

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

**December 4, 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 4, 2003 in the District's Operations Building, 13057 Highway 9, Boulder Creek, California at 7:30 p.m.

CONVENE MEETING/ROLL CALL:

Roll call showed Dirs. Rapoza, Prather, Ross and Vierra present. Dir. Nelson was absent. District Manager Mueller and Counsel Hynes were also present.

MINUTES:

- a. Minutes of the Regular Meeting of November 20, 2003

Motion was made by Dir. Prather to approve the Minutes of the Regular Meeting of November 20, 2003.

ROLL CALL:

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

ADDITIONS AND DELETIONS TO THE AGENDA:

Motion was made by Dir. Rapoza to add agenda item 8-b Changing the Start Time for the December 18, 2003 Board of Director's Meeting, as it arose subsequent to posting of the agenda.

ROLL CALL:

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

ORAL COMMUNICATIONS: None

WRITTEN COMMUNICATIONS: None

CONSENT AGENDA: None

UNFINISHED BUSINESS: None

NEW BUSINESS:

12/04/03

- a. Authorization to Participate in the Special Districts Workers' Compensation Authority

Manager Mueller stated that the District is currently paying \$100,000/annually for Workman's Compensation Insurance with the State Compensation Insurance Fund. District staff had been contemplating changing Workman's Compensation Insurance carries to the Special Districts Workmans' Compensation Authority (SDWCA). The District has received a quote from SDWCA in the amount of \$77,000/annually. District staff feels that this is a good time for the District to switch carriers.

Dir. Vierra felt that SDWCA's pro active approach is admirable.

Motion was made by Dir. Ross to approve Resolution No. 12 (03-04) Authorization to Participate in the Special Districts Management Workers' Compensation Program.

ROLL CALL:

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

Motion was made by Dir. Ross to approve Resolution No. 13 (03-04) Authorizing Application to the Director of Industrial Relations, State of California, for a Certificate of Consent to Self Insure Workers' Compensation Liabilities.

ROLL CALL:

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

- b. Changing the Start Time for the December 18, 2003 Board of Director's Meeting

Agenda item 8-b was added as it arose subsequent to posting of the Agenda.

Dir. Rapoza reported that FLOW was having meeting on December 18, 2003 from 6:00 P.M. to 8:00 P.M. regarding the Cal-Am acquisition. Dir. Rapoza reported that there may be citizens attending the FLOW meeting that might want to attend the San Lorenzo Valley Water District Board of Director's meeting. Dir. Ross recommended changing the start time of the San Lorenzo Valley Water District Board of Director's meeting for

Thursday, December 18, 2003 from 7:30 P.M. to 8:15 P.M. Dir. Rapoza directed staff to notice the local newspapers regarding the time change.

Motion was made by Dir. Rapoza to Change the Start Time of the San Lorenzo Valley Water District Board of Director's meeting for Thursday, December 18, 2003 from 7:30 P.M. to 8:15 P.M.

ROLL CALL:

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

GENERAL MANAGER'S REPORTS:

a. Manager

(1) Bill List Period Ending December 4, 2003

Motion was made by Dir. Ross to approve the Bill List in the amount of \$175,465.81.

ROLL CALL:

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

(2) Investment Report Period Ending October 31, 2003

The Board received the Investment Report Period Ending October 31, 2003.

(3) Department Status Reports

(i) Administration

Dir. Vierra inquired on the Administrative Building Project. Manager Mueller stated that he has scheduled a meeting with a property owner of a proposed site.

(ii) Operations

The Board received the Operations Department Status Report.

(iii) Engineering

The Board received the Engineering Department Status Report.

b. Committee/Director Reports (Oral):

- (1) November 26, 2003 Finance Committee Report Regarding Investment Portfolio and Bear Creek Estates Wastewater Funding Project

Manager Mueller reported on the Finance Committee meeting of November 26, 2003. An additional \$700,000.00 was wired to Wells Fargo Bank to invest in securities. Funds were moved from LAIF to put in higher investment earnings. Additional roll over funds will be pushed out to 2009. Equal amounts will be kept in the District's laddered portfolio. Staff is working on a three year projection of capital projects.

Dir. Vierra would like staff to draft a letter to the editor regarding the offer for the Waterman Gap property. Counsel Hynes recommended staff draft the letter and present at a future Board meeting.

Manager Mueller reported that the Committee discussed doing an inter-fund loan from the Water Fund to Wastewater Fund. Staff will prepare a visual for the January 15, 2004 meeting.

INFORMATIONAL MATERIAL: None

ADJOURNMENT TO CLOSED SESSION:

Dir. Rapoza adjourned the meeting to closed session at 8:09 p.m. to approve the Minutes of the Closed Session Meeting of November 20, 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 November 20, 2003

Motion was made by Dir. Rapoza to approve the Minutes of the Closed Session Meeting of November 20, 2003, as presented.

ROLL CALL:

Ayes: Rapoza, Prather, Ross, Vierra  
Noes: None  
Absent: 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 8:36 p.m.

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Kelly Stephens  
District Secretary