

**MINUTES**  
**BOARD OF DIRECTORS MEETING**  
**June 23, 2011**  
**SAN LORENZO VALLEY WATER DISTRICT**  
**BOULDER CREEK, CALIFORNIA**

**CONVENE MEETING/ROLL CALL**

Pres. Vierra convened the meeting at 7:30 p.m. Roll call showed Dirs. McPherson, Nelson, Rapoza and Vierra were present. Dir. Prather was absent. District Manager Mueller, Director of Operations Rogers and Legal Counsel Baird were also present.

**MINUTES**

MINUTES REGULAR MEETING OF JUNE 2, 2011

Motioned made by Dir. Nelson to approve minutes for the June 2, 2011 Board of Directors Meeting.

**ROLL CALL:**

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

**ADDITIONS AND DELETIONS TO AGENDA:** None.

**ORAL COMMUNICATIONS:** None.

**WRITTEN COMMUNICATIONS:**

The Board received written communications from the County of Santa Cruz. The Board directed staff to agendize the Integrated Vector Management Program for the July 7, 2011.

**CONSENT AGENDA:** None.

**UNFINISHED BUSINESS:** None.

**NEW BUSINESS:**

**CALIFORNIA SPECIAL DISTRICT ASSOCIATION PROPOSED BYLAW AMENDMENTS**

District Manager Mueller presented the Board with a proposed bylaw amendment for California Special District. The proposed change is to require all newly formed local chapters to have 100% of their members as dues paying members of the state association (CDSA). Dir. Rapoza motioned to cast a "yes" vote on behalf of the District approving the CSDA proposed bylaw amendments.

**ROLL CALL:**

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

## SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY BOARD OF DIRECTOR'S ELECTION

District Manager Mueller presented the Board with a resolution ballot selecting the District's three (3) candidates for the SDRMA. The ballot is for three (3) candidates to serve as directors on the SDRMA. Dir. Vierra motioned to approve Resolution No. 31, the election of three (3) candidates (Sandy Raffelson, Edmund K. Sprague and Terry Burkhardt) to serve as directors on the SDRMA Board of Directors.

### ROLL CALL:

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

## WRITE-OFF OF UNCOLLECTIBLE ACCOUNTS FISCAL YEAR 2010/2011

District Manager Mueller presented the Board with a resolution for write-off of uncollectible accounts for Fiscal Year 2010/2011 for a total of \$2,565.26. Pres. Vierra directed staff to investigate working with a collections agency to recover some of the uncollectible accounts. Dir. Rapoza motioned to approve Resolution No. 32, the write-off of uncollectible accounts for Fiscal Year 2010/2011.

### ROLL CALL:

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

## ANNUAL BUDGET FISCAL YEAR 2011/2012

District Manager Mueller presented the Board with the annual Budget Fiscal Year 2011/2012. The Board reviewed the annual Budget FY 2011/2012, making changes to the water conservation program and education program amounts. Bruce Holloway addressed the Board requesting that they increase the cost of water and eliminate the tier charges. Charles Baughman addressed the Board requesting the Board investigate having public meetings/training on how to conserve water. John Fasolas/Felton requested that the Board consider participating in water bottle filing stations at schools in the San Lorenzo Valley. Dir. Rapoza suggested he contact Ecology Action and/or Santa Cruz Foundation for grant money. Dir. Vierra directed staff to incorporate changes and continue this item on the July 7, 2011 regular Board of Directors meeting.

## INVESTMENT POLICY 2011

District Manager Mueller presented the Board with amendments to the District's Investment Policy for 2011. The District's current Investment Policy was not in compliance with California Government Code Section 53601(i) that limits Certificates of deposit to 30% of the agencies investment portfolio. Currently the District's portfolio is approximately 46% with Certificates of Deposit. The new policy will change the investments as they mature until compliance has been achieved. Charles Baughman requested per Bruce Holloway to have this item carried over to the July 7, 2011 meeting. Dir. Rapoza motioned to approve Resolution No. 33, an amendment to the District's Investment Policy for 2011.

ROLL CALL:

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

**GENERAL MANAGER REPORTS:**

Bill List Period Ending June 23, 2011

Motioned made by Dir. Vierra to approve the Bill List Period Ending June 23, 2011.

ROLL CALL:

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

Cash Flow Report Period Ending May 31, 2011

The Board received the Cash Flow Report Period Ending May 31, 2011.

Department Status Reports

The Board received the Department Status Reports.

**COMMITTEE/DIRECTOR REPORTS (Oral):**

Dir. McPherson advised the Board that he will be teaching a class at UCSC and may be late or absent at the August Board Meetings.

**INFORMATION MATERIAL:** None.

**ADJOURNMENT TO CLOSED SESSION**

Pres. Vierra adjourned the regular meeting to closed session at 9:01 p.m. for the purpose of:

CONFERENCE WITH LEGAL COUNSEL; EXISTING LITIGATION

Existing litigation pursuant to subdivision (a) of California Government Code section 54956.9.

Name of case: Bruce R. Holloway vs. Terry Vierra, James W. Rapoza and Lawrence (Larry) Prather.

CONFERENCE WITH LEGAL COUNSEL; ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (c) of California Government Code section 54956.9.

One (1) potential case.

Conference with Legal Counsel; Anticipated Litigation subdivision (c)

CONFERENCE WITH LABOR NEGOTIATOR

Conference with Labor Negotiator pursuant to California Government Code section 54957.6

Agency Negotiator: James A. Mueller, District Manager

Employee Organizations: Classified Employees Unit; and Management, Supervisory and Confidential Employees Unit.

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

Pres. Vierra reconvened the regular meeting at 9:35 p.m. and reported out that:

**CONFERENCE WITH LEGAL COUNSEL; EXISTING LITIGATION**

Existing litigation pursuant to subdivision (a) of California Government Code section 54956.9.  
Name of case: Bruce R. Holloway vs. Terry Vierra, James W. Rapoza and Lawrence (Larry) Prather.

No reportable action.

**CONFERENCE WITH LEGAL COUNSEL; ANTICIPATED LITIGATION**

Significant exposure to litigation pursuant to subdivision (c) of California Government Code section 54956.9.

One (1) potential case.

Conference with Legal Counsel; Anticipated Litigation subdivision (c)

No reportable action.

**CONFERENCE WITH LABOR NEGOTIATOR**

Conference with Labor Negotiator pursuant to California Government Code section 54957.6

Agency Negotiator: James A. Mueller, District Manager

Employee Organizations: Classified Employees Unit; and Management, Supervisory and Confidential Employees Unit.

No reportable action.

**ADJOURNMENT**

Pres. Vierra adjourned the meeting at 9:35 p.m.

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B. Barchi, District Secretary