



# SCOTTS VALLEY WATER DISTRICT

BOARD OF DIRECTORS  
PRESIDENT Danny Reber  
VICE PRESIDENT Ruth Stiles  
David Hodgins  
Ken Kannegaard  
Chris Perri

GENERAL MANAGER  
Piret Harmon

Board of Directors  
**Regular Meeting – 7:00 p.m.**  
**Thursday, February 11, 2016**  
District Board Room  
2 Civic Center Drive, Scotts Valley, California

## Draft Minutes

### I. Convene Meeting

- I.1. Call to Order and Roll Call  
President Reber called the meeting to order at 7:00 p.m. in the Santa Margarita Community Room, 2 Civic Center Drive, Scotts Valley, California.
- I.2. Pledge of Allegiance and Invocation  
Director Perri led the pledge of allegiance and President Reber called for a moment of silence.
- I.3. Closed Session Report  
There was no closed session on January 14, 2016.
- I.4. Additions/Deletions to the Agenda  
There were no additions or deletions to the agenda.
- I.5. Oral Communications  
There were no oral communications.

### 2. Administrative Items

- 2.1. Approval of Minutes – January 14, 2016 Regular Board Meeting  
Director Hodgins moved, seconded by Director Stiles to approve the minutes of the January 14, 2016 Regular Board Meeting.  
MOTION CARRIED by VOICE VOTE  
AYES: Hodgins, Kannegaard, Perri, Reber and Stiles.  
NOES: None.  
ABSENT: None.
- 2.2. Presentation - Community Outreach Work Plan Mid-Year Status  
Bill Miller and J.M. Brown of Miller Maxfield, Inc. provided the mid-year status report on the Community Outreach Work Plan. To view the presentation, [click here](#).

### 3. Consent

- 3.1. Leak Adjustment Program  
Director Hodgins moved, seconded by Director Kannegaard to rescind Resolution No. 05-11 Leak Adjustment Policy Guidelines and approve the Leak Adjustment Program.

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MOTION CARRIED: VOICE VOTE

AYES: Hodgin, Kannegaard, Perri, Reber and Stiles.

NOES None.

ABSENT: None.

#### 4. Public Hearing

No public hearings were scheduled.

#### 5. General Business Items

##### 5.1. 2015 Annual Report Groundwater Management Plan

Mike Maley, Todd Engineers presented the 2015 Annual Groundwater Management Plan Report. The 2015 report is the concise version with 2016 providing a comprehensive assessment. To view the presentation, [click here](#).

Director Stiles moved, seconded by Director Perri to accept the 2015 Annual Report, Groundwater Management Plan.

MOTION CARRIED: VOICE VOTE

AYES: Hodgin, Kannegaard, Perri, Reber and Stiles.

NOES None.

ABSENT: None.

##### 5.2. Emergency Management Policy

General Manager Harmon reported that the District has always maintained an Emergency Response Plan but had never adopted a policy that would describe how the District will prepare and respond to an emergency. For example, this year our Operations Staff were very diligent in their preparations for the El Nino storms by stocking extra supplies and making sure all equipment was in a ready state.

Director Perri moved, seconded by Director Hodgin moved adopt Resolution 02-16 establishing an Emergency Management Policy and appointing the General Manager as the Security Manager and the Operations Manager as the Alternate Security Manager.

MOTION CARRIED: ROLL CALL VOTE

AYES: Hodgin, Kannegaard, Perri, Reber and Stiles.

NOES None.

ABSENT: None.

#### 6. Committee Reports

##### 6.1. Finance and Personnel Committee Meeting Report – January 19, 2016

President Reber reported that the committee discussed Directors Fees and provided a compensation analysis of agencies around the state. A discussion ensued regarding which meetings considered board meeting versus a committee meetings and how non committee member attendance at committee meetings is handled.

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By consensus, it was determined that attendance by a non-committee member at a Board Committee Meeting enhances that Board Member's knowledge and it is reasonable to be compensated.

The Santa Margarita Groundwater Basin Advisory Committee Meeting will be compensated at Board Committee rate \$100.

Attendance at industry specific events such as Connecting the Drops will be compensated at the appropriate half or full day rate.

The Finance and Personnel committee will conduct an annual review of Directors Fee's for consideration by the entire Board.

Director Hodgins commented on item 2.2, the encumbrances should be added to the next year budget.

6.2. Water Resources and Engineering Meeting Report – January 26, 2016

Director Perri reported that the proposal by Pacific Avenue Land for the Hanson Quarry made for a very uncomfortable meeting. It is clear that this land will be used mainly as open space.

General Manager Harmon reported that Pacific Avenue Land has withdrawn its offer on the property. The proposal led staff to discuss other locations for recharge and have requested that Kennedy Jenks explore other locations that would not require pipelines or pump stations.

**7. Staff Reports**

7.1. District Counsel - oral

District Counsel Bosso reported that a request for a hearing before the Supreme Court has been made in the Great Oaks case and the City of Ventura opinion came out the opposite of the Great Oaks. Legal Counsel from the City of Scotts Valley contacted him again in regards to the Pasatiempo project agreement. A discussion ensued regarding the Pasatiempo agreement.

7.2. General Manager – oral

The General Managers report is appended, to view [click here](#).

7.3. Finance

General Manager Harmon summarized the Finance reports.

7.4. Operations

Operations Manager McNair reported that the MacDorsa Tank Rehab Project will go out to bid February 22<sup>nd</sup>; will be meeting with SLVWD and City of Santa Cruz regarding strategy to pool resources for AMI; PGE performed an energy audit and with a couple schedule changes can save \$3,500 per year; JPIA will be conducting four safety trainings here over the next couple of months.

