



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, November 10, 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, Scotts Valley, California.

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 Stiles led the invocation.

I.3. Closed Session Report

There was no closed session report.

I.4. Additions/Deletions to the Agenda

There were no additions or deletions to the agenda.

I.5. Oral Communications

Bill Ekwall stated that he has a number of questions regarding personnel costs, unfunded pension/medical liabilities and other budget items that he would like to submit for response. President Reber asked that he submit his questions directly to the General Manager.

2. Administrative Items

**2.1. Approval of Minutes – 10/13/2016 Regular Board Meeting
10/26/2016 Special Board Meeting**

Director Hodgins moved, seconded by Director Stiles approval of the 10/13/2016 Regular Board Meeting as amended and the 10/26/2016 Special Board Meeting minutes as submitted.

Motion Carried by voice vote:

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

Noes: None.

Absent: None.

Scotts Valley Water District Board of Directors

Minutes -- Thursday, November 10, 2016

Page 2

2.2. Presentation

Monterey Bay Community Power

Supervisor Bruce McPherson and Virginia Johnson presented information on Monterey Bay Community Power. [Click here](#) to view the video.

2.3 Oath of Office

District Counsel Bosso administered the oath of office for returning Directors Perri, Reber and Stiles.

2.4 Elect 2017 Board President and Vice President

President Reber opened the floor for nominations for President:

Director Perri moved, seconded by Director Hodgkin the nomination and appointment of Director Stiles as Board President for 2017.

Motion Carried by voice vote:

Ayes: Hodgkin, Kannegaard, Perri And Reber.

Noes: None.

Absent: None.

Abstain: Stiles.

President Reber opened the floor for nominations for Vice President:

Director Kannegaard moved, seconded by Director Stiles the nomination and appointment of Director Perri as Board Vice President for 2017.

Motion carried by voice vote:

Ayes: Hodgkin, Kannegaard, Reber And Stiles.

Noes: None.

Absent: None.

Abstain: Perri.

2.5 Committee Meeting Reports

General Manager Harmon reported that the Committee Reports been moved to the administrative items section on the agenda.

2.5.1 Finance & Personnel Committee Meeting Report 10/12/2016

2.5.2 Water Resources & Engineering Committee Meeting Report 10/25/2016

3. Consent

3.1 Annual Disclosure Report

An errata copy of the annual disclosure report was provided due to a calculation error within a formula.

Director Hodgkin moved, seconded by Director Kannegaard to accept the Fiscal Year (FY) 2016 Reimbursements Disclosure Report as presented in the errata copy

Motion Carried by voice vote:

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

Noes: None.

Absent: None.

Scotts Valley Water District Board of Directors

Minutes -- Thursday, November 10, 2016

Page 3

4. Public Hearings

No Public Hearings were scheduled on 11/10/2016.

5. General Business Items

President Reber moved item 5.1 to immediately following the presentation by Monterey Bay Community Power.

5.1. Proposed Changes in Water Rate Structure, Water Rates and Fees and Charges

President Reber thanked the three customers for coming tonight and opened the floor for public comment along with an informal question and answer session.

Oral Comments were made by Dane Berens, Bill Ekwall and Wendy Kramerpugh.

A lengthy discussion ensued regarding the proposed water rates, the water rate study, proposition 218 cost of service requirements for water rates, inside / outside district customers, recycled water, LAFCO annexation and annual review by the Board to determine if the proposed maximum rate increase is needed.

No action was taken on this item.

6. Staff Reports

6.1. District Counsel

Counsel Bosso reported that hearings for the Prop 218 Supreme Court cases have not been scheduled and that a trial court has determined that water rates cannot be voided by referendum.

6.2. General Manager

The General Manager's report is appended

6.3. Finance

The Finance Report was accepted without further comment.

6.4. Operations

Operations Manager McNair provided status report on current projects, reported that a weather station has been installed at El Pueblo and is available on the svwd.com homepage and the Recycled Water Fill Station has closed for winter.

6.5. Water Use Efficiency

Water Use Efficiency Coordinator Ravinale provided a report on water use efficiency and conservation for the period covering April 20 through November 3, 2016.

7. Individual Directors Reports

Director Hodgkin reported that he will attend an ACWA Board Meeting 11/24-11/25/2016 in Sacramento, ACWA Fall Conference 11/28-12/02/2016 in Anaheim and that he was disappointed by the attendance (4) at the presentation on proposed water rate increase

Scotts Valley Water District Board of Directors

Minutes -- Thursday, November 10, 2016

Page 4

made by the General Manager and Operations Manager at the Senior Center on 10/27/2016.

President Reber reported that he will be absent for the 12/08/2016 Board Meeting.

