Judith Islas responded that in the screening process, Mr. Weston would be considered an agent for VID, and as long as all the parties understand that, the privilege could be maintained. Ms. Islas suggested explaining the privilege and confidentiality in a written communication to Mr. Weston regarding his participation on the panel.

08-08-106 *Upon motion by Director Williams, seconded by Director Jewell and unanimously carried, the Board of Directors authorized the General Manager to establish a short list of six General Counsel firms to interview.*

The discussion on this item was continued to later in the meeting.

Ms. Islas left the meeting. The Board decided to move Item 17 up in the agenda to be considered next.

17. CLOSED SESSION FOR CONFERENCE WITH LEGAL COUNSEL

President MacKenzie adjourned the meeting to closed session at 10:35 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 12:07 p.m. President MacKenzie declared that no reportable action had been taken.

A break was taken from 12:10 p.m. to 12:20 p.m.

9. REVIEW OF POLICY ON BOARD/STAFF CONTACTS

See staff report attached hereto.

Director Jewell stated that the ad hoc committee's recommendation was to repeal Resolution 97-44 "Statement of Policy Regarding Contacts between Board Members and District Staff", since it was written before AB 1234 and it addresses much of what is already addressed by the legislation. He stated that the committee believes that this policy does not adequately address contact between Board and staff. The committee recommended that the current resolution be repealed, and a new policy written. The Board discussed the policy and whether parts or all of it should be kept or repealed. The Board noted that parts of Resolution 97-44 address conflict of interest issues, and seem to be out of place for this policy.

The Board directed that this item be sent back to the ad hoc committee and to staff. Staff was directed to work with General Counsel to develop two new policies to replace Resolution 97-44. One policy should address Board/staff contacts, and the other should deal with conflict of interest. This item was continued to a later date pending further analysis by the ad hoc committee.

10. REVIEW OF POLICY ON BOARD TRAVEL AND REIMBURSEMENT

See staff report attached hereto.

Director Williams stated that the recommendation of the ad hoc committee was for the Board to consider an increase to the Directors' per diem rate of up to 5%, as allowed by Section 20202 of the

Water Code. He added that there was also discussion by the committee regarding allowing per diem compensation for attendance by Board members at the quarterly dinner meetings such as the Quarterly Water Agencies Association meeting, which the committee recognizes to be a much greater time commitment to attend than breakfast meetings. The committee thought that perhaps attendance by Directors should be compensated.

On the subject of per diem compensation, Director Jewell stated that he believed that the Board President should receive more compensation than the other Board members, due to the extra work required in this position. Mr. Coox stated that he believed the President could receive a larger per diem, but he was not sure how the President's per diem could be increased to be more than the others considering the limited allowable increase of 5% per year. Director Jewell said he believed the question should be investigated through legal counsel.

The Board discussed the provisions of this policy and requested the following revisions:

- 1.5.2.F Increase the maximum daily amount reimbursable for meals including beverages to \$85, plus gratuities (maximum 20%), service charges, and room service fees.
- 1.5.2.F Strike the second paragraph regarding room service.
- 1.5.1.A Items 3 and 4, move to fall under Item 1.5.1.D, preceded by the words "Such as..."
- 1.5.1.B add that expense reimbursement would also be pre-approved.
- 1.5.1.C add that expense reimbursement would also be pre-approved
- 1.5.2.B strike "and for attendance at other meetings or performance of other duties when authorized in each instance in advance by the Board at a public meeting."
- 1.5.2.B Create a new sub-paragraph numbered 1.5.2.B.1, to read, "Directors may be reimbursed for stationery supplies with the appropriate receipts."

The Board directed that a call for public hearing be scheduled to the September 3 agenda, with October 1 being set as the date for the hearing. The public hearing would be for the purpose of receiving comments and consideration of an increase to the Directors' per diem compensation.

