



## PAJARO VALLEY WATER MANAGEMENT AGENCY

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Board of Directors Meeting  
City Council Chambers

February 20, 2008, 7:00 pm  
250 Main Street, Watsonville, CA

### 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 7:05 p.m. By Chair Osmer

Board Members Present: Osmer, Cervantes, Eiskamp, Kegebein, Imazio, Dobler, Koenig

Board Members Absent: None

Staff Members Present: Mary Bannister, Technical Division Manager (TDM)  
Veronica Barboza, Administrative Analyst (AA)

Others Present: Anthony Condotti, Counsel

**2. Oral Communications.** None

**3. Director Comments and Counsel Report:** No Director Comments. Counsel stated that the Agency had received another lawsuit earlier in the day that was filed on behalf of Pajaro Sunny Mesa Community Service District.

**4. Ad Hoc Executive Committee Report:** Director Dobler reminded the board and public that the Ad Hoc Executive Committee is temporary and will continue to meet regarding personnel and operation issues.

**5. Public Hearing:** Counsel stated that Ordinance 2008-01 was previously introduced at the February 6, 2008 Board Meeting was being considered for adoption this evening. Counsel stated that the proposed pending augmentation litigation contemplates a full refund for all charges that were collected pursuant to the Ordinances that were adopted back in 2003 and 2004 for the increases from \$80 /af to \$120 /af and \$120 / af to \$160 / af. Counsel also stated that in September, the Agency received the final decision in the Validation Action that determined that the 2004 Ordinance increase was invalid and the 2003 Ordinance increase also resulted in the same matter. Lastly, Counsel stated that the settlement agreement had become final and the filing period to file a claim was up to one year. Counsel also commented that the Court hearing was set forth for February 22, 2008 at the Santa Cruz County Courthouse, department 5 at 8:30 am.

#### Open Public Comments at 7:22 pm

- Joe Espindola, Pajaro Sunny Mesa Community Service District handed a letter to the Board regarding the lawsuit that was submitted on behalf of Pajaro Sunny Mesa Community Service District.
- Darlene Din, Thanked staff for updating the Agency website and for also posting the Board agenda and packet in the website. Mrs. Din also commented that the City of Watsonville should not receive a refund and metered customers should receive a credit rather than a refund.

- Nick Buliach, stated that the City of Watsonville ratepayer should not receive a refund. Also stated that customers should not have to fill out a claim form.
- Owen Sharp, San Andreas Water Mutual Company, Inquired about the funding bonds issue.
- Tony Luiz, Concerned that the customers who paid and are no longer there or moved. How will they receive their monies?

Close Public Comments at 7:32 pm

Director Osmer stated that the Agency is doing everything in it's power to refund the customers back and that the City of Watsonville is entitled to a refund and is responsible to refund their customers. Director Eiskamp commented that the refund process would be a difficult process, being that the Agency's billing process consists of owners, leases, and sub-leases.

Open Public Comments at 7:51 pm

- Nick Buliach, Inquired if the Agency is legally bound to refund the City of Watsonville customers
- Carol Anderson, Rural Residential Customer. Stated that her property is connected to 1 well and there are six households that use the 1 well. How will the Agency refund them?
- Tony Luiz, Concerned on how long the monies would be paid back. Also inquired on what has the Agency done to clean up the billing?

Closed Public Comments at 8:01 pm

After discussion, the following action was taken:

◆ Motion by Director Eiskamp to approve Ordinance 2008-01 Establishing Procedures and Limitations Period for Filing Refund Claims as presented. Motion carried by the following roll call vote:

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

**6. Consent Agenda**

- A. Approve Minutes of January 9, 2008
- B. Approve Minutes of January 16, 2008
- C. Approve Minutes of February 6, 2008

◆ Motion by Director Cervantes to approve the Consent Agenda as presented. Motion carried by the following roll call vote:

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

**7. Future Meetings and Agenda Items**

- A. Climate Change Forum – February 8, 2008 – 7:00 – 9:00 pm, Capitola City Hall 420 Capitola Ave. (in the village)
- B. Administrative/Finance Committee – February 12, 2008, 3:00 pm, PVWMA Conference Room
- C. Projects Committee – February 20, 2008, 4:00 pm, PVWMA Conference Room
- D. Board Meeting – February 20, 2008, 7:00 pm, Watsonville Council Chambers
- E. Water Quality and Project Operations Committee – February 22, 2008, 2:00 pm, Watsonville Wastewater Treatment Plant Conference Room

**8. Closed Session**

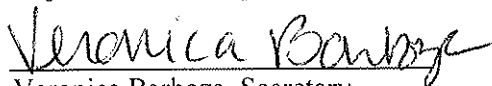
Conference with Legal Counsel: Liability Claims

Claimant:        Navarro Farms  
                     Reiter Berry Farms  
                     Aptos Berry Farms  
                     Dobler & Sons, LLC

Claim against: Pajaro Valley Water Management Agency

The closed session convened at approximately 8:25 p.m. with Directors Osmer, Imazio, Cervantes, Kegebein, Eiskamp, Dobler & Koenig. Technical Division Manager Bannister and General Counsel Condotti were also present. Prior to the closed session, Director Dobler recused himself from participation in the claim of Dobler & Sons, LLC, and Director Cervantes recused himself from participation in the claims of Reiter Berry Farms and Aptos Berry Farms. During the closed session the Board took the following actions: By motion (Imazio, 6-0), the Board accepted the liability claims of Navarro Farms in the amount of \$7,118.14. Director Dobler then left the Board chambers. By motion, (Imazio, 6-0), the Board accepted the liability claims of Dobler & Sons, LLC, in the amount of \$4,348.19. Director Cervantes then left the Board chambers. By motion (Eiskamp, 5-0), the Board accepted the liability claims of Reiter Berry Farms in the amount of \$13,186.56, and of Aptos Berry Farms in the amount of \$3,001.88. All claims pertain to crop losses resulting from the Coastal Distribution System (CDS) construction. The closed session concluded at approximately 8:40 p.m. with no members of the public present.

**10. Adjourned at 8:40 p.m.**

  
Veronica Barboza, Secretary

3/19/08  
date approved