8. Written Communications and Correspondence

The Written Communications and Correspondence item was accepted without comment.

8.1. LAFCO Public Hearing on Scotts Valley Water District Service and Sphere of Influence Review 11/02/2016

9. Community Relations

The Community Relations items were accepted without comment.

9.1. ACWA News: Farm to Table Experience Explored in Region 5 Tour 10/12/2016

9.2. ACWA News: Department of Water Resources Releases Final Changes to Groundwater Basin Boundaries 10/18/2016

9.3. Press Banner: Scotts Valley Water Rate Increase 10/21/2016 and 10/28/2016 Correction

9.4. September 2016 eNews

9.5. October 2016 eNews

10. Closed Session

There was no closed session scheduled on 11/10/2016.

11. Report on Closed Session and Additional Items

There was no report on closed session or additional items.

12. Adjournment

At 9:27 p.m. Director Perri moved, seconded by Director Stiles to adjourn the meeting until the next regular meeting scheduled for 12/08/2106 at 6:00 p.m. in the Santa Margarita Community Room, 2 Civic Center Drive Scotts Valley California.

Submitted:

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

Approved:

DocuSigned by:
Ruth L Stiles
80A644B5E1C1401...
Ruth Stiles, Vice President

Attest:

DocuSigned by:
Piret Harmon
1C238EFF40B44D1...
Piret Harmon, General Manager

