

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

The regular meeting of the Board of Directors of the San Lorenzo Valley Water District was called to order by Dir. Vierra on Thursday, August 4, 2005 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, Ross and Vierra present. Dir. Nelson arrived at 7:31 p.m. and Dir. Prather was absent. District Manager Mueller, Director of Operations Rogers and Legal Counsel Hynes were also present.

MINUTES:

- a. Minutes of the Regular Meeting of July 21, 2005

Motion was made by Dir. Rapoza to approve the Minutes of the Regular Meeting of July 21, 2005, as presented.

ROLL CALL:

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

ADDITIONS AND DELETIONS TO THE AGENDA: None

ORAL COMMUNICATIONS:

Glenn Lyons, Felton was present to address the Board. Mr. Lyons thanked the Board for their participation with the Cal-Am acquisition. Mr. Lyons stated that acquisition would be good for the entire valley. FLOW is willing to help the process along in any way they can. Mr. Lyons felt that Measure W would not have passed without this Board's assistance.

Larry Ford, Felton was present to address the Board. Mr. Ford thanked Glen for his comments and shared his sentiments. In addition, Mr. Ford thanked the Board for all their hard work. Mr. Ford gave the District Secretary a letter for distribution to the Board quoted directly from Steve Leonard of Cal-Am.

Dir. Ross stated that this Board is now in negotiation mode and Cal-Am's tactics have changed.

Connie Barr, Felton was present to address the Board. Ms. Barr stated that FLOW is willing to work together with the Board to progress with the acquisition.

Frank Adamson, Felton was present to address the Board. Mr. Adamson affirmed that the nature of the situation has turned. Mr. Adamson encouraged the Board to let FLOW know in if they can help in any way.

Manager Mueller stated that meetings will be scheduled in the near future to set timelines.

Dir. Rapoza stated that the Board of Supervisor's has taken the necessary action to start the Bond process.

WRITTEN COMMUNICATIONS: None

CONSENT AGENDA: None

UNFINISHED BUSINESS: None

NEW BUSINESS:

Manager Mueller recommended the Board address agenda item 8b first as customers were present relative to this item. There was no objection from the Board.

a. Special District Risk Management Authority Board of Director's Election

Manager Mueller stated that in April 2005, SDRMA notified its membership that nominations were being accepted for seven (7) seats on the Board of Directors. Eleven (11) nominations were received and each candidate submitted a Statement of Qualifications. SDRMA's Board of Directors Policy specifies that member agencies desiring to participate in the balloting and election of candidates to serve on SDRMA's Board of Directors must be adopted by resolution of the member agency's governing body.

Dir. Rapoza stated that it is always difficult to make a choice when you don't personally know the candidates.

Dir. Ross stated that he was not prepared to make an intelligent judgment.

Dir. Vierra directed the Board to take home the Candidate's Statements to review and directed staff to reagendaize this item for the next meeting.

b. Agreement for Water Service; APN 089-421-08

Manager Mueller reported that on June 30, 2005, Ms. Penny Slinger-Hills applied for water service to APN 89-421-08 generally located off Bear Creek Road, Boulder Creek. Staff review indicates that the District has no water distribution facilities at this location and recommends that water service be provided by a long service line agreement. The water meter would be generally located on Oak Knoll Court.

Motion was made by Dir. Ross to approve Resolution No. 3 (05-06) Approval of Agreement Regarding Water Service for Penny Slinger-Hills, APN 89-421-08; Boulder Creek.

ROLL CALL:

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

GENERAL MANAGER'S REPORTS:

a. Manager

(1) Bill List Period Ending August 4, 2005

Motion was made by Dir. Rapoza to approve the Bill List Period Ending July 21, 2005 in the amount of \$134,118.48, as presented.

ROLL CALL:

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

(2) 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

Manager Mueller reported that after the Mello-Roos formation in Felton, Felton Heights Road Association contacted the District asking if the District would consider taking on their Mutual Water Company.

b. Committee/Director Reports (Oral):

Dir. Rapoza reported that Carole Bell was chosen to fill the LAFCO alternate commissioner vacancy. Ms. Bell was formerly a LAFCO commissioner for special districts. In addition, the LAFCO Commission accepted the Community Service Review document at their last meeting.

INFORMATIONAL MATERIAL:

a. Newspaper Articles

The Board received the Newspaper Articles.

b. July 15, 2005 California Regional Water Quality Control Board MTBE Report

The Board received the July 15, 2005 California Regional Water Quality Control Board MTBE Report.

ADJOURNMENT TO CLOSED SESSION:

Dir. Vierra adjourned the meeting to closed session at 8:05 p.m. to approve Minutes of the Closed Session Meeting of July 21, 2005 and confer with Labor Negotiator Pursuant to California Government Code Section 54957.6, Agency Negotiator: James Mueller, District Manager, Employee Organizations: Classified Employees Unit; and, Management, Supervisory and Confidential Employees Unit and for Public Employee Performance Evaluation pursuant to California Government Code Section 54957(b)(1), District Manager and District Counsel.

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

a. Minutes of the Closed Session Meeting of July 21, 2005

Motion was made by Dir. Vierra to approve the Minutes of the Closed Session Meeting of June 30, 2005, as presented.

ROLL CALL:

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

- b. CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to California Government Code Section 54957.6
Agency Negotiator: James Mueller, District Manager
Employee Organizations: Classified Employees Unit; and, Management, Supervisory and Confidential Employees Unit

No reportable action.

- c. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to California Government Code Section 54957(b)(1)
District Manager and District Counsel

The Board concluded employee performance evaluations for District Manager and District Counsel.

ADJOURNMENT:

The meeting was adjourned at 9:16 p.m.

Kelly Stephens
District Secretary