

CONTRA COSTA MOSQUITO AND VECTOR CONTROL DISTRICT
BOARD MEETING
MINUTES NO. 12-5

A regular meeting of the Board of Trustees of the Contra Costa Mosquito and Vector Control District was held on September 10, 2012, in the District Office at 155 Mason Circle, Concord, California.

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| TRUSTEES PRESENT | Richard Ainsley Soheila Bana Jeff Bennett Warren Clayton Chris Cowen Jim Fitzsimmons Peggie Howell Michael Krieg Richard Mank Richard Means Angela Micheals Daniel Pellegrini James Pinckney Sharyn Rossi Jose Saavedra Diane Wolcott |
| TRUSTEES ABSENT | Russ Belleci Randall Diamond Myrto Petreas Rolando Villareal |
| OTHERS PRESENT | Tina Cox, Accounting & Benefits Specialist Mark Cornelius, Legal Counsel Craig Downs, General Manager Steve Schutz, Scientific Programs Manager Ray Waletzko, Administrative & Finance Manager |

1. President Bana called the meeting to order at 7:03 p.m.
2. A roll call indicated that 16 Trustees were present, four were absent, and there were two vacancies.
3. The meeting opened with the Pledge of Allegiance.
4. APPROVAL OF AGENDA AS POSTED (OR AMENDED)
- ** A motion was made by Trustee Pellegrini and seconded by Trustee Saavedra to approve the agenda as posted. *Motion passed unanimously.*
5. PUBLIC INPUT ON NON AGENDA ITEMS - None
6. PRESENTATIONS - General Manage Downs presented Trustee Bana with a pin for 5 years of service served on the board.

7. CONSENT CALENDAR

- A. MINUTES - APPROVAL OF MINUTES 12-4, REGULAR BOARD MEETING HELD ON JULY 9, 2012
- B. EXPENDITURES - APPROVAL OF EXPENDITURES OF JULY 1, 2012 THROUGH AUGUST 31, 2012, INCLUDING CHECKS NO. 20323 THROUGH NO. 20496, IN THE AMOUNT OF \$1,822,554.92
- C. PAYROLL - APPROVAL OF PAYROLL EXPENDITURES OF JULY 1, 2012 THROUGH AUGUST 31, 2012, INCLUDING CHECKS NO. 64063 THROUGH NO. 64216, IN THE AMOUNT OF \$314,664.77
- D. INVESTMENT ACTIVITY REPORT FOR JUNE & JULY 2012
- E. FINANCIAL REPORT
- F. EXCESS DISTRICT VEHICLE

** A motion was made by Trustee Pellegrini and seconded by Trustee Saavedra to approve the consent calendar. *Motion passed unanimously.*

8. ACTION ITEMS

- A. Annual Report for 2011/2012 Investment Portfolio Performance - Administrative & Finance Manager Ray Waletzko reported on the 2011/2012 Investment Portfolio Performance. The District uses the Local Agency Investment Fund (LAIF); which is part of the California State Treasury. The District earned \$20,147 in interest on the portfolio during fiscal year 11/12 and the average rate of return for the year was .38%. Administrative & Finance Manager Waletzko noted that as recently as five years ago the average interest rate of return on our portfolio was 5.2% and the District earned over \$200,000 in interest.

Other agencies surveyed had similar low rates of return in the past year and it was pointed out that the rate on one year treasury bills was currently at .18%. It was further noted that interest rates worldwide continue to be at record lows and the District should not expect to see a substantial increase in interest earnings any time soon because the LAIF portfolio is so large that even increasing interest rates will take significant time to be reflected in earnings.

** A motion was made by Trustee Fitzsimmons and seconded by Trustee Pinckney to approve the Annual Report of 2011/2012 Investment Portfolio Performance. *Motion passed unanimously.*

9. INFORMATION ITEMS

- A. Audit Committee Report - Trustee Pinckney reported that the committee met with the auditors on August 7, 2012, in which they outlined what they will do in regards to the audit. The lead auditor, Vikki Rodriguez, will be addressing the board on November 5, 2012, to give the final report for the board's approval. The field work will start this week at the District office with administrative staff. As a part of the renewal of the auditor's contract two years ago, one condition that the

committee recommended is that we keep the lead auditor in charge for continuity but change the auditing team at the local level. There will be two field auditors; Mr. Jeffery Peterson and Ms. Amber Coutney. After they finish their field work, the audit committee will meet again to review the draft report, make any grammatical changes, and ask questions before they complete the final report. The report will be presented to the board for review and approval at the November meeting.

The responsibility of the audit committee is to approve the overall audit scope, review the audit draft and the District's internal controls. The committee, internally and quietly, evaluates the auditors performance and has the responsibility to oversee the insurance programs; and the committee's responsibility is to make sure that the information is presented to the board correctly.