08-08-107 *Upon motion by Director Jewell, seconded by Director Williams and unanimously carried, the Board of Directors directed that a Call for Public Hearing concerning Directors' Compensation be agendized for September 3, 2008 Board meeting.*

The Board directed that the revisions to the Board Travel and Reimbursement Policy be brought back for the Board's consideration at the September 3, 2008 meeting in redline/strikeout format.

11. GENERAL COUNSEL SELECTION PROCESS

President MacKenzie stated that after looking through all of the General Counsel proposals, she felt that only firms located in the immediate area should be considered. Mr. Coox agreed that accessibility will be a major issue, and it has been weighted as a factor for evaluating the applicants.

The Board discussed how many firms should be interviewed and decided that six firms would be an adequate pool of finalist from which to select. The Board agreed that it would prefer to conduct the six interviews over two days. September 29, 2008 and October 2, 2008, both at 9:00 a.m., were the dates agreed upon.

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

Director Williams reported that there had not been any Water Authority meetings since the last VID Board meeting.

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

See staff report attached hereto.

Director Williams reported that he attended the ACWA Region 10 meeting on August 13, 2008, where Timothy Quinn updated the group on the water crisis and what is being done.

Director Dorey reported that he attended the CSDA seminar on the Board's Role in Finance and Fiscal Accountability. He said it was a good session. He added that the group was quite complimentary of the layout of District's budget document. Director Dorey stated that he also attended the Council of Water Utilities breakfast meeting where Al Kalin, Director of the Imperial Valley Farm Bureau, spoke regarding water issues in the Imperial Valley and the Salton Sea.

President MacKenzie stated that she attended the ACWA Region 10 meeting where she learned that VID's dues to ACWA will be going up 34% (or \$4,900). Director MacKenzie reported that she also attended the Urban Water Institute Annual Conference on August 13 where Metropolitan Water District presented some of the work it has done to study various catastrophic scenarios which could occur with the Bay Delta.

President MacKenzie reported that she attended a CSDA Legislative Committee meeting where the fact that there still is no State budget was discussed. She also learned that the Senate still has 500 bills left to consider, so they will continue to meet until the end of August.

Directors Williams and Jewell received authorization to attend the CSDA Annual Conference in Irvine in September 22-25, 2008. Neither requested hotel accommodations, as they both will commute back and forth each day.

Director Dorey received authorization to attend the Groundwater Resources Association of California Annual Conference in Costa Mesa September 24-26, 2008. Director Williams received authorization to attend the Water Forum sponsored by Metropolitan Water District on September 11, 2008 in Newport Beach.

14. ITEMS FOR FUTURE AGENDAS AND/OR PRESS RELEASES

See staff report attached hereto.

The Board discussed the start time for the Board meeting on September 3, 2008. It was decided to begin the Regular meeting at 5:00 p.m. for the Consent Calendar and the Closed Session regarding the Indians, and whatever other business can be conducted before the Public Hearing begins time-certain at 7:00 p.m. The Board requested that light snacks be provided for the meeting and Public Hearing.

The Board requested the following future agenda items:

- Board/staff contact policy
- Per diem ordinance
- Board compensation and reimbursement policy
- Computer room tour

15. DIRECTOR COMMENTS

None were presented.

16. COMMENTS BY GENERAL MANAGER

Mr. Coox announced that VID employee Mike Dowhen's retirement celebration would follow the September 17 Board meeting. Mr. Coox directed the Board's attention to the flyer that had been left at the dais for the Board members, and invited the Board to attend.

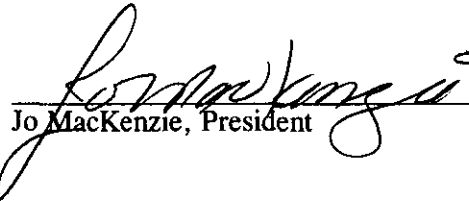
18. COMPUTER ROOM REMODEL TOUR

See staff report attached hereto.


Due to the late hour, the Board requested that this item be postponed to one of the October Board meetings.

19. ADJOURNMENT

There being no further business to come before the Board, at 2:02 p.m., President MacKenzie adjourned the meeting.


Jo MacKenzie, President

ATTEST:



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