

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

June 18, 2015

6:00 p.m.

CONVENE MEETING/ROLL CALL:

Vice President Brown convened the meeting at 6:00 p.m.

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

ADJOURNMENT TO CLOSED SESSION:

Vice President Brown adjourned to closed session at 6:02 p.m.

RECONVENE TO OPEN SESSION:

Vice Pres. Brown reconvened the meeting to open session at 7:02 p.m.

Roll call showed Dirs. Baughman, Brown and Ratcliffe were present. District Manager Lee, Director of Operations Rogers, Environmental Analyst Michelsen and Legal Counsel Hynes were also present.

VP Brown noted that President Bruce is on her way and will be arriving shortly.

District Counsel said that a motion to excuse Director Hammer should be made. VP Brown made the motion to excuse Dir. Hammer.

ROLL CALL:

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

REPORT ACTIONS TAKEN IN CLOSED SESSION:

Vice President Brown announced no reportable actions.

MINUTES:

Director Ratcliffe made a motion to accept the minutes as written for the June 4, 2015 Board of Directors meeting.

ROLL CALL:

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

ORAL COMMUNICATIONS:

Suellene Petersen, Felton, said that in her official capacity as the editor of the Press Banner she would like to request better planning in the future regarding traffic stops due to SLVWD construction.

District Manager Lee said that staff is well aware of the traffic issues and is in communication with the County.

Bruce Holloway, Boulder Creek, said that he didn't hear the additions and deletions to the agenda.

ADDITIONS AND DELETIONS TO AGENDA:

District Manager Lee said that staff would like to move item 11d up in the agenda. The proposed order for item discussion would be 9a, 11d, 10a, 11a, 11b, 11c.

Director Baughman made a motion to change the order of the agenda.

ROLL CALL:

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

ORAL COMMUNICATIONS (Cont.):

Bruce Holloway, Boulder Creek, continued. Mr. Holloway questioned the 25% requested reduction in water use in the District.

Nick Nicari, Ben Lomond, thanked Director of Operations Rogers for his years of service to the District and his prompt responses. Mr. Nicari questioned the leak detection project and the rights to Lock Lomond water. Mr. Nicari also thanked Mr. Holloway and suggested that the Board recognize the contributions of Mrs. Petersen.

WRITTEN COMMUNICATION: None

CONSENT AGENDA:

Director Baughman made a motion to accept the SLV Elementary Bobcat Club 2014-15 FINAL report.

ROLL CALL:

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

NEW BUSINESS:

REQUEST FOR DISTRICT SUPPORT OF WATER CONSERVATION AUDIT PROGRAM

District Manager Lee described the item and turned the discussion over to Environmental Analyst Michelsen and Kristen Liske with Ecology Action.

Environmental Analyst Michelsen said that the top 30 water users represent .4% of the water users in the District and they are using 6% of the water. The District can save 6 million gallons of water per year by getting these top 30 users to reduce their water use. The continuing drought is causing significant loss of surface and groundwater resources. Ms. Michelsen shared a list of the top users by business category.

District Manager Lee pointed out that the top 30 are not necessarily water wasters, they are just the largest users, serving a larger population.

Kristen Liske, Ecology Action, described her plan for her voluntary reduction program for the largest water users.

Ms. Michelsen noted that the District would require buy-in from the audit recipients to guarantee follow through with steps to reduce water use. The cost of the project will be approximately \$12,000 and would be paid through the Water Conservation budget.

Dir. Ratcliffe questioned if there is a return on investment calculation for the program.

President Bruce arrived at 7:22 p.m.

Pres. Bruce suggested that the experience of the recipients of the audit be cataloged for lessons learned.

Dir. Baughman would like to see follow up in 1 to 2 years.

Bruce Holloway, Boulder Creek, questioned what if there is a leak causing the high usage in private residences. He was surprised by the usage of churches.

Nick Nicari, Ben Lomond, stated that he is an ecologist. He is concerned about the money being invested. He questioned if an orchard owner has the right to water. He questioned a less expensive way to save water.

Mark Lee, Ben Lomond, thinks this is a superb idea. He would like to have laundry mats included.

