

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

April 21, 2005

The regular meeting of the Board of Directors of the San Lorenzo Valley Water District was called to order by Dir. Vierra on Thursday, April 21, 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. Prather, Rapoza and Vierra present. Dir. Nelson arrived at 7:33 p.m. and Dir. Ross was absent. District Manager Mueller and Counsel Hynes were also present.

MINUTES:

- a. Minutes of the Regular Meeting of April 7, 2005

Motion was made by Dir. Rapoza to approve the Minutes of the Regular Meeting of April 7, 2005, as presented.

ROLL CALL:

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

ADDITIONS AND DELETIONS TO THE AGENDA: None

ORAL COMMUNICATIONS:

Larry Ford, Felton was present to address the Board. Mr. Ford thanked the Board for their effort and informed the Board that FLOW would be hosting a pizza party prior to the Board of Supervisor's Hearing on Tuesday, April 27, 2005.

Frank Adamson, Felton was present to address the Board. Mr. Adamson expressed his appreciation for the Board's efforts.

WRITTEN COMMUNICATIONS:

- a. April 8, 2005 Correspondence from SDRMA Regarding 2005 Election Notification of Nomination

The Board received the April 8, 2005 Correspondence from SDRMA Regarding 2005 Election Notification of Nomination.

CONSENT AGENDA: None

UNFINISHED BUSINESS: None

NEW BUSINESS:

a. Financial Statement for Fiscal Year 2003-2004

Rob Smiley with Berger Lewis Accountancy Corporation was present to present the District's Financial Statement for Fiscal Year 2003-2004. Mr. Smiley stated that a lot of large governments have decided to adopt some of the practices in the Sarbanes Oxley Act of 2002. Mr. Smiley recommended that the Board appoint an Audit Committee separate from the Finance Committee to engage the auditor and be more involved in auditing procedures and changes to accounting practices. In addition, the Board might consider having a management report to the Board on an annual basis regarding accounting practices. Mr. Smiley reported that the Financial Statement for 2003-2004 includes Management's Discussion and Analysis. This is a narrative on financial activities that was put together by the District Manager. Mr. Smiley reported that the body of financial statement assets is well over liability.

Dir. Prather would like to discuss recommendations by the auditor at a future Finance Committee meeting.

Motion was made by Dir. Rapoza approve Resolution No. 25 (04-05) Financial Statement for Fiscal Year 2003-2004.

ROLL CALL:

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

b. Fire Hydrant, Private Fire Protection Service and Water Meter Agreement; APN 89-121-66

Manager Mueller reported that Mr. Allan Cress, the owner of APN 89-121-66, is remodeling his house on 111 Ralston Ridge Road. The development proposed for the parcel will require the installation of a new public fire hydrant and upgrading the existing 5/8" meter to a 1" meter.

Dir. Rapoza asked staff to include a map in the future.

Motion was made by Dir. Vierra approve Resolution No. 26 (04-05) Fire Hydrant, Private Fire Protection Service and Water Meter Agreement; APN 89-121-66.

ROLL CALL:

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

c. National Drinking Water Week, May 1-7, 2005

Manager Mueller reported that District staff is holding a coloring contest for grades K-3 at Boulder Creek Elementary School in observance of National Drinking Water Week. Awards will be given to the winning entries.

Motion was made by Dir. Rapoza approve Resolution No. 27 (04-05) National Drinking Water Week, May 1-7, 2005.

ROLL CALL:

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

GENERAL MANAGER'S REPORTS:

a. Manager

(1) Bill List Period Ending April 21, 2005

Motion was made by Dir. Vierra to approve the Bill List Period Ending April 21, 2005 in the amount of \$100,533.19.

ROLL CALL:

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

(2) Cash Flow Report Period Ending March 31, 2005

Dir. Vierra stated that the Board needs to revisit the Bear Creek Estates Wastewater Project.

Manager Muller is waiting for final review of documents from legal counsel and will schedule one more neighborhood meeting before mail ballots go out.

(3) Investment Report Period Ending March 31, 2005

The Board received the Investment Report Period Ending March 31, 2005.

(4) Department Status Reports

(i) Administration

Manager Mueller reported that the County Board of Supervisors will be meeting at Felton Community Hall to discuss the Joint Community Facilities Agreement on Tuesday, April 26, 2005 @ 7:00 p.m. In addition, there is a Santa Margarita Groundwater Basin Advisory Committee Meeting scheduled for Thursday, April 27, 2005 @ 7:00 p.m.

(ii) Operations

There was no Operations Department Status Report for period ending April 15, 2005.

(iii) Engineering

The Board received the Engineering Department Status Report.

b. Committee/Director Reports (Oral):

Dir. Vierra reported on the April 21, 2005 Finance Committee meeting. The Committee discussed designation of funds. Dir. Vierra stated that the Committee will bring this issue to the Board in the near future.

Dir. Rapoza stated that the District needs to post "Private Property" signs on the Prosser property.

INFORMATIONAL MATERIAL:

- a. Newspaper Articles

The Board received the Newspaper Articles.

ADJOURNMENT TO CLOSED SESSION:

Dir. Vierra adjourned the meeting to closed session at 8:38 p.m. to approve Minutes of the Closed Session Meeting of April 7, 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 to confer with Real Property Negotiator Pursuant to California Government Code 54956.8, Property: APN 81-204-03 and -07, generally located at 12788 Highway 9, Boulder Creek, CA. Agency Negotiator: James Mueller, District Manager, Negotiating Parties: Albert and Melva Johnson, Under Negotiation: Price and Payment Terms.

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

- a. Minutes of the Closed Session Meeting of April 7, 2005

Motion was made by Dir. Vierra to approve the Minutes of the Closed Session Meeting of April 7, 2005, as presented.

ROLL CALL:

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

- 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. CONFERENCE WITH REAL PROPERTY NEGOTIATOR
Pursuant to California Government Code 54956.8
Property: APN 81-204-03 and -07, generally located at 12788 Highway 9, Boulder Creek, CA.
Agency Negotiator: James Mueller, District Manager
Negotiating Parties: Albert and Melva Johnson

Under Negotiation: Price and Payment Terms

No reportable action.

ADJOURNMENT:

The meeting was adjourned at 10:36 p.m.

Kelly Stephens
District Secretary