



# SCOTTS VALLEY WATER DISTRICT

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

GENERAL MANAGER  
Piret Harmon

Board of Directors  
**Regular Meeting – 7:00 p.m.**  
**Thursday, April 7, 2016**  
Santa Margarita Community Room  
2 Civic Center Drive, Scotts Valley, California

## Minutes

### I. Convene Meeting

- I.1. Call to Order and Roll Call  
Director Reber called the meeting to order at 7:00 p.m. in the Santa Margarita Community Room, 2 Civic Center Drive, Scotts Valley.
- I.2. Pledge of Allegiance and Invocation  
Director Kannegaard led the pledge of allegiance and Director Perri provided the invocation.
- I.3. Closed Session Report  
Legal Counsel Bosso reported that he was provided direction on one personnel matter.
- 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 – March 10, 2016 Regular Board Meeting  
Director Hodgkin moved, seconded by Director Stiles to approve the minutes of the March 10, 2016 regular Board Meeting.  
Motion Carried: Voice Vote.  
Ayes: Hodgkin, Kannegaard, Perri, Reber and Stiles.  
Noes: None.
- 2.2. Presentation  
No presentations were scheduled.

### 3. Consent

No items were on the consent agenda.

### 4. Public Hearings

No public hearings were scheduled.

## 5. General Business Items

### 5.4 Amendment to Recycled Water Agreement with City of Scotts Valley

This item was moved to the first item of General Business

General Manager Harmon provided the staff report and responded to Board questions.

The Board requested that the agreement allow for the District to have the first right of refusal if Pasatiempo should cease taking secondary water.

After discussion, the Board determined that the interest rate would be 0.91%.

Director Perri moved, seconded by Director Kannegaard to approve the Amendment to Recycled Water Supply Use, Maintenance and Operation Agreement (RWA) between the City of Scotts Valley and Scotts Valley Water District releasing a portion of District's entitlement back to the City; and authorizing the General Manager to execute the First Amendment with a five year term and 0.91% interest rate.

Motion Carried: Voice Vote.

Ayes: Kannegaard, Perri, Reber and Stiles.

Noes: Hodgin.

Director Perri moved, seconded by Director Hodgin to approve the Amendment to Recycled Water Supply Use, Maintenance and Operation Agreement (RWA) between the City of Scotts Valley and Scotts Valley Water District authorizing the sale of bulk recycled water for permitted uses outside of the City limits.

Motion Carried: Voice Vote.

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

Noes: None.

Scott Hoyt, PGC General Manager reported that ground breaking on the project is scheduled for May 1<sup>st</sup>. They are very excited to get the project underway; it will set new standards for the industry.

### 5.1. Capital and Maintenance Project FY 2017-2021 Draft Budget

General Manager Harmon reported that the Water Resources & Engineering Committee reviewed this item at its March meeting and directed staff to present it to the full Board at its next meeting. [Click here](#) to view presentation.

Director Hodgin requested that fund balance projections based on the Capital and Maintenance Project budget be provided.

No action was taken on this item.

### 5.2. Draft 2015 Urban Water Management Plan (UWMP) Update

General Manager Harmon reported that the Water Resources & Engineering

Scotts Valley Water District Board of Directors

Minutes -- Thursday, April 7, 2016

Page 3

Committee reviewed this item at its March meeting and requested that it be presented to the Board for concurrence at its next meeting. [Click here](#) to view presentation.

The Board directed that staff analyze and provide how the new system works by using that last 20+ years data and to develop a 4 stage plan that has two voluntary and two mandatory restriction levels.

5.3. 2016 Water Supply Outlook and 2016 Emergency Regulations

General Manager Harmon reported that March was a very wet month and rainfall is at 98% of average. [Click here](#) to view presentation.

No action was taken on this item..

5.5. November 8, 2016 General Election Actions

The following determinations were made:

- 1) 200 word limit on candidate statement of qualification;
- 2) District will be responsible for payment for the Statements of Qualification;
- 3) In the event of a tie vote, a Director will be selected by lot.

Director Hodgkin moved, seconded by Director Stiles to adopt Resolution No. 03-16 ordering an election, requesting Santa Cruz County Elections Department to conduct election, requesting to consolidate election with other jurisdictions holding an election on November 8, 2016; and authorizing the filing of Notice to County Clerk of Elective Offices to be Filled.

Motion Carried: Roll Call Vote.

Ayes: Hodgkin, Kannegaard, Perri, Reber and Stiles.

