

**MINUTES**  
**BOARD OF DIRECTORS MEETING**  
**August 20, 2009**  
**SAN LORENZO VALLEY WATER DISTRICT**  
**BOULDER CREEK, CALIFORNIA**

**CONVENE MEETING/ROLL CALL**

Pres. McPherson convened the meeting at 7:31 p.m. Roll call showed Dirs. McPherson, Prather, Rapoza and Vierra were present. Dir. Nelson arrived at 7:36 p.m. District Manager Mueller, Director of Operations Rogers and Legal Counsel Hynes were also present.

**MINUTES**

MINUTES REGULAR MEETING OF AUGUST 6, 2009.

Motion made by Dir. Vierra to approve the minutes for the August 6, 2009 Board of Directors Meeting.

**ROLL CALL:**

Ayes: McPherson, Rapoza, Prather, Vierra  
Noes: None  
Abstain: None  
Absent: Nelson

**ADDITIONS AND DELETIONS TO AGENDA:** None.

**ORAL COMMUNICATIONS:** None

**WRITTEN COMMUNICATIONS:** None

**CONSENT AGENDA:** None

**UNFINISHED BUSINESS:** None

**NEW BUSINESS:**

**REVIEW OF DISTRICT INVESTMENT PORTFOLIO.**

Mr. Bargetto, Morgan Stanley Smith Barney, presented an update to the Board of the District's investment portfolio. Currently the portfolio is returning a higher rate than Local Agency Investment Fund (LAIF).

**RESPONSE TO SANTA CRUZ LOCAL AGENCY FORMATION COMMISSION (LAFCO) REGARDING 2008-09 GRAND JURY REPORT TITLED "WHO IS WATCHING OUR SPECIAL DISTRICTS?"**

District Manager Mueller presented to the Board a draft of the District's response to the 2008-2009 Grand Jury Report. Motion made by Dir. Vierra to authorize Pres. McPherson to sign the letter staff drafted to the Santa Cruz LAFCO regarding the 2008-09 Grand Jury Report.

**ROLL CALL:**

Ayes: McPherson, Nelson, Rapoza, Prather, Vierra  
Noes: None  
Abstain: None  
Absent: None

**WATER CONSERVATION REBATE PROGRAM**

District Manager Mueller presented to the Board a report outlining the details of suggestions from the Environmental Committee regarding changes to the District's Water Conservation Rebate Program. Motioned made by Dir. Rapoza to approve Resolution No. 6, an amendment of the District's Water Conservation Rebate Program.

**ROLL CALL:**

Ayes: McPherson, Nelson, Prather, Vierra, Rapoza  
Noes: None  
Abstain: None  
Absent: None

**GENERAL MANAGER REPORTS:**

Bill List Period Ending August 14, 2009

Motion made by Dir. Vierra to approve the Bill List Period Ending August 14, 2009.

**ROLL CALL:**

Ayes: McPherson, Nelson, Rapoza, Prather, Vierra  
Noes: None  
Abstain: None  
Absent: None

Cash Flow Report Period Ending July 31, 2009

Receipt and consideration by the Board of the Cash Flow Report Period Ending July 31, 2009.

Department Status Reports

The Board received the Department Status Reports.

**COMMITTEE/DIRECTOR REPORTS (Oral):**

Dir. Prather reported out on the August 19, 2009 Environmental Committee Meeting.

Dir. Rapoza reported out on the August 13, 2009 Finance Committee Meeting.

**INFORMATION MATERIAL:**

The Board received the information material.

**ADJOURNMENT TO CLOSED SESSION**

Pres McPherson adjourned the regular meeting to closed session at 8:38 p.m. for the purpose of:

CONFERENCE WITH LEGAL COUNSEL; EXISTING LITIGATION  
Existing litigation pursuant to subdivision (a) of California Government Code  
Section 54956.9

Name of case: San Lorenzo Valley Water District vs. Constance Noel, et al.

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Title: District Manager

Government Code Section 54957

**RECONVENE TO OPEN SESSION TO REPORT ACTIONS TAKEN IN CLOSED  
SESSION:**

Pres McPherson reconvened the regular meeting at 8:45 p.m. and reported out that:

CONFERENCE WITH LEGAL COUNSEL; EXISTING LITIGATION  
Existing litigation pursuant to subdivision (a) of California Government Code  
Section 54956.9

Name of case: San Lorenzo Valley Water District vs. Constance Noel, et al.

No reportable action.

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Title: District Manager

Government Code Section 54957

No reportable action.

**ADJOURNMENT**

Pres McPherson adjourned the meeting at 8:45 p.m.

---

Brandon Barchi  
District Secretary