

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

August 7, 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, August 7, 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, Nelson and Ross present. Dir. Prather arrived at 7:36 p.m. and Dir. Vierra was absent. District Manager Mueller and Counsel Hynes were also present.

MINUTES:

- a. Minutes of the Regular Meeting of July 17, 2003

Motion was made by Dir. Nelson to approve the Minutes of the Regular Meeting of July 17, 2003, as presented.

ROLL CALL:

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

ADDITIONS AND DELETIONS TO THE AGENDA: None

ORAL COMMUNICATIONS: None

WRITTEN COMMUNICATIONS: None

CONSENT AGENDA: None

UNFINISHED BUSINESS: None

NEW BUSINESS:

- a. Initial Study and Notice of Environmental Review
Hansen Aggregates Mid-Pacific, Inc.

08/07/03

Manager Mueller reported that the District has been noticed that Santa Cruz County received an application from Hansen Aggregates Mid-Pacific, Inc. (formerly Kaiser Sand & Gravel Company) for a five (5) year review of their mining operations. Santa Cruz County conducted an Initial Study and prepared a Notice of Environmental Review relative to the subject application. Manager Mueller stated that the project consists of a five (5) year review of their existing mining operations and a Mining Approval Amendment to include changes to the mining plan, reclamation plan and financial assurance. The final reclamation plan includes a proposed storm water retention basin which has the potential to benefit public and private water supply. A hydrogeologic study prepared for Hansen Aggregate by Weber, Haynes and Associates, concluded that, surface water from proposed retention basin would infiltrate and recharge the Santa Margarita Sandstone Aquifer, and has significant potential to recharge the Lompico Sandstone Aquifer. A concern has been raised regarding the impact of the buttress fill project upon the potential transmissivity (permeability) of the retention basin. It appears that the buttress fill project utilized a finer grain material. The finer grain material when accompanied by required compaction efforts may have adversely impacted the transmissivity of the soils in the area proposed for the retention basin thereby reducing permeability. Manager Mueller provided the Board with a copy of the letter of response asking for additional investigation prior to filing a Negative Declaration. Dir. Prather inquired on the liability of Hansen Aggregates to remedy the problem. Legal Counsel Hynes stated that there would be no liability on Hansen's part because they received the permit from the County. Dir. Rapoza directed staff to contact Hansen staff and schedule a site tour for the week of August 18, 2003.

GENERAL MANAGER'S REPORTS:

a. Manager

(1) Bill List through August 7, 2003

Motion was made by Dir. Prather to approve the Bill List in the amount of \$243,140.48.

ROLL CALL:

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

(2) Cash Flow Period Ending June 30, 2003

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

(3) Department Status Reports

(i) Administration

Dir. Rapoza reported that the LAFCO Sphere on Influence Hearing has been continued to September 3, 2003 so the attorney's can have time to review comments submitted regarding the Negative Declaration.

The Board directed staff to reagendize the Education Program Advisory Commission to extend the application deadline.

(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):

(1) July 24, 2003 Water Conservation Committee Report

Manager Mueller reported that the Committee directed staff to come up with reasonable and fair standards for commercial rebates.

(2) July 30, 2003 Facilities and Planning Committee Report

Manager Muller reported that the focus of the Committee was to look at alternative locations for the Administration Building.

The Committee directed staff to set up a meeting with Bear Creek Estates customers.

INFORMATIONAL MATERIAL:

a. CRWQCB MTBE Report Period Ending June 30, 2003

The Board received the CRWQCB MTBE Report Period Ending June 30, 2003.

b. Newspaper Article

The Board received the Newspaper Article.

Before the meeting was adjourned an interested citizen from Felton spoke to the Cal-Am issue. Ms. Kipping stated her support for local control of the Felton facility and was available to balance the energy that the District is being hit with.

ADJOURNMENT TO CLOSED SESSION:

Dir. Rapoza adjourned the meeting to closed session at 8:25 p.m. to approve the Minutes of the Closed Session Meeting of July 17, 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 July 17, 2003

Motion was made by Dir. Rapoza to approve the Minutes of the Closed Session Meeting of July 17, 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 9:01 p.m.

Kelly Stephens
District Secretary