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Ventura County
Grand Jury

Grand Jury
800 South Victoria Avenue
Ventura, CA 93009
(805) 477-1600
Fax: (805) 658-4523



grandjury.countyofventura.org

Response to Grand Jury Report Form

Report Title: Independent Special Districts

Report Date: April 26, 2018

Response by: August 10, 2018 Title: Ojai Valley Sanitary District

FINDINGS / CONCLUSIONS

- I (we) agree with the findings / conclusions numbered: C-20, C-03 and C-04
- I (we) disagree wholly or partially with the Findings / Conclusions numbered: C-01
(Attach a statement specifying any portions of the Findings / Conclusions that are disputed; include an explanation of the reasons.)

RECOMMENDATIONS

- Recommendations numbered R-04.1, R-04.3, R-04.4, R-04.6 and R-04.2 have been implemented.
(Attach a summary describing the implemented actions and date completed.)
- Recommendations number R-04.2, R-04.7, and R-04.8 have not yet been implemented, but will be implemented in the future.
(Attach a time frame for the implementation.)
- Recommendations numbered _____ require further analysis.
- Recommendations numbered _____ will not be implemented because they are not warranted or are not reasonable.

Date: 8-6-2018

Signed: 
Jeff Palmer, General Manager

Number of pages attached: 2



OJAI VALLEY SANITARY DISTRICT

A Public Agency

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August 6, 2018

Andrew Ludlum, Foreperson
2017-2018 Ventura County Grand Jury
800 S. Victoria Avenue
Ventura, CA 93009

Subject: 2017-18 Ventura County Grand Jury Final Report on Independent Districts

Dear Ventura County Grand Jury Foreman Ludlum:

This letter, along with the completed "Response to Grand Jury Report Form," which is attached and incorporated herein by reference, constitute Ojai Valley Sanitary District's ("OVSD") formal response to the above-referenced Final Report on Independent Districts.

OVSD STATEMENT ON FINDINGS / CONCLUSIONS:

The first item OVSD is listed in the Final Report is for Fact FA-03 and Conclusion C-01, regarding OVSD's not having held public competitive elections since 2016. Since OVSD's elections are on even years (i.e., 2014, 2016, and 2018 et seq.) and an election is scheduled this year in 2018, OVSD meets this election requirement or finding. In 2016, OVSD did not hold an election because both candidates for their respective Board of Director seats ran unopposed or uncontested. Please also know that OVSD follows all statutory requirements for noticing its elections and any open seats on its Board of Directors.

SUMMARY OF OVSD IMPLEMENTED ACTIONS:

In accordance with the R-04 list of eight recommended information items to be added to the existing OVSD internet website, the information identified in numbers R-04.1, R-04.3, R-04.4 & R-04.6 are already on OVSD's website and have been for several years. Portions of the information outlined in R-04.2 [governance structure, including governing board election information and the process for running for a board seat] is also currently on the website, more detailed information about the board election process will be added to fully implement this Final Report recommendation.

Moreover, the OVSD Board approved and adopted OVSD Board Resolution No. 2018-12 (Reserve Policy) on July 23, 2018 and it has been posted on the OVSD Internet Website as of August 6, 2018. This action fulfills what was requested by R-04.5. As stated in OVSD Resolution No. 2018-12, government agency reserve fund policies and procedures are a function of OVSD's statutorily circumscribed role as a sanitary sewer district pursuant to Health & Safety Code §6400 et seq. (i.e., Sanitary District Act of 1923), its capital improvement plans, on-going capital and equipment maintenance, compliance with federal and state environmental standards, and Board of Director-approved fiduciary policies. Reserve funds are especially important for agencies like OVSD which own, operate and maintain the essential public service of a sanitary sewer collection and treatment facility. The OVSD Reserve funds, together with the Board of Director-adopted budget, "pay as you go" conservative fiscal values, asset management plan and rate studies, provide the District with the fiscal ability to avoid spikes in costs, borrowing and interest payment costs, and undue rate increases.

RECOMMENDATIONS YET TO BE IMPLEMENTED BY OVSD:

Information identified in recommendations R-04.7 [most recent Municipal Service Review and annual financial report supplied to State Controller or alternatively a link to the State Controller's website] and R-04.8 [link to the Ventura County Local Agency Formation Commission] are not currently on the OVSD website but can easily be added.

If you should have any questions on this response, please contact both OVSD General Manager Jeff Palmer using the information on this letterhead and OVSD Legal Counsel Robert Kwong at either 805-988-9886 or rkwong@atozlaw.com.



Jeff Palmer
General Manager