

Board of Directors  
**Workshop 5:00 p.m.**  
**Regular Board Meeting 7:00 p.m.**  
**Thursday, May 17, 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 Perri called the workshop / meeting to order at 5:02 p.m. in the Santa Margarita Community Room, 2 Civic Center Drive, Scotts Valley, California.

Present:

Directors	Staff	Others
Hodgin	Bosso	Bill Maxfield
Leishman	Harmon	Edward Harmon
Perri	Kurns	
Reber	McNair	
Stiles	Paul	

I.2. Pledge of Allegiance and Invocation

President Perri led the pledge and Director Reber the invocation.

I.3. Closed Session Report

There was no closed session report.

I.4. Additions/Deletions to the Agenda

No additions or deletions were made to the agenda.

I.5. Oral Communications

There were no oral communications.

**2. Board Workshop**

2.1 Planning for Water Supply Reliability

President Perri announced that the purpose of this workshop is development of a message that will clearly convey information on the District's water supply.

Director Hodgins added that the District should hold a discussion every two years to reaffirm or revise the District's goals.

General Manager Harmon provided a presentation on Water Supply Reliability that included information on current and future demand, status of the groundwater supply and funding implications. [Click here](#) to view the presentation.

Scotts Valley Water District Board of Directors

Minutes -- Thursday, May 17, 2018

Page 2

Board Discussion / Comments

The existing infrastructure can accommodate the planned development and will need the additional revenues generated for financial stability.

Simply stated water use in the year 2040 will be less than 1985.

It is hard to explain that there is sufficient supply when we are asking our customers to save water.

The District is here to assist customers in being water efficient.

Budget based water rates were discussed.

Long-time residents know about the basin being over-drafted. It is important that they understand the current conditions and how the additional development will help fund an additional supply project for basin recovery.

The District does not have the option not to serve new customers.

We need to convey to our customers that there is enough water and it will not cost more than it needs to. The District has a plan and new customers are part of this plan. Come out with a simple clean message that has positivity.

An adhoc committee between the City, School District and Fire District was discussed.

**3. Administrative Items**

- 2.1. Approval of Minutes – April 12, 2018 Regular Board Meeting and April 30, 2018 Special Board Meeting

MOTION: Hodgin Stiles to approve the April 12, 2018 regular and the April 30, 2018 special Board Meeting as submitted. The motion carried by unanimous voice vote.

- 2.2. Presentations

Scotts Valley Water District Potential Energy Savings Evaluation Program

Emily Douglas, ENGIE presented information on potential energy savings based on a preliminary evaluation. [Click here](#) to view the presentation.

This proposal includes energy performance improvement for District facilities including on-site solar services. The next step is engineering and analysis and includes detailed energy savings and costs under a development agreement.

The Board discussed the proposal and referred it to the Finance-Personnel and the Water Resources Committees for further consideration.

Bi-Annual Water Use Efficiency Activity Summary

Water Use Efficiency Coordinator Ravinale provided an oral report on water use efficiency activity summary later in the packet.

Scotts Valley Water District Board of Directors

Minutes -- Thursday, May 17, 2018

Page 3

2018 Think Twice Water Use Efficiency Program  
Water Use Efficiency Coordinator Ravinale presented the 2018 Think Twice Water Use Efficiency Program. [Click here](#) to view the presentation.

2.3. Committee and Other Agency Meeting Reports

Executive & Public Affairs Committee  
There was no report.

Finance & Personnel Committee (04/24/2018)

In addition to the written report, Finance and Customer Manager Nicolas Kurns was introduced.

Water Resources & Engineering Committee (04/23/2018)

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

2.4. Santa Margarita Groundwater Agency (SMGWA) Board (04/26/2018)

**4. Consent**

There were no items on consent.

**5. Public Hearings**

No public hearings were scheduled.

**6. General Business Items**

6.1. November 6, 2016 Statewide General Election

General Manager Harmon provided the staff report.

The Board made the following determinations:

- 1) The candidate statement of qualifications will have a 200-word limit;
- 2) District will pay the publishing cost for all candidate statements of qualification;
- 3) In the event of a tie vote, it will be resolved by lot.

