

Board of Directors

Regular Meeting

01/13/22 at 6:00 p.m.

Santa Margarita Community Room
2 Civic Center Drive, Scotts Valley, California

Minutes

1. Convene

1.1. Call to Order and Roll Call

President Stiles called the meeting to order at 6:01 p.m. The meeting was conducted in a hybrid setting.

Directors

Bill Ekwall

Wade Leishman

Chris Perri, absent

Danny Reber, arrived 6:40 p.m.

Ruth Stiles

Staff

Bob Bosso, Legal Counsel

Piret Harmon, General Manager

Nick Kurns, Finance & Customer Service Manager

David McNair, Operations Manager

Donna Paul, Assistant to General Manager

Associate Directors

Noelle Downing

Annie Finch

Guests

Barbara Callahan

Michael Shulman

Allyson Violante

1.2. Pledge of Allegiance and Invocation

Director Ekwall led the pledge and Director Leishman the invocation.

1.3. Closed Session Report - 12/09/21 and 01/06/22

Legal Counsel Bosso reported that succession planning for the General Manager was discussed and that no action was taken.

1.4. Additions/Deletions to the Agenda

None.

1.5. Oral Communications

None.

2. Presentations

Shelby Winstead presented the ServLine Water Leak Protection Plan by Home Serve USA and responded to questions from the Board.

3. Administrative

3.1. Approval of Minutes Regular Board Meeting 12/09/21

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MOTION carried to approve the minutes of the 12/09/21 Board Meeting by unanimous voice vote with Director Perri and Director Reber absent.

3.2. Committee and other Agency Meeting Reports

Engineering and Water Resources Committee 12/13/21

There was nothing further to add to the written report.

Finance & Personnel Committee (none)

Executive & Public Affairs Committee (none)

Santa Margarita Groundwater Agency (SMGWA) Board (none)

3.3. Committee Appointments for 2022

Engineering and Water Resources

Bill Ekwall, Danny Reber, 1st Alternate Chris Perri, 2nd Wade Leishman 3rd Ruth Stiles.

Executive and Public Affairs

Ruth Stiles, Chris Perri, Alternate Bill Ekwall

Finance and Personnel

Ruth Stiles, Wade Leishman, 1st Alternate Bill Ekwall, 2nd Danny Reber, 3rd Chris Perri.

Interagency

Chris Perri, Alternate Wade Leishman

4. **Consent** (none)

5. **Public Hearings** (none)

6. **Business**

6.1. Leak Adjustment Appeal 110 Sawyer Circle

General Manager Harmon provided the staff report and Director Leishman provided information from the Engineering and Water Resources Committee meeting.

MOTION carried to grant an exception to the five-year waiting period and approve a leak adjustment credit for 110 Sawyer Circle by passed unanimous voice vote with Director Perri absent.

6.2. Leak Adjustment Program

General Manager Harmon provided the staff report.

Michael Shulman provided oral comments.

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The Board discussed the matter and directed staff to speak to other Districts that are using ServLine about their experience, have Director Reber and Director Perri review the presentation, and return the item to committee for recommendation.

6.3. Community Members on Committees

The applicants introduced themselves: Michael Shulman and Allyson Violante for the Engineering and Water Resources and Barbara Callahan for Finance and Personnel.

MOTION carried to appoint Michael Shulman and Allyson Violante to the Engineering and Water Resources Committee and Barbara Callahan to the Finance and Personnel Committee by unanimous voice vote with Director Perri absent.

6.4. City District Recycled Water Allocation

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

The Board directed staff to mail the letter to the City of Scotts Valley regarding the provision of irrigation water to the City when the District's recycled water supply has been disrupted,

6.5. Emergency Management Policy

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

MOTION carried to adopt Resolution No. 01-22 updating the Emergency Management Policy, appoint the General Manager as the Security Officer and the Operations Manager as the Alternate Security Officer of the Scotts Valley Water District, and rescind Resolution No. 02-16 by unanimous roll call vote with Director Perri absent.

7. Staff Reports

7.1. Legal

District Counsel Bosso reported on a recent Proposition 218 case.

7.2. Administrative

The General Managers report is appended.

7.3. Finance

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Financial Reports 07/01/21 through 11/30/21

The financial reports were accepted without comment.

7.4. Operations

Operations Report

Production, Demand and Rainfall Data through 12/31/21

Leak Adjustment Program Report 07/01/21 through 11/30/21

Development Projects Status Report through 12/31/21

Operations Manager McNair reported on water demand, Orchard Run Water Treatment Plant Project and recent main breaks.

