



**BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER DISTRICT
MINUTES
August 28, 2019**

Wednesday, August 28, 2019 at 5:30 p.m., SLVWD, 13057 Highway 9, Boulder Creek, CA 95006 and by teleconference at 2017 American Dr., Lago Vista, TX 78645.

1. Convene Meeting 5:30 p.m.
Roll Call: Dir. Farris, Dir. Fultz, Pres. Henry
Staff: R. Rogers, G. Nichols, H. Hossack
2. Additions and Deletions to Closed Session Agenda:
3. Oral Communications Regarding Items in Closed Session: None
4. Adjournment to Closed Session
 - a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: APN 078-233-05, located along Scenic Way in Ben Lomond
Agency negotiator: Rick Rogers, District Manager
Negotiating party: Nick Naccari
Under negotiation: Price and terms of payment
 - b. PUBLIC EMPLOYEE MID-YEAR PERFORMANCE EVALUATION
Government Code Section 54957
Title: District Manager
5. Convene to Open Session at 6:30 p.m.
6. Report of Actions Taken in Closed Session
7. Roll Call (Open Session):
Dir. Farris, Dir. Fultz and Pres. Henry were present. Dir. Swan was on the phone.
Staff: R. Rogers, S. Hill, J. Furtado, D. Langfield, G. Nicholls and H. Hossack were present.
8. Additions and Deletions to Open Session Agenda: None
9. Oral Communications:
L. Henry explained that the public will have 5 minutes to address the Board on items not on the agenda.

L. Ford, Felton - said that he is concerned about habitat conservation, brooms and endangered species. He is concerned by the cuts to the Environmental program. He would like to know what the District plans to do about the Integrated Pest Management and habitat maintenance of the sandhills. He is alarmed about the loss of the remaining Environmental employee.

V. Champlin, Brookdale - said he thinks we need a strategy to better manage the SMGWA. He would like this agenda item on the next BoD meeting because he thinks the District is being marginalized there. He's concerned about the aquifer.

C. Baughman, Boulder Creek - He said SMGWA is important issue. He explained that the Basin designation was inaccurate and was changed to medium priority.

Dave, Felton - said that he was impressed with the applications for the new Board member.

10. Unfinished Business:

a. VACANCY IN AN ELECTIVE OFFICE OF THE BOARD OF DIRECTORS SAN LORENZO VALLEY WATER DISTRICT

G. Nicholls, District Counsel introduced this item.

L. Henry explained her process for calling on the applicants to introduce themselves. She will ask each applicant;

1. Why do you want to be on the Board and what skills do you bring?
2. Do you understand the dynamics of being on a Board?
3. What is your commitment civil discourse?
4. Do you understand the time commitment for being on the Board?
5. Can you deal with criticism and listen?
6. Are you familiar with the mission of SMGWA?

She called on Brant Haddon, Jr. first. He was not in the audience.

Gail Mahood introduced herself lives in Felton, she attends SMGWA meetings. She has led students through this area as a retired geologist at Stanford. She thought that joining the Board would be a good way to contribute to the community. She understands that there are 2 BoD meetings per month and that there is considerable homework that goes along with the meetings as well as serving on committees. She understands that the Board deals with contentious issues and it is important to be civil. She has dealt with contentious issues in her 40 years with Stanford. One challenge she sees for the Board is the communication for buy-in of the public for SMGWA. She is used to criticism through her years at Stanford. It's an increasingly big job of the Board to manage the SMGWA and the conjunctive use of water.

