



PAJARO VALLEY WATER MANAGEMENT AGENCY

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Board of Directors Meeting
City Council Chambers

January 16, 2008, 7:00 pm
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 7:00 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. Ad Hoc Executive Committee Comments: Director Dobler commented that he met with the City of Watsonville on a couple of items 1.) Construction of the Recycled Water Project. 2.) Cash Flow items. 3.) Title 16 Reimbursements. He also noted that the Executive Committee visited the Department of Water Resources in Sacramento in regards to the \$5.6 million Grant Reimbursement and stated that the Agency should be expecting the reimbursement within the next couple of weeks. Lastly, Director Dobler reported that the Administrative/Finance Committee is working on the cash flow spreadsheet with the help of Gary Knutson, former Controller for the County of Santa Cruz, who will be helping the Agency on the budget amendment process and cash flow on a short-term basis.

Public Comment: Darlene Din stated that she supports Gary Knutson working with the Agency.

4. Report on Closed Session of January 9, 2008 Board Business Meeting: Counsel reported on the following two items:

1. Consideration of pending litigation concerning the validity of the Augmentation Charge and legal challenges to the Augmentation Charge.
2. Personnel Matters involving discussion of the vacant General Manager and Management issues. No action was taken.

5. Consent Agenda

- A. Approve Minutes of December 12, 13, and 19, 2007 Board Meetings
- B. Approve Disbursement Ledger for December 2007
- C. Approve Financial Reports for December 2007

Director Imazio pointed out that her name was not captured in the December 12 and 13 minutes as being in attendance. Thereafter, the following action was taken:

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

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

6. Discussion and/or Action Items:

- A. Consider approval Resolution 208-02, Authorizing Technical Division Manager to Execute Grant Agreement with California Drinking Water, Coastal and Beach Protection Act of 2002 (Water Code section 79500 et seq.): Lidia Gutierrez, Gutierrez Consultants introduced this item to the board and stated that this item included the Proposition 50 grant agreement as well as the 7 project sponsors grant agreements. She also noted to the board of the updated exhibit amendments. She further stated that in November 2006, the California Department of Water Resources (DWR) notified Pajaro Valley Water Management Agency (PVWMA) of a grant award totaling \$25 million for the implementation of projects in the Pajaro River Watershed. Lastly, Lidia stated that DWR is the administering agency for this state grant program and PVWMA is the Grantee. As Grantee under terms of the proposed grant agreement, the Agency will be responsible for the overall administration of the grant.

Public Comments: Doug McKinney inquired that if the other project sponsors had already approved their agreements.

After further discussion, the following action was taken:

◆ Motion by Director Dobler to approve Resolution 2008-02 as presented. Motion carried by the following roll call vote:

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

- B. Establish Board Committees and Committee Meetings dates for 2008: Director Osmer stated that the Board reviews committees, their functions and makes changes as deemed appropriate, and establishes membership and meeting schedules for 2008. Director Osmer noted that the chair for each committee is typically elected at the committee level at its first regularly scheduled meeting. Director Kegebein noted to the Board that at the projects meeting, the committee has agreed to merge the Water Quality & Operations (WQOP) and Projects as one committee and wanted to bring it forth to the Board for consideration, with three Board Members, one Board Member as chair. After discussion, the Board agreed to the following composition and meeting times for each listed committee:

Administration/Finance (Admin) Committee

Members: Dennis Osmer (Chair), Mark Cervantes, Michael Dobler

Schedule: Monthly

Date and time: 2nd Wednesday at 3:00 pm

Location: PVWMA Conference Room

* Director Kegebein suggested to re-elect Michael Dobler as Treasure, being he is on the Administrative/Finance Committee. Counsel stated that it would need to be considered as an appointment and would need to be agendize as an action item for the next Board Meeting.

Strategic Planning/Public Outreach (SPPO) Committee

Members: Dennis Osmer (chair) John Eiskamp, Michael Dobler

Schedule: Quarterly or as needed

Date and time: the Monday prior to 1st Board meeting of month at 3:00 pm

Location: PVWMA Conference Room

Projects and Water Quality Operations Committee

Members: Dave Kegebein (chair), Warren Koenig, Rosemarie Imazio

Schedule: Monthly

Date and Time: 3rd Friday at 2:00 pm

Location: Watsonville Wastewater Treatment Plant

Technical Advisory Committee (TAC)

Members: Neighboring water agencies, regulatory groups, local and state government representatives, academia, technical representatives for interested stakeholders, and interested members of the public

Schedule: Quarterly

Day and time: Friday, at 9:30 am

Location: Agricultural Extension Auditorium

◆ Motion by Director Kegebein to approve the above 2008 Board committee composition and meeting times for 2008. Motion carried by the following roll call vote:

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

- C. Appoint Board Representatives to Other Organizations for 2008: Director Osmer reviewed the current designated representatives to other organizations, and stated that these appointments should either be continued or changed.

