

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

October 1, 2015

6:00 p.m.

CONVENE MEETING/ROLL CALL:

President Bruce convened the meeting at 6:00 p.m.

Roll call showed Dirs. Baughman, Ratcliffe and Brown were present. District Manager Lee and Legal Counsel Hynes were also present.

The present Board voted unanimously to excuse Director Hammer.

Staff requested a minor change to the agenda. Item 10a should read "discussion and possible action".

ADJOURNMENT TO CLOSED SESSION:

President Bruce adjourned to closed session at 6:05 p.m.

RECONVENE TO OPEN SESSION:

Pres. Bruce reconvened the meeting to open session at 7:00 p.m. and read the SLVWD Mission Statement.

Roll call showed President Bruce, Dirs. Baughman, Brown and Ratcliffe were present. District Manager Lee and Legal Counsel Hynes were also present.

Director Hammer was excused.

REPORT ACTIONS TAKEN IN CLOSED SESSION:

President Bruce announced no reportable actions.

ADDITIONS AND DELETIONS TO AGENDA: None

MINUTES:

District Manager Lee requested a correction to the minutes regarding item 10a ACWA Region 5 Election. Dir. Baughman voted no but the minutes said that he voted aye.

Charlene DeBert, Boulder Creek, noted that the on line agenda did not have links to backup documents.

Director Ratcliffe made a motion to approve the minutes of the September 17, 2015 as corrected.

ROLL CALL:

Ayes:	Brown, Bruce, Baughman, Ratcliffe
Noes:	None
Abstain:	None
Absent:	Hammer

ORAL COMMUNICATIONS:

Charlene DeBert, Boulder Creek, questioned the use of the fire hydrant near the post office by a particular contractor, why is he special.

District Manager Lee explained that the contractor uses the surplus water often and he was given permission to access the hydrant in question in order to relieve traffic near the downtown office location.

WRITTEN COMMUNICATION: None

CONSENT AGENDA: None

UNFINISHED BUSINESS:

10a INTERIM FUNDING AGREEMENT

District Manager Lee explained that the Scotts Valley Water District has agreed to loan SLVWD \$1 million for 12 months for 2% interest rate and a closing cost of \$2000. Due to the immediate need for the money, President Bruce has signed the loan papers and staff now requests that the Board approve the loan.

Dir. Ratcliffe said that she was very pleased with the generosity of SVWD.

Dir. Brown noted that the loan is from an ideal source and within the parameters set by the Board.

Director Baughman made a motion to accept the Interim Funding Agreement with Scotts Valley Water District.

ROLL CALL:

Ayes:	Brown, Bruce, Baughman, Ratcliffe
Noes:	None
Abstain:	None
Absent:	Hammer

10b DRAFT RESERVE POLICY

District Manager Lee said that the Finance Committee and staff have been working on a simplified Reserve Policy for several months. They came up with a draft of the policy that the Committee approved to send to the Board for possible adoption. He noted that this is a target/goal - for 5 years down the road.

Director Brown said that the Committee did a good job of simplifying the structure.

Dist. Mgr. Lee added that there are 3 buckets:

Restricted Funds	Debt Service	
Committed Funds	Capital	\$2 million
“	Operational	\$1.5 million (roughly 6 mos. operating)

Dir. Baughman said that these funds are not for use for income shortfalls.

Dir. Ratcliffe likes that the document is simplified. She also questioned the language of “committed” by the state and requested clarification.

Dir. Baughman said that he likes the simplification and appropriate target levels.

Pres. Bruce asked for clarification of water fund and wastewater fund.

Dist. Mgr. Lee said that is not related to the Reserve Policy.

Dir. Baughman made a motion for the Board to approve the Reserve Policy.

ROLL CALL:

Ayes:	Brown, Bruce, Ratcliffe, Baughman
Noes:	None
Abstain:	None
Absent:	Hammer

NEW BUSINESS:

11a BILL LIST FOR PERIOD ENDING OCTOBER 1, 2015

Director Brown noted the new format for the Bill List.

Dist. Mgr. Lee said that we will be working on the format for reporting to the Board as we get more comfortable with the new system.

Pres. Bruce made a motion to accept the Bill List in the amount of \$216,918.98.

ROLL CALL:

Ayes: Brown, Baughman, Ratcliffe, Bruce
Noes: None
Abstain: None
Absent: Hammer

11b 2015 ACWA EVENTS

Dist. Mgr. Lee described the ACWA Events for the remainder of 2015 and suggested that the Board consider attending these events.

Regulatory Summit Bruce & Baughman

Region 5 Fall Event Lee & Brown

Fall Conference Ratcliffe & Hammer

President Bruce made a motion to approve the attendance of the Board and staff to the ACWA events.

ROLL CALL:

Ayes: Brown, Bruce, Baughman, Ratcliffe
Noes: None
Abstain: None
Absent: Hammer

GENERAL MANAGER REPORTS:

District Manager Lee shared information regarding Administrative/Engineering events by the District, focusing on meetings with legislators and public.

COMMITTEE/DIRECTOR REPORTS:

President Bruce shared information from the Sacramento trip. She, Dir. Ratcliffe and Dist. Mgr. met with ACWA Director Tim Quinn, Secretary John Laird and Deputy Directors of the State Water Resources Control Board. The discussions were very productive.

Director Brown said that the Finance Committee discussed the Interim Funding Agreement and the Draft Reserve Policy, all on the evening's agenda.

ADJOURNMENT:

President Bruce adjourned the meeting at 8:00 p.m.