Rick Moran, Ben Lomond - introduced himself and why he should be considered for the position. He said he grew up next to a pond near farmers that used DDT. He saw firsthand the results of poison to the environment. Pipes, pumps and tanks were vital to his life on a submarine and they are vital to the District as well. As a member of the Environmental Committee he warned the community about the dangers of glyphosate which resulted in banning of glyphosate by the Board. As a teacher he taught environmental literacy to

students. At home he's a gardener and appreciates this beautiful place. His goal is to have a water system to pass on to next generation. He has been involved in District and sees what needs to be done. He thinks the infrastructure needs to be updated. Fiscal responsibility is important. We need to be environmentally sound caretakers of watershed. We need to follow the grand jury recommendations and put the grand jury behind us. He has a realistic expectation of what this job requires. Civil discourse means a respectful listener. The time commitment is understood. He's been married for 43 years so he understands criticism. He said he is familiar with SMGWA and supports regional cooperation but won't give up local control.

Lois called for Anders Steele but he was not in attendance.

Brant Haddon, Jr. introduced himself. From Lompico and runs a small security firm. He's a businessman, he has been lauded for his skill in quantitative analysis and solutions. He has the ability to step back and take a look at the issues. He is a Vice President on the San Jose State Hockey Board, and is also involved in student politics. He is committed to finding reasonable solutions. JFK said of civil discourse, from debate comes understanding. He said that he has the time and the youthful vigor to do his due diligence in that regard. He said that listening is the key to dealing with criticism. He is familiar enough with SMGWA to know that it is a massive undertaking and he is not going to stop learning about it.

L. Henry invited the public to make comments about who impressed you and why.

E. Fresco, Felton - supported Gail Mahood's application to the Board. Her educational & professional qualifications can't be more impressive. Gail is the calm and reason and diplomat in heated discussions. She will be an incredible asset to the District.

D. McClellan, Felton - Said that the experience of Gail Mahood is impressive. Brant also has a really good grasp of business.

V. Champlin, Brookdale - Said that this is the best applicant group that he has ever seen. You get to pick the best of the best. He endorsed R. Moran.

Mrs. Haddon - Said the Brant is a fine young man, he worked, played hockey, put himself through San Jose State, he's smart, sharp and full of youthful vigor.

A. Krostue, Felton - said that Gail Mahood is extremely qualified. She urged the Board to appoint her.

Bill, supports Rick Moran because he has experience with the District already and will contribute a lot. Knowledgeable about the District.

D. Loewen - spoke in support of Rick Moran. She has worked with him a lot and is aware of his passion for environmental stewardship, which is missing from the Board. His depth of service and interest makes him stand out.

V. Wright - thinks that Gail Mahood will bring a lot to the District because she is new. She will bring a level professional interaction to the Board.

M. Gerrity - mother of Brant. Brant has a creative solutions approach to problem solving. He says how can we get it done? He will add diversity to

Board. He's a very caring person and taking care of people has always been a priority. He's a hard worker.

Barbara - wanted to support R. Moran. She has seen his passion on environmental issues. She was also impressed with Gail Mahood.

Barbara Hanson, Felton - impressed with Gail Mahood's resume. Wants to see Santa Margarita succeed and knows it will take education of the public to do so.

P. Gelblum, Boulder Creek - Brant sounds like a wonderful guy but the choice has to be Gail Mahood. She has an extraordinary depth of knowledge. Great deal easier for Gail to learn about the District's interworking.

L. Ford, Felton - said this is a difficult choice. Each of the 3 candidates have a lot to offer. He is concerned about fire management. The District needs technical and innovation skills. He was especially impressed by B. Haddon with his comment about big data. This is an extraordinary opportunity to pick someone like B. Haddon with innovation. You'd be crazy not to pick G. Mahood and all her skills.

L. Henry said she appreciated the comments and the candidates.

B. Fultz agreed that this is a fabulous group of candidates. This Board needs to work and encourage the next generation to step into leadership on the Board. He addressed B. Haddon and encouraged him to get involved in a committee. He also recommended that G. Mahood join a committee. He supports R. Moran because he saw him articulate his position at a meeting. He also has environmental understanding.

S. Swan said that when he first heard about the opening on the Board the first name that came to mind was R. Moran. He encouraged the others to join committees.

