



**BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER DISTRICT
MINUTES
March 21, 2019**

MISSION STATEMENT: Our Mission is to provide our customers and future generations with reliable, safe and high quality water at an equitable price; to create and maintain outstanding service and community relations; to manage and protect the environmental health of the aquifers and watersheds; and to ensure the fiscal vitality of the San Lorenzo Valley Water District.

Thursday, March 21, 2019 at 6:30 p.m., SLVWD, 13057 Highway 9, Boulder Creek, CA 95006.

1. Convene Meeting 6:30 p.m.

Roll Call: Bruce, Swan, Henry, Fultz present. Dir. Smallman was absent.

Staff: R. Rogers, S. Hill, J. Furtado, H. Hossack

Pres. Henry welcomed the public to the meeting.

2. Additions and Deletions to Open Session Agenda: none

3. Oral Communications:

R. Moran-Ben Lomond, said he appreciates the action minutes. He asked how informational material is chosen.

C. White-Ben Lomond questioned if the Board was going to take any action in moving from “at large” elections to “trustee-area” elections.

4. Unfinished Business:

a. 2016 STRATEGIC PLAN REVIEW

R. Rogers introduced this item. Moving forward to update the plan. Brent Ives has provided a proposal to facilitate an update on the Strategic Plan. R. Rogers said that he had sent out a request for proposal to 2 other facilitators but did not receive response to inquiries. He thinks it's a good idea to have someone come in to work with the Board and public.

L. Henry said that she always had a facilitator for strategic plans in the past. The Strategic Plan is necessary to navigate the future.

M. Bruce agreed with Pres. Bruce. It's a detailed and complex process and it's good to have somebody who's impartial to steer us through the process. Mr. Ives familiarity with the District is a plus but she is concerned that he may not be interested in working anymore. She likes the process in his proposal.

B. Fultz has engaged with him before and found his work product to be very pedestrian. He doesn't want to spend \$8,800 or \$10,000 on this

proposal. He said he took it upon himself to start his own version of the Strategic Plan. He said he should have a draft by next meeting. He said that he thinks that the Board should write the Strategic Plan.

L. Henry said that the problem is that Dir. Fultz can't talk to the Board in private. It was one thing for him to write the Board Policy Manual and she still has an issue with that.

B. Fultz it's not meant to be the end all, it's a draft that people can edit. He doesn't want to spend money with someone that he thinks doesn't do good work.

M. Bruce said that there are other facilitators. She said that she is uncomfortable with any one of the Board members taking ownership of the document. We hire professionals.

S. Swan said he is not keen on another sole source proposal. He thinks Dir. Fultz makes a great effort but he is concerned that it could lead to a violation of the Brown Act. Perhaps he could bring his draft to a workshop for the Board to work on. He said he wouldn't mind giving Dir. Fultz's idea a try. He's in favor of saving the money and having a workshop to work on this.

C. Baughman-Boulder Creek, said whatever process is used, all 5 Board members need work together. Facilitation helps organize the process.

L. Farris-Felton said that review of the Strategic Plan in the packet leads several thoughts to share. Set clear direction over a rolling 5-year period. 1 or 2 pages are all that is necessary. The current plan has too much information. He said it combines strategic with tactical.

V. Champlin-Brookdale said he thinks he likes what he has heard for the most part. The directors are responsible for the plan; they need to own it. Staff can provide help.

L. Henry agrees that the plan should be looked at every year. We need to be looking at the plan.

M. Bruce agrees that the Board needs to own the plan.

C. White said that the Board needs to get out of the weeds. The job of the Board is not to be doing the day to day work. The staff is more that capable.

B. Fultz said he is not prepared to quibble.

R. Rogers said that he does not think that it is the staff's job to write the plan, it's the Board's responsibility. He believes someone from the outside should be hired to work with staff and the Board in a workshop. He thinks you can proceed with Dir. Fultz's idea but it needs to be done in a meeting.

B. Fultz said that he is concerned about walking into the workshop without something to start with. His intention was to prepare a starting point. The Board can decide if they want to use all of it, some of it, none of it.

S. Swan asked if it will be based on the 2016 plan. Let's start with what we do have, keep the good stuff and expand on that.

B. Fultz he said that he found that the current plan is not a strategic plan it's a tactical plan. It has specific tasks that are going to be accomplished. He envisions a very different format.

R. Rogers the current Strategic Plan is a great place to start. We are locked in on projects. It's the philosophy of Board that we need to get into and how to move forward.

S. Swan agreed with R. Rogers. He said to schedule a workshop and have Dir. Fultz bring his draft and also have the current plan. He doesn't think Dir. Fultz is taking ownership he is just offering his skills to save us \$10,000.

