

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

September 3, 2008

A Regular Meeting of the Board of Directors of Vista Irrigation District was held on Wednesday, September 3, 2008, at the offices of the District, 1391 Engineer Street, Vista, California.

1. CALL TO ORDER

President MacKenzie called the meeting to order at 5:00 p.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; Eldon Boone, Assistant General Manager; Don Smith, Director of Water Resources; and Marian Schmidt, Administrative Assistant.

Other attendees: VID Interim General Counsel, Melanie Poturica; and VID Special Counsel, John Carter and Bill Swan (by teleconference).

Members of the public (arriving at 7:00 p.m.): Eddy Bradley, Luis Feiner, Clancy Soler, Norm Halus, Tom Riker, Scott Godshall, Dale Rexinger, Craig French, Richard Wagner, Aldon Pierce, Claudia Vess, Doug Shokes, and Gideon Marcus of the Vista News.

3. PLEDGE OF ALLEGIANCE

Director Dorey led the pledge of allegiance.

4. APPROVAL OF AGENDA

08-09-108	<i>Upon motion by Director Jewell, seconded by Director Mendez and unanimously carried, the Board of Directors approved the agenda as presented.</i>
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5. CLOSED SESSION FOR CONFERENCE WITH LEGAL COUNSEL

President MacKenzie adjourned the meeting to closed session at 5:02 p.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 6:00 p.m. President MacKenzie declared that no reportable action had been taken.

Messrs. Carter and Swan left the meeting.

6. PUBLIC COMMENT TIME

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

7. CONSENT CALENDAR

08-09-109 *Upon motion by Director Jewell, seconded by Director Williams and unanimously carried, the Board of Directors approved the Consent Calendar, including Resolution No. 08-34 approving disbursements.*

A. Detachment

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

B. Minutes of July 30, 2008 Public Affairs Committee meeting

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

C. Minutes of Board of Directors meeting on August 20, 2008

The minutes of August 20, 2008 were approved as presented.

D. Resolution ratifying check disbursements

RESOLUTION NO. 08-34

BE IT RESOLVED, that the Board of Directors of Vista Irrigation District does hereby approve checks numbered 33320 through 33446 drawn on the Union Bank of California totaling \$841,083.27.

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 3rd day of September 2008.

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

8. DIRECTORS' COMPENSATION AND EXPENSE REIMBURSEMENT POLICY

See staff report attached hereto.

Director Jewell stated for clarification that this item does not amend the Directors' per diem rate. He added that a "call for public hearing" would be considered next on the agenda, to set a date and time for the Board to consider and to receive comments on an amendment to the Directors' per diem. President MacKenzie asked General Manager Roy Coox if the revisions which had been requested by the Board and shown in the staff report would allow the Directors per diem compensation for meetings such as the quarterly meetings of the Water Agencies Association and California Special Districts Association. Mr. Coox stated that the revisions before the Board would allow for that.

08-09-110 *Upon motion by Director Dorey, seconded by Director Jewell and unanimously carried, the Board of Directors approved amendments to the District's Rules and Regulations sections 1.5.1 and 1.5.2 relating to Directors' compensation and expense reimbursement.*

9. CALL FOR PUBLIC HEARING REGARDING DIRECTORS' COMPENSATION

See staff report attached hereto.

The Board requested that the Directors' Compensation and Reimbursement policy be brought back for review by the Board on an annual basis, in time to be considered during the annual budget preparations.

08-09-111 *Upon motion by Director Jewell, seconded by Director Dorey, the Board of Directors adopted Resolution 08-35 calling for a public hearing on October 1, 2008 at 8:30 a.m. for the purpose of receiving comments on a revision to the District ordinance setting compensation for the Board of Directors, by the following roll call vote:*

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

A copy of Resolution 08-35 is on file in the official Resolution Book of the District.

Mr. Coox stated that at a previous Board meeting there was a question about whether or not the Board President could receive compensation additional to what the other four Directors receive. Mr. Coox stated that staff briefly investigated this question, and found that this was permissible as long as it was done within the constraints of the 5% annual allowable increase.

