



PAJARO VALLEY WATER MANAGEMENT AGENCY

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Board of Directors Meeting
City Council Chambers

June 6, 1:30 p.m.
250 Main Street, Watsonville, CA

WORKSHOP MEETING MINTUES

- 1. Call to Order, Roll Call of the PVWMA Directors, and Pledge of Allegiance:** The Regular Board Meeting Of Pajaro Valley Water Management Agency was called to order in the City Council Chambers, 250 Main Street, Watsonville, CA 95076, at 1:32 pm. By Chair Dobler

Board Members Present: Dobler, Imazio(1:37pm), Eiskamp, Kegebein, Cervantes, Osmer, Koenig

Board Members Absent: None

Staff Members Present: Bruce Laclergue, General Manager (GM)
Linda Contreras, Administrative Division Manager (ADM)
Veronica Barboza, Administrative Analyst (AA)

Others Present: Anthony Condotti, Counsel

- 2. Oral Communications:** None

- 3. Director and General Manager Comments:** GM noted to the board that item 4C was pulled from the agenda and will be brought forward to the June 20, 2007 Business Meeting. Announced future meetings:

- 6/13/07 Administrative/Finance Committee Meeting
- 6/20/07 Projects Committee Meeting- **Cancelled**
- 6/20/07 Board Business Meeting
- 6/22/07 TAC Meeting
- 6/15/07 WQOP **rescheduled** for 6/29/07
- 7/4/07 Board Workshop Meeting- **Cancelled**

- 4. Discussion and/or Action Items:**

A. Consider Adverse Ruling by Court of Appeal in Augmentation Charge Litigation: The GM read an email with comments about the outcome of the litigation from former Director Ralph Miljanich and then turned it over to agency counsel. Counsel reported that the agency received an Adverse decision on May 21, 2007 from the court of appeals. Counsel stated that if the agency was considering petitioning the Supreme Court, the petition would need to be filed

PVWMA is a state-chartered local Agency formed "to efficiently and economically manage existing and supplemental water supplies in order to prevent further increase in, and to accomplish continuing reduction of, long-term overdraft and to provide and insure sufficient water supplies for present and anticipated needs within the boundaries of the Agency. It is anticipated that long-term overdraft problems may not be solved unless supplemental water supplies are provided. The water management Agency should, in an efficient and economically feasible manner, utilize supplemental water and available underground storage and should manage the groundwater supplies to meet the future needs of the basin." This agenda is subject to revision and may be amended prior to the scheduled meeting. If amended, a Final Agenda will be posted at the PVWMA offices at 36 Brennan Street, Watsonville, 72 hours prior to the meeting. Copies of the Final Agenda will be available at the Board Meeting. This Agenda shall be made available upon request in alternative formats to persons with a disability, as required by the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132) and the Ralph M. Brown Act (Cal. Govt. Code Sec. 54954.2). Persons requesting a disability-related modification or accommodation should contact PVWMA's Administrative Division Manager at (831) 722-9292 during regular business hours, at least 24 hours prior to the time of the meeting.

by June 29, 2007. The Court of Appeals found that the augmentation fees are property

tax related fees, therefore the agency did not fulfill the technical requirements as far as advising the property owners of the increase from \$80 an acre-foot to \$120 an acre-foot that was a requirement from Prop 218. Therefore the court of appeals found the increase invalid. Counsel went on and stated that the quarterly billing would still be mailed out and will stand at the normal rate of \$160 acre-foot until the final decision from the court, if considered to be re-heard. Counsel suggested that customers be advised of a refund process when developed. Director Eiskamp requested that a new committee to be created, a "community group" with no staff, no board, to help solve the agency's financial dilemma. Director Osmer opposed. No action was taken. Thereafter Director Dobler opened the discussion to the public.

Publics Comments: Mark Del Piero, Counsel for Pajaro Sunny Mesa- Recommended a task force, with no staff or board members, but with people who know water. He also asked what type of service the agency provides to Pajaro Sunny Mesa. He strongly believes that we should not be collecting money from Pajaro Sunny Mesa.

Harold Griffith- Rural Residential Customer with well on his property. Mr. Griffith stated that the agency couldn't charge him because the agency does not deliver him potable water; and that the Agency is not providing him with any type of service. He stated that if the Agency adopted any more fees in regards to rural residential well users, he would sue the Agency.

Doug McKinney- Suggested that the board set aside funds from current billings and requested that those funds not be used to repay money collected in the past.

Dick Peixoto- Asked why the attorneys were making all of the decisions. He suggested the we work towards making a solution, such as trying to fit into Prop 218 rather than fighting it.

Herb Chadwell- Rural Residential customer. Mr. Chadwell stated that he has an 85 ft domestic well, and questioned why is he being charged? He also asked where the pipeline is.

As this was a discussion item, no action was taken.

- B. Consider approval of Resolution 2007-11, Adopting the Pajaro River Watershed Integrated Regional Water Management Plan: The GM recommended that the board adopt the IRWMP. The WPC, at the previous board meeting, presented a power point and reported to the board that the Agency, San Benito County Water District and Santa Clara Valley Water District entered in a Memorandum of Understanding (MOU) for the purpose of developing and implementing a Pajaro River Watershed Integrated Regional Water Management Plan (IRWMP) The board chose not to see the presentation and Chair Dobler opened for public comment:

Mark Del Piero, Counsel for Pajaro Sunny Mesa again commented that the agency was not following the rules in regards to the steps and process required by CEQA and that the agency needed to prepare a full EIR/EIS document. Counsel responded that he had prepared a memo to the board regarding CEQA and the IRWMP. After further discussion, the following action was taken:

Motion by Director Osmer to approve Resolution 2007-11, Adopting the Pajaro River Watershed Integrated Regional Water Management Plan, as presented. Motion carried by the following roll call vote:

AYES: Dobler, Imazio, Kegebein, Cervantes, Osmer, Koenig
NOES: None
ABSENT: None
ABSTAIN: Eiskamp

- C. Consider contract for Engineering Services with Fred Miles, P.E., in an amount not to exceed \$225,000: Per the GM, this item was pulled and will come before the board at the June 20, 2007 Business Meeting. .

5. Closed Session

- A. Conference with Legal Counsel – Pending Litigation
Pursuant to Government Code Section 54956.9(a)
Name of Cases: James P. Scurich et al. v. PVWMA
(SCSC Case No. CV144843; 6th Civil No. H025776); PVWMA v.
All Persons Interested (Case No. CV 146754; 6th Civil No.
H027817); Harold W. Griffith v. PVWMA (SCSC Case No. 150716);
San Andreas Mutual Water Company v. PVWMA
(SCSC Case No. 150923)

The closed session convened at conclusion of the open session portion of the agenda with all directors present, along with staff members Laclergue, Contreras and Condotti. The meeting reconvened to open session at approximately 4:10 p.m., with two members of the public present. Condotti reported that, on motion by Koenig (approved 5-2 with Osmer and Kegebein opposed) the Board of Directors authorized and directed special legal counsel to petition the California Supreme Court for review of the adverse ruling by the 6th Appellate District in PVWMA v. All Persons Interested (Case No. CV 146754; 6th Civil No. H027817). The meeting adjourned immediately thereafter.

6. Adjourned: 4:10 pm

/s/ Linda Contreras

Linda Contreras, Secretary

June 20, 2007

date approved