R. Rogers questioned how to move forward/facilitate a workshop.

B. Fultz said that there has to be facilitators in Santa Cruz County.

M. Bruce suggested that some of our committee members might be facilitators.

L. Farris said he would have a proposal for facilitation within 2 days.

L. Henry said she thinks this is being simplified more than it should be.

R. Rogers suggested that he come back to the Board with a plan/outline to move ahead.

L. Henry she said she would feel better if the entire Board was all more involved in the process.

5. New Business:

a. REJECTION OF DAMAGE CLAIM - N. BARRICK

R. Rogers introduced this item. Nancy Barrick filed a claim for \$516.60 for plumbing damage and 4 months high consumption on October 15, 2108. Customer service staff has spent an excessive amount of time, both in field and office staff, on this issue. A water audit was performed. We installed a Badger meter because of her complaints of high water usage. We saw a continuous usage of ½ to 1 gallon per hour which we determined to be a leak. Ms. Barrick disagreed there was a leak. When a leak was found she claimed it was caused by staff. We believe she had a leak all along.

L. Henry said that she contacted Ms. Barrick. She said she sent Ms. Barrick an email and told her that leaks are hard to find. She became unhappy. Ms. Barrick continued to claim there was no leak and all of a sudden she found a leak and blamed the District.

S. Swan said that from all of the emails he can see that Ms. Barrick was frustrated. He questioned if she had been difficult in the past with calls regarding other leaks or credits.

S. Hill responded that almost every summer. When the Badger meter was installed in October 2018 we had daily visuals of usage. The usage showed 24/7 on Badger. S. Hill gave her the tools to look at her usage and it took months for her to log on and look at the information.

B. Fultz noted that these situations are frustrating for everyone. He appreciates data. Data patterns show that everything is very consistent. Are the new meters more sensitive to water flow?

R. Rogers you have to know how to read meters, our staff know what to do to find evidence of leaks. They are very slow sometimes. The new meters are much easier to read.

B. Fultz the Badger meter seems to have picked up a leak that was there and wasn't being caught with the old meter.

L. Henry noted that even when her usage goes down, she was using more than one unit of water even though she said she wasn't showering at home or doing laundry at home.

S. Hill said the October 2017 - April 2018 usage was 1 or 2 units, then it went up to 8, 8, 5, 6, 4, 3, 7, 6, 8, 7 so there was something going on.

B. Fultz if she was by herself, as she says, this would be high. Everyone that has a leak needs to understand there is a process we go through. Based on this, I see there is a leak there.

R. Rogers said the leak was in a valve 10 feet from the meter.

M. Bruce questioned if it is possible that her claim is true, in the process of changing out the meter the pipe was cracked.

R. Rogers said the leak was found in an old service line in a valve. At 10 feet in the is enough cover to protect from any force from a meter change. There's not a lot of force put on the meter. He was sure that we have no responsibility.

L. Henry said she hasn't given any proof of paying a plumber. Who is this plumber? There are no receipts.

R. Rogers said the usually when there is a plumber, we meet the plumber as the location.

B. Fultz questioned if there is a possibility this will go to small claims court. He wants to make sure everyone understands that will involve staff time costs.

R. Rogers said that no attorneys will be involved but it could be the better part of a day. He is concerned that more people will file claims if the precedence is set that we pay off.

L. Henry questioned how can Ms. Barrick win in small claims without receipts.

R. Rogers said that it has been his experience that the court wants hard evidence.

S. Swan shared information about a leak at his house in Texas.

S. Hill said that Ms. Barrick was told in December that she had a leak. It was February before she took action. We do have a leak adjustment program.

S. Swan suggested that we offer her some sort of compensation.

R. Rogers said she was offered a leak adjustment and refused.

B. Fultz people should be reminded to do repair work on old supply lines before they have a leak.

R. Rogers said he would like to do away with leak adjustments. When everybody has a Badger meter, leak adjustments won't be necessary.

B. Fultz made a motion that the Board reject the claim.

M. Bruce seconded the motion.

L. Farris questioned if we can invoke binding arbitration for a chronic complainer.

S. Hill responded that in most cases the customer receives a large bill, the District goes out and finds a leak, then the customer takes care of the leak.