During the above discussion, Mr. Ken Bouchard, Mr. Brian Smith, and Mr. Brett Hodgkiss joined the meeting.

10. DIVISION REPORTS

See staff report attached hereto.

Director Williams requested and received an update on staff's attendance at a San Diego Desal Partners Technical Advisory Committee meeting. Mr. Coox stated that VID is not part of the Desal Partners group, which is comprised of contracted purchasers of the Poseidon project water, but that staff has been attending these meetings just to stay up to date on what's going on with this project.

Director of Water Resources Don Smith updated the Board on the status of the Navy Lease, and the associated environmental assessment. President MacKenzie requested that the Board receive the environmental assessment reports on CD with plenty of time to review them before a final decision is made.

Mr. Don Smith stated that the Navy has indicated a willingness to negotiate the terms of the lease/license agreement for the expanded training facility. He advised that staff was in the process of identifying possible appraisers, and a staff report would be forthcoming, so the Board could decide whether to proceed with appraisals in advance of financial negotiations.

Assistant General Manager Eldon Boone updated the Board on the economy and its effect on account delinquencies relative to foreclosures. He stated that delinquencies are up and the number of uncollectible accounts that have gone to collections as a result of foreclosures has doubled in 2008 compared to 2007.

Mr. Brian Smith and Mr. Don Smith left the meeting at the conclusion of the above discussion. The following Items 13 through 18 were taken next on the agenda, ahead of Items 11 and 12.

13. CSDA BOARD OF DIRECTORS ELECTION 2008

See staff report attached hereto.

A brief discussion of the candidates ensued, after which the Board took the following action:

08-09-112 *Upon motion by Director Dorey, seconded by Director MacKenzie and unanimously carried, the Board of Directors cast the District's ballot for Dewey Ausmus of the North County Cemetery District for Region 6, Seat C, in the California Special Districts Association Board of Directors election.*

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

See staff report attached hereto.

Director Williams reported that the Water Authority Board adopted an updated Temporary Emergency Service Fee equal to the Water Authority's Transportation Rate, as modified by the Board, currently \$60 per acre-foot, for temporary emergency deliveries of Mexico's Colorado River Treaty water to Tijuana.

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

See staff report attached hereto.

President MacKenzie reported that she attended the CSDA Quarterly Dinner on August 21, 2008, where the Local Agency Formation Commission (LAFCO) Special Districts Advisory Committee Candidates Forum was held. President MacKenzie added that LAFCO Executive Officer Mike Ott also spoke at this meeting about the LAFCO process and LAFCO's involvement in annexations.

President MacKenzie received authorization to attend the ACWA Regions 8, 9, and 10 Fall Event which will be held in Irvine September 30-31, 2008.

Director Dorey reminded the Board that he would be attending the ACWA Groundwater Committee meeting on September 12, 2008. Director Williams reminded the Board that he would be attending the Metropolitan Water District's Water Forum on September 11, 2008.

16. ITEMS FOR FUTURE AGENDAS AND/OR PRESS RELEASES

See staff report attached hereto.

President MacKenzie stated that agenda Item 11, the public hearing regarding the Drought Response Conservation Program, would most likely prompt the need for a press release.

17. DIRECTOR COMMENTS

Director Jewell asked if the District had a plan for a tiered water rate structure. Mr. Coox responded that staff was in the process of developing one to present to the Board for discussion and possible adoption. Mr. Coox added that discussions were currently underway through the Water Authority about the implementation of the updated Drought Response programs recently adopted throughout the region. The focus has now shifted to conservation pricing, allocation methodologies, and tiered rate structures, in preparation for cutbacks which may occur in the year to come. The goal would be for all the agencies in the region to have similar programs and rate structures in place.

Director Jewell inquired as to the status of a liability claim between the City of Vista and the District. Mr. Coox responded that there was a tolling agreement which has lapsed, and staff has not heard anything more from the City. Mr. Coox said that he would follow up and report back if there are any new developments to report.

