

**BOARD OF DIRECTOR'S MINUTES
SAN LORENZO VALLEY WATER DISTRICT
BOULDER CREEK, CALIFORNIA**

The regular meeting of the Board of Directors of the San Lorenzo Valley Water District was called to order by Dir. Vierra on Thursday, November 17, 2005 in the District's Operations Building, 13057 Highway 9, Boulder Creek, California at 7:30 p.m.

CONVENE MEETING/ROLL CALL:

Roll call showed Dirs. Prather, Rapoza, Ross and Vierra present. Dir. Nelson arrived at 7:35 p.m. District Manager Mueller and Legal Counsel Hynes were also present. Director of Operations Rogers was absent.

MINUTES:

- a. Minutes of the Regular Meeting of November 3, 2005

Motion was made by Dir. Prather to approve the Minutes of the Regular Meeting of November 3, 2005, as presented.

ROLL CALL:

Ayes:	Prather, Rapoza, Ross, Vierra
Noes:	None
Absent:	Nelson

ADDITIONS AND DELETIONS TO THE AGENDA: None

ORAL COMMUNICATIONS:

Glen Lyons, Felton was present to address the Board. Mr. Lyons stated that he understood that picking lawyers for the Cal-Am acquisition is one of the most urgent tasks that this Board is doing. Mr. Lyons stated that FLOW members feel very strongly about the District going to Montara and talking with them regarding the acquisition process. Mr. Lyons felt that there is a misperception about what happened with Montara and stated that Montara is eager to share information with this Board. Mr. Lyons would like this Board to go to the source to get information.

Dir. Ross stated that Montara has significant differences; however, it does not matter if they are the same or different. In addition, Dir. Ross stated that he has received several phone calls from FLOW members regarding the selection of a specific lawyer for Special Legal Counsel. Mr. Ross asked Mr. Lyons to be more open minded regarding the process to alleviate some of the pressure and make the process smoother.

Dir. Nelson stated that this is a very important decision and it is important to have only two Board members on the task for various reasons. At the same time, Dir. Nelson felt that it is equally important to come together to make sure that we are making the right decision. Dir. Nelson stated that Felton came to this Board and it is important to listen to input of the people that it most fully effects.

Dir. Vierra echoed what Dir. Nelson stated and felt that the Board needed more feedback on what the Committee members are thinking. Dir. Vierra asked if these issues can be agendized for closed session meetings.

Legal Counsel Hynes stated that there is really no effective way for the Board to bring this issue to an open meeting for various reasons, including delaying the process. In addition, Board members cannot meet individually with other Board members as it would violate the Brown Act.

Frank Adamson was present to address the Board. Mr. Adamson stated that FLOW has turned the job over to the District and he trusts the Board. Mr. Adamson stated that he is sorry to hear that FLOW members are calling Board members. In addition, Mr. Adamson felt that the Board should take what ever time is needed to make its decision.

Dir. Vierra stated that FLOW came to this Board and trusted us, now FLOW needs to let this Board do its job.

Dir. Rapoza stated that he understands the need for full and open discussion about merits etc.: however, he would caution people not to get into interrogation of the candidates so the interviews can be confidential.

Dir. Ross stated that this process is very delicate and difficult and different lawyers have different tactics.

Mr. Lyons once again asked the Board to go to Montara. In addition, Mr. Lyons commented that FLOW should have had a representative on the interview committee.

WRITTEN COMMUNICATIONS: None

CONSENT AGENDA: None

UNFINISHED BUSINESS: None

NEW BUSINESS:

- a. Notice of Completion-Highway 9 Water Mainline Relocation Project; Milepost 10.85

Manager Mueller reported that on August 31, 2005 the Board of Directors entered into an agreement with San Jose Water Company for relocation of approximately 476 lineal feet of existing 6-inch diameter water mainline. The original contract amount of \$94,457.24 was adjusted by six (6) change orders. As a result of contract change orders, the final contract amount was \$117,209.17.

Motion was made by Dir. Vierra to approve Resolution No. 14 (05-06) Notice of Acceptance-Highway 9 Water Mainline Relocation Project; Milepost 10.85.

ROLL CALL:

Ayes: Vierra, Prather, Rapoza, Ross
Noes: None
Absent: Nelson

GENERAL MANAGER'S REPORTS:

a. Manager

(1) Bill List Period Ending November 17, 2005

Motion was made by Dir. Rapoza to approve the Bill List Period Ending November 17, 2005 in the amount of \$122,254.55, as presented.

ROLL CALL:

Ayes: Rapoza, Prather, Ross, Vierra
Noes: None
Absent: Nelson

(2) Cash Flow Report Period Ending October 31, 2005

The Board received the Cash Flow Report Period Ending October 31, 2005.

(3) Investment Report Period Ending October 31, 2005

The Board received the Investment Report Period Ending October 31, 2005.

(4) Department Status Reports

(i) Administration

The Board received the Administration Department Status Report.

(ii) Operations

The Board received the Operations Department Status Report.

(iii) Engineering

The Board received the Engineering Department Status Report.

b. Committee/Director Reports (Oral): None

INFORMATIONAL MATERIAL:

a. Newspaper Articles

The Board received the Newspaper Articles.

ADJOURNMENT TO CLOSED SESSION:

Dir. Vierra adjourned the meeting to closed session at 8:07 p.m. to approve Minutes of the Closed Session Meeting of October 20, 2005 and confer with Real Property Negotiator Pursuant to California Government Code 54956.8, Property: APN 081-361-02 generally located in the vicinity of 11530 Empire Grade Road, Santa Cruz, CA. Agency Negotiator: James Mueller, District Manager, Negotiating Parties: Ikey T. Little, Little Trust, Under Negotiation: Price and Payment Terms.

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

a. Minutes of the Closed Session Meeting of October 20, 2005

Motion was made by Dir. Vierra to approve the Minutes of the Closed Session Meeting of October 20, 2005, as presented.

ROLL CALL:

Ayes:	Vierra, Nelson, Prather, Rapoza, Ross
Noes:	None
Absent:	None

b. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Pursuant to California Government Code 54956.8

Property: APN 081-361-02 generally located in the vicinity of 11530 Empire Grade Road, Santa Cruz, CA.

Agency Negotiator: James Mueller, District Manager

Negotiating Parties: Ikey T. Little, Little Trust
Under Negotiation: Price and Payment Terms

No reportable action.

ADJOURNMENT:

The meeting was adjourned at 8:45 p.m.

Kelly Stephens
District Secretary