

Board of Directors

**Regular Meeting**

**11/10/22 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 6:00 p.m. in the Santa Margarita Community Room. The meeting was conducted in a hybrid setting.

Directors

Bill Ekwall

Wade Leishman

Chris Perri

Danny Reber

Ruth Stiles

Staff

Bob Bosso, Legal Counsel

Piret Harmon, General Manager (remote)

Nick Kurns, Finance & Customer Service Manager

David McNair, General Manager

Donna Paul, Assistant to General Manager

Associate Directors

Noelle Downing

1.2. Pledge of Allegiance and Invocation

Director Ekwall led the pledge and Director Leishman the invocation.

1.3. Closed Session Report (none)

1.4. Additions/Deletions to the Agenda

None.

1.5. Oral Communications

None.

**2. Presentation (none)**

**3. Administrative**

*Items are informational in nature and do not include an agenda report.*

3.1. Committee and Other Agency Meeting Reports

Engineering and Water Resources Committee 10/24/22

There was nothing further to add to the written report.

Finance & Personnel Committee 10/26/22

There was nothing further to add to the written report.

Executive & Public Affairs Committee (none)

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Santa Margarita Groundwater Agency Board 10/27/22

Director Perri reported that the City of Santa Cruz presented a summary of its aquifer storage and recovery investigations.

3.2. Appointment in Lieu of Election

President Stiles reported that she along with Director Ekwall and Director Leishman have been appointed in lieu of an election and will assume office in early December once the election has been certified.

3.3. ACWA General Session Membership Meeting at 2022 Fall Conference

The Board selected Director Perri to serve as the District's authorized voting representative and alternate and General Manager Harmon as alternate at the ACWA General Session Membership Meeting during the 2022 Fall Conference in Indian Wells.

**4. Consent**

*Items are routine in nature, may include agenda reports and be approved by one motion.*

4.1. Approval of Minutes – Regular Board Meeting 10/13/22

Recommendation: Approve the minutes of the 10/13/22 Board Meeting.

4.2. Annual Reimbursements Disclosure

Recommendation: Accept the Fiscal Year (FY) 2022 Reimbursements Disclosure Report.

4.3. Labor Negotiator Appointment

Recommendation: Designate General Manager Harmon and General Manager McNair as the District's labor negotiators for upcoming contract negotiations with the District Employees Union AFSCME Local 101 AFL-CIO.

MOTION carried to approve the consent agenda as submitted by unanimous voice vote.

**5. Public Hearings (none)**

**6. Business**

*Items are complex in nature, considered individually, and each item includes an agenda report with recommendation and an oral staff report or presentation.*

6.1. Property Acquisition APN 022-031-13

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

MOTION carried to approve and authorize the General Manager to execute an agreement with James J. Lee and Rella S. Lee, Trustees, under the Lee Family Living Trust, in the amount of \$869,000 for purchase of real property designated as Assessor's Parcel No 022-031-13 by unanimous voice vote.

MOTION carried to amend the FY 2023 Projects Budget transferring \$900,000 from the reserves to project c15007 by unanimous voice vote.

6.2. Collaboration Strategies for Soquel Creek Water District (SqCWD) and Scotts Valley Water District (SVWD)

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

MOTION carried to in partnership with Soquel Creek Water District conduct a competitive selection process and hire a consultant to evaluate what type of an enhanced strategic partnership, if any, would be beneficial to both agencies and produce value to their respective customers and the environment by unanimous voice vote.

6.3. Junior Associate Board Members

General Manager Harmon provided the staff report and requested the Board provide direction.

The Board discussed the program and its future. Director Reber volunteered to organize additional Board outreach.

6.4. Urban Community Drought Relief 2022 Grant Program

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

MOTION carried to adopt Resolution 09-22 authorizing the 2022 Urban Community Drought Relief Grant application, acceptance and execution for the Scotts Valley Transit Center Low Impact Development Retrofit Phase 2, Well 3B Replacement and Turf Rebate Program by unanimous roll call vote.

6.5. Water Rate Increase Consideration

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

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The Board reviewed and discussed the rate implementation program scenarios and will continue to conduct an annual review prior to implementation.

MOTION carried to implement the next rate increase as established by Resolution 08-21

**7. Staff Reports**

7.1. Legal

District Counsel Bosso reported on a Pre-1914 water rights case and water supply available for large development in Lincoln California.

7.2. Administrative

General Manager

None.

7.3. Finance

Financial 07/01/22 through 09/30/22

The Board concurred with a request from the Finance and Customer Service Manager Kurns to provide the Annual Comprehensive Finance Report (ACFR) for approval at the December Board meeting without review by the Finance and Personnel Committee due to holiday scheduling.

7.4. Water Use Efficiency 11/01/21 through 10/31/22

The report was accepted without comment.

7.5. Operations

Operations Report - oral

Production, Demand and Rainfall Data through 10/31/22

Leak Adjustment Program Report 07/01/22 through 09/30/22

Operations Manager Gillespie reported that he is getting to know the staff, facilities and District policies. Staff is performing annual maintenance at Well 10 treatment plant.

**8. Directors Reports**

None.

**9. Written Correspondence**

Green Business Recertification

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Approved SVWD Conflict of Interest Code

**10. Community Relations**

October Newsletter

**11. Closed Session (none)**

**12. Report on Closed Session and Additional Items (none)**

**13. Future Items**

Annual Comprehensive Financial Report

Election of Officers

Leak Adjustment Program Sunset

**14. Meetings and Event Calendar**

Board Meetings

12/08/22

01/12/23

02/09/23

Committee Meetings

Engineering & Water Resources TBD

Executive & Public Affairs TBD

Finance & Personnel TBD

**Santa Margarita Groundwater Agency**

Board Meeting 11/14/22 tentative

**Events**

ACWA and ACWA JPIA Fall Conference 11/29/22 – 12/01/22 Indian Wells

**15. Adjourn**

The meeting adjourned at 7:22 p.m.

Approved:

Attest:

DocuSigned by:  
*Ruth L. Stiles*  
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Ruth Stiles, Board President

DocuSigned by:  
*David McNair*  
455E6F70FDE740B...  
David McNair, Board Secretary