

**SAN LORENZO VALLEY WATER DISTRICT
BOARD MEETING MINUTES**

November 20, 2014

7:30 p.m.

CONVENE MEETING/ROLL CALL:

Pres. Bruce convened the meeting at 7:30 p.m. Roll call showed Dirs. Brown, Bruce, Prather and Vierra were present. Acting District Manager Rogers, Deputy Director of Operations Furtado, Finance Manager Hill, and Legal Counsel, Hynes were also present.

Dir. Rapoza was unable to attend the Board meeting and phoned Acting District Manager Rogers to inform him of his absence.

Motion was made to excuse Dr. Rapoza's absence.

ROLL CALL:

Ayes:	Brown, Bruce, Prather, Vierra
Noes:	None
Abstain:	None
Absent:	Rapoza

MINUTES:

Minutes Regular Meeting of November 6, 2014.

Motion made by Dir. Prather to approve the minutes, as distributed, for the November 6, 2014 Board of Directors Meeting.

ROLL CALL:

Ayes:	Brown, Bruce, Vierra, Prather
Noes:	None
Abstain:	None
Absent:	Rapoza

Minutes of the Special Board of Directors Meeting of November 7, 2014.

Motion made by Dir. Vierra to approve the minutes, as distributed, for the November 7, 2014 Special Meeting of the Board of Directors.

ROLL CALL:

Ayes:	Brown, Bruce, Prather, Vierra
Noes:	None
Abstain:	None
Absent:	Rapoza

ADDITIONS AND DELETIONS TO AGENDA:

Acting District Manager Rogers would like to add item 8f to the agenda.

Motion made to approve the addition of item 8f Labor Compliance Project.

ROLL CALL:

Ayes:	Brown, Bruce, Prather, Vierra
Noes:	None
Abstain:	None
Absent:	Rapoza

ORAL COMMUNICATIONS:

Raymond Zachau, Boulder Creek, read a letter to the Board for the record. Raymond ran out of time before the entire letter was read. The board will consider agendaizing his letter after researching his allegation.

John Schneider, Lompico County Water District Board of Directors Elect, he has been on the Lompico Citizen's Advisory Committee and would like to address rumors heard in his canyon. He would like SLVWD to give an official response to the rumors. Pres. Bruce would like to sit down with counsel to go over this delicate issue.

WRITTEN COMMUNICATION:

No response from staff at this time.

CONSENT AGENDA: None

UNFINISHED BUSINESS:

WATER LEAK DETECTION PROJECT

Acting District Manager submitted a report from the Utility Services Associates.

Dir. Vierra the number of leaks found and how many have been repaired.

Acting Dist. Mgr. said two very difficult leaks have not been repaired. They will take more time.

Directors Bruce, Vierra and Brown all agreed that that report was well done.

Dir. Brown questioned when the next round of leak detection will be and if this is listening technology.

Dir. Vierra thinks that if SLVWD is going to have to look at infrastructure taking over other Mutuals in the future.

Pres. Bruce questioned the forecasted meter replacement.

Acting Dist. Mgr. said that only 5 meters registered low flow, of those only 3 actually registered slow after testing.

Dir. Vierra questioned the life expectancy of a meter.

Acting Dist. Mgr. stated that water meters have a life expectancy is 15 years.

Karen Brown, Boulder Creek, asked what the plan is for the leaking Echo Tank.

Acting Dist. Mgr. said that it is included in the Capital Improvement Plan.

Bruce Holloway, Boulder Creek, questioned one comment in the report saying that lines were barely below grade.

Dir. Prather said that he is very happy with the report and would like to know how long before they will go through the whole system.

Hopefully by the end of the summer the system will be checked, according to Acting Dist. Mgr.

NEW BUSINESS:

AWARD OF BID FOR VEHICLE REPLACEMENT

Acting Dist. Mgr. read the memo for this item. There was no bid for the dumptruck because no one was interested in bidding that item.

Karen Brown, Boulder Creek, wanted to know what will happen with the old vehicles.

The dumptruck has already been surplussed for parts for \$3,500. The rest of the vehicles will go to auction.

Motion was made by Dir. Prather to award the bid for the vehicle replacement.

ROLL CALL:

Ayes:	Brown, Bruce, Vierra, Prather
Noes:	None
Abstain:	None
Absent:	Rapoza

CUSTOMER SURVEY

Acting Dist. Mgr. read the memo for this item.

Pres. Bruce gave accolades to the committee for the survey.

Chuck Baughman, COCA Committee Chair said that Nina Moore and Michele Mosher spent the most time developing the survey.

Dir. Brown recognized the job well done.

Dir. Bruce questioned how the survey will be returned.

Dir. Vierra suggested the question “Are you aware you can pay online?”

Board would like the survey to go out in January 2015

Gene Ratcliffe, Felton, questioned how the District gets this kind of information to water users that don’t receive bills (ie. mobile home parks).