18. COMMENTS BY GENERAL MANAGER

Mr. Coox informed the Board that he, Mark Weston, and Melanie Poturica had a conference call prior to the Board meeting in which they agreed on a short list of six candidates for VID General Counsel. Mr. Coox reminded the Board that the mornings of September 29 and October 2 were set for the interviews. The plan is to begin at 9:00 a.m. each day, and interview three firms per day. Mr. Coox stated that he would provide an aggregate matrix showing all of the rankings. He stated that he would like to ask Liebert Cassidy Whitmore to help draft some of the interview questions. Mr. Coox said he would provide the draft questions to the Board members for their review prior to the scheduled interviews.

A brief break was taken from 6:42 p.m. to 7:00 p.m. Upon return from break, Mr. Ken Bouchard and Mr. Brett Hodgkiss were present in the audience. Also present were several members of the public.

11. PUBLIC HEARING TO RECEIVE COMMENTS ON THE DROUGHT RESPONSE CONSERVATION PROGRAM

See staff report attached hereto.

At 7:00 p.m. President MacKenzie opened the public hearing for the purpose of receiving comments regarding the draft Drought Response Conservation Program. One at a time, members of the public addressed the Board.

Mr. Tom Riker spoke in favor of applying a flow rate for sewer fees based on customers' water usage. He stated that he was concerned that the flow rate option had been summarily dismissed by the City. He suggested that people would have a greater incentive to conserve water if their savings also translated into lower sewer bills. Mr. Riker stated that he wished to reiterate his concerns and suggested strongly that flow rates for sewer services be reconsidered.

Mr. Aldon Pierce stated that he was hoping to hear clarification on an allocation plan and fee structure. Mr. Pierce was concerned about the fairness of allocations among conservative users versus wasteful users. He stated as an example, when allocations were instituted in the past, he and his neighbor were both cut back 15 %. For him, the careful and conservative user, that meant the loss of all of the vegetation in his yard. For his neighbor, who was not a conservative user, a 15% cut merely meant that she could not have a garden, but was able to continue to maintain her lush yard and two horses. Mr. Pierce suggested calculating average usages by neighborhoods and determining allocations based on those averages.

Mr. Doug Shokes received clarification on the various levels of the draft Drought Response Conservation Program. He wanted to assure that before the District enters into any type of penalty phase, that the public is informed well in advance. President MacKenzie assured Mr. Shokes that would be the case.

Ms. Claudia Vess stated that she is a very conservative water user, and her concern was if the District went to an allocation system, and if she personally were cut back, she would feel that she were being punished for being a conservative water user by nature.

Mr. Tom Riker returned to the podium and requested and received information about the District's plans for enforcement of the Program.

Mr. Scott Gladshaw, Chairman of the Greenbelt Committee in Shadowridge, suggested that the District do more to publicize the Drought Response Conservation Program, and make sure the public understands it. Mr. Coox stated that the District places conservation messages in its Quarterly Newsletter to all customers, hosts homeowners landscape classes, and uses the District website to help get the word out to the public. President MacKenzie added that the local newspapers and messages on the water bills would also be used to inform the public. Director Mendez pointed out that the landscape in front of the District headquarters had just been completely renovated as an example of drought resistant landscaping in order to aid in public education as well.

Mr. Richard Wagner stated that he did not notice anything in the Program restricting new construction in the District. Mr. Coox responded that in Level 3 of the Program, the District will not issue any new water meters. Mr. Wagner felt these restrictions should occur sooner. Mr. Coox responded that the District is not a land-use agency, but added that the District is working closely with the City of Vista to encourage developers to install water-wise landscaping and to develop programs which will offset water use by new development.

Mr. Dale Rexinger said that he believes the Governor should declare a building moratorium for the State. He added that he believes the District should take a stronger stand regarding new construction in the District. Mr. Rexinger commented on the water restrictions which occur in the later levels of the Program. He said that if customers are forced to abandon their lawns and trees, they would have to use their air conditioners more, or install air conditioners if they don't already have them, which would create unmanageable electric bills.

