

**SAN LORENZO VALLEY WATER DISTRICT
BOARD MEETING MINUTES**

November 21, 2013

7:30 p.m.

CONVENE MEETING/ROLL CALL:

Pres. Vierra convened the meeting at 7:31 p.m. Roll call showed Dirs. Brown, Rapoza, Vierra were present. Dir. Bruce arrived at 7:34. Dir. Prather arrived at 7:50 p.m. District Manager Mueller, Director of Operations Rogers, and Legal Counsel Hynes were also present.

MINUTES:

MINUTES OF THE REGULAR MEETING OF NOVEMBER 7, 2013

Motion made by Dir. Vierra to approve minutes the November 7, 2013 Board of Directors Meeting.

ROLL CALL:

Ayes:	Brown, Bruce, Rapoza, Vierra
Noes:	None
Abstain:	None
Absent:	Prather

ADDITIONS AND DELETIONS TO AGENDA: None.

ORAL COMMUNICATIONS

John Fasolas, Felton, addressed the Board regarding the Felton Watershed meeting.
Bruce Holloway, Boulder Creek addressed the Board regarding the Board of Directors Policy Manual.
Julie Hendricks, Boulder Creek, addressed the Board regarding a proposed recall election.
Nick, Ben Lomond, addressed the Board regarding the Administrative Consolidation Project.
Peter Lang, Boulder Creek, addressed the Board regarding a proposed recall election.

WRITTEN COMMUNICATIONS:

The Board received correspondence dated November 12, 2013 from the Salmonid Restoration Federation regarding sponsorship of the 32nd Annual Restoration Conference.

CONSENT AGENDA: None.

UNFINISHED BUSINESS:

CITIZEN'S ADVISORY COMMITTEE

Dir. Bruce introduce this item by stating that she is proposing that the District create a citizen's advisory committee to assist the Board with the identification and evaluation of options for

improving community outreach. Dir. Bruce stated that she would like to see a committee composed of ten (10) members of the public, with each Director appointing two (2) members. Dir. Brown stated that the community has numerous talented individuals, and that he was also in favor of creating a citizen's advisory committee. Dir. Prather stated that he believed the proposed committee needs a more defined goals and objectives. Frank Lee, Ben Lomond, stated that he felt the proposed citizen's committee should act as an oversight committee to the Board of Directors. Dir. Rapoza stated that the proposed committee should be referred to the Public Relations Committee for further consideration and development of more defined goals and objectives. President Vierra referred the matter to the Public Relations Committee for further consideration.

NEW BUSINESS:

REVIEW OF DISTRICT INVESTMENT PORTFOLIO

District Manager Mueller stated that Jim Bargetto, Morgan Stanley was present to provide the Board with a review of the District's investment portfolio. Mr. Bargetto addressed the Board and presented an overview of the District's current portfolio. Dir. Brown stated that he was concerned regarding the District's unrealized losses, especially as it related to mortgage backed investments. Dir. Bruce stated that she was concerned about where individual investments were held, and would like to see more local investments. Various member of the public address the Board regarding the District's investments. Bruce Holloway, Boulder Creek, stated the he felt the District need to shorten maturities, especial with cash flow needs associated with the Proposition 50 Projects.

PROPOSED CONSOLIDATION OF SAN LORENZO VALLEY WATER DISTRICT AND LOMPICO COUNTY WATER DISTRICT

District Manager Mueller stated that in January 2013 the District received correspondence from 5th District Supervisor Bruce McPherson regarding the proposed consolidation of Lompico County Water District. Since that time District staff has been working with the County of Santa Cruz, LAFCO and Lompico to review and study a proposed consolidation. District Manager Mueller stated that pat McCormick, Executive Office, LAFCO was present to make a presentation. Mr. McCormick stated that in conjunction with the working group, a draft analysis has been prepared. The draft analysis compares Lompico as an independent water district, and the proposed consolidation. Mr. McCormick stated that he also presented the same analysis to the Lompico County Water District Board of Directors at their November 15, 2013 meeting. Mr. McCormick presented the analysis by PowerPoint, and reviewed the two alternatives. Various members of the public addressed the Board regarding the presentation and proposed consolidation. District Manager stated that the working group is recommending a joint San Lorenzo Valley Water District and Lompico County Water District Study Session on December 4, 2013.

Motion made by Dir. Rapoza to proceed with the December 4, 2013 Joint Study Session with Lompico County Water District regarding the proposed consolidation.

ROLL CALL:

Ayes: Brown, Bruce, Prather, Vierra, Rapoza
Noes: None
Abstain: None
Absent: None

GENERAL MANAGERS REPORTS:

Bill List Period Ending November 21, 2013.

Motion made by Dir. Rapoza to approve the Bill List for the period ending November 21, 2013.

ROLL CALL:

Ayes: Brown, Bruce, Prather, Vierra, Rapoza
Noes: None
Abstain: None
Absent: None

Department Status Reports.

The Board received the Department Status Reports.

COMMITTEE/DIRECTOR REPORTS (ORAL):

Dir. Rapoza reported on the November 15, 2013 Lompico Liaison Committee meeting.

Dir. Prather reported on the November 20, 2013 Environmental Committee meeting.

INFORMATIONAL MATERIALS:

The Board received informational newspaper articles.

ADJOURNMENT TO CLOSED SESSION:

Pres. Vierra adjourned the regular meeting to Closed Session at 10:30 p.m. for the purpose of:

CONFERENCE WITH LEGAL COUNSEL; EXISTING LITIGATION

Existing litigation pursuant to subdivision (a) California Government Code 54956.9.

One (1) case: Charlene DeBert vs. San Lorenzo Valley Water District (CISV176927)

CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Conference with Real Property Negotiator pursuant to California Government Code Sections 54956.8 and 54954.2(b)(2).

Property: APN 090-194-14 generally located at 1130 Rebecca Drive, Boulder Creek, California

Agency Negotiator: James Mueller, District Manager

Negotiating Party: Coldwell Banker, Los Gatos

Under Negotiation: Price and Payment Terms

RECONVENE TO OPEN SESSION:

Pres. Vierra reconvened the regular meeting at 11:05 p.m.

REPORT ACTIONS TAKEN IN CLOSED SESSION:

CONFERENCE WITH LEGAL COUNSEL; EXISTING LITIGATION

Existing litigation pursuant to subdivision (a) California Government Code 54956.9.

One (1) case: Charlene DeBert vs. San Lorenzo Valley Water District (CISV176927)

No reportable actions.

CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Conference with Real Property Negotiator pursuant to California Government Code Sections 54956.8 and 54954.2(b)(2).

Property: APN 090-194-14 generally located at 1130 Rebecca Drive, Boulder Creek, California

Agency Negotiator: James Mueller, District Manager

Negotiating Party: Coldwell Banker, Los Gatos

Under Negotiation: Price and Payment Terms

No reportable actions.

ADJOURNMENT:

Pres. Vierra adjourned the meeting at 11:05 p.m.

James A. Mueller
Acting District Secretary