



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, May 12, 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.

Roll Call

Present: Hodgins, Kannegaard, Perri, Reber and Stiles.

Absent: None.

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 an update was provided on a pending personnel matter.

I.4. Additions/Deletions to the Agenda

There were no additions or deletions to the agenda.

President Reber reported that closed session would begin immediately following item I.5 Oral Communications.

I.5. Oral Communications

There were no oral communications.

President Reber recessed the regular meeting at 7:05 p.m.

II. Closed Session

President Reber convened closed session at 7:06 p.m. with General Manager Harmon and Legal Counsel Bosso present.

II.1 Pursuant to Government Code Section §54957
Public Employee Discipline/Dismissal/Release

II.2 Pursuant to Government Code Section 54957.6
Labor Negotiations

President Reber reconvened the open session at 8:00 p.m.

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12. Report on Closed Session and Additional Items

Legal Counsel Bosso reported that Item 11.1 Public Employee Discipline/Dismissal/Release was continued until the end of this meeting.

12.1 Memorandum of Understanding (MOU) between the Scotts Valley Water District (SVWD) Scotts Valley Water District Employee's Organization (SVWDEO) Local 101 AFSCME, AFL-CIO

Director Hodgins moved, seconded by Director Stiles to authorize the General Manager to execute the Memorandum of Understanding between the Scotts Valley Water District (SVWD) Scotts Valley Water District Employee's Organization (SVWDEO) Local 101 AFSCME, AFL-CIO.

MOTION CARRIED: VOICE VOTE

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

NOES: None.

ABSENT: None.

2. Administrative Items

2.1. Approval of Minutes – April 7, 2016 Regular Board Meeting

Director Stiles moved, seconded by Director Perri to approve the minutes of the March 10, 2016 regular Board Meeting.

MOTION CARRIED: VOICE VOTE

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

NOES: None.

ABSENT: None.

2.2. Presentation

Draft 2015 Urban Water Management Plan Update (Kennedy Jenks)

Sachi Itagaki, Kennedy Jenks Consultant provided an overview of the UWMP requirements and components including population and demand projections, targets and projections, recycled and potable supplies, water shortage contingency plans and demand reduction measures. The public review copy will be released the week of May 16, 2016 and will be presented to the Board for approval on June 9, 2016.

[Click here](#) to view the presentation.

3. Consent

No items were on the consent agenda.

4. Public Hearings

No public hearings were scheduled.

5. General Business Items

5.1. MacDorsa Tank Rehabilitation Project – Award Contract

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President Reber reported that five bids were received.

Operations Manager McNair responding to Board questions, reported that bidders voiced concerns that the size and location of the site would make construction very difficult and the cost for coating was double the engineer's estimate.

Director Hodgkin moved, seconded by Director Perri to authorize the General Manager to execute an agreement with Blastco, Inc. Downey, CA in the amount of \$411,550 for the MacDorsa Tank Rehabilitation Project.

MOTION CARRIED: VOICE VOTE

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

NOES: None.

ABSENT: None.

5.2. Comprehensive Rate Study – Financial Model

General Manager Harmon provided a condensed version of the presentation on the Financial Model being prepared by Raftellis Financial Consultants. A special Board Meeting will be scheduled in order to allow an in depth review and discussion of this item. [Click here](#) to view the presentation.

No action was taken on this item.

5.3. Draft Strategic Work Plan FY 2017

General Manager Harmon provided the staff report and requested that the Board members individually direct any questions to her. This item will return for final approval upon budget adoption..

No action was taken on this item.

5.4. 2016 Water Supply Outlook and 2016 Modified Emergency Regulations

General Manager Harmon reported that the State has ended its percentage based mandates for water agencies and will be rolling out a new self-certification program. Staff recommends adopting the 2016 Water Efficiency Program: Think Twice Campaign that focuses on water efficient behaviors, increase awareness on outdoor water efficiency and eliminates water waste. San Lorenzo Valley Water District will be adopting the similar measures.