STAFF REPORT – GENERAL ITEMS

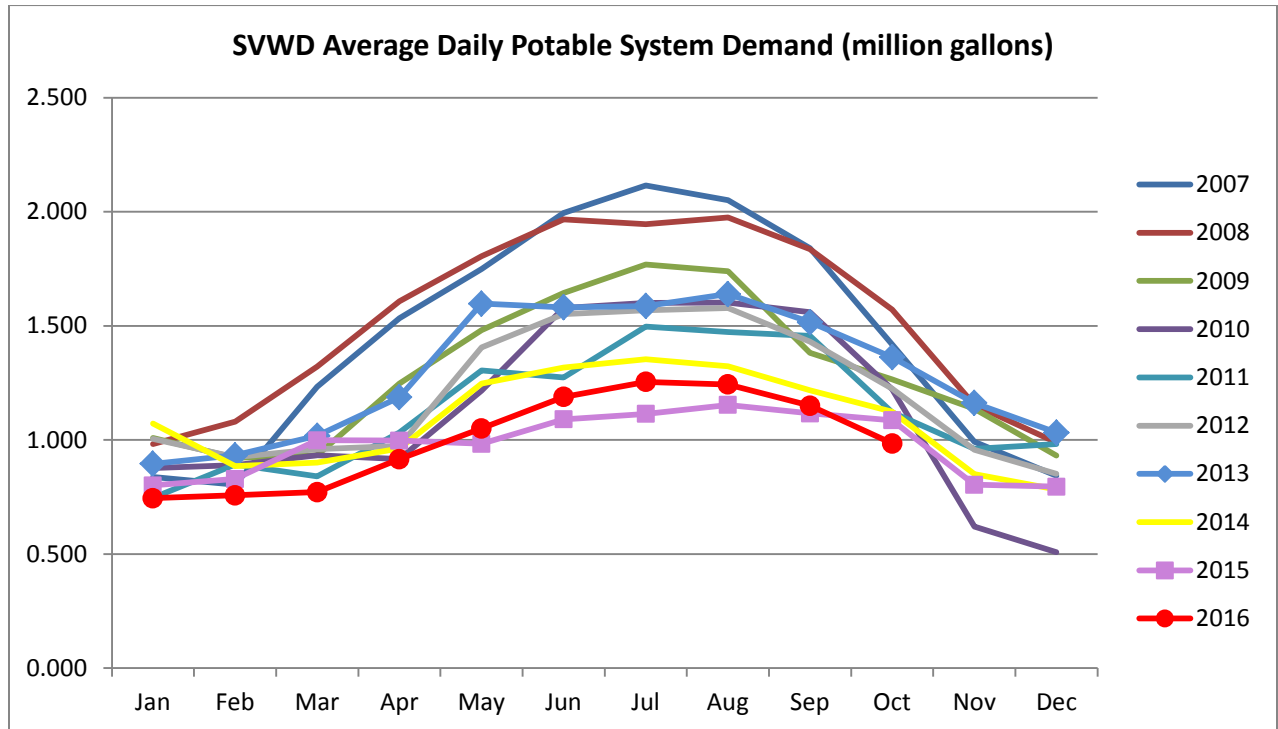
Scotts Valley Water District

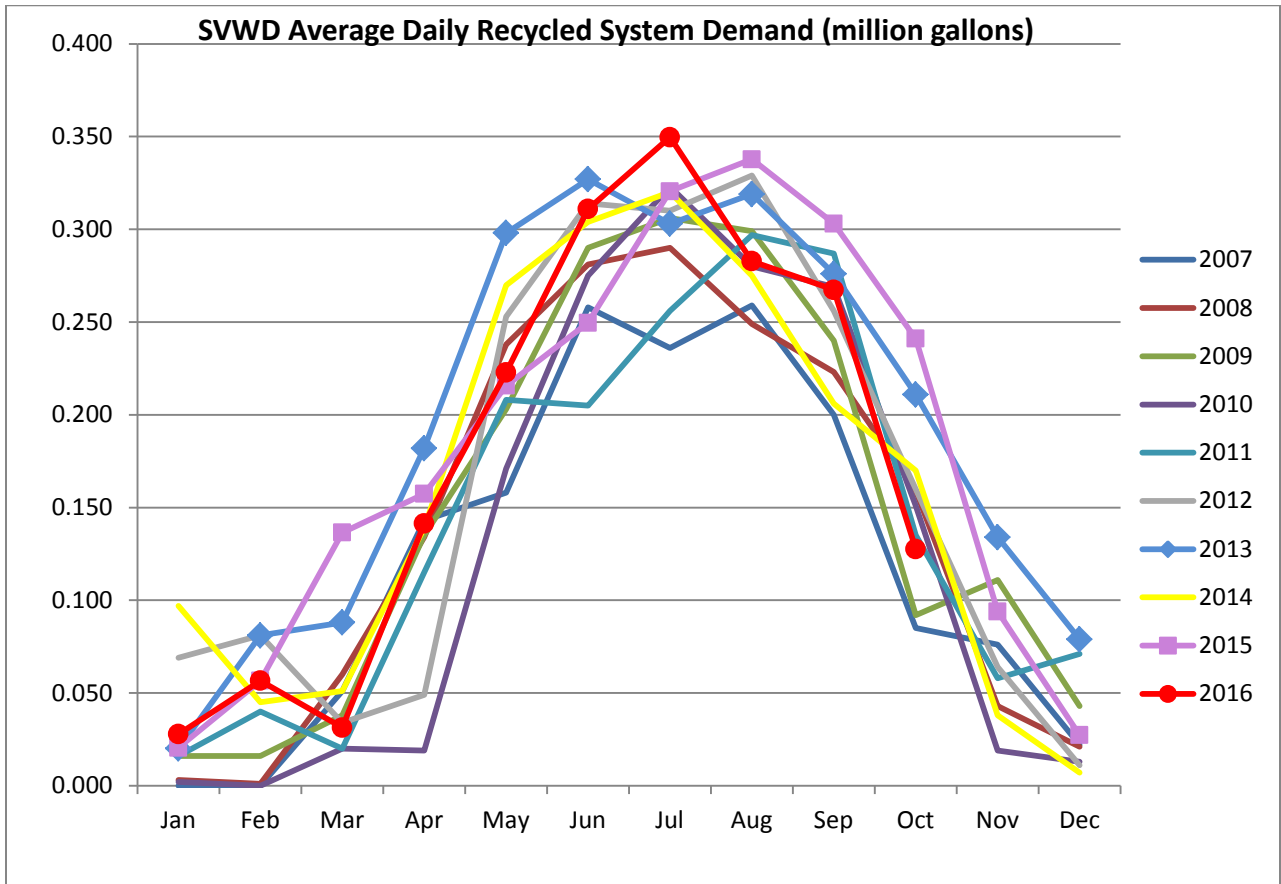
Date: November 10, 2016

To: Board of Directors

From: General Manager

1. 2016 Water Revenue Refunding Bonds - we received proposals from 7 financial institutions with interest rates ranging from 1.76% to 2.89%. District accepted the offer from JPMorgan Chase that will yield net present value savings of 9.54% or about \$712,000 over the term of the loan.
2. District hired Matt Debrito as the Electrical Instrumentation Technician 11/8/16.
3. District has recruited an intern – Nico Galindo, UCSC student to help Engineering/Operations division with various tasks.
4. It was the second wettest October in the State of California since 1921. Northern California has received 400% of the normal amount of rain, for Scotts Valley it was the third wettest October since 1981: 6.78 inches of precipitation compared with average of 1.89 inches.
5. Potable and Recycled Water Demand – October 2016





- Resource Conservation District (RCD) is organizing a tour of the Prop 84 Low Impact Development projects in Santa Cruz County (including SV Transit Center and Woodside). The tour is taking place 9am-3:30pm on December 1, 2016. Registration is required for attending: <http://www.rcdsantacruz.org/get-involved/register-for-an-event>