8. Directors Reports (none)

9. Written Correspondence (none)

10. Community Relations (none)

11. Closed Session

President Stiles announced the closed session item and recessed at 8:13 p.m.

Pursuant to Government Code Section §54957

Public Employee Appointment

Title: General Manager

Closed session convened at 8:18 p.m. and adjourned at 8:43 p.m.

12. Report on Closed Session and Additional Items

At 8:43 p.m. President Stiles reconvened the meeting and reported that appointment of the General Manager was discussed and that no action was taken.

13. Future Items

Miscellaneous Fee Schedule

District Projects Status Report

Initial Water Supply Outlook

Meetings and Event Calendar

Board Meetings

02/10/22

03/10/22

04/14/22

Committee Meetings

01/24/22 Engineering & Water Resources

01/24/22 Executive & Public Affairs

01/26/22 Finance & Personnel

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Santa Margarita Groundwater Agency

Board Meeting 01/27/22

LAFCO - California Special Districts Association

Board Member 201: The Brown Act and CA Public Records Act 01/25/22 10:00 a.m. - noon

Association of California Water Agencies (ACWA) Events

2022 Spring Conference and Exhibition 05/03/22 – 05/06/22 Sacramento

14. Adjourn

The meeting adjourned at 8:46 p.m.

Approved:

DocuSigned by:

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Ruth Stiles, Board President

Attest:

DocuSigned by:

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Piret Harmon, Board Secretary

STAFF REPORT – General Items

Scotts Valley Water District

Date: 1/13/22

To: Board of Directors

From: General Manager

1. State Water Board adopted Emergency Water Use Regulations to prevent wasteful water uses and promote urban water conservation during the current drought emergency. The regulations are expected to go into effect by mid-January, following approval by the Office of Administrative Law, and will remain in effect for one year.

Water agencies are expected to enforce the regulations, which prohibit certain actions including the use of a hose to wash cars unless fitted with a shut-off nozzle, using potable water to wash sidewalks or driveways and applying potable water to outdoor landscapes in a manner that causes incidental runoff onto adjacent properties or walkways. Details of the regulation are available on the State Water Board [website](#).

ACWA continues to encourage the State Water Board to defer to urban retail water suppliers' Water Shortage Contingency Plans and other local ordinances to respond to drought. ACWA also continues to actively encourage member agencies to help their customers reduce water usage to achieve the Governor's voluntary 15% reduction.

2. The proposed state budget for 2022-2023 fiscal year includes an additional \$750 million General Fund drought response package allocated to several issue areas:
 - Water Conservation Programs — \$180 million for grants to large urban and small water suppliers to improve water efficiency, address leaks, reduce demand, provide water use efficiency-related mapping and training, support turf replacement and maintain a drought vulnerability tool.
 - Urban and Small Community Drought Relief — \$145 million for local emergency drought assistance and grants to local water agencies facing loss of water supplies.
 - On-Farm Water Conservation — \$20 million to bolster the State Water Efficiency and Enhancement Program, which provides grants to implement irrigation systems that save water on agricultural operations.
 - Fish and Wildlife Protection — \$75 million to mitigate immediate drought damage to fish and wildlife resources and build resilience of natural systems.
 - Multibenefit Land Repurposing — \$40 million to increase regional capacity to repurpose irrigated agricultural land to reduce reliance on groundwater while providing

community health, economic well-being, water supply, habitat, renewable energy, and climate benefits.

- Groundwater Recharge — \$30 million to provide grants to water districts to fund planning, engineering, water availability analyses and construction for groundwater recharge projects.
 - Technical Assistance and Drought Relief for Small Farmers — \$10 million to provide mobile irrigation labs, land use mapping and imagery, irrigation education, and direct assistance to small farmers and ranchers who have experienced water cost increases of more than 50 percent.
 - Drought Contingency—\$250 million as a drought contingency set aside to be allocated as part of the spring budget process, when additional water data will be available to inform additional drought needs.
3. Santa Cruz LAFCO will be conducting a service and sphere of influence review for all (six) water districts in the County. Tentative schedule comprises receiving the administrative draft in June and holding LAFCO hearing to adopt the report in August of 2022.
 4. Emergency Water Shut Offs Moratorium ended 12/31/21. The District resumes this activity in compliance with SB998 and Water Shutoff Protection Act.
 5. ACWA Region 5 Board has a vacancy due to a member's resignation. They have opened a recruitment that closes 2/28/22. Detailed information will be included in District's 2/10/22 Board packet.
 6. Kevin King resigned effective 1/6/22