Santa Cruz County Zone 7 Flood Control – Dennis Osmer
Pajaro River Watershed Flood Prevention Authority – Dennis Osmer
Joint Powers Insurance Authority – Warren Koenig
Santa Cruz County Farm Bureau – Mark Cervantes
Monterey County Farm Bureau - David Kegebein
Action Pajaro Valley – David Kegebein

◆ Approved by Consensus

- D. Consider Resolution 2008-03 Amending the Personnel Manual eliminating four positions and reducing Field Technician salary range: Director Kegebein stated that with the recent court decision resulting in reduction of Agency revenues, the Ad Hoc Executive Committee (EC) was considering

a number of cost cutting measures. He further stated that three existing staff positions are currently vacant and are recommended for elimination and a fourth will be vacated upon the pending retirement of Berta Rodriguez. These Positions are the Accounting Clerk, Assistant Civil Engineer, Administrative Staff and Assistant Hydrologist. In addition, the Field Technician salary will be adjusted down to 6% to be equivalent to the Maintenance Technician. Director Kegebein noted to the Board that the promotion for Brian Lockwood from Assistant Hydrologist to Hydrologist was not on the agenda for consideration. Counsel stated that it was not considered to be an action item. After further discussion, the Board determined to consider the eliminations of three existing positions of Accounting Clerk, Assistant Civil Engineer, Administrative Staff and the salary reduction of the Field Technician as a separate resolution. Lastly, the Board also determined that the elimination of the Assistant Hydrologist and Promotion for Brian Lockwood would need to on the agenda as an action item for the next Board Meeting. Thereafter, the following action was taken:

◆ Motion by Director Dobler to approve Resolution 2008-03, eliminating three the positions of Accounting Clerk, Assistant Civil Engineer and Administrative Staff as presented. Motion carried by the following roll call vote:

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

◆ Motion by Director Dobler to approve Resolution 2008-04, reducing the Field Technician salary range 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. Reports/Information Presentations

A. Counsel Reports

1. Litigation update: Counsel reported no new information.

B. Board Committee Reports: Director Kegebein reported that the next meeting for the newly merged committees of Water Quality Operation and Projects Committee will be on February 22, 2008.

C. Staff Reports

1. Project Operations report: TDM reported that the water deliveries were minimal due to the cold weather. Staff began diverting water from Harkins Slough and were pumping from the Recharge Basin.

2. Basin Management Plan implementation report: None.

3. 2006 BMP Construction Program Update

a. Coastal Distribution System: TDM reported that the CDS Project should be coming to a completion by the end of February 2008.

b. Recycled Water Facility: TDM reported that the project is on schedule and on budget. Delivery Schedule possibly this fall. TDM also mentioned that the backflow prevention devices would be needed within the next six months.

4. Grants Update: None

8. **Written Communications/Correspondences:** None

9. **Future Meetings and Agenda Items**

- A. Public Forum # 3 – January 17, 2008, 7:00 pm, Santa Cruz County Fairgrounds, Arts Building
- B. Administrative/Finance Committee – January 23, 2008, 3:00 pm, PVWMA Conference Room
- C. Strategic Planning/Public Outreach Committee – February 5, 2008, 3:00 pm, PVWMA Conference Room
- D. Board Meeting – February 6, 2008, 7:00 pm, Watsonville City Chambers
- E. WQOP Committee – February 8, 2008, 2:00 pm, Wastewater Treatment Facility
- F. Administrative/Finance Committee – February 13, 2008, 3:00 pm, PVWMA Conference Room
- G. Projects Committee - February 20, 2008, 3:00 pm, PVWMA Conference Room
- H. Board Meeting – February 20, 2008, 7:00 pm, Watsonville City Chambers

10. **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. CV 144843; 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)

- B. Personnel Matters (Cal. Govt. Code §54957) (**pulled from closed session**)

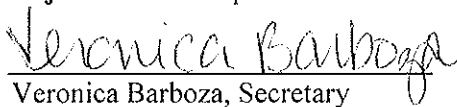
- C. Conference with Legal Counsel: Liability Claims

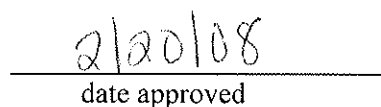
Claimant: Willoughby Farms, Inc
Navarro Farms
Sundance Farms

Claim against: Pajaro Valley Water Management Agency

The closed session convened at approximately 8:25 p.m. with Directors Osmer, Imazio, Cervantes, Eiskamp, Kegebein, Dobler & Koenig. Prior to the commencement of the closed session, Item B was removed from the agenda by the Board Chair. Technical Division Manager Bannister and General Counsel Condotti were present along with, during consideration of Item C, Consultant Richard Smith. During the closed session the Board took the following action: By motion (Cervantes, 6-0), the Board accepted the liability claims of Willoughby Farms in the amount of \$17,376.13, Navarro Farms in the amount of \$10,396.00 and Sundance Berry Farms in the amount of \$43,064.92. All claims pertain to crop losses resulting from the Coastal Distribution System (CDS) construction. The closed session concluded at approximately 9:30 p.m. with no members of the public present.

11. **Adjourned** at 9:30pm


Veronica Barboza, Secretary


date approved