



PAJARO VALLEY WATER MANAGEMENT AGENCY

36 BRENNAN STREET • WATSONVILLE, CA 95076

TEL: (831) 722-9292 • FAX: (831) 722-3139

email: info@pvwma.dst.ca.us • <http://www.pvwma.dst.ca.us>

Board of Directors Meeting
August 17, 2011, 7:00 pm

City Council Chambers
275 Main Street, 4th Floor
Watsonville, CA

BOARD MEETING MINUTES

1. Call to Order

2. **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, 275 Main Street, 4th Floor, Watsonville, CA, at 7:06 p.m. by Chair Imazio.

Board Members Present: Imazio, Cavanaugh, Eiskamp, Persoff, Lynn

Board Members Absent: Osmer, Vasquez

Staff Members Present: Mary Bannister, General Manager (GM)
Mark Harvey, Administrative Services Manager (ASM)
Veronica Santana, Administrative Analyst (AA)
Others Present: Anthony Condotti (Agency Counsel)

3. Pledge of Allegiance

4. Oral Communications: None

5. Director Comments: None

6. Counsel Report: None

7. **General Manager Report:** GM invited the Board Members to attend the ACWA Region 5 Membership Forum, September 18-19, 2011. She also was pleased to share that four (4) staff members (including herself) recently celebrated their PVWMA 12 year anniversary.

8. Consent Agenda

- A. Approve July 20, 2011 Minutes
- B. Approve Financial Report for July 2011
- C. Approve Disbursement Ledger for July 2011

Action: Director Cavanaugh moved approval Consent Agenda; seconded by Director Lynn and unanimously approved by voice vote.

***Director Imazio requested to move item 10A after Consent Agenda. Board agreed.**

10. *Reports/Information Presentations

- A. Receive update from Hal Furman of the Furman Group on governmental relations assistance provided to PVWMA: Hal Furman gave a brief summary update regarding Title XVI Funding for the Watsonville Area Recycled Water Facility.

9. Discussion and/or action items

- A. Consider Retaining Hydrometrics WRI Services for Harkins Slough Project, AB303 Grant Related Modeling: GM reported that back in December 2007, staff applied for a California Department of Water Resources, AB303 Local Groundwater Assistance Grant, with the proposal entitled “Harkins Slough Project Re-Operation Feasibility Study”. The Agency’s highly competitive grant was selected for funding in November 2008, and after a delay due to State Budget issues, the contract agreement to implement the grant was received in May 2010. The grant award was \$227,154. GM stated that the purpose of the project is to investigate the fate of the percolated water, better understand the pond mass balance, and study the feasibility of increasing the yield of water recovered from the Agency’s Harkins Slough Project. In October 2010, three (3) new monitoring wells were drilled and constructed with their perforated interval set immediately below the clay unit that most other wells are perforated above. In November 2010, dedicated water monitoring equipment was installed in these new wells, along with most of the other monitoring wells, and data collection has been going. GM stated that the Staff Hydrologist has discussed the purpose of this modeling effort with Derrik Williams of Hydrometric WRI, he prepared a scope of work, which would satisfy the needs of the grant contract and be a very useful tool for the Agency. She stated that staff recommends that the Board approve the scope of work submitted by Hydrometrics WRI and direct staff to retain their services. After discussion, the following action was taken:

Action: Director Cavanaugh moved approval of Hydrometrics WRI Contract; seconded by Director Persoff and unanimously approved by voice vote.

- B. Consider ACWA Region 5 ballot for Chair, Vice Chair and Board Members for 2012-2013 Term: GM stated that the Association of California Water Agencies (ACWA) is an organization that advocates for water agencies state-wide. The Agency is a member and receives a number of services from ACWA and also sends representatives to their biannual conferences. Region 5 is our local sub-region of ACWA. She stated that Region 5 Board Members are elected to represent the issues, concerns and needs of our region. The enclosed ballot includes the Region 5 Nominating Committee’s recommended slate as well as individual candidates running for the Region 5 Board. Director Persoff suggested that ACWA Region 5 consider nominating Board Members from districts serving the agricultural counties. After discussion, the following action was taken:

Action: Director Persoff moved that the Board elect the