Acting Dist. Mgr. said that the District will hand deliver inserts to those customers.

The Board approved the Customer Survey with changes discussed.

WATERSHED WALKS GRANT

Carol Carson presented her report for the 2014 Watershed Walks.

Pres. Bruce thanked Carol for her leadership.

Dir. Prather said the Carol’s Watershed Walks encompass significantly all that the program was set up to accomplish. Thank you.

Motion was made by Pres. Bruce to accept the Watershed Walks Grant final report.

ROLL CALL:

Ayes:	Brown, Prather, Vierra, Bruce
Noes:	None
Abstain:	None
Absent:	Rapoza

RESERVE FUND POLICY

Finance Manager Hill introduced her memo regarding the Reserve Fund. Change “Working Capital” to “General Fund”

Pres. Bruce clarified reason for changes, to bring the language of GASB54 up to date.

Dir. Vierra noted the \$1 million once designated for committed emergency funds is no longer adequate. In order to take on projects (ie. Probation Tank) the District needs to have funds in the bank. Over \$1 million is depreciated every year in the District.

Pres. Bruce noted that the Committed Capital Replace Fund should be part of the Capital Improve Plan/Strategic Plan discussion.

Dir. Vierra noted that without a plan to raise the necessary funds this is just a piece of paper on a shelf.

Dir. Prather said the District need to tie this information into the budgeting process or it is not meaningful.

Pres. Bruce said that the District needs to compare projected costs vs. current rates. The District needs to make sure that the rates charged are adequate to fund District needs.

Bruce Holloway, Boulder Creek, noted that the General Fund cannot be “0”.

Pres. Bruce questioned the Board’s requirement at this time. Input from the “new” Board is needed. A future agenda will continue this discussion.

INTERTIES 2, 3 & \$ AGREEMENT

Acting Dist. Mgr. read the memo regarding Kennedy-Jenks Management and Engineering Agreement.

Dir. Vierra questioned that average percentage of a project and the project management fee. 10 – 15% is average. Also, how much is the state funding?

The state is committed to \$3.9 million for the Prop 50 Intertie projects.

Bob Fultz, Boulder Creek, questioned whether competitive bids were taken for this process.

Legal Counsel Hynes explained that it is not usual take bids for consulting.

Motion made by Dir. Vierra to accept the Kennedy-Jenks Management and Engineering Agreement.

ROLL CALL:

Ayes:	Brown, Bruce, Prather, Vierra
Noes:	None
Abstain:	None
Absent:	Rapoza

LABOR COMPLIANCE PROVISIONS

Acting Dist. Mgr. Rogers read the memo regarding LCP.

Bruce Holloway, Boulder Creek, asked how we became aware of this requirement.

Acting Dist. Mgr. said that the non-profit that administers the state reimbursement made us aware of this program.

Bob Fultz, Boulder Creek, asked where does one find the prevailing wage?

Dir. Vierra made a motion to adopt the resolution implementing LCP

ROLL CALL:

Ayes:	Brown, Bruce, Prather, Vierra
Noes:	None
Abstain:	None
Absent:	Rapoza

GENERAL MANAGERS REPORTS:

a. Manager

(1) Bill List Period Ending November 20, 2014.

Bruce Holloway, Boulder Creek, questioned legal fees on the bill list.

The legal fees were for labor negotiations.

Motion made by Dir. Prather to approve the Bill list for the period ending November 20, 2014 in the amount of \$820,598.

ROLL CALL:

Ayes:	Brown, Bruce, Vierra, Prather
Noes:	None
Abstain:	None
Absent:	Rapoza

(2) Investment Report

Bruce Holloway, Boulder Creek, questioned charges for wire transfers between LAIF and Wells Fargo. He also shared information on a County investment pool.

Finance Mgr. Hill said she will look into the County investment pool.

(3) Financial Summary

Dirs. Prather and Brown like the format and think it's an improvement.

(4) Department Status Reports

Pres. Bruce noted that the Urban Water Management plan still reflects a completion date of August 2014.

Pres. Bruce and Dir. Brown thank staff for the PGE report.

ADJOURNMENT TO CLOSED SESSION:

President Bruce adjourned the meeting to closed session at 9:39 p.m.

RECONVENE TO OPEN SESSION:

President Bruce reconvened the meeting to open session at 10:04 p.m.

REPORT ACTIONS TAKEN IN CLOSED SESSION:

No actions to report on item 11a

The Memorandum of Understanding for the Classified Employees was adopted by the following vote.

ROLL CALL:

Ayes:	Brown, Bruce, Vierra, Prather
Noes:	None
Abstain:	None
Absent:	Rapoza

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ADJOURNMENT:

Pres. Bruce adjourned the meeting at 10:08 p.m.

Holly B. Morrison
District Secretary