Noes: None.

**6. Committee Reports**

6.1. Finance and Personnel Committee Meeting Report – March 16, 2016

The Finance and Personnel Committee meeting report was accepted without further comment.

6.2 Water Resources and Engineering Committee Meeting Report – March 22, 2016

The Water Resources and Engineering Committee meeting report was accepted without further comment.

**7. Staff Reports**

7.5. District Counsel - oral

Legal Counsel Bosso reported that the California Supreme Court did not accept the Great Oaks Water case but did continue it until the end of April. Waiting to see what happens.

7.6. General Manager - oral

The General Managers report is appended.

Scotts Valley Water District Board of Directors

Minutes -- Thursday, April 7, 2016

Page 4

7.7. Finance Manager

General Manager Harmon responded to Board questions.

7.8. Operations Manager – oral

Operations Manager McNair reported that the State approved the grant extension on March 30<sup>th</sup>, project is out to bid closing May 5<sup>th</sup>; MacDorsa Tank Rehab project received five bids all exceeding engineers estimate, will go back to the Water Resources and Engineering for review; two proposals received for the Orchard Run Treatment Improvements, interviews being conducted; weekly meetings continue with the 1440 project; Polo Ranch construction should start up next week; Lompico formation well sample results need second round of samples; lots of requests for the Recycled Water Fill Station are coming in, will be looking for volunteers to run it this year.

7.4.1 Monthly Well Production, Recycled Water Demand and Rainfall Data

The monthly production, demand and rainfall data was accepted without further comment.

**8. Individual Directors Reports**

Individual Directors Reports – oral

Director Hodgin reported that on 05//11/15 he will attend a Region 5 Event Planning meeting; April 13 ACWA Water Quality Committee and April 20<sup>th</sup> ACWA Finance Committee.

Director Perri reported that he attended a webinar on trenchless technologies.

**9. Written Communications and Correspondence**

9.5. Board Retreat: Strategic Direction and Course of Action (final)

9.6. Santa Margarita Groundwater Basin Boundary Modification Request – Comment Period

The written communications and correspondence were accepted without comment.

**10. Community Relations**

10.1 County Water Agencies to change inconsistent basin boundaries (Sentinel 03/29/16)

The community relations item was accepted without comment.

President Reber recessed the regular meeting at 9:04 p.m.

**11. Closed Session**

President Reber convened closed session at 9:08 p.m. with General Manager Harmon and Legal Counsel Bosso present.

Pursuant to Government Code Section §54957

Closed Session to discuss personnel matter one employee

President Reber reconvened open session at 8:33 p.m.

Scotts Valley Water District Board of Directors

Minutes -- Thursday, April 7, 2016

Page 5

## 12. Report on Closed Session and Additional Items

President Reber reported that Legal Counsel advised the Board on a personnel matter. No action was taken.

## 13. Adjournment

The meeting adjourned at 9:27 p.m. until the next regular meeting scheduled for May 14, 2016 at 7:00 p.m. in the Santa Margarita Community Room, 2 Civic Center Drive, Scotts Valley.

Submitted:

Approved:

DocuSigned by:

*Donna Paul*

1079981EB1DC41A...

Donna Paul, Asst. to the General Manager

DocuSigned by:

*Danny Reber*

DD52F899A878460...

Danny Reber, President

Attest:

DocuSigned by:

*Piret Harmon*

1C236EFF40B44D1...

Piret Harmon, General Manager

Scotts Valley Water District Board of Directors

Minutes -- Thursday, April 7, 2016

Page 6

**STAFF REPORT – GENERAL ITEMS**

Scotts Valley Water District

**Date:** April 7, 2016

**To:** Board of Directors

**From:** General Manager

1. Mimi Mehaouchi from the Covello Group – District sponsored her for ACWA Communications Committee. Because it is a limited membership committee, she was not able to secure a seat. She would like to be nominated for Water Management and/or Business Development Committee instead. District is currently not represented in either of those committees and I support her candidacy.

2. Ron Duncan, SqCWD GM, and I attended 2016 Public Policy Forum jointly held by CASA (California Association of Sanitation Agencies) and WateReuse. Met with staff of Office of Senator Bill Monning and Assembly Member Mark Stone to ask for support for enhanced funding for recycled water projects.

3. I will be attending CUEMA Board Meeting in Monterey on April 14, 2016

4. I will be attending ACWA Spring Conference in Monterey May 2-4, 2016