C. Baughman shared the story about his leak. It is never going to be found.

S. Hill shared her leak story.

R. Rogers said we need to move ahead in getting more Badgers installed.

V. Champlin questioned the time resolution on the Badger meters.

S. Hill the badger reports in 15 minute increments, retains the information and transmits once daily.

All present voted to reject the claim. Motion passed.

b. LOMPICO ASSESSMENT DISTRICT OVERSIGHT COMMITTEE
CHARTER

R. Rogers introduced the item. T. Norton, LADOC chair, wrote a memo read by R. Rogers.

M. Bruce questioned page 5, there's a change in the text color.

B. Fultz said this is a model of how things should be put together.

R. Rogers said that staff made a point to guide and not dictate to them.

B. Fultz made a motion to accept the LADOC Charter.

M. Bruce seconded.

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

c. REQUEST FOR PROPOSALS FOR THE DISTRICT WEBSITE

R. Rogers introduced this item. The Admin Committee recommends that the Board approve the RFP for the District website.

M. Bruce questioned when does the staff anticipate the RFP going out.

S. Hill said it will go out immediately. We have 7 companies we will be sending this out to initially.

B. Fultz made a motion to accept the RFP for website redesign.

S. Swan seconded.

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

d. LOCAL AGENCY FORMATION COMMISSION ELECTION FOR SPECIAL DISTRICT REGULAR BOARD MEMBER

L. Henry introduced this item.

R. Rogers read the memo.

B. Fultz noted that there are 3 seats but only 2 are mentioned. (The 3rd seat is the alternate.)

B. Fultz made a motion for the Board to vote for Edward Banks.

S. Swan seconded.

C. Baughman suggested Rachel Lather be the choice of the District. He has a very favorable impression of her.

B. Fultz was equally impressed with Mr. Banks description of business background.

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

6. Consent Agenda:

The Consent Agenda contains items which are considered to be routine in nature and will be adopted by one (1) motion without discussion. Any item on the consent agenda will be moved to the regular agenda upon request from individual Directors or a member of the public.

a. REVISED MINUTES FROM SPECIAL BOARD OF DIRECTORS MEETING JANUARY 23, 2019

b. MINUTES FROM BOARD OF DIRECTORS MEETING FEBRUARY 21, 2019

c. MINUTES FROM SPECIAL BOARD OF DIRECTORS MEETING FEBRUARY 28, 2019

d. MINUTES FROM BOARD OF DIRECTORS MEETING MARCH 7, 2019

M. Bruce made a motion to approve the Consent Agenda with the exception of the February 21, 2019 meeting.

B. Fultz seconded.

L. Farris noted that it was the District Counsel that pulled the Consent Agenda from the last meeting so he thinks that the attorney should weigh in.

All present voted in favor of the Consent Agenda minus the meeting on February 21, 2019. Motion passed.

B. Fultz made a motion to approve the minutes from the February 21, 2019 meeting.

S. Swan seconded.

3 votes in favor, Director Bruce abstained. Motion passed.

7. District Reports:

No action will be taken and discussion may be limited at the President's discretion. The District encourages that questions be submitted in writing (bod@slvwd.com) on items listed in the District Reports. Questions submitted, if any, will be posted in the next available District Reports, along with a reply.

- DEPARTMENT STATUS REPORTS

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

- Administration/Engineering
- Finance
 - Status Report
 - Bill List

L. Henry questioned a payment to Wine Country for \$500.
(this charge was for calibration of a scale)

M. Bruce thanked Dist. Mgr. for adding a Board meeting subject calendar.

- Operations
- Environmental
- Legal

- COMMITTEE REPORTS

- Future Committee Agenda Items
- Committee Meeting Notes/Minutes
 - LADOC Minutes 2.26.19
 - B & F Minutes 3.5.19
 - Admin Minutes 3.6.19

8. Written Communication:

- Letter from D. Loewen & E. Frech
- Letter from J. Hofvendahl

9. Informational Material:

- Water Board Director Censured - SC Sentinel 3.4.19
- Smallman Censured - Press Banner 3.8.19
- Santa Cruz County Water Resources Management Status Report for 2018

R. Rogers noted that another Coffee Chat took place.

10. Additions and Deletions to Closed Session Agenda: None

11. Oral Communications Regarding Items in Closed Session: None

12. Adjournment to Closed Session 8:12 p.m.

- a. COMPLAINT RE: PUBLIC EMPLOYEE
Government Code Section 54957(b)

- b. 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. H044505, H044800).
- c. 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)

13. Reconvene to Open Session 9:16 p.m.

14. Report Action Taken in Closed Session

12b. 4 - 0 vote. Smallman was absent.

The Board voted in favor of making the 6th District Court of Appeal case
Holloway v. Vierra decision public and to post with the agenda.

12c. 4 - vote. Smallman was absent.

The Board voted to approve the District moving forward with mediation
with all parties in regard to the Vierra and Holloway cases.

15. Adjournment 9:19 p.m.