



**BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER DISTRICT
MINUTES
May 17, 2018**

Thursday, May 17, 2018 at 5:00 p.m., Boulder Creek Fire Station, 31230 Highway 9, Boulder Creek, CA 95006.

1. Convene Meeting/Roll Call

Roll Call.

Present: Pres. Baughman, Dir. Bruce, Dir. Ratcliffe.

Staff: G. Nicholls-Dist. Counsel, R. Rogers-Director of Operations and H. Hossack-Dist. Secretary

Absent: Dir. Smallman.

Excused: VP Hammer.

Dir. Smallman arrived at 5:05

Present: Pres. Baughman, Dir. Bruce, Dir. Ratcliffe, Dir. Smallman.

Excused: VP Hammer.

2. Additions and Deletions to Closed Session Agenda:

3. Oral Communications Regarding Items in Closed Session:

B. Holloway addressed the Board.

4. Adjournment to Closed Session 5:05 pm

a. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION

Government Code Section 54956.9(d)(1)

Holloway v. Showcase Realty Agents, Inc. et al.

(Santa Cruz Superior Court Case No. CV180394; 6th District Court of Appeal Case Nos. H043704, H043492).

b. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION

Government Code Section 54956.9(d)(1)

Vierra v. San Lorenzo Valley Water District, et al.

(Santa Cruz Superior Court Case No. 18CV00890)

c. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATION OF LITIGATION

Initiation of litigation pursuant to Government Code Section 54956.9(d)(4);
One case

Potential initiation of lawsuit for injunction against Director Smallman to prevent future unauthorized disclosures of the District's confidential and legally protected information

- d. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATION OF LITIGATION
Initiation of litigation pursuant to Government Code Section 54956.9(d)(4);
One case
- e. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Government Code Section 54957
Title: District Manager

Closed Session Note:

The Brown Act prohibits the disclosure of confidential information acquired in a closed session by any person present and offers various remedies to address willful breaches of confidentiality. These include injunctive relief, disciplinary action against an employee, and referral of a member of the legislative body to the grand jury. It is incumbent upon all those attending lawful closed sessions to protect the confidentiality of those discussions. Only the legislative body acting as a body may agree to divulge confidential closed session information; regarding attorney/client privileged communications, the entire body is the holder of the privilege and only a majority vote of the entire body can authorize the waive of the privilege.

- 5. Convene to Open Session at 6:30 p.m.
Pres. Baughman announced that the agenda will be rearranged to get through the most important and timely items before we need to end the meeting due to the Highway 9 road closure at 10:00 pm.
- 6. Report of Actions Taken in Closed Session
Pres. Baughman read a statement from the Public Employee Performance Evaluation portion of the Closed Session.

Regarding agenda item 4e, District Manager review, no action or discussion took place during tonight's Closed Session due to limited time available. In order to move the review process forward the Board would like to schedule a special meeting in the near future for this purpose. May 31st has been proposed subject to coordination with District staff.

7. Additions and Deletions to Open Session Agenda:

- 8. Oral Communications:
L. Henry-Lompico and D. Loewen-Lompico addressed the Board.

11. Unfinished Business:

- a. LOMPICO ASSESSMENT DISTRICT OVERSIGHT COMMITTEE APPLICATIONS
Pres. Baughman introduced this item.
L. Henry, Ruth Shaw-Lompico and Mary Ann LoBalbo addressed the Committee.
Discussion and possible action by the Board regarding LADOC applications.
A motion was made and seconded to appoint Mary Ann LoBalbo and Andrew Rippert to the LADOC positions. All present voted in favor.

