

Board of Directors

Regular Meeting 7:00 p.m.

Thursday, February 8, 2018

Santa Margarita Community Room

2 Civic Center Drive, Scotts Valley, California

Minutes

I. Convene Meeting

I.1. Call to Order and Roll Call

President Chris Perri called the meeting to order at 7:00 p.m. in the Santa Margarita Community Room, 2 Civic Center Drive, Scotts Valley, California.

Present:

Directors

David T. Hodgin

Wade Leishman

Chris Perri

Danny Reber

Ruth Stiles

Staff

Robert Bosso

Piret Harmon

David McNair

Donna Paul

Guests

Bill Ekwall

Lew Farris

Bill Miller

David Young

I.2. Pledge of Allegiance and Invocation

President Perri led the pledge of allegiance and Director Reber provided 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

There were no oral communications.

2. Administrative Items

2.1. Approval of Minutes – January 11, 2018 Regular Board Meeting

MOTION: Hodgin/Leishman to approve the minutes of the January 11, 2018, regular Board meeting. The motion carried by unanimous voice vote.

2.2. Presentation

2.2.1 Community Outreach and Communications Mid-Year Update

Bill Miller, Miller Maxfield, Inc. presented the mid-year report on Community

Outreach and Communications. He responded to questions from the board. [Click here](#) to view the presentation.

David Young, Bill Ekwall and Lew Farris made oral comments.

2.3. Committee Meeting Reports

2.3.1 2018 Standing Committee Assignments

2.3.2 Executive & Public Affairs Committee

There was no Executive & Public Affairs Committee meeting report.

2.3.3 Finance & Personnel Committee

There was no Finance and Personnel Committee meeting report.

2.3.4 Water Resources & Engineering Committee

There was no Water Resources and Engineering Committee meeting report.

2.4. Santa Margarita Groundwater Agency (SMGWA) Board Meeting Report

There was no SMGWA Board meeting report.

3. **Consent**

There were no items on consent.

4. **Public Hearings**

No public hearings were scheduled.

5. **General Business Items**

5.1. Consolidated Redevelopment Oversight Board - Election of an Special District Member

MOTION: Stiles/Leishman to direct the Board President to cast a vote for David Hodgins, Scotts Valley Water District for Special District Member on Consolidated Redevelopment Oversight Board. The motion carried by unanimous voice vote.

5.2 At-will Finance Manager Position

MOTION: Hodgins / Stiles to approve a salary range of \$8,750-\$11,500 for the Finance and Customer Service Manager recruitment. The motion carried by unanimous voice vote.

General Manager Harmon reported that Jack Dilles will be providing interim financial manager services on a contractual basis during the recruitment process.

5.3 Bethany Booster Station Main Replacement Project

Operations Manager McNair provided the staff report.

MOTION: Stiles/Reber to accept the report on the Bethany Booster Station Main Replacement project and ratify the contract with William A. Thayer Construction, dated January 19, 2018, in the amount of \$121,003.55.

6. **Staff Reports**

6.1. District Counsel

District Counsel Bosso reported a new Proposition 218 case out of Marin that contends that it is not necessary to protest a water rate increase to file suit.

- 6.2. General Manager
The General Managers report is appended.
- 6.3. Finance
The finance report was accepted without comment.
- 6.4. Operations
In addition to the written report Operations Manager McNair provide updates on Bethany Booster Main Replacement, Polo Ranch site work, Replacement for Well 7A, Well 3A rehabilitation and the annual flushing program.

7. Individual Directors Reports

Individual Directors Reports – oral

- Anticipated travel meeting or other expenses
Director Hodgkin reported that he will attend an ACWA Board on 02/09/18 Water Quality Committee on 02/13/18 and will be traveling the week of 02/12/18 for ACWA-JPIA.
President Perri reported that he will attend the ACWA Groundwater Committee on 02/21/18 via webinar.
Director Stiles reported that she will be talking with a group of local landscape designers.
- ACWA and ACWA/JPIA updates
Director Hodgkin provided a report on the JPIA insurance programs. The report is appended.
- Items not on the Agenda
Director Leishman and Director Stiles both reported attending the Connecting the Drops event on 01/31/18.

8. Written Communications and Correspondence

- 8.1 County of Santa Cruz - 2017 Water Resources Management Report.
- 8.2 Dept. of Water Resources - Urban Water Management Plan Requirements Addressed

9. Community Relations

There were no community relations items.

At 8:37 p.m. President Perri recessed open session.

