



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, September 8, 2016

Santa Margarita Community Room

2 Civic Center Drive, Scotts Valley, California

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, California.

Roll Call

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

Absent: None.

I.2. Pledge of Allegiance and Invocation

Director Hodgkin led the pledge of allegiance and Director Perri the invocation.

I.3. Closed Session Report

Counsel Bosso reported that a performance evaluation of the General Manager was conducted and that action was taken in open session.

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 – August 10, 2016 Special Board Meeting August 11, 2016 Regular Board Meeting August 23, 2016 Special Board Meeting

Director Stiles moved, seconded by Director Perri to approve the minutes of the August 10, 2016; August 11, 2016 and August 23, 2016 Board Meetings as submitted.

MOTION CARRIED: Voice Vote

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

NOES: None.

ABSENT: None.

- #### 2.2. Santa Cruz County Elections Department – Appointed in Lieu of Election For information only, no action required.

- #### 2.3. Presentation

There were no presentations.

Scotts Valley Water District Board of Directors

Minutes -- Thursday, September 8, 2016

Page 2

3. Consent

There were no items on Consent.

4. Public Hearings

No Public Hearings were scheduled.

5. General Business Items

5.1. Possible Rate Increases – Presentation August 23, 2016

General Manager Harmon reported that is the first time the term *rate increase* has been used. The September 15, 2016 Open House is advertised in the Press Banner and the editor has asked to do a story with the GM and Board President.

The Board discussed the importance of the story convey the message that the potential rate increase is necessary to keep the district sustainable, it is fair and that a final decision has not been made. Further discussion was held regarding the format for the Open House/Study Session including the four interactive stations: Groundwater Recharge; Capital Projects; Drought Impacts and Prop 218 Framework Cost of Service Fairness.

Director Perri commented that he received a phone call regarding the rate increases and invited the caller to attend the open house.

No action was taken.

5.2. Santa Margarita Groundwater Agency Draft Joint Exercise of Powers Agreement

President Reber reported that the District is out in front of many other agencies on creating a GSA and has benefitted from the work done by the Mid County Agency.

General Manager Harmon added the Formation Committee has progressed quickly.. The Board will have the formation of the Santa Margarita Groundwater Agency on the November agenda and recommends moving the Santa Margarita Groundwater Basin Advisory Committee meeting to November 15, 2016.

The Board discussed the costs and funding associated with the creation of the agency along with District representation.

5.3. Conflict of Interest Code Review -2016 Local Agency Biennial Notice

Director Hodgkin moved, seconded by Director Stiles to adopt Resolution No. 06-16 amending the Scotts Valley Water District Conflict of Interest Code and authorizing the General Manager to file the 2016 Local Agency Biennial Notice with the County of Santa Cruz Board of Supervisors.

MOTION CARRIED: Roll Call Vote

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

NOES: None.

ABSENT: None.

Scotts Valley Water District Board of Directors

Minutes -- Thursday, September 8, 2016

Page 3

6. Committee Reports

- 6.1. Santa Margarita Groundwater Sustainability Agency (GSA) Formation Committee
August 29, 2016 |

This item was reported on during item 5.2 and there was nothing further to report.

7. Staff Reports

- 7.1. District Counsel - oral

District Counsel Bosso reported that the State Supreme Court has not taken any action on either of the Proposition 218 water rate cases; ACWA testified at the hearing on Special District held recently by the Little Hoover Commission and just today the State Water Board released a draft report the feasibility to develop regulations for the direct potable reuse of recycled water.

- 7.2. General Manager

The General Manager's report is appended.

- 7.3. Finance

General Manager Harmon provided an explanation of the finance reports.

Director Hodgkin will hold his questions and comments until the next Finance Committee meeting

- 7.4. Operations

In addition to the written report there was nothing further to add.

8. Individual Directors Reports

Director Hodgkin reported that he will attend the Region 5 event on September 18/19; ACWA Board on September 29/30 and will not be able to attend the special Board Meeting on September 15 due to other commitments.

Director Perri reported that he is looking forward to attending the Region 5 Event on September 18/19.

9. Written Communications and Correspondence

- 9.1. Fact Sheet – State Water Resources Control Board Posts 36-Month Urban Water Supply Stress Test Submissions
9.2. Recap on 2016 Water Booth at Art, Wine and Beer Festival

Director Perri commented that the Water Booth is the very good outreach.

10. Community Relations

- 10.1 ACWA News "Stress Test" Results Reveal Drought Preparedness (08/16/16)
10.2 ACWA News Little Hoover Commission Sets Hearing on Special Districts (08/17/16)
10.3 SVWD eNewsletter August 2016

The community relations items were accepted without comment.

Scotts Valley Water District Board of Directors

Minutes -- Thursday, September 8, 2016

Page 4

11. Closed Session

There was no closed session.

12. Report on Closed Session and Additional Items

There was no report on closed session or additional items.

13. Adjournment

At 8:07 p.m. Director Perri moved, seconded by Director Kannegaard to adjourn the meeting.

Submitted:

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

Approved:

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

Attest:

DocuSigned by:
Piret Harmon
1C230EFF40B44D1...
Piret Harmon, General Manager

STAFF REPORT – GENERAL ITEMS

Scotts Valley Water District

Date: September 8, 2016

To: Board of Directors

From: General Manager

1. Recent contracts: K/J, C2G. GW Mgmt Support Services in works.
 - i. Kennedy/Jenks Consultants: General Engineering Services (Task Order 1) - \$20,000
 - ii. C2G/Civil Consultants: General Engineering Services (Task Order 1) - \$5,760; Plan Review for Development Projects (Task Order 2) – Time and Material based on 2016 Fee Schedule
2. CUEMA Leadership Summit/ Board Meeting – Sep 7 & 8, 2016
3. Upcoming travels:
 - i. ACWA Next Generation Advisory Committee – Sep 12, 2016
 - ii. ACWA Region 5 Event – Sep 18 & 19, 2016
4. Potable and Recycled Water Demand – August 2016