L. Farris echoed that all of candidates are a strong group of applicants. He addressed all applicants and continue to say continue to engage, strive to serve because if you don't get on the Board keep trying and you will. I think about the skill set that is important to be a Board member. The one that jumps out is familiarity with district and its problems. The best candidate is R. Moran.

L. Henry said B. Haddon would be great on the Board and encouraged him to apply to be on a committee. You have a lot to offer. G. Mahood you are very impressive she thought she'd be fabulous on the Board. She said it sounds like the decision is made for R. Moran.

B. Fultz made a motion to appoint R. Moran as a Director of the San Lorenzo Valley Water District to serve through the 2020 election

L. Farris seconded the motion.

All present voted in favor of the motion. Motion passed.

7:30 recess called.

District Secretary, H. Hossack gave the oath to R. Moran.

b. SAN LORENZO VALLEY WATER DISTRICT REVENUE CERTIFICATES OF PARTICIPATION PROJECTS

R. Rogers introduced this item and read from the memo.

B. Fultz asked what are the payments?

S. Hill responded are every 6 months, \$760,000 approx.

B. Fultz questioned this money is sufficient to do all of the Lompico projects.

R. Rogers responded that it will cover the Lompico Tanks.

L. Farris commended R. Rogers for sheparding this process.

R. Rogers said S. Hill had a huge undertaking when she removed the USDA loan, saving the District considerable funds. She put a lot of work into finding and executing this funding mechanism.

R. Moran asked about the order in which the projects will be done.

R. Rogers said the projects will be bundled by the District Engineer. The plan is for the pipeline projects and the tanks to be completed in the next 3 years.

D. Langfield said that the Lompico tanks are in the design phase. The 5 Pipelines RFPs for design are due on Friday. We are currently trying to acquire a site for the Swim Tank. Once that has been done we will move forward with the design of the tank.

R. Rogers there is a considerable amount of environmental work to be done and the District will be moving forward to replace the Environmental position.

D. Loewen commented that she is happy to see the Quail Hollow Pipeline on the list.

B. Fultz said that S. Hill also put together our debt service coverage. It gives us an indication of how leveraged the District is. The forecast out until 2024 is 2.5 and our high is 3.4 and our requirement is 1.25.

S. Hill said that the requirement is 1.25 and best practices is 2.5.

B. Fultz said hopefully we'll be able to generate sufficient funds to do more.

R. Rogers added that with our new website we will have projects section with updates and photos of the projects.

L. Henry made a motion to adopt Resolution No. 6 (19-20).

L. Farris seconded the motion.

All present voted in favor of the motion. Motion passed.

11. New Business:

a. ADMINISTRATION/OPERATIONS FACILITIES UPDATE

R. Rogers introduced this item. Read the memo. The Administration Committee recommended a public advisory or Ad Hoc committee be seated to research new facilities possibilities.

L. Henry agreed that this item was discussed at the Admin Committee.

G. Nicholls said that an Ad Hoc committee would typically have an anticipated term of less than a year. If the timeframe is longer it should be a standing committee. The composition of the committee would affect whether it is subject to the Brown Act. If the majority of the Board is on the committee, it will definitely be subject to the Brown Act. If it's just members of the public, it would depend if it is a standing committee.

B. Fultz said that the Admin Comm discussed if they should take on this project. He intends not to replicate what happened with the last "campus project". The Board should decide what the parameters of the project should be.

R. Rogers said the Board many years ago gave the direction that the new facility would be located on the Hwy. 9 corridor with a bus stop.

L. Henry noted that there was an architect's report in 2017 that was too much. The Dist. Mgr. needs an office for privacy and a secretary nearby, but he doesn't need a gigantic room. She said that a lot of the rest of the building can be open space.

R. Rogers said that it is the facilities that are driving this. Restroom facilities, ADA compliance, the health of the building and the working conditions.

Discussion by the Board and staff regarding the need for new facilities.

Barbara- questioned if the District is looking at a lease or purchase.

