

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

November 6, 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 6, 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, Ross and Vierra present. Dir. Prather was absent. District Manager Mueller and Counsel Hynes were also present.

MINUTES:

- a. Minutes of the Regular Meeting of October 16, 2003

Motion was made by Dir. Ross to approve the Minutes of the Regular Meeting of October 16, 2003.

ROLL CALL:

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

ADDITIONS AND DELETIONS TO THE AGENDA: None

ORAL COMMUNICATIONS:

Lisa Rudnick was present and provided the Board with a handout from ECO Newsletter, January 15, 2001 regarding sustainable development.

Gordon Stewart was present and apologized to the Board for his behavior at past meetings. Mr. Stewart wanted the Board to know that he can behave in public forums. In addition, Mr. Stewart provided the Board with an application for the Education Advisory Commission and asked the Board to consider him for a position on the Education Advisory Commission.

WRITTEN COMMUNICATIONS: None

CONSENT AGENDA:

- a. Resolution of Appreciation for Denene Roberts, Senior Customer Service/Accounts Specialist

Motion was made by Dir. Vierra to approve Resolution No. 8 (03-04) Resolution of Appreciation for Denene Roberts, Senior Customer Service/Accounts Specialist.

ROLL CALL:

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

- b. Resolutions of Appreciation for Joel Busa, Water Treatment and System Supervisor and Scott Mattoch, Network Specialist

Motion was made by Dir. Vierra to approve Resolution No. 9 (03-04) Resolution of Appreciation for Joel Busa, Water Treatment and System Supervisor.

ROLL CALL:

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

Motion was made by Dir. Vierra to approve Resolution No. 10 (03-04) Resolution of Appreciation for Scott Mattoch, Network Specialist.

ROLL CALL:

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

UNFINISHED BUSINESS:

- a. Education Program Advisory Commission

Manager Mueller reported that at the October 16, 2003 Board of Director's meeting the Board received and reviewed the applications of nine (9) individuals for consideration as appointees to the District's Education Program Advisory Commission. The Board directed staff to reagendize the item to the November 6, 2003 Board of Director's meeting.

Margaret Bruce was present and stated that she is an Environmental Programs Director and a nine (9) year resident of San Lorenzo Valley. Ms.

Bruce stated that she would like to focus her energy where she lives and would like to be involved in a collaborative way.

Fred McPherson was present and stated that he is committed to education that involves the whole community. Mr. McPherson stated that watersheds are everywhere.

Peggy Smart was present and stated environmental education should be made a part of young people's education.

Lisa Rudnick was present and stated that she is concerned about Dir. Prather being able to appoint himself to the Commission. Ms. Rudnick also pointed out water codes relative to public education. Ms. Rudnick feels that earth worship is out of control and out of balance.

Dir. Ross appointed Henry Helbush to the Commission.
Dir. Vierra appointed Margaret Bruce to the Commission.
Dir. Nelson appointed Mark Millonas to the Commission.
Dir. Rapoza appointed Cheri Turner to the Commission.

Dir. Rapoza stated that another appointment will be made by Dir. Prather at a future meeting. Manager Mueller will defer the initial meeting between the Board and the Commission until Dir. Prather has made his appointment.

Dir. Nelson thanked Mr. McPherson for pointing out the bigger picture and commends Ms. Rudnick for her issues and encouraged her to be involved.

Bruce Oneto stated that the meetings of the Commission would be subject to the Brown Act and encouraged the Board to send a welcome letter to the appointees outlining details of the Brown Act.

NEW BUSINESS:

a. ICMA Retirement Corporation Public Balloting

Manager reported that the District received correspondence from ICMA Retirement Corporation requesting the Board support two (2) proposals endorsed by the Vantage Trust Company's Board of Directors. Manager Mueller did not have any specific recommendation for the Board. Dir. Rapoza directed staff to run this issue past the employee representatives and bring back to the Board on December 4, 2003.

b. Loss Control Committee Minutes of October 21, 2003

Motion was made by Dir. Ross to approve the Loss Control Committee Minutes of October 21, 2003.

ROLL CALL:

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

c. Santa Margarita Groundwater Basin Advisory Committee

Manager Mueller reported that four (4) member agencies contributed a sum of \$10,000.00 to fund review and consideration for the formation of a groundwater replenishment project/district. The Committee has expended approximately \$22,500.00 leaving a balance of \$17,500.00. The Committee is asking for direction on what to do with the remaining fund balance.

Dir. Nelson felt that the money should be retained for another six (6) months before being refunded.

Dir. Rapoza stated that the money was put forth for a particular project and was not spent. Dir. Rapoza would like the money to be returned to the member agencies. If future projects come up each member agency can go back to their legislative bodies to request additional funding.

Dir. Ross agreed with Dir. Rapoza and would like to see the money returned. Dir. Vierra also agreed with Dir. Rapoza.

Motion was made by Dir. Ross to refund the fund balance on a pro rata share to the four (4) member agencies. In addition, if future projects come up each member agency can go back to their legislative bodies to request additional funding.

ROLL CALL:

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

GENERAL MANAGER'S REPORTS:

a. Manager

(1) Bill List through November 6, 2003

Motion was made by Dir. Vierra to approve the Bill List in the amount of \$309,773.20.

ROLL CALL:

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

(2) Investment Report Period Ending September 30, 2003

Dir. Rapoza reported that Jim Bargetto, Investment Consultant with Morgan Stanley will be attending the November 20, 2003 Board of Director's meeting.

(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) October 22, 2003 Santa Margarita Groundwater Basin Advisory Committee Meeting

Dir. Nelson reported on the October 22, 2003 Santa Margarita Groundwater Basin Advisory Committee meeting. Dir. Rapoza reported that this has become an excellent forum for sharing information.

Dir. Nelson reported that he will be absent from the December 4, 2003 Board of Director's meeting.

INFORMATIONAL MATERIAL:

- a. Sacramento Bee Newspaper Article Regarding Cal-Am Water Rate Hike

The Board received the Sacramento Bee Newspaper Article Regarding Cal-Am Water Rate Hike.

- b. Pacific Institute Media Release Regarding Stockton Water Privatization Ruling

The Board received the Pacific Institute Media Release Regarding Stockton Water Privatization Ruling.

- c. CRWQCB-MTBE Report

The Board received the CRWQCB-MTBE Report.

ADJOURNMENT TO CLOSED SESSION:

Dir. Rapoza adjourned the meeting to closed session at 8:34 p.m. to approve the Minutes of the Closed Session Meeting of October 16, 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 October 16, 2003

Motion was made by Dir. Rapoza to approve the Minutes of the Closed Session Meeting of October 16, 2003, as presented.

ROLL CALL:

Ayes:	Rapoza, Nelson, Ross, Vierra
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. PUBLIC EMPLOYEE PERFORMANCE EVALUATION as provided in
California Government Code Section 54957
District Manager

No reportable action.

ADJOURNMENT:

The meeting was adjourned at 9:32 p.m.

Kelly Stephens
District Secretary