



BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER
DISTRICT
SPECIAL MEETING
MINUTES
JUNE 21, 2023

Wednesday, June 21, 2023, at 6:30 p.m., SLVWD Conference Room, 12788 Highway 9, Boulder Creek, 11 Biltmore Lane, Menlo Park, and via videoconference and teleconference.

1. Convene Meeting:
Roll Call

Board Members Present:

Mark Smolley, President
Jeff Hill, Vice President
Jayme Ackemann, Director
Bob Fultz, Director
Gail Mahood, Director*

Staff Present:

Rick Rogers, District Manager
Carly Blanchard, Enviro Programs Mgr. & Admin. Assist.
Kendra Reed, Director of Finance & Business Services
Holly Hossack, District Secretary

*Attended remotely

2. Additions and Deletions:

R. Rogers requested that the Board take a moment of silence in honor of Josh Wolff, District Engineer, who passed away on June 8th. He will be greatly missed both professionally and personally.

3. Oral Communications: None

4. New Business:

- a. FOREMAN PRESSURE BREAK STRUCTURE DESIGN PROJECT
R. Rogers introduced and explained this item.

Discussion by the Board regarding:

- The wide differences in the 2 bids were noted
- Previous structure was concrete and cracked due to heat of the fire
- The new structure will be fire resistant
- 25-30 years old
- No environmental is needed for the design

- This is needed now due to FEMA time constraints and environmental requirements
- Timeline extensions have been requested

A motion was made and seconded to direct the District Manager to enter into a contract with Freyer & Laureta in an amount not to exceed \$119,400 for the purpose of design work related to the Foreman Pressure Break Structure.

The motion passed unanimously.

b. BRACKEN BRAE AND FOREST SPRINGS - INITIAL STUDY AND MITIGATED NEGATIVE DECLARATION (IS-MND)

C. Blanchard introduced and explained this item. Garret Peterson from Panorama Environmental is also available for questions.

Discussion by the Board regarding:

- The study is done there is no cost to the District
- The study is adequate to move forward with the project
- The mitigation is just for the construction, MMRP environmental will be necessary and a separate cost
- Most pipe is in the road right of way
- Incidental take permit not necessary
- Pipe abandonment - above ground to be removed
- It was noted that we are going above and beyond the noise ordinance
- We responded to Fish & Game's questions
- The accuracy of the document was improved by comments from the residents

A motion was made and seconded for the Board to adopt the Initial Study and Mitigated Negative Declaration (IS-MND) for the consolidation of Bracken Brae and Forest Springs.

A. Layng, Boulder Creek, said that neighbors of the project are concerned about pump house noise, the noisy, unfenced staging lot, impact on current customers, cost of the lot & long term use of site from Heartmath, alternate lots, lack of notification, and something pretty on the walls.

R. Rogers responded that the IS-MND has nothing to do with all of the pipe staging. That is for the Blue Ridge Tank project. We will address the noise and safety issues. The pump station will be tucked away in the corner and will be painted tan or whatever the neighborhood agrees to.

E. Martin, Boulder Creek, also said he represents the neighbors and concerns about the pump station noise.

R. Rogers offered to take him to similar pump station to hear and measure the decibels.

The motion passed unanimously.

- c. EMERGENCY CONSTRUCTION MANAGEMENT - QUAIL HOLLOW
R. Roger introduced and explained this item.

Discussion by the Board regarding:

- This project is already in construction and the agreement is executed due the emergency
- Spending over \$50K is unlikely, within the DM's authorization
- A Professional Engineer (PE) is needed to complete this project
- Address raising the DM's authorization at a future agenda

A motion was made and seconded to ratify the contract with MME Civil and Structural Engineering, in an amount not to exceed \$50,000.00 for the purpose of project management of the failed potable water main trench in Quail Hollow Road.

The motion passed unanimously.

- d. EMERGENCY CONSTRUCTION MANAGEMENT - BLUE RIDGE
R. Rogers introduced and explained this item.

