

OBELLA VISTA WATER DISTRICT

BOARD OF DIRECTORS

Monday, April 26, 2010

The Regular Meeting of the Board of Directors of Bella Vista Water District was called to order by the President of the Board at 5:36 pm at the District office.

Board Members Present:

President - Lynette Blaisdell
Vice President - Jeff Steppat
Director - Bob Nash
Director - Robert Sims
Director - Jeff Thompson

Board Members Absent:

Officer and Staff Present:

General Manager/
Secretary-Treasurer - David J. Coxey
District Engineer - Don Groundwater
Office Manager - Connie Wade
Legal Counsel - John Kenny
Administrative Staff - Debbie Dias

*No recordation of this meeting occurred as the machine was apparently not correctly turned on

Item 1. Pledge of Allegiance

Item 2. Public Comment

Helen Stephenson asked when the Board packets were available for the Board of Directors.

Item 3. Consider Rescinding Resolution 09-06, Adopting Revised Drought Measures

M/S/C [Nash/Steppat] Authorize rescinding Resolution 09-06 effective May 3, 2010.

Item 4. Public Hearing: Proposed Water Rates

a. Staff Report on Cost Based Rate Study Findings and Recommendations

David Coxe reviewed the background of District rate revisions and provided a Power Point presentation outlining the proposed rate restructuring and explaining the allocation of revenue and expenses to the various customer classes.

b. Public Comment

Charles Leach read from a letter he presented to the Board regarding economic adjustments, a variable rate program, status of inventory, initial installation of a 16" water main. Mr. Leach stated he only waters seasonally.

Arnold Wilhelmi asked questions regarding the California Codes and whether the rates were an assessment or a fee. He also supported the establishment of an "irrigation reserve."

Lee Stephenson asked the audience to review the calculations on how they applied to their specific situation.

Walt McNeill, Attorney representing various schools and the McConnell Foundation stated that the District should not deviate from its existing uniform water rates by setting different rates for non-assessed customers was non-compliance with Proposition 218.

Richard Bergfelder asked the Board to consider customers on fixed income and stated that he felt employees were not utilizing their time properly and suggested GPS tracking on all vehicles.

Sharon Brandon stated that she felt the M & I users had received an adjustment in their usage tiers but not so for Irrigation customers. Also asked why Golf Courses were under the Public Institutional rates and did not feel they should receive a break under this rate structure.

Sharyn Chandler stated her assessed land value had increased significantly and was appealing the matter with the County. However, wanted clarification on the amount still owing from the initial voter approved assessment in 1964, the \$14.00 debt service, and questioned why the special assessment revenue number in the rate study was different from the current budget.

Bobbie Stone spoke to the issue of the M & I rates going down and the Agricultural rates going up and asked the Board to review the entire study again. Ms. Stone also commented on her feeling that she felt her household was a non-profit but yet still had to pay taxes and felt everyone, including the non-assessed, should pay their fair share. She also thought that the contract for the ACID water was a good thing.

David Coxey, General Manager, provided a summary response to the questions asked and referred to specific slides from the presentation to address questions set forth above.

c. Staff Report on Protest Election Tally

Connie M. Wade, Office Manager reported that of the 8,174 notices mailed 293 protests were received which represented approximately 3.54%.

d. Consider Adopting Resolution 10-01, Revised Water Rates

M/S/C [Nash/Steppat] Bob Nash offered a motion to continue the meeting to Thursday, April 29, 2010 at 5:30 p.m. to allow the District time to review and make a decision regarding the legal position for the non-assessed properties. Jeff Steppat seconded the motion.

The President announced at 7:35 pm that the meeting was continued to Thursday, April 29, 2010 at 5:30 pm at the District Office.

Continued Board Meeting - Thursday, April 29, 2010

Item 4. Proposed Water Rates

d. Consider Adopting Resolution 10-01, Revised Water Rate

The General Manager provided a staff report summarizing legal questions raised by attorney Walt McNeil and his non-assessed customer clients. The staff recommendation is that the Board adopt revised Resolution 10-01 approving the recommendations and implementation of "Assessed" water rates for all customers regardless of "Assessed" or "Non-Assessed" status and directing staff to continue researching the implications for future rate revisions for possible adoption at a later date.

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M/S/C [Nash/Steppat] Adopt revised Resolution 10-01 approving the recommendations and implementation of “Assessed” water rates for all customers regardless of “Assessed” or “Non-Assessed” status and directing staff to continue researching the implications for future rate revisions for possible adoption at a later date.

Item 5. Adjourn