

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

April 17, 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, Rapoza, Vierra were present. District Manager Mueller, Director of Operations Rogers, and Legal Counsel Hynes were also present.

**MINUTES:**

MINUTES OF THE REGULAR MEETING OF April 3, 2014

Motion made by Dir. Prather to approve the minutes of the April 3, 2014 Board of Directors Meeting.

**ROLL CALL:**

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

**ADDITIONS AND DELETIONS TO AGENDA:** President Bruce requested that the agenda be modified by reversing the order of agenda items 8a and 8b.

**ORAL COMMUNICATIONS**

Charles Baughman, Boulder Creek, addressed the Board regarding the second meeting of the Citizens' Outreach Committee and the 2010 survey. Also, he requested that the SLVWD film and post Board Meetings.

Karen Brown, Boulder Creek, addressed the Board regarding leakage of water tanks.

Nick Naccari, Ben Lomond, addressed the Board regarding leakage of water tanks, also.

**WRITTEN COMMUNICATIONS:** None.

**CONSENT AGENDA:** None.

**UNFINISHED BUSINESS:** None.

## **NEW BUSINESS:**

### **THE REDWOOD MOUNTAIN FAIRE**

District Manager Mueller stated that by way of correspondence dated April 7, 2014, the District received a request from Ms. Smith, the director of The Redwood Mountain Faire, for District participation and support of the faire. For the past 3 years the District has provided a source of water for the faire as well as a backup power supply. Staff recommends that the Board approve the District's participation to the same level as the last three years.

Motion made by Dir. Brown to approve participation and support of the Redwood Mountain Faire.

#### **ROLL CALL:**

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

### **LOMPICO COUNTY WATER DISTRICT AND SAN LOVENZO VALLEY WATER DISTRICT SPHERES OF INFLUENCE AMENDMENT AND BOUNDARY REORGANIZATION**

District Manager Mueller addressed the Board with background information regarding four years of discussions between the SLVWD and the Lompico County Water District and the situation Lompico is facing. Supervisor McPherson pledged County staff and assistance to help analyze the possible courses of action relative to Lompico and a potential merge with SLVWD.

Dir. Rapoza and Dir. Vierra have participated in this process for the last 3 or 4 years. Dir. Rapoza explained in more detail the Lompico charge and the cost to SLVWD.

Dir. Vierra questioned staff's cost projections.

Dir. Brown questioned procedure of bond process.

Pres. Bruce questioned why other options besides SLVWD to absorb Lompico were taken off of the table. She also questions if Lompico's water supply is adequate, the budget amounts for 5 year charges, and questions the Resolution itself.

Lois Henry, Pres. of the Board of the Lompico County Water Dist., addressed the Board to explain why SLVWD was asked to absorb Lompico.

Man's voice, Lompico Water Dist., addressed the Board to say that they have never run out of water, they have always managed to get by. Lompico Water Dist. has been completely transparent with SLVWD.

Dir. Rapoza stated that he believes that the finances have been well thought out.

Dir. Vierra stated that the public is just learning about the years of discussion and that it is too early to make a decision.

Pres. Bruce would like to bring back this discussion in one month to display transparency and to give the public a chance to respond. Tonight has been a very good preliminary report.

Peter Lang, Boulder Creek, addressed the Board to question the engineer used in process.

Nick Niccari, Ben Lomond, addressed the Board point out the leaks in our system.

Woman's voice, Scotts Valley, addressed the Board to ask if there is a stipulation with the bond funds says the infrastructure will taken care of within a certain timeframe.

Mary Jo Walker, Santa Cruz Co. Accountant for Bond Issuance, there is a presumption that the funds will be spent within three years.

John Fasolas, Felton, addressed the Board to say that when the SLVWD absorbed the Felton district there were unexpected charges.

Bruce Holloway, Boulder Creek, addressed the Board and agreed it is appropriate to wait for more information before a decision is made.

Mary Jo Walker, Santa Cruz Co., the County will lend their name to the bond for lower rates.

Bruce McPherson, Santa Cruz Co. Supervisor, addressed the Board to say that Dir. Vierra has asked an unanswerable question. Sincerely thanked the Board and staff for all of their work.

Stephen Petersen, Zayante, addressed the Board with a request for transparency.

Kevin Collins, addressed the Board to say that the Board doesn't seem to trust staff with the information they have given.

Charles Baughman, Boulder Creek, addressed the Board to ask the County about waste water. Also, what will happen to Lompico's water usage when they don't have to pay a premium for water?

Mark Lee, Ben Lomond, addressed the Board to congratulate the Board.

Dir. Rapoza suggested that the Board meet on May 3, 2014 at a larger venue to further this discussion.

Pres. Bruce concurs that we designate a special meeting to this subject. Also, she would like to see all information posted on the website.

Pat McCormick, LAFCO, addressed the Board to say that tomorrow morning the Lompico charge will be on the LAFCO Santa Cruz website.

Motion made by Dir. Rapoza to continue this discussion at a special meeting of the Board on Thursday, May 22, 2014, at 7:00 pm, site to be determined.

Lois Henry, Lompico, addressed the Board to thank them and to say she will be happy to be part of SLVWD.

**ROLL CALL:**

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

**AGREEMENT FOR INSTALLATION OF WATER FACILITIES: APN 071-192-05**

There is a commercial business at this site and they are being told by the County to upgrade their fire system with sprinklers.

Dir. Vierra asked if there is a specific charge or is this just our cost. Dist. Manager Mueller replied that it is a charge of just cost.

Motion made by Dir. Rapoza to approve water upgrade to APN 071-192-05.

**ROLL CALL:**

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

**GENERAL MANAGERS REPORTS:**

Bill List Period Ending April 17, 2014.

Motion made by Dir. Vierra to approve the Bill List for the period ending April 17, 2014.

**ROLL CALL:**

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

One Time Leak Adjustment Status Report.

Water Conservation Credit Programs Status Report.

Department Status Reports.

The Board received the Department Status Reports.

Bruce Holloway, Boulder Creek, addressed the Board to ask if there is a draft of the financial statement. Dist. Manager responded that there is not at this time a draft of the financial statement available to the public.

**COMMITTEE/DIRECTOR REPORTS (ORAL):** None.

**INFORMATIONAL MATERIALS:** None.

**ADJOURNMENT TO CLOSED SESSION:**

Pres. Bruce adjourned the regular meeting to Closed Session at 10:15 p.m. for the purpose of:

**CONFERENCE WITH LEGAL COUNSEL: ANTICIPATED LITIGATION**

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9 California Government Code.

One (1) potential case.

**CONFERENCE WITH REAL PROPERTY NEGOTIATOR**

Conference with Real Property Negotiator pursuant to California Government Code Sections 54956.8 and 54954.2(b)(2).

Property: APN 090-194-14 generally located at 1130 Rebecca Drive, Boulder Creek, California

Agency Negotiator: James Mueller, District Manager

Negotiating Party: Coldwell Banker, Los Gatos

Under Negotiation: Price and Payment Terms

**PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Public employee performance evaluation pursuant to California Government Code Section 54957(b)(1).

Employee: District Manager

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James A. Mueller  
Acting District Secretary