

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

**August 5, 2004**

The regular meeting of the Board of Directors of the San Lorenzo Valley Water District was called to order by Dir. Ross on Thursday, August 5, 2004 in the District's Operations Building, 13057 Highway 9, Boulder Creek, California at 7:30 p.m.

CONVENE MEETING/ROLL CALL:

Roll call showed Dirs. Rapoza, Vierra and Ross present. Dirs. Nelson and Prather were absent. District Manager Mueller and Counsel Hynes were also present.

MINUTES:

- a. Minutes of the Regular Meeting of July 15, 2004

Motion was made by Dir. Rapoza to approve the Minutes of the Regular Meeting of July 15, 2004, as amended.

ROLL CALL:

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

ADDITIONS AND DELETIONS TO THE AGENDA: None

ORAL COMMUNICATIONS:

Frank Adamson-Felton was present to address the Board. Mr. Adamson thanked the Board for their courageous support.

Barbara Sprenger-Felton was present to address the Board. Ms. Sprenger stated that she attended the meeting Monday night that Cal-Am hosted. Ms. Sprenger stated that she would like to request the Board to ask staff to look at the budget and give the public an idea on what it would look like if the proposed acquisition were to occur.

Dir. Ross sated that there would be a delay in providing such information, but that type of information would be aired at a public meeting if the proposed acquisition occurs.

Dir. Rapoza stated that a basic fact sheet would be appropriate and useful.

Paul Storm-Brookdale was present to address the Board. Mr. Storm stated that the Board of Directors of the Boulder Creek Park and Recreation District passed a motion

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empowering Mr. Galt to negotiate with the District regarding acquisition of District Vehicle #238. In addition, Mr. Storm provided the District Secretary with a request for public records relative to receipts for reimbursements made by District staff from 11/15/2004-8/2004 for personal telephone and cell phone usage.

Gordon Stewart-Boulder Creek was present to address the Board. Mr. Stewart stated that there is a lot of misinformation about the Felton water issue. Mr. Stewart would like the Board to come forward about what the future will bring ASAP. Mr. Stewart stated that an official word from the Board is in order.

Dir. Rapoza inquired if Patrick Dugan's editorial was approved by the Board of the Property Owner's Association. Mr. Storm stated that Mr. Dugan's editorial was an individual opinion. Dir. Rapoza stated that a disclaimer would have been appropriate.

Ken Meschi-Felton was present to address the Board. Mr. Meschi stated that he attended a meeting regarding a building moratorium in Monterey. Various private citizens spoke to the issue. One citizen asked if he adjusted his water fixtures, could he get more water credits. He was told that he was out of luck and would not be issued a building permit.

Susan Kipping-Felton was present to address the Board. Ms. Kipping stated that she was not pleased with the County and would like to commend FLOW for their hard work. In addition, Ms. Kipping thanked the Board for the courage that the District has shown.

Tod Landis-Felton was present to address the Board. Mr. Landis stated that a tape of the Board of Supervisor's meeting relative to placing a measure on the ballot for the potential Felton acquisition will be aired on Sunday, August 9, 2004 at 8:00 p.m. on channel 26.

Janet Laidlaw-Boulder Creek was present to address the Board. Ms. Laidlaw stated that the people in Felton should purchase their own water system.

WRITTEN COMMUNICATIONS: None

CONSENT AGENDA: None

UNFINISHED BUSINESS: None

NEW BUSINESS:

- a. Santa Cruz County Grand Jury; 2003-2004 Final Report

Manger Mueller reported that the District was in receipt of the Santa Cruz County Grand Jury; 2003-2004 Final Report. Mr. Mueller stated that Section 6 of the Final Report addressed special districts. Manager Mueller has prepared a Draft response for consideration by the Board.

Paul Storm-Brookdale would like the Board to make sure the information is correct relative to storage of reclaimed water.

Dir. Ross directed staff to make corrections recommended by the Board and bring back to the next Board of Directors meeting for further discussion.

GENERAL MANAGER'S REPORTS:

a. Manager

(1) Bill List Period Ending August 5, 2004

Motion was made by Dir. Rapoza to approve the Bill List Period Ending August 5, 2004 in the amount of \$246,432.76.

ROLL CALL:

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

(2) Cash Flow Report Period Ending June 30, 2004

The Board received the Cash Flow Report Period Ending June 30, 2004.

(3) Investment Report Period Ending June 30, 2004

The Board received the Investment Report Period Ending June 30, 2004.

(4) 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):

INFORMATIONAL MATERIAL:

- a. June 30, 2004 California Regional Water Quality Control Board, MTBE Report

The Board received the June 30, 2004 California Regional Water Quality Control Board, MTBE Report.

- b. Newspaper Articles

The Board received the Newspaper Articles.

ADJOURNMENT TO CLOSED SESSION:

Dir. Ross adjourned the meeting to closed session at 8:24 p.m. to approve Minutes of the Closed Session Meeting of July 15, 2004 and to Confer with Legal Counsel - Anticipated Litigation, Initiation of Litigation Pursuant to Subdivision (c) of Government Code Section 54956.9-One (1) Potential Case and for Public Employee Performance Evaluation Pursuant to California Government Code Section 54957, Title: District Manager.

RECONVENE TO OPEN SESSION TO REPORT ACTIONS TAKEN IN CLOSED SESSION:

- a. Minutes of the Closed Session Meeting of July 15, 2004

Motion was made by Dir. Ross to approve the Minutes of the Closed Session Meeting of July 15, 2004, as presented.

ROLL CALL:

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

- b. CONFERENCE WITH LEGAL COUNSEL -  
ANTICIPATED LITIGATION  
Initiation of Litigation Pursuant to Subdivision (c) of Government Code Section 54956.9:  
One (1) Potential Case

No reportable action.

- c. PUBLIC EMPLOYEE PERFORMANCE EVALUATION pursuant to  
California Government Code Section 54957  
Title: District Manager

No reportable action.

ADJOURNMENT:

The meeting was adjourned at 9:00 p.m.

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Kelly Stephens  
District Secretary