1. **Convene Meeting**

1.1. **Call to Order and Roll Call**

President Perri called the meeting to order at 7:00 p.m. in the Santa Margarita Community Room, 2 Civic Center Drive, Scotts Valley, CA 95066.

Present:

**Directors**
- David T. Hodgin
- Wade Leishman
- Chris Perri, President
- Danny Reber, Vice President
- Ruth Stiles

**Staff**
- Robert Bosso, Legal Counsel
- Piret Harmon, General Manager (Videoconference)
- Nicholas Kurns, Finance and Customer Service Manager
- David McNair, Operations Manager
- Donna Paul, Assistant to General Manager
- LeAnne Ravinale, Water Use Efficiency Coordinator

**Audience**
- Alisa Moore, Environmental Science Associates (ESA)
- Bill Ekwall
- S. Sikand
- R. Romero

1.2. **Pledge of Allegiance and Invocation**

President Perri led the pledge of allegiance and Vice President Reber provided the invocation.

1.3. **Closed Session Report**

None.

1.4. **Additions/Deletions to the Agenda**

None.

1.5. **Oral Communications**

None.

2. **Administrative Items**

2.1. **Approval of Minutes: 09/13/18 and 10/11/18 Regular Board Meetings**

MOTION carried to approve the minutes of the 09/13/18 regular Board meeting as presented with Directors Hodgin and Stiles abstaining.

MOTION carried to approve the minutes of the 10/11/18 regular Board meeting as presented with Director Reber abstaining.
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2.2. Presentation 
Water Use Efficiency (WUE) Coordinator Ravinale presented the Biannual Water Use Activity Report. The activity summary can be viewed as item 6.1. in the meeting agenda packet. 

Oral communications were made by Bill Ekwall. 

2.3. Committee and other Agency Meeting Reports 
Executive & Public Affairs Committee (none) 
Finance & Personnel Committee 10/16/18 
In addition to the written report, Director Hodgin reported that the annual reimbursement report was reviewed. 

Interagency Advisory Committee 10/16/18 
President Perri reported that the committee continues to work on messaging and that the participating agencies will be asked to consider making this a standing committee. 

Water Resources & Engineering Committee 10/17/18 
There was nothing further to add to the written report. 

Santa Margarita Groundwater Agency Board 10/25/18 
President Perri reported that the Facilitation Committee is spending a great deal of time and effort in planning three events with the goal to inform the stakeholders and meet the requirements of the community engagement component in the Sustainable Groundwater Management Act. 

General Manager Harmon reported that the groundwater model evaluation report is almost complete. The model is a predictive tool that has been upgraded/updated many times since its creation and this report identifies additional areas for updates. 

3. Consent 
3.1 Leak Adjustment Appeal 
Item 3.1 was removed, discussed and acted on before consent. 

Operations Manager McNair provided a staff report and clarified information within the agenda report that AMI equipment was installed in March 2017, but staff is not certain whether the customer was ever notified. 

Mr. Sikand stated that he is battling leaks in his landscape that are due to rodent infestation. 

MOTION carried to deny an exception to the five-year waiting period and not grant a leak adjustment credit for S. Sikand at 2101 Vine Hill Road by unanimous voice vote. 

President Perri commented that this action is strictly based on the five-year waiting period.
3.2 Surplus Vehicles and Equipment

Declare 1993 Ford Ranger VIN 1FTCR10U0PUA88790; 2005 Honda Civic VIN JHMES96665SO08985; 2003 Ford F150 VIN 1FTRF17253NB26395; 2003 Ford F150 VIN1FDF20L23ED51442 and 1962 Onan 50kw Generator SN K840737433 as surplus and authorize the advertisement of the items for public sale.

3.3 Annual Reimbursements Disclosure

Accept the Fiscal Year (FY) 2018 Reimbursements Disclosure Report. Motion carried by unanimous voice vote.

MOTION carried to approve Consent items 3.2 Surplus Vehicles and Equipment and 3.3 Annual Reimbursements Disclosures as presented by unanimous voice vote.