R. Rogers said that nothing is off of the table.

L. Farris said he is ambivalent to the idea of an Ad Hoc committee. He has 2 recommendations;

1. Consider the Johnson Bldg.
2. HR should have a closed office

R. Moran questioned if staff is considering selling the Admin Bldg.

R. Rogers we got an appraisal about 15 years ago for the Ops Bldg. for \$700,000 and the Admin for \$500,000. As part of the recommendation we would get another appraisal.

S. Swan said he likes the idea of an Ad Hoc committee. He thinks this project should be accomplished within a year.

Discussion by the Board and staff regarding the surplus of the Admin Building.

V. Champlin concerned about forming a committee without a clear goal "for this" Ad Hoc committee. Develop a simple charter that allows victory or failure.

Discussion by the Board, staff and public regarding Ad Hoc meetings.

G. Nicholls explained that the agenda for tonight isn't set up to actually form the committee, the purpose is to get direction from the Board about the general direction the Board wants to take and then there will be a much more specific item for forming the committee.

Discussion by the Board and staff regarding the Ad Hoc/Public committee and space requirements for workers, parking and inventory.

G. Nicholls recommends setting the committee up as a temporary standing committee. You can set any term limit that you want for it.

R. Rogers said that opening it to the public will make it take longer just because of more people involved but it will also bring in more ideas. A lot of the work has already been done. Hopefully we can get people that have the time and expertise.

S. Hill the committee may get to the point where they need outside, expert help to be consulted.

R. Rogers said that we will undoubtedly need an expert for ADA compliance. We can come back to the Board if necessary. Staff and counsel will come back to the Board with some recommendations for the committee.

B. Fultz said what's the definition of success.

Discussion regarding some of the items for the committee on agenda for the 19th of Sept. and re-evaluation after one year or hard stop at one year.

b. DISTRICT EFFORTS FOR FIRE PREVENTION

R. Rogers introduced this item. He explained the work that has been done and needs to be done on this item with Director Farris and Dr. Ford.

L. Farris said he wants to make clear that the District does have procedures for fire prevention planning. Given what's been happening with fires around the state, we could be without power for up to 7 days, we need to go back and revisit these plans with some priority. Jen has resigned so we don't have an Environmental manager, putting into question the need for a public advisory or Ad Hoc committee.

R. Rogers said that there are others in the community that can assist us. We should continue to move ahead with the plans.

L. Farris said that in the last several weeks Dr. Ford has provided multiple documents from Santa Cruz County, CalFire, Contra Costa County, Diablo Fire Safe Council, and from the California Resources Agency. He went out and made a proposal for a consultant who can help us to move this forward fast. That was a great plus that he gave to the District. He also proposed the planning process with 3 steps; assessment of fire management needs, supplemental assessments and the Fire Management Update. He has also helped to procure grant money as well. It's amazing how far we have come in the last month and we couldn't do it without Dr. Ford's efforts. On behalf of the District he would like to thank him.

L. Ford said that he is really pleased with the informal discussions that they have been able to have and to be able to apply his own expertise to these challenges. He re-emphasized we just hit the beginning of the peak fire season. There's a weather forecast for high winds and high temperatures. This is urgent and there could be a catastrophic fire the goes beyond the amazing and heroic abilities of our firefighters. The Governor has declared a state of emergency with a 50% increase of fire fuel compared to last year. Rick didn't tell you everything

that he has discovered that the District has accomplished. The District is on top of the fundamentals of operations and infrastructure. They have done an Analysis of various parts of the water system. He described some of the work the District has already been working on. This will be cooperative effort throughout the Valley, the County and the State. We need further assessments of the watershed conditions, hardening of the facilities for fire resistance and an evacuation plan. Finally, controlling the fire fuels. There are a lot of grants available so you don't have to worry about the cost to get going on these projects but they will require cooperation with other agencies.

L. Farris said you can anticipate more about this from the Environmental Committee.

B. Fultz questioned what is the ultimate scope of what we are trying to protect against here.

R. Rogers several different points. The basic structure fire we need fire hydrants but we don't have a lot of them. He's worried about the watershed fires and PGE outages. Fear and evacuations will impede evacuations. Lompico was number 2 on the list for problems with evacuation.