MOTION: Hodgin/Stiles to adopt Resolution No. 03-18 ordering an election, requesting Santa Cruz County Elections Department to conduct an election, requesting to consolidate it with other jurisdictions holding an election on November 6, 2018; and authorizing the filing of Notice to County Clerk of Elective Offices to be Filled. The motion carried by unanimous roll call vote.

6.2. Service Application with Main Extension Agreement: Ryder Scotts Valley, LLC – The Cove at Scotts Valley, APN 022-451-01

General Manager Harmon provided the staff report.

MOTION: Leishman/Reber to approve the terms and authorize the General Manager to execute the Main Extension Agreement for the Cove at Scotts Valley, APN 022-451-01. The motion carried by unanimous voice vote.

6.3. Water Use Efficiency Think Twice Program 2018 Update and Policy on Irrigation Scheduling

General Manager Harmon provided the staff report

Scotts Valley Water District Board of Directors

Minutes -- Thursday, May 17, 2018

Page 4

MOTION: Reber/Leishman to approve the Water Use Efficiency Think Twice Program 2018 Update. The motion carried by unanimous voice vote.

MOTION: Hodgkin/Stiles to adopt Resolution 04-18 rescinding Resolution No. 07-17 and ending the Policy on Irrigation Scheduling. The motion carried by unanimous roll call vote.

6.4. FY 2019 Proposed Budget Summary

General Manager Harmon provided the staff report and Finance and Customer Service Manager Kurns reported on the cash balance projections.

The Board commented that the charts are very useful.

No action was taken on this item.

**7. Staff Reports**

7.1. District Counsel – oral

District Counsel Bosso reported that he attended two sessions and a Legal Affairs committee meeting at the ACWA Spring Conference. The State has amended the recent Accessory Dwelling Unit regulations almost back to the way they were.

7.2. General Manager – oral

The General Managers report is appended.

7.3. Finance

The financial reports for period ending March 31, 2018 were accepted without comment.

7.4. Operations

In addition to the written report, Operations Manager McNair announced that Lennar will begin construction next week on the bridge at the Polo Ranch project; at the Orchard Run Replacement Well project Thayer Construction has moved off-site; Maggioria Brothers has moved on to start construction on the pumps and the contract terms for the grading and paving are final. The tertiary treatment plant down for spring maintenance.

7.5. Water Use Efficiency

The bi-annual activity summary and monthly leak adjustment report were accepted without further comment.

7.6. District Regulations Review Calendar

The District regulations review calendar was accepted without comment.

**8. Individual Directors Reports**

Director Hodgkin reported that he will attend an ACWA Board Meeting 05/31/18 and 06/01/18 in Sacramento and that JPIA recently honored District Electrician Mathew

Scotts Valley Water District Board of Directors

Minutes -- Thursday, May 17, 2018

Page 5

DeBrito with a Safety Award for his work to reduce the electrical panel to 24 volts at the Bethany Booster Station..

**9. Written Communications and Correspondence**

9.1. ACWA Region 5 Call for Nominations

9.2. Amendment to District Counsel Agreement

The written communications and correspondence were accepted without further comment.

**10. Community Relations**

There were no community relations items.

**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**

MOTION: Stiles/Leishman at 8:34 p.m. to adjourn.

Submitted:

DocuSigned by:  
*Donna Paul*  
1079981CD1DC41A...

Donna Paul, Asst. to the General Manager

Approved:

DocuSigned by:  
*Chris Perri*  
8270DCF086E94D9...

Chris Perri, President

Attest:

DocuSigned by:  
*Piret Harmon*  
1C238EFF40B44D1...

Piret Harmon, General Manager

**STAFF REPORT – General Items**  
Scotts Valley Water District

**Date:** May 17, 2018

**To:** Board of Directors

**From:** General Manager

1. The Santa Cruz County Clerk/ Elections Department is sponsoring a Candidate Information Night in preparation for November 2018 elections. Potential candidates can learn about the election process and ask questions of the county's chief election officials on June 21<sup>st</sup> 6-7:30pm at Scotts Valley Council Chambers.
2. I will be attending the 1<sup>st</sup> Annual Groundwater Sustainability Agency Summit in Sacramento on June 5-7.