The auditors will review all the transactional cycles such as the revenues, payables, accrued liabilities, cash and investments, property taxes; and capital assets are checked for additions and deletions. Any kind of construction and insurance claims are a big part of it, as well. Testing as far as making sure we are in compliance with the various GASB codes which we have reported on over the last few years is also done. The committee is not looking for fraud but rather they want to make sure that our internal controls and IT systems are appropriate for a district at this level and size.

The committee evaluates the overall assignments and looks for conflicts in regards to who is doing what as far as money handling and check signing. Trustee Rossi commented that the committee has been very pleased with the organization of the CPA firm and is very confident that although we have not changed firms, we have a firm who knows our agency. Trustee Fitzsimmons mentioned that the Audit committee and the Finance committee have complete and separate responsibilities and duties and that there is no overlap. Trustee Pinckney confirmed his comments.

 B. West Nile Virus Update - Scientific Programs Manager Steve Schutz summarized West Nile surveillance for the season to date. Although activity is up substantially from the past 2 years, it is not 'the highest ever' in Contra Costa County. There appear to be two distinct foci of activity, in Brentwood and in the Pleasant Hill/Walnut Creek area. Adult mosquito counts have been mostly average or below, although WNV infection rates in East County mosquitoes have been high. Fogging has been conducted to reduce risk in areas where infected mosquitoes have been found. Statewide, WNV activity has been concentrated in the Central Valley and LA Basin, while nationwide the largest number of human cases have occurred in Texas.

Trustee Means asked about several of the district's fogging plans being cancelled because of weather conditions and how much fogging has the district done. General Manager Downs reported that due to high winds in mid-August, three different fogging operations were cancelled. All the fogging has been in eastern portion of the county in either Brentwood, Byron, Discovery Bay or Holland Tract. One human case is a central county resident whom we believe contracted the virus in the Delta area because they do a lot of boating in that area. In the second case the person was hospitalized and has since recovered.

They are elderly and live in the Eastern part of the county with a granddaughter who states that they did have mosquitoes in their backyard. The person has not left the home and there is no history of traveling; not even to neighborhood parks. It is predicted that the onset was during the time period when we started getting positive mosquitoes and began fogging in the Brentwood area.

- C. CEQA PEIR Update - General Manager Downs reported that the district has spent a lot of money on CEQA documentation and we have been working with a consultant on putting together a draft report. The consultants have given us things to look at but all the districts agree that this is not a good time of year to be working on this type of document. It was noted that there was a lawsuit filed against the Food and Agriculture Department over their Light-brown Apple Moth program aerial spraying. California Department of Food & Agriculture (CDFA) initially stated that it was an emergency and they did not need to file a CEQA document before spraying but they later reconsidered and went back to the drawing board. The firm this District has hired was retained CDFA and did their CEQA documentation. Even though they scaled back that program and changed their objectives, they did go along with a CEQA process; which is exactly what we are doing, A Programmatic Environmental Impact Report. They were sued over the process but the Superior Court of California said that all petitions have been denied and they validated the CDFA Programmatic Environmental Impact Report for the Light-brown Apple Moth; a major win for the process.

The timing of West Nile Virus across the state and country has brought in a lot of positive media attention. Texas in particular has been in the news; but their programs are very different from what we do in California. California has been very proactive with their approach and has excellent cooperation with the Department of Public Health and the University of California.

Trustee Rossi asked where does the District stand with the NPDES permit. General Manager Downs noted that the NPDES permit is still in force, we have coverage under it and the powers that be are still working at getting federal legislation changed. There is a lot of sentiment in support of changes however, Senator Barbara Boxer is holding up the whole process and it continues. She is however getting a lot of pressure from her peers that want to be re-elected in places that are more supportive of agriculture.

10. BOARD AND STAFF ANNOUNCEMENTS

- A. Board - Trustee Bennett asked if his agency, East Bay Regional Park District, was still on for utilizing the district's boat for their oil spill training and deploying a boom this coming Wednesday from 8:30 a.m. to 12:00 p.m. at the Martinez Wharf. General Manager Downs responded that he had not heard back from him but he does not see it being a problem for them to use the boat.
- B. Staff - General Manager Downs announced that the Board of Trustees were due to have the Ethics Training which is completed every 2 years and there is a 2 hour minimum mandatory training requirement for the training. There is an online training option that is available to those who want it. The training will be given live and held from 5:00 p.m. to 7:00 p.m. on Monday, November 5, 2012, before the Board meeting; which has been moved up due to the Veterans Day Holiday. We will put out a notice to other agencies, with a nominal fee, if they are

interested in participating. The District will provide sandwiches.

11. ADJOURNMENT

There being no further business, the meeting was adjourned at 7:46 p.m.

I certify the above minutes were approved as read or corrected at a meeting of the Board held on November 5, 2012.

Ayes: _____

Noes: _____

Absent: _____

Abstain: _____

H. Richard Mank
Secretary, Board of Trustees