

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

May 15, 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, May 15, 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, Ross and Vierra present. Dir. Nelson arrived at 7:34 p.m. Dir. Prather was absent. District Manager Mueller and Counsel Hynes were also present.

MINUTES:

- a. Minutes of the Regular Meeting of May 1, 2003

Motion was made by Dir. Vierra to approve the Minutes of the Regular Meeting of May 1, 2003, as presented.

ROLL CALL:

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

ADDITIONS AND DELETIONS TO THE AGENDA: None

ORAL COMMUNICATIONS: None

WRITTEN COMMUNICATIONS:

- a. May 6, 2003 Correspondence from County of Santa Cruz Regarding Transfer of Saratoga Toll Road to State Parks

The Board received the May 6, 2003 Correspondence from County of Santa Cruz Regarding Transfer of Saratoga Toll Road to State Parks.

CONSENT AGENDA: None

UNFINISHED BUSINESS:

a. Water Conservation Credit Programs

Manager Mueller stated that effective April 1, 2003 District staff has implemented the Water Conservation Credit Programs. Since implementation, several issues have arisen that requires additional clarification from the Board.

The current program requirements state that the balance of a credit is forfeited if the customer moves out of the District service area prior to receiving full credit. In other words, a customer may only receive credit against their water bill, not cash. Since the County of Santa Cruz has adopted an ordinance which requires the installation of ULF Toilets prior to the sale of property, the amount of credit received by a customer under the Water Conservation Credit Programs may exceed their outstanding water bill due to the District upon sale of the property. Should the District adhere to the forfeiture of the remaining credit balance or provide cash payment? Secondly, current program requirements state that the maximum combined credit is \$400.00 for each single-family unit customer. Program requirements in this area are unclear whether the maximum combined credit is for the lifetime of the single-family unit or each new owner of the single-family unit would be eligible for an additional maximum combined credit of \$400.00. In addition, the funding for fiscal year 2002/2003 was \$6,500.00. To date, the District has issued applications totaling \$5,500.00. Lastly, staff needs direction regarding rebates for commercial accounts.

Dir. Vierra would like staff to track how many refunds in closing bills is the result of the credit programs. Dir. Ross indicated that each owner should be entitled to the \$400.00 rebate and each owner should be eligible to receive the cash out rebate if they move out of the District. In addition, if they buy a new home within the District the credit should be transferred to the new account. Manager Mueller indicated that the life cycle of rebate programs is usually 5-10 years.

Manager Mueller stated that there is \$10,000.00 in Fiscal Year Budget 2002/2003 set aside for water conservation with approximately \$1,030.00 already allocated for other water conservation issues. It is estimated that the District will need an additional \$5,000.00 to get through the rest of this Fiscal Year.

The Board directed staff to look at commercial rebates on a case by case basis and to contact other agencies to see how they handle rebates for commercial customers.

Motion was made by Dir. Ross to authorize an additional \$5,000.00 for the Water Conservation Credit Programs for Fiscal Year 2002/2003.

ROLL CALL:

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

NEW BUSINESS:

- a. Minutes of the Loss Control Committee Meeting, April 22, 2003

Dir. Vierra inquired on why staff has to contact the cell phone wireless provider prior to implementing a Cell Phone Use Policy. Manager Mueller indicated that it has to do with airtime and personnel use within the District. In addition, Manager Mueller indicated that this is a very difficult policy to write. Dir. Ross stated that cell phones are a fact of life and it is a perk to District staff and any abuse of the cell phones should be handled disciplinary. Dir. Vierra stated that employees should be given a constant reminder on a weekly basis about cell phone use and abuse.

Motion was made by Dir. Vierra to approve the Minutes of the Loss Control Committee Meeting, April 22, 2003.

ROLL CALL:

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

GENERAL MANAGER'S REPORTS:

- a. Manager

- (1) Bill List through May 15, 2003

Motion was made by Dir. Vierra to approve the Bill List in the amount of \$292,047.21.

ROLL CALL:

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

(2) Cash Flow period Ending April 30, 2003

The Board received the Cash Flow Period Ending April 30, 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.

a. Committee/Director Reports (Oral): None

INFORMATIONAL MATERIAL: None

ADJOURNMENT TO CLOSED SESSION:

Dir. Rapoza adjourned the meeting to closed session at 8:49 p.m. to approve the Minutes of the Closed Session Meeting of May 1, 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 confer with Labor Negotiator as provided in California Government Code Section 54957.6, Agency Negotiator: James Mueller, District Manager, Employee Organizations: San Lorenzo Valley Water District Classified Employees Unit and San Lorenzo Valley Water District Management, Supervisory and Confidential Employees Unit.

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

a. Minutes of the Closed Session Meeting of May 1, 2003

Motion was made by Dir. Rapoza to approve the Minutes of the Closed Session Meeting of May 1, 2003, as presented.

ROLL CALL:

Ayes:	Rapoza, Nelson, Vierra, Ross
Noes:	None
Absent:	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. CONFERENCE WITH LABOR NEGOTIATOR as provided in California
Government Code Section 54957.6

Agency Negotiator: James Mueller, District Manager
Employee Organizations: San Lorenzo Valley Water District Classified
Employees Unit and San Lorenzo Valley Water District Management,
Supervisory and Confidential Employees Unit

No reportable action.

ADJOURNMENT:

The meeting was adjourned at 10:13 p.m.

Kelly Stephens
District Secretary