Mr. Craig French, a customer currently on the Interim Agricultural Water Program (IAWP) said he hopes one day to get off the IAWP and go back to being a domestic customer. Mr. French said he came to see what restrictions he would be facing as a domestic customer. He stated that he was concerned about enforcement and allocations. He said that allocations are the key to making the Program work. Mr. French said that if the allocations are not correct and fair, there will be a lot of people registering complaints every day. Mr. French commented that in reviewing his water bills for the last 28 months, he noted that in fourteen of the 28 months, the billing periods were not consistent, which made it more difficult for him to track his water usage.

Mr. Richard Wagner commented about construction stating that there seems a lack of credibility to the conservation message when so much new construction is going on all around. It gives the appearance that people are being asked to conserve in order to accommodate the new construction.

Ms. Eddie Bradley requested confirmation of what Drought Alert Level the District is currently in. President MacKenzie stated that the District has been in a Stage 1 many for years, and is still in Stage 1. Mr. Coox clarified that the District is currently in a Stage 1-Normal Condition under the old Program. He added that if the Board adopts the new Program, the District will be in a Drought Response Level 1 - Drought Watch Condition, which is virtually the same thing.

Mr. Luis Feiner, a member of the Green Committee of Shadowridge, asked who he can contact at the City of Vista regarding the status of the Shadowridge Reclamation facility. Mr. Coox responded that he can talk to Larry Pierce, the City Engineer for the City of Vista. Mr. Coox added that VID has been working with the City to get the plant rehabilitated. He added that progress is being made and the City is committed to conducting some feasibility studies in preparation for the possibility of reopening the plant.

08-09-113 *Upon motion by Director Jewell, seconded by Director Mendez and unanimously carried, the Board of Directors closed the public hearing at 8:05 p.m.*

Upon closing the public hearing, all members of the public left the meeting, leaving Gideon Marcus, Brett Hodgkiss, and Ken Bouchard in the audience.

12. DROUGHT RESPONSE CONSERVATION PROGRAM

See staff report attached hereto.

Director Dorey stated that there were also two letters received regarding the draft Drought Response Conservation Program (attached to the staff report) which he believed should be addressed. Mr. Coox stated that staff did respond to both of the letters. Director Dorey commented on the first letter which spoke about water theft. He stated that water theft is addressed in the District's Rules and Regulations, and the fines and fees are updated regularly. In reference to grey water and other means of water recovery mentioned in the letter, the District can not control or approve these practices. He added that in some cases they may be addressed by City code. Director Dorey clarified that this Program is intended to deal with the problem of wasting the resource delivered by the District, not with how people use that resource.

With regard to the second letter, which suggested organizing a volunteer monitoring committee to inspect designated areas of the District and report back, Director Dorey estimated that 70% of District staff is regularly out and about the District's service area as part of their jobs. They are already the eyes and ears for the District in this regard. He did not believe there to be a need for neighborhood watches or patrols as far as water use is concerned.

08-09-114 *Upon motion by Director Mendez, seconded by Director Jewell, the Board of Directors adopted Resolution 08-36 approving a Drought Response Conservation Program, by the following roll call vote:*

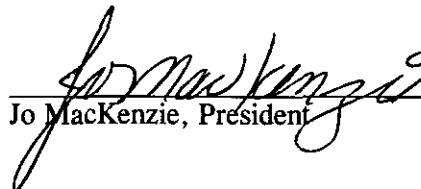
AYES: Directors Mendez, Dorey, Jewell, Williams, and MacKenzie
NOES: None
ABSTAIN: None
ABSENT: None

A copy of Resolution 08-36 is on file in the official Resolution Book of the District.


The Board directed that staff place on the District's website homepage, with large print and in a prominent location, that the Resolution was adopted approving the Drought Response Conservation Program, and that the District is now in a Level 1 Drought Watch Condition. The Board asked that the same message be placed on the water bills.

19. ADJOURNMENT

There being no further business to come before the Board, at 8:15 p.m. President MacKenzie adjourned the meeting to September 17, 2008 at 8:30 a.m.


Jo MacKenzie, President

ATTEST:



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