

**BOARD OF DIRECTOR'S MINUTES
SAN LORENZO VALLEY WATER DISTRICT
BOULDER CREEK, CALIFORNIA**

December 18, 2003

The regular meeting of the Board of Directors of the San Lorenzo Valley Water District was called to order by Dir. Rapoza on Thursday, December 18, 2003 in the District's Operations Building, 13057 Highway 9, Boulder Creek, California at 8:15 p.m.

ACTIONS BY PRESENT BOARD:

- a. Convene Meeting/Roll Call

Roll call showed Dirs. Rapoza, Nelson, Ross and Vierra present. Dir. Prather arrived at 8:29. District Manager Mueller and Counsel Hynes were also present.

- b. Minutes of the Regular Meeting of December 4, 2003

Motion was made by Dir. Vierra to approve the Minutes of the Regular Meeting of December 4, 2003.

ROLL CALL:

Ayes:	Vierra, Ross, Rapoza
Noes:	None
Absent:	Prather
Abstain:	Nelson

ACTIONS TO ESTABLISH NEW BOARD OFFICERS:

- a. Election of Officers

Motion was made by Dir. Vierra to elect Dir. Ross as President of the Board.

ROLL CALL:

Ayes:	Vierra, Nelson, Ross, Rapoza
Noes:	None
Absent:	Prather

Motion was made by Dir. Rapoza to elect Dir. Vierra as Vice-President of the Board.

ROLL CALL:

Ayes:	Rapoza
Noes:	None
Absent:	Prather

12/18/03

ADDITIONS AND DELETIONS TO THE AGENDA: None

ORAL COMMUNICATIONS: None

WRITTEN COMMUNICATIONS: None

CONSENT AGENDA:

- a. Board of Director's Meeting Dates, 2004

Motion was made by Dir. Rapoza to adopt Resolution No. 14 (03-04) Setting Regular Board of Directors Meeting Days for 2004 as the First and Third Thursday of Every Month. Further, the January 1, 2004 Board of Directors meeting is hereby canceled.

ROLL CALL:

Ayes:	Rapoza, Nelson, Vierra, Ross
Noes:	None
Absent:	Prather

- b. Personnel System Rules and Regulations, 2004

Motion was made by Dir. Rapoza to ratify the San Lorenzo Valley Water District Personnel System Rules and Regulations. Further, the San Lorenzo Valley Water District Personnel System Rules and Regulations shall be submitted annually to the District Counsel for review and the Board of Directors for review and adoption at the last meeting in December for subsequent years.

ROLL CALL:

Ayes:	Rapoza, Nelson, Vierra, Ross
Noes:	None
Absent:	Prather

UNFINISHED BUSINESS: None

NEW BUSINESS:

- a. Committee Appointments, 2004

Dir. Nelson indicated that he would like to be a part of the Facilities and Planning Committee if any of the other Directors would like to step down. Dir. Ross directed staff to continue this item for the January 15, 2004 Board of Directors meeting.

b. Investment Policy, 2004

Manager Mueller outlined the various minor changes recommended on the San Lorenzo Valley Water District Investment Policy, 2004.

Motion was made by Dir. Vierra to adopt Resolution No. 15 (03-04) San Lorenzo Valley Water District Investment Policy, 2004.

ROLL CALL:

Ayes: Vierra, Nelson, Rapoza, Ross

Noes: None

Absent: Prather

c. Board of Director's Policy Manual, 2004

Counsel Hynes recommended changing the retention period of Written Correspondence to two (2) years as opposed to one (1) year.

Motion was made by Dir. Rapoza to adopt Resolution No. 16 (03-04) San Lorenzo Valley Water District Board of Directors Policy Manual, 2004, as amended.

ROLL CALL:

Ayes: Rapoza, Nelson, Prather, Vierra, Ross

Noes: None

Absent: None

GENERAL MANAGER'S REPORTS:

a. Manager

(1) Bill List Period Ending December 18, 2003

Motion was made by Dir. Ross to approve the bill list in the amount of \$155,301.28.

ROLL CALL:

Ayes: Ross, Nelson, Prather, Vierra, Rapoza

Noes: None

Absent: None

(2) Cash Flow Period Ending November 30, 2003

The Board received the Cash Flow Period Ending November 30, 2003

(3) Investment Report Period Ending November 30, 2003

The Board received the Investment Report Period Ending November 30, 2003.

- (4) Department Status Reports
 - (i) Administration

Manager Mueller reported that he will have a Capital Improvement Plan in approximately 90 days.

- (ii) Operations

Dir. Rapoza would like to extend a special thanks for employees who worked on the mainline break in Ben Lomond on Thanksgiving morning.

- (iii) Engineering

The Board received the Engineering Department Status Report.

- b. Committee/Director Reports (Oral): None

INFORMATIONAL MATERIAL:

- a. Newspaper Articles Regarding City of Stockton Utilities Privatization Contract

The Board received the Newspaper Articles Regarding City of Stockton Utilities Privatization Contract.

ADJOURNMENT TO CLOSED SESSION:

Dir. Ross adjourned the meeting to closed session at 8:39 p.m. to approve the Minutes of the Closed Session Meeting of December 4, 2003 and to confer with Legal Counsel - Anticipated Litigation, Significant Exposure to Litigation Pursuant to Subdivision (c) of Government Code Section 54956.9-One (1) Potential Case.

RECONVENE TO OPEN SESSION TO REPORT ACTIONS TAKEN IN CLOSED SESSION:

- a. Minutes of the Closed Session Meeting of December 4, 2003

Motion was made by Dir. Ross to approve the Minutes of the Closed Session Meeting of December 4, 2003, as presented.

ROLL CALL:

Ayes:	Ross, Prather, Rapoza, Vierra
Noes:	None
Absent:	None
Abstain:	Nelson

- b. CONFERENCE WITH LEGAL COUNSEL -
ANTICIPATED LITIGATION
Significant Exposure to Litigation Pursuant to Subdivision (c) of
Government Code Section 54956.9:
One (1) Potential Case

No reportable action.

ADJOURNMENT:

The meeting was adjourned at 9:51p.m.

Kelly Stephens
District Secretary