

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

October 16, 2003

The regular meeting of the Board of Directors of the San Lorenzo Valley Water District was called to order by Dir. Rapoza on Thursday, October 16, 2003 in the District's Operations Building, 13057 Highway 9, Boulder Creek, California at 7:31 p.m.

CONVENE MEETING/ROLL CALL:

Roll call showed Dirs. Rapoza, Prather and Ross present. Dir. Nelson arrived at 7:33 p.m. and Dir. Vierra was absent. District Manager Mueller and Counsel Hynes were also present.

MINUTES:

- a. Minutes of the Regular Meeting of October 2, 2003

Motion was made by Dir. Ross to approve the Minutes of the Regular Meeting of October 2, 2003.

ROLL CALL:

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

ADDITIONS AND DELETIONS TO THE AGENDA: None

ORAL COMMUNICATIONS:

Lisa Rudnick was present to remind the Board of the risk of fire hazard. In addition, Ms. Rudnick made reference an agenda item she provided to the Board at their last meeting.

Todd Landis was present and provided the Board with a letter he sent to Attorney General, Bill Lockyer regarding water permits held by California American Water Company in Felton. Mr. Landis felt that Cal-Am is acting in violation of public trust.

Paul Storm was present and stated now that Supervisor Almquist is leaving office, the previously authorized funds for taking over the Felton facility could impact ratepayers of this District. Mr. Storm felt that this Board has taken on a poor fiduciary responsibility.

Susan Kipping was present and stated that even though Mr. Almquist is out, the people in Felton still need support. Ms. Kipping felt that the Board needed to act locally. In addition, Ms. Kipping provided the Board with an article from the Good Times regarding California American Water Company in Felton.

WRITTEN COMMUNICATIONS: None

CONSENT AGENDA: None

UNFINISHED BUSINESS: None

NEW BUSINESS:

a. Education Program Advisory Commission

Manager Mueller reported that on June 5, 2003 the Board of Directors adopted Ordinance No. 100 establishing an Education Program Advisory Commission. This Commission is an Advisory Commission of the San Lorenzo Valley Water District regarding the selection and allocation of education program grants and/or scholarships. The application process was completed on Friday, October 10, 2003 at 5:00 p.m. Manager Mueller reminded the Board that each Board member is to select one appointment to the Commission.

Dir. Rapoza would like the Board to receive the applications and continue the matter to the November 6, 2003 Board of Directors meeting so that each Board member has time to contact the applicants. Dir. Rapoza read the list of nine (9) applicants to the audience.

Janet Laidlaw was present and asked the Board why they took input from people outside the District but now are selecting people only from inside the District. Dir. Ross indicated that it was beneficial to have input from the entire community.

Lisa Rudnick handed a letter to the Board and interested citizens which outlined various laws which govern the District.

Gordon Stuart was present and asked the Board what were considered boundaries of the District. Mr. Stuart indicated that he is not within geographical boundaries of the District. Mr. Stuart is trying to get the District to go legal and do the right thing. The District should look for external sponsorship.

Skip Matthes was present and stated that living and owning property within the boundaries of the District makes you a member of the District. Mr. Matthes felt that voting registration is a refining factor.

Counsel Hynes reported that being a registered voter is a very common requirement in these types of situations.

Pat Dugan stated that giving the Commission the authority to adopt rules, regulations and scholarships gives the Commission the power to function.

Dir. Nelson stated that it could be logical to allow other people from the outside in. It will be the District's discretion.

Dir. Prather's intention is to benefit entire watershed. In addition, Dir. Prather felt that it didn't seem inappropriate to include the residents of Felton and is open to reconsider boundaries. Dir. Prather asked Counsel Hynes if it was legal to appoint someone who didn't specifically submit an application. In addition, Dir. Prather asked if he could appoint himself.

Counsel Hynes stated that he could appoint someone who did not submit an application and it would be perfectly acceptable for him to appoint himself.

GENERAL MANAGER'S REPORTS:

a. Manager

(1) Bill List through October 16, 2003

Motion was made by Dir. Ross to approve the Bill List in the amount of \$217,567.21.

ROLL CALL:

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

(2) Cash Flow Period Ending September 30, 2003

The Board received the Cash Flow Period Ending September 30, 2003.

(3) One Time Leak Adjustment Status Report; July 1, 2003 -

September 30, 2003

The Board received the One Time Leak Adjustment Status Report;
July 1, 2003 - September 30, 2003.

(4) Department Status Reports

(i) Administration

Dir. Prather reported that he would like to have the next meeting with Bear Creek Estates Wastewater System Users before the Christmas holiday.

(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): None

INFORMATIONAL MATERIAL:

a. Western City Magazine Article Regarding Local Officials

The Board received the Western City Magazine Article Regarding Local Officials.

ADJOURNMENT TO CLOSED SESSION:

Dir. Rapoza adjourned the meeting to closed session at 8:11 p.m. to approve the Minutes of the Closed Session Meeting of October 2, 2003 and to confer with Legal Counsel - Anticipated Litigation, Significant Exposure to Litigation Pursuant to Subdivision (c) of Government Code Section 54956.9-One (1) Potential Case and for Public Employee Performance Evaluation as provided in California Government Code Section 54957-District Manager.

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

- a. Minutes of the Closed Session Meeting of October 2, 2003

Motion was made by Dir. Rapoza to approve the Minutes of the Closed Session Meeting of October 2, 2003, as presented.

ROLL CALL:

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

- b. CONFERENCE WITH LEGAL COUNSEL -
ANTICIPATED LITIGATION

Significant Exposure to Litigation Pursuant to Subdivision (c) of
Government Code Section 54956.9:

One (1) Potential Case

No reportable action.

- c. PUBLIC EMPLOYEE PERFORMANCE EVALUATION as provided in
California Government Code Section 54957
District Manager

No reportable action.

ADJOURNMENT:

The meeting was adjourned at 8:25 p.m.

Kelly Stephens
District Secretary