Discussion by the Board regarding:

- Part of the 2021 CIP Project
- Just the tank, not the pipeline
- Cost benefit of using MME for both jobs by making staff available

A motion was made and seconded to ratify the contract with MME Civil and Structural Engineering, in an amount not to exceed \$50,000.00 for the purpose of project management Blue Ridge Water Tank Replacement Project.

The motion passed unanimously.

- e. AWARD NOTIFICATION FOR URBAN COMMUNITY DROUGHT RELIEF PROGRAM
C. Blanchard introduced and explained this informational item.

Discussion by the Board regarding:

- These projects are not in the budget
- CEQA costs are additional
- Extensions are hopefully available if necessary
- It should take 1 year to construct each tank
- Echo Tank is problematic due to the size of the site/possible site move
- The money should be available as soon as the grant agreement is signed, within a month

5. Unfinished Business:

a. BIENNIAL DRAFT BUDGET FISCAL YEAR 2023-2025

K. Reed presented the draft budget to the Board.

Discussion by the Board regarding:

- The Board thanked staff for the responding to Board requests from the previous draft budget
- A rate study is critical to our future budget
- Operating expenses & operating margin needs to agree
- Cash flow report is not in the budget it will be in the status reports
- Conflating operating and capital doesn't give the right picture to the community
- Actual reserves vs. enhanced reserves
- FEMA funds spent and received
- Raw water pipelines not included in FEMA costs
- Property taxes
- Salary and benefits - open position/lower compensation for new hires
- Capital projects actuals are in the quarterly report
- Operating expenses "are still not good" without target margins
- Increased operating costs are across the industry
- Reliance on FEMA and grants for operating costs
- Five-year budget needed
- Government vs. public entity differences
- What are the rate payers getting now vs. 2016 with cost increases?
- What can the rate study bring us to make us sustainable?
- Does this budget represent where we are financially?
- Major policy changes would need to be discussed in great detail
- Unfunded mandates required for government entities
- CEQA/environmental studies costs

J. Mosher, questioned operating expenses and capital expenses. He said that so many capital projects from fire, floods, and long term deferred maintenance is showing up in operating expenses but should go to capital expenses.

E. Martin, Boulder Creek, why don't we use solar? Electricity at night is cheaper.

It was noted that larger tanks are needed for over night pumping.

A motion was made and seconded for the Board of Directors to approve Resolution No. 12 (22-23), adopting the Biennial Budget for Fiscal Years 2023-2025.

Ayes: Smolley, Hill, Ackemann, Mahood

Noes: Fultz

Motion passed

b. AD HOC REPORT ON RECRUITMENT - GENERAL MANAGER

J. Hill introduced and explained this item. J. Ackemann said that this recommendation is what the Ad Hoc Committee thought was the best fit and most expeditious for the District.

Discussion by the Board regarding:

- The additional \$7K
- How long it takes to fill the position
- Guarantees
- Identification of candidates
- Community involvement
- Experience of RA & Associates/tailored candidates proposed
- R. Rogers supports moving ahead with this process
- Agendize transition steps for a future meeting

A motion was made and seconded that the Board direct the District Manager to retain Ralph Anderson & Associates of Rocklin, California to provide recruitment services for the District General Manager position as described in Anderson's proposal dated May 18, 2023, for the fixed fee of \$32,775 including recruitment services and all related expenses.

R. Moran, Ben Lomond, said that R. Rogers deserves a smooth transition. The Ad Hoc Committee should plan for the possibility of an interim District Manager.

The Board voted unanimously in favor of the motion. Motion passed.

6. Consent Agenda: Approved

7. District Reports:

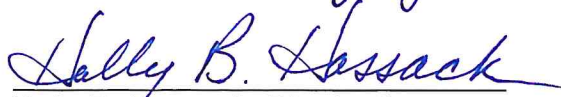
COMMITTEE REPORTS

- Future Committee Agenda Items
- Committee Meeting Notes/Minutes
 - Special B & F Committee Minutes 5.16.23

R. Rogers requested that the July 6 BoD meeting be canceled due to holiday absences. He also thanked staff for a fantastic job on the Budget.

8. Adjournment motion was made in honor of Josh Wolff: 9:04 p.m.

Minutes approved: July 20, 2023


Holly B. Hossack, District Secretary