B. Fultz questioned are the neighboring properties, State and Federal, committed to controlling fire fuel.

R. Rogers said fuel breaks will have to be evaluated. We will partner with State and Federal agencies to work on this area of concern.

L. Farris said the next Enviro Comm he would like to discuss the District's priorities for the Fire Prevention Plan.

Discussion with Board and staff regarding standards and grants for District facilities. Preparation and planning is the key.

J. Mosher addressed the Board regarding his appreciation for Dir. Farris, Rick and Larry taking on this issue. Reducing the fire fuel needs to be done.

c. REQUEST FOR PURCHASE OF VACUUM EXCAVATOR

J. Furtado introduced this item and read the memo.

L. Henry said she has seen a video of this in action. She noted that it also saves on Workers Comp claims.

R. Moran said he has seen the machine in action, removing trees and replanting. It has a soft touch and was able to preserve the fine root hairs.

B. Fultz said he agrees this is a good idea. He questioned if these are 3 different brands.

J. Futado said there are 3 different brands. The Ditch Witch has preferred specifications and their delivery date is the soonest.

Discussion on price by Board and staff.

L. Farris said he believes the Board should accept the staff recommendation.

S. Swan he agreed that the Board should accept the staff recommendation.

R. Moran also agreed.

V. Champlin said he has always been impressed with the way staff evaluates things. They do a great job and they are able to explain their reasoning. They do their due diligence.

L. Farris made a motion to accept the recommendation of staff and to purchase the Vacuum Excavator.

R. Moran seconded the motion

All present voted in favor of the motion. Motion passed.

12. Consent Agenda:

- a. MINUTES FROM BOARD OF DIRECTORS MEETING JULY 18, 2019
- b. MINUTES FROM BOARD OF DIRECTORS MEETING JULY 23, 2019
- c. MINUTES FROM BOARD OF DIRECTORS MEETING AUGUST 1, 2019

13. District Reports:

- DEPARTMENT STATUS REPORTS

Receipt and consideration by the Board of Department Status Reports regarding ongoing projects and other activities.

- Engineering
- Finance & Business
- Legal
- Operations

L. Henry asked D. Langfield about his report.

D. Langfield said he had no highlights but will answer questions.

Discussion by Board and staff regarding Probation Tank.

Discussion by Board and staff regarding PRVs.

S. Hill noted the status report has preliminary full year numbers. She pointed out that consumption for June was 18% below average after May rain.

L. Farris noted that there are 31 pages outstanding invoices and checks, and wondered how many questions you receive on that section.

S. Hill explained that the District is required put that information on the report.

L. Henry said that she always looks at that section and she doesn't always bring it up at meetings but she will ask about it. Our main job is fiscal responsibility.

Discussion by the Board and staff regarding Bill List and leak adjustments.

G. Nicholls noted that the County Board of Supervisors approved the District's Conflict of Interest Code. This is a good time

to reiterate that if there are any questions around Conflict of Interest please consult the District Counsel sooner rather than later.

L. Farris questioned “other law firms” in the Code.

G. Nicholls said she typically coordinates with all other law firms and oversees litigation.

J. Furtado noted 3 large leaks.

Discussion by Board and staff regarding Ops Status Report.

Barbara questioned the website.

S. Hill explained that a vendor was approved and now we are working on the new website.

- COMMITTEE REPORTS

- Future Committee Agenda Items
- Committee Meeting Notes/Minutes
 - Budget & Finance Committee 7.2.19
 - Environmental Committee 7.11.19
 - LADOC 7.16.19
 - Budget & Finance Committee 8.6.19
 - Admin Committee 8.7.19

L. Farris questioned the Engineering Committee meeting minutes for 8.1.19.

B. Fultz questioned page 181 CalPERS should read underfunded.

14. Informational Material

15. Adjournment 9:27 p.m.