

**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, June 2, 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. Nelson, Prather, Rapoza, Ross and Vierra present. District Manager Mueller and Counsel Hynes were also present.

MINUTES:

- a. Minutes of the Regular Meeting of May 19, 2005

Motion was made by Dir. Rapoza to approve the Minutes of the Regular Meeting of May 19, 2005, as amended.

ROLL CALL:

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

ADDITIONS AND DELETIONS TO THE AGENDA: None

ORAL COMMUNICATIONS:

Paul Storm, Brookdale was present to address the Board. Mr. Storm stated that he is opposed to the District's Equipment Replacement Program. In addition, Mr. Storm stated that the District should review their purchasing procedures relative to vehicle purchases. Mr. Storm stated that the District should be utilizing the California Multiple Award Schedule (CMAS) when making purchases.

Manager Mueller stated that the most recent vehicle purchase was done through CMAS Contract.

WRITTEN COMMUNICATIONS: None

CONSENT AGENDA: None

UNFINISHED BUSINESS: None

06/02/2005

NEW BUSINESS:

- a. Authorization to Borrow Letter, Wells Fargo Bank N.A.

Manager Mueller reported that Liberty Bank is the District's primary financial institution for payroll processing and Wells Fargo Bank is the District's primary financial institution for paying bills, collecting funds and investment purposes. For the past 15 years, the District has maintained credit card accounts through Liberty Bank for authorized miscellaneous purchases for the District Manager and Director of Operations. Since that time, U. S. Bancorp, St. Louis, Missouri has become the funding institution for the Liberty Bank Credit Cards. Due to the District's normal accounts payable procedures and the terms of payment for U.S. Bancorp, there has been an increase in fees for late payments. To avoid any additional increase in fees for late payments, staff has applied for credit card accounts through Wells Fargo Bank N.A. This will allow the District to make monthly payments in a timely manner that is consistent with the District's normal accounts payable procedures. Prior to Wells Fargo Bank N.A. issuing the credit cards, it is necessary for the Board to execute an Authorization to Borrow Letter on behalf of the District.

Paul Storm, Brookdale was present to address the Board. Mr. Storm stated that banks are required to have clearance and are tightly regulated. Mr. Storm felt that the District should revamp the normal accounting procedures.

Motion was made by Dir. Nelson to approve Resolution No. 31 (04-05 Authorization to Borrow Letter, Wells Fargo Bank N.A.

ROLL CALL:

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

GENERAL MANAGER'S REPORTS:

- a. Manager

- (1) Bill List Period Ending June 2, 2005

Motion was made by Dir. Ross to approve the Bill List Period Ending June 2, 2005 in the amount of \$296,528.75, as amended.

ROLL CALL:

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

(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

The Board received the Engineering Department Status Report.

b. Committee/Director Reports (Oral):

Rapoza reported on the last LAFCO meeting. There was a presentation regarding a pipeline to bring water from the central valley over to Watsonville for agriculture. Mr. Rapoza stated that they are making great strides and with the central valley project pipeline it can be realized by 2020.

INFORMATIONAL MATERIAL: None

ADJOURNMENT TO CLOSED SESSION:

Dir. Vierra adjourned the meeting to closed session at 7:45 p.m. to approve Minutes of the Closed Session Meeting of May 19, 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.

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

a. Minutes of the Closed Session Meeting of May 19, 2005

Motion was made by Dir. Vierra to approve the Minutes of the Closed Session Meeting of May 19, 2005, as presented.

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ROLL CALL:

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

- 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.

ADJOURNMENT:

The meeting was adjourned at 8:15 p.m.

Kelly Stephens
District Secretary