

MINUTES
BOARD OF DIRECTORS MEETING
February 1, 2007
SAN LORENZO VALLEY WATER DISTRICT
BOULDER CREEK, CALIFORNIA

The regular meeting of the Board of Directors of the San Lorenzo Valley Water District was called to order by Vice Pres. McPherson on Thursday, February 1, 2007, at the Operations Building, 13057 Highway 9, Boulder Creek, California, at 7:30 p.m.

CONVENE MEETING/ROLL CALL

Roll call showed Dirs. Vierra, Rapoza and McPherson were present. Dir. Nelson was absent. District Manager Mueller, Operations Manager Rogers, and Legal Counsel Hynes were also present.

MINUTES

- a. Regular Meeting of January 18, 2007
Motion was made by Dir. Rapoza to approve the Minutes of the Regular Meeting of January 18, 2007.

ROLL CALL:

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

ADDITIONS AND DELETIONS TO AGENDA: None.

ORAL COMMUNICATIONS: None.

WRITTEN COMMUNICATIONS: None.

CONSENT AGENDA: None.

UNFINISHED BUSINESS: None.

NEW BUSINESS:

- a. Long Term Financial Plan
The Board received a presentation from Mr. Tom Paveletic, Municipal Financial Services, relative to the Long Term Financial Plan January 2007.
Motion by Dir. McPherson to accept the San Lorenzo Valley Water District Long Term Financial Plan, January 2007.

ROLL CALL:

Ayes: McPherson, Prather, Rapoza, Vierra

Noes: None
Absent: Nelson
Abstain: None

- b. Review of District Investment Portfolio
The Board received a presentation from Mr. Jim Bargetto, Morgan Stanley, relative to the status of the District's investment portfolio.
No action taken.
- c. Agreement for the Water Service; APN 89-431-02
Motion was made by Dir. Vierra to approve Resolution No. 16 Agreement for Water Service APN 89-431-02 generally located along Timberwood Road, Boulder Creek, CA.

ROLL CALL:

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

GENERAL MANAGER REPORTS:

- a. Manager
 - (1) Bill List Period Ending February 1, 2007
Motion was made by Dir. Rapoza to approve the Bill List Period Ending February 1, 2007.
ROLL CALL:
Ayes: Rapoza, Prather, Vierra, McPherson
Noes: None
Absent: Nelson
Abstain: None
 - (2) Investment Report Period ending December 31, 2006.
Receipt and consideration by the Board of the Investment Report Period Ending December 31, 2006.
The Board of Directors received the Investment Report Period Ending December 31, 2006.
 - (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.

COMMITTEE/DIRECTOR REPORTS (oral):

Dir. Prather reported on the Environmental Committee Meeting January 25, 2007.

INFORMATIONAL MATERIAL: None.

Pres. Prather adjourned the meeting to closed session at 9:09 p.m. for Conference with Real Property Negotiation and Conference with Legal Council Anticipated Litigation one (1) potential case.

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

Dir. Nelson reconvened the regular meeting at 9:55 p.m. and reported out that:

- a. CONFERENCE WITH REAL PROPERTY NEGOTIATOR.
Property: The real properties and business interests of California American Water Company, Felton District including but not necessarily limited to APN's 64-011-01, 64-011-02, 64-021-04, 64-021-07, 64-021-18, 64-021-22, 64-021-23, 64-031-23, 64-031-28, 64-031-37, 64-041-18, 64-051-03, 64-052-18, 64-083-05, 64-201-22, 64-201-33, 64-201-34, 64-201-35, 64-381-05, 64-381-06, 64-381-16, 64-381-17, 64-381-20, 65-013-12, 65-013-34, 65-202-15, 65-234-16, 65-281-03, 71-031-03, 71-031-33 and 71-161-16 generally located in Felton, California 95018.
Agency Negotiators: James A. Mueller, District Manager
Jeffery M. Oderman, Special Counsel
Negotiating Parties: California American Water Company
Under Negotiation: Price and Payment Terms
Discussed, no reportable action taken.

- b. CONFERENCE WITH LEGAL COUNSEL;
ANTICIPATE LITIGATION
Initiation of litigation pursuant to subdivision (b) of California Government Code Section 54956.9.
One (1) potential case.
Discussed, no reportable action taken.

ADJOURNMENT

Pres. Prather adjourned the meeting at 9:55 p.m.

Brandon Barchi
District Secretary
San Lorenzo Valley Water District