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## **8. Individual Directors Reports**

Anticipated expenses

Director Hodgins reported that on February 18<sup>th</sup> ACWA Region 5 will be meeting in Santa Clara; later that day the District will be hosting a reception to meet the ACWA President and that everyone should attend. Attending the following meetings: February 24<sup>th</sup> Water Quality Committee; March 1<sup>st</sup> Finance Committee; March 1<sup>st</sup> and 2<sup>nd</sup> ACWA Board. March 9<sup>th</sup> is the Legislative Symposium in Sacramento and ACWA spring conference will be in Monterey in May.

- Director Perri viewed a webinar on what potential political implications the elections may have on water infrastructure.

ACWA and ACWA/JPIA updates

- Director Hodgins reported JPIA will not increase rates for the property and liability programs and that health benefits continue to increase across the board.
- Items not on the Agenda
- President Reber reported that at the January and February meetings he had asked for moment of silence rather than an invocation asked Legal Counsel for comments. Legal Counsel Bosso reported that he will provide the legal opinion on this subject from last year to Board members. A discussion ensued on this subject with all Directors providing comments.

## **9. Written Communications and Correspondence**

9.1 Santa Cruz County Water Resources Management Status Report for 2015

The written communications and correspondence was accepted without comment.

## **10. Community Relations**

President Reber commented that the dedication ceremony held on February 4, 2016 was very successful.

President Reber recessed the regular meeting at 9:16 p.m.

## **11. Closed Session**

President Reber convened closed session at 9:18 p.m. with General Manager Harmon and Legal Counsel Bosso present.

Pursuant to Government Code Section §54957

Discuss personnel matter one employee

President Reber reconvened open session at 9:30 p.m.

## **12. Report on Closed Session and Additional Items**

Legal Counsel Bosso advised the Board on a personnel matter.

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**13. Adjournment**

The meeting was adjourned at 9:31 p.m. The next regular meeting of the Scott Valley Water District Board of Directors is scheduled for March 10, 2016 at 7:00 p.m. in the Santa Margarita Community Room, located downstairs at 2 Civic Center Drive, Scotts Valley.

Submitted:

Approved:

DocuSigned by:  
*Donna Paul*  
1079981CD1DC41A...  
Donna Paul, Asst. to the General Manager

DocuSigned by:  
*Danny Reber*  
DD52F899A878460...  
Danny Reber, President

Attest:

DocuSigned by:  
*Piret Harmon*  
1C2365FF40B44D1...  
Piret Harmon, General Manager

**STAFF REPORT – GENERAL ITEMS**

Scotts Valley Water District

**Date:** February 11, 2016

**To:** Board of Directors

**From:** General Manager

1. On February 2, 2016 the State Water Board adopted an extended and revised emergency regulation to ensure that urban water conservation continues in 2016. The regulation extends restrictions on urban water use through October 2016 while providing urban water suppliers more flexibility in meeting their conservation requirements. It also directs the Water Board staff to report back on additional flexibility once more complete water supply information is known in April.

SVWD implemented a Drought Emergency Regulations Program to meet the requirements of 2015 Emergency Mandate (Governor’s April 1, 2015 Executive Order). The program is in effect (from June 2015) until February 2016 comprising multipronged approach of 1) Weekly Irrigation Policy, 2) Target Scorecard, 3) Updated Rebate Program, and 4) Water Waste Watch.

State demand reduction goal for SVWD was set at 16% in 2015 and remained at 16% for 2016. SVWD Board set the voluntary demand reduction target at 20% and the District achieved cumulative 24% in 2015 (from baseline 2013).

As of 1/31/16, the total rainfall for WY2016 was 25.48 inches or 61% of the annual average. According to the Water Shortage Contingency Plan, the current water supply condition does not require any stages of action.

	Average Rainfall	Rainfall (inches)				Rainfall (percent of average)				Cumulative			Single Year	
		2013	2014	2015	2016	2013	2014	2015	2016	4-year	3-year	2-year		
Stage 1	Cumulative rainfall over 2 years < 60% of average and/or Single year rainfall < 50% of average	41.53	31.87	20.32	28.89	<b>25.48</b>	77%	49%	70%	61%			<b>65%</b>	<b>61%</b>
Stage 2	Cumulative rainfall over 3 years < 60% of average and/or Cumulative rainfall over 2 years < 50% of average and/or Catastrophic loss of > 35% of well capacity	41.53	31.87	20.32	28.89	<b>25.48</b>	77%	49%	70%	61%		<b>60%</b>	<b>65%</b>	
Stage 3	Cumulative rainfall over 4 years < 60% of average and/or Cumulative rainfall over 3 years < 50% of average and/or Catastrophic loss of > 50% of well capacity	41.53	31.87	20.32	28.89	<b>25.48</b>	77%	49%	70%	61%	<b>64%</b>	<b>60%</b>		

Staff will be developing a 2016 Emergency Regulations Program in response to the extended emergency mandate and will present it to the Board at a future meeting.

2. Pacific Avenue Land, LLC – an entity that was interested in acquiring Hanson Quarry property has withdrawn their intent to purchase.

3. Ryan Kinney resigned effective 2/12 for a Supervisory Account position at SqCWD. Recruitment for replacement is under way.

4. Santa Cruz County Clerk has announced this year paperless filing will begin for the Fair Political Practices Commission Form 700, Statement of Economic Interest.

5. Starting negotiations with the Employee Organization, first meeting 2/18.

6. Upcoming conferences/meetings

- a. ACWA Meet the President: Kathy Tiegs will be using SVWD Community Room to host representatives from Santa Cruz area water agencies at 3pm 2/18
- b. ACWA/JPIA Leadership Development Program in Roseville 3/10-3/11 - I will not be present at March SVWD Board meeting