10. Closed Session

At 8:40 p.m., President Perri convened closed session with District Counsel Bosso, General Manager Harmon and Operations Manager McNair present.

- 10.1 Real Property Negotiation (Government Code 54956.8)
Property: APN 024-021-24
Owner: The Beagle Family Trust

District Negotiator: David McNair
Negotiating Parties: Robyn S. Beagle
Under Negotiation: Terms of a water pipeline and access easement

At 8:48 p.m. President Perri adjourned closed session and reconvened open session.

11. Report on Closed Session and Additional Items

District Counsel Bosso reported that staff was directed to proceed with negotiations.

12. Adjournment

At 8:49 p.m. the meeting was adjourned.

Submitted:

Approved:

Donna Paul, Asst. to the General Manager

Chris Perri, President

Attest:

Piret Harmon, General Manager

INDIVIDUAL DIRECTORS REPORT -

Date: February 8, 2018

To: Board of Directors

From: Director David T. Hodgins

Subject: ACWA/JPIA Board Meeting Report (1/30/2018)

1. The United States has experienced unprecedented large losses during 2017. California was one of the leading contributors. 2017 disasters could cost insurers \$150 Billion.
2. For our JPIA, 2016 and 2017 may turn out to be the highest loss years recorded. The program maintains \$100,000 retention so other insurers cover losses above that amount. That means our pool assumes the first \$100,000 of losses per occurrence, reinsurers cover costs above that.
3. JPIA currently insures approximately \$5.5 billion in property values. 264-member agencies are in the property program. We are blessed that those coverages are spread out over the entire state, rather than being concentrated in one place.
4. Current maximum coverage is \$150 million per loss. That limit will be increasing this year to at least \$500 million, along with other significant upgrades.
5. In spite of all that, SVWD's Property premium rate will drop 10% beginning April 1st.
6. New rates:

Real and Personal Property	\$0.0810
Pooled Layer	\$0.1215
Automobiles	\$0.6885
7. Premium rebates this year are going to 196-member agencies for a total of \$6.7 million - \$2.7 million from Liability coverage; \$4.0 million from Workers' Comp.
8. SVWD will receive a premium rebate of \$4,208.03 soon. This reflects very favorably on SVWD staff who are doing a good job of keeping losses under control.
9. Santa Margarita GSA application for liability coverage was approved.

STAFF REPORT – General Items

Scotts Valley Water District

Date: February 8, 2018

To: Board of Directors

From: General Manager

1. California's Sierra Nevada snowpack at the end of January was at 30 percent of normal. The last time there was so little Sierra snow at the end of January was in 2015, when it was 25 percent of its historic average. Rainfall across the state has varied dramatically this winter – and is far below levels seen a year ago. San Francisco is at 65 percent of normal rainfall, San Jose at 60 percent, Los Angeles at 27 percent for this water year (since October 1, 2017).
2. District has also experienced a low precipitation water year with a cumulative rainfall of 10.63 inches that represents 25% of the average annual rainfall and 45% of the average cumulative at the end of January. Staff is starting to conduct the assessment of the projected water supply conditions at the end of the wet season and anticipated need for demand reduction. Water Resources and Engineering Committee will be presented the initial data at their next meeting.
3. The City of Scotts Valley and the Land Trust of Santa Cruz County are collaborating to plan recreational access on the Glenwood Preserve. The route of hiking trails will be in the vicinity of the District's Glenwood Tank and District is involved in ensuring the security of and access to its facilities.
4. Santa Margarita Groundwater Agency (SMGWA) is among the 78 Groundwater Sustainability Agencies (GSAs) statewide and 3 in Santa Cruz County that were announced to receive a grant from the Department of Water Resources as part of the Proposition 1 funding allocation. SMGWA is expected to be approved for \$1 million matching grant for developing a Groundwater Sustainability Plan (GSP) for the local basin. With SVWD being the largest pumper in the basin and one of the main stakeholders and funders of the state mandated GSP, the grant is saving the District about \$550,000 or \$150 per account. Mid-County Groundwater Agency and Pajaro Valley Water Management Agency, which are both managing basins that are in the critical condition, were recommended to receive \$1.5 million each.
5. I will be attending
 - a. Bay Area Regional Partnerships for Sustainable Water: Part 1 Potable Reuse workshop at Stanford University on March 9, 2018. This event is hosted by Silicon Valley Clean Water in partnership with over 50 agencies (SVWD among them) and stakeholders in the Bay Area.
 - b. Water Innovation Forum presented by Water Environment Federation and Imagine H2O in San Francisco on March 15, 2018.