President Bruce suggested that the vote be tabled until after the Board has the budget discussion.

UNFINISHED BUSINESS:

ADOPTION OF FISCAL YEAR BUDGET 2015-16

District Manager described the budget discussion. This is the 6th public meeting to discuss the budget.

Director Brown questioned the need for a budget for the Strategic Plan. He also questioned the amount of budget for Transparency/ Public Outreach and Rate Study.

Director Baughman agreed that we can handle the Strategic Plan without assistance. He said that we should go ahead with the Bear Creek Estates Rate Study and to leave that budget item alone. He would like to see cuts to Public Outreach and Conservation.

Director Ratcliffe agreed to cut the Strat. Plan budget. Thinks that the wastewater rate study should go forward. The rebates are very effective and need to be continued. She thinks that the classes have reached their targets.

President Bruce agreed with cut of Strat. Plan. Ms. Bruce questioned the Transparency budget.

Amanda Robinson, Felton, questioned the wastewater treatment.

John Fasolas, Felton, said that he is concerned about the reserve fund and replacing infrastructure.

Bruce Holloway, Boulder Creek, agreed with Mr. Fasolas. He said that the District needs to increase rates and January 1 is too long to wait for an increase.

Mark Lee, Ben Lomond, agreed with Mr. Fasolas and Mr. Holloway. Thinks that the District needs to look for additional cuts in the budget.

Amanda Robinson, Felton, advocated increased rates.

President Bruce thinks that our infrastructure needs to be maintained. The past Board was reluctant to spend the money needed to maintain infrastructure by raising rates and the District is paying for that now.

The Board agreed to the following:

- \$2500 cut from Strategic Plan (page 12)

- \$15,000 cut from the Transparency Plan (page 13)
- \$15,000 cut from the Drought Outreach Plan (page 24)

Dir. Brown made a motion to accept the FY 2015/16 Budget with the above listed changes and to approve Resolution No. 51 (15-16).

ROLL CALL:

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

NEW BUSINESS (Cont.):

**REQUEST FOR DISTRICT SUPPORT OF WATER CONSERVATION
AUDIT PROGRAM Cont.**

President Bruce, Directors Ratcliffe and Brown voiced support of this project.

District Manager Lee stated that staff supports this project.

John Fasolas, Felton, suggested that the people taking advantage of this water and money saving program, help pay for it.

Mark Lee, Ben Lomond, suggested that the District cap the amount spent on this program at \$11,500.

Dir Ratcliffe made a motion to approve the Water Conservation Audit Program.

ROLL CALL:

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

BILL LIST FOR PERIOD ENDING June 18, 2015.

Director Baughman questioned State of CA check for \$225.

Bruce Holloway, Boulder Creek, questioned a check to Kennedy/Jenks for \$698,792. Also, a check to County of Santa Cruz for \$22,197.

Mark Lee, Ben Lomond, questioned if the State will be paying the District back 50% of the total bill list. And how we are paying for the bill list.

President Bruce explained the Intertie rebate program.

Dir. Baughman made a motion to approve the June 18, 2015 bill list in the amount of \$965,103.

ROLL CALL:

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

AWARD OF CONTRACT FOR PROPERTY MANAGEMENT OF THE JOHNSON PROPERTY

District Manager Lee described this item.

Director Brown made a motion to approve a contract for property management of the Johnson Building with Schwarzbach Associates.

ROLL CALL:

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

CANCELLATION OF JULY 2 BOARD OF DIRECTORS MEETING

District Manager described this item.

Bruce Holloway, Boulder Creek, questioned the date of the meeting with Tom Pavletic.

Pres. Bruce said that the not apply to the subject at hand.

President Bruce made a motion to cancel the July 2, 2015 Board of Directors meeting.

ROLL CALL:

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

GENERAL MANAGER REPORTS:

ADMINISTRATION

DM Lee read the highlights from the report.

COMMITTEE/DIRECTOR REPORTS

Pres. Bruce shared highlights from the CSDA Legislative Days.

ADJOURNMENT:

President Bruce adjourned the meeting at 9:43 p.m.

Holly B. Morrison
District Secretary