9. New Business:

- b. SANTA MARGARITA GROUND WATER AGENCY ALTERNATE REPRESENTATIVE
Pres. Baughman introduced this item.
B. Holloway, D. Loewen, L. Henry and E. Frech-Lompico addressed the Board.
Discussion by the Board regarding an alternate representative to the SMGWA.
A motion was made and seconded that Dir. Bruce be seated as the alternate member of the SMGWA to replace Dir. Hammer. A majority of the Board voted in favor, Dir. Smallman voted no.
- g. AWARD OF CONTRACT - PROBATION TANK
Pres. Baughman introduced this item.
Director of Operations-Rogers explained the item and the recommendation.
Discussion and possible action by the Board regarding Probation Tank award of contract.
A motion was made and seconded to approve Canyon Springs Construction dba: RSH Construction to replace the Probation Tank at a cost not to exceed \$1,829,652 and delegate the District Manager as the signatory on this contract. All present voted in favor of the motion.
- e. APPEAL TO BOARD FOR FURTHER ADJUSTMENT OF EXCESSIVE WATER BILL-L. FRASER
L. Fraser addressed the Board.
Discussion by the Board and staff regarding an appeal, in writing, to the Board to further adjust an excessive water bill.
J. Hayes-Felton addressed the Board.
Board, staff and counsel discussion continued.
A motion was made to lower the bill.

Board, staff and counsel continued to discuss this item.
Dir. Smallman withdrew his motion.

L. Fraser addressed the Board again.

A motion was made and seconded to consider a change to the policy and amend this for a future Board meeting with a recommendation that the policy change be in effect from this day forward. All present voted in favor of the motion.

h. AUTHORIZATION TO INCREASE CONSTRUCTION COSTS FOR
HIGHWAY 9 AND BROOKDALE PIPELINE

Pres. Baughman introduced this item.

R. Rogers explained this item.

Discussion by the Board and staff to authorize an increase in construction costs for Hwy. 9 and Brookdale pipeline.

A motion was made and seconded to award a contract to Gordon Ball for construction costs on the Hwy. 9 Brookdale pipeline in an amount not to exceed \$99,621. All present voted in favor.

a. TICKET DISTRIBUTION POLICY

Pres. Baughman introduced the item.

Discussion by the Board, staff and counsel regarding SLVWD Ticket Distribution Policy.

B. Holloway, D. Loewen and B. Holloway addressed the Board.

Discussion by the Board, counsel and staff.

L. Henry and B. Holloway addressed the Board.

A motion was made and seconded to approve Resolution No. 20 (17-18) Ticket Distribution Policy as written. All present voted in favor.

c. FISCAL YEAR 2018/2019 BUDGET PREVIEW

S. Hill-Dir. of Finance and Business Services introduced this item.

Discussion by the Board and staff regarding preview of FY 18/19 budget.

L. Henry addressed the Board.

Discussion by the Board.

d. GOVERNMENT FINANCE OFFICERS ASSOCIATION AWARD OF
FINANCIAL REPORTING ACHIEVEMENT (AFRA)

Pres. Baughman introduced this item.

Discussion by the Board regarding the GFOA Award of Financial Reporting Achievement. The Board and public congratulated S. Hill, Director of Finance and Business Services

f. EDUCATION GRANT COMMISSION RECOMMENDATIONS

Environmental Programs Manager introduced this item.

Discussion by the Board and staff regarding the recommendations by the Commission for the Data Collection/Restoration Grants and the Classic Watershed Education Grants.

L. Henry addressed the Board.

A motion was made and seconded to approve Resolution No. 21 (17-18). All present voted in favor.

i. RATIFY STAGE 2 WATER SHORTAGE EMERGENCY

Pres. Baughman introduced this item.

Discussion by the Board and staff to ratify Stage 2 Water Shortage Emergency conditions and restrictions.

A motion was made and seconded to adopt Stage 2 Water Shortage conservation thing. All present voted in favor.

j. AD HOC COMMITTEE FOR CAPITAL IMPROVEMENT PROJECTS
PROGRAM DEVELOPMENT UPDATE

Pres. Baughman introduced this item.

Discussion by the Board regarding an update from the Ad Hoc Committee for the CIP program development.

11. Consent Agenda:

a. MINUTES FROM BOARD OF DIRECTORS MEETING
APRIL 19, 2018.

Consideration and possible action by the Board to approve minutes from the April 19, 2018 BoD meeting.

One correction on vice pres. Smallman should be VP Hammer.

A motion was made and seconded to accept minutes as modified.

Three in favor, one abstention.

b. MINUTES FROM SPECIAL BOARD OF DIRECTORS MEETING
MAY 3, 2018.

Consideration and possible action by the Board to approve minutes from the May 3, 2018 Special BoD meeting.

A motion was made and seconded to approve minutes as written. All present in favor.

12. District Reports:

13. 9:12 Adjournment