

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

**November 20, 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, November 20, 2003 in the District's Operations Building, 13057 Highway 9, Boulder Creek, California at 7:31 p.m.

CONVENE MEETING/ROLL CALL:

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

MINUTES:

- a. Minutes of the Regular Meeting of November 6, 2003

Motion was made by Dir. Ross to approve the Minutes of the Regular Meeting of November 6, 2003.

ROLL CALL:

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

ADDITIONS AND DELETIONS TO THE AGENDA: None

ORAL COMMUNICATIONS: None

WRITTEN COMMUNICATIONS: None

CONSENT AGENDA: None

UNFINISHED BUSINESS:

- a. Education Program Advisory Commission

Dir Prather stated that he would be appointing an individual that did not submit an application. Dir. Prather has actively searched for someone committed to this position. Dir. Prather appointed Donna Ziel to the Education Program Advisory Commission. Ms. Ziel has been involved in educational matters for 27 years and has been a member of this community for 33 years.

11/20/03

Manager Muller stated that staff will facilitate an introductory meeting. The introductory meeting will consist of the full Board and all Commissioners. The meeting will be scheduled in January 2004.

NEW BUSINESS:

a. Investment Portfolio Review and Update

Jim Bargetto, Investment Consultant with Morgan Stanly was present to update the Board on the District's Investment Portfolio. Mr. Bargetto indicated that the District's Investment Portfolio made about a 5% return over the last year. Mr. Bargetto stated that LAIF's return is currently at 1.5%. A Finance Committee meeting has been scheduled to discuss reinvesting a bond that will be maturing the 15<sup>th</sup> of December and a bond that has become callable two (2) days ago. Mr. Bargetto is recommending rolling the investments over as the 10 year Treasury Bonds are at 4.2%.

b. Authorization to Purchase Vehicle Replacement for Truck #238

Manager Mueller reported that the District's 2003-2004 Fiscal Year Budget provides for the replacement of one (1) vehicle. The vehicle scheduled for replacement is the Field Services Supervisor vehicle, Truck #238. This vehicle is a 1994 four wheel drive pickup with 98,400 miles on the odometer and has reached its life expectancy.

Motion was made by Dir. Ross to approve Resolution No. 11 (03-04) Authorization to Purchase Vehicle Replacement for Truck #238.

ROLL CALL:

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

GENERAL MANAGER'S REPORTS:

a. Manager

(1) Bill List Period Ending November 20, 2003

Motion was made by Dir. Prather to approve the Bill List in the amount of \$186,785.81.

ROLL CALL:

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

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Absent: Vierra

(2) Cash Flow Period Ending October 31, 2003

The Board received the Cash Flow Period Ending October 31, 2003.

(3) Department Status Reports

(i) Administration

The Board received the Administration Department Status Report.

(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 13, 2003 Felton Neighborhood Meeting Regarding California American Water Company

Dir. Prather reported on the November 13, 2003 Felton neighborhood meeting. There were approximately 90 people present. Most people present were interested in the County revitalizing their interest in the Cal-Am acquisition. Dir. Rapoza stated that Mark Stone hadn't had a chance to go through all the documents. Susan Kipping was present to state that another neighborhood meeting will be held on December 3, 2003 at 7:00p.m.

INFORMATIONAL MATERIAL:

a. Waterman Gap Promissory Note

The Board received the memo from staff regarding the Waterman Gap Promissory Note.

ADJOURNMENT TO CLOSED SESSION:

Dir. Rapoza adjourned the meeting to closed session at 8:05 p.m. to approve the Minutes of the Closed Session Meeting of November 6, 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 and for Public Employee Performance Evaluation as provided in California Government Code Section 54957-District Manager.

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

- a. Minutes of the Closed Session Meeting of November 6, 2003

Motion was made by Dir. Rapoza to approve the Minutes of the Closed Session Meeting of November 6, 2003, as presented.

ROLL CALL:

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

- 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.

- c. PUBLIC EMPLOYEE PERFORMANCE EVALUATION as provided in  
California Government Code Section 54957  
District Manager

The Board of Directors completed an annual performance evaluation of the District Manager with a satisfactory rating.

ADJOURNMENT:

The meeting was adjourned at 8:46 p.m.

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Kelly Stephens  
District Secretary