Director Stiles requested that *in order to allow precision irrigators flexibility after rain events* be added after "outdoor landscapes within 48 hours of measurable rainfall."

Director Perri commented that the *water efficiency* is a much better term than water conservation.

Director Stiles moved, seconded by Director Perri to adopt the 2016 Water Efficiency Program Think Twice a multi-pronged approach of voluntary measures that promotes water efficient behaviors, increases outdoor water use efficiency and eliminates water waste.

MOTION CARRIED: VOICE VOTE

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AYES: Hodgin, Kannegaard, Perri, Reber and Stiles.
NOES: None.
ABSENT: None.

5.5. Refunding of 2004 Certificates of Participation

President Reber reported that the Finance Committee has reviewed proposals and the District will save about \$200,000.

Director Hodgin moved, seconded by Perri to 1) authorize staff to proceed with the actions necessary for refunding the 2004 Certificates of Participation including retaining Del Rio Advisors, LLC, Modesto, CA as the financial advisor; and 2) authorize the General Manager to proceed with the winning bid to refund the 2004 Certificates of Participation and execute necessary documents.

Director Hodgin stated that the District currently spends \$250,000 annually on interest payments on \$8,000,000 of debt. It is his opinion that the District should be looking at options to pay this debt down and reminds the Board that by taking this action, the District will be locked in for at least the next five years.

MOTION CARRIED: VOICE VOTE

AYES: Hodgin, Kannegaard, Perri, Reber and Stiles.
NOES: None.
ABSENT: None.

6. Committee Reports

6.1. Finance and Personnel Committee Meeting Report - April 29, 2016

The Finance & Personnel Committee Meeting report was accepted without further comment.

6.2 Water Resources and Engineering Committee Meeting Report – May 2, 2016

The Water Resource & Engineering Committee Meeting Report was accepted without further comment.

7. Staff Reports

7.1. District Counsel

7.2. Legal Counsel Bosso reported that the California Supreme Court will hear two cases regarding Proposition 218 Water Rates.

7.3. General Manager

The General Managers report is appended

7.4. Finance

7.5. Operations

In addition to the written report Operations Manager McNair reported lots of activity on development projects and a temporary employee (12 hours a week) is being hired to staff the Recycled Water Fill Station since no volunteers were found.

7.5 Water Use Efficiency / Conservation

The Water Use Efficiency Biannual report was accepted without further comment.

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12. Individual Directors Reports

Individual Directors Reports – oral

Director Hodgins reported that he will attend ACWA Board Meetings on June 2nd and June 3rd; 100% Board attendance at the recent Region 5 Meeting and that JPIA liability premiums remain unchanged; workers compensation down 10% and health insure is up but less than industry.

13. Written Communications and Correspondence

The written communications and correspondence were accepted without comment.

14. Community Relations

There were no community relations items on the agenda.

President Reber recessed the regular meeting at 9:49 p.m.

15. Closed Session

President Reber convened closed session at 9:54 p.m. with General Manager Harmon and Legal Counsel Bosso present.

- 11.1 Pursuant to Government Code Section §54957
Public Employee Discipline/Dismissal/Release

13. Report on Closed Session and Additional Items

President Reber reconvened open session at 10:24 p.m.


Legal Counsel Bosso reported that the personnel matter will be continued until the Special Board Meeting on May 19 2016.

13. Adjournment

The meeting adjourned at 10:25 p.m. until the next regular meeting scheduled for June 9, 2016 at 7:00 p.m. in the Santa Margarita Community Room, 2 Civic Center Drive, Scotts Valley.

Submitted:

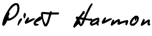
Approved:

DocuSigned by:

 1079981CD1DC41A...
 Donna Paul, Asst. to the General Manager

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 Danny Reber, President

Attest:

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 Piret Harmon, General Manager

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 WaterReuse. 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