4. Public Hearings
None.

5. General Business Items

5.1. Recycled Water Groundwater Replenishment Project – Environmental Services

Operations Manager McNair introduced Alisa Moore, Environmental Science Associates (ESA).

Ms. Moore presented the project plan and scope of tasks that will be undertaken as part of this project. Local consultants will be utilized on the project and will resemble the team that just completed the Pure Water Soquel project. She responded to questions from Director Hodgin and Director Stiles.

MOTION carried to award a contract and authorize the General Manager to execute the agreement with Environmental Science Associates (ESA) for the environmental services of the Recycled Water Groundwater Replenishment Project in the amount of $449,977 by unanimous voice vote.

5.2. Validated Water Loss Audit Report 2017

Operations Manager McNair provided the staff report and responded to questions from the Board.

Information only, no action required.

5.3. Water Rate Increase Implementation

Finance and Customer Service Manager Kurns provided the staff report and responded to questions from the Board.

Staff was directed to implement the December 13, 2108 rate and fee increases as established by Resolution 10-16.

Staff was further directed to establish a communications plan that provides
information regarding the annual review and determination of need by the Board along with a message that this is the third increase in a five-year rate plan.

5.4. LAFCO Annexation Heritage Parks

General Manager provided the staff report and responded to Board questions.

MOTION carried to consent to LAFCO annexation of the 84 parcels in Heritage Parks Association to the Scotts Valley Water District with Director Hodgin dissenting.

5.5. District Administrative Code

MOTION carried to adopt Ordinance No 167-18 amending the Administrative Code of the Scotts Valley Water District, and upon its adoption rescind Ordinance No 165-17 in its entirety by unanimous roll call vote.

6. Staff Reports

6.1. WUE Program Biannual Activity Summary

This report was presented as earlier in the meeting as item 2.2.

6.2. Legal

District Counsel reported no activity on current cases and that Governor Brown will likely not sign any more legislation.

6.3. Administrative

None.

6.4. Finance

Financial Reports for period ending 09/30/18
No additional information to the written report was provided.

6.5. Operations

Development Projects
Operations Activities
Production, Demand and Rainfall Data
Leak Adjustment Program

Operations Manager McNair highlighted the 2018 Low Impact Development (LID) infiltration data.

7. Individual Directors Reports

- Travel and Meetings
- ACWA and ACWA/JPIA

Director Hodgin reported that he will be attending an ACWA Board Meeting 11/15/18 and 11/16/18 in Sacramento and that Proposition 3 Water Bond did not pass.

- Other

8. Written Communications and Correspondence

8.1. 2018 Region 5 Outreach Award Notification – Assoc. of CA Water Agencies 10/22/18
8.2. Title XVI-WIIN Grant Program Stakeholder Support Letter – WaterReuse 10/29/18

9. Community Relations
None.

10. Closed Session
None.

11. Report on Closed Session and Additional Items
None.

12. Future Agenda Items
Election of Officers (December)
Audited Financial Statements (December)
Committee Appointments (January)

13. Meeting and Events Calendar
Regular Board Meetings - Santa Margarita Community Room
   12/13/18
   01/10/19
   02/14/19

Committee Meetings - District Conference Room
   Executive & Public Affairs Committee 11/19/18
   Finance & Personnel Committee 11/20/18
   Water Resources & Engineering Committee 11/20/18

Santa Margarita Groundwater Agency Board
Regular Board Meetings - Santa Margarita Community Room
   11/29/18
   12/20/18
   01/24/19 Tentative

Association of California Water Agencies (ACWA) Events
2018 Fall Conference: 11/27/18 - 11/30/18 San Diego CA
2019 Spring Conference: 05/07/19 - 05/10/19 Monterey CA
2019 Fall Conference: 12/03/19 - 12/06/19 San Diego CA

Trainings/Workshops/Webinar
None

14. Adjournment
The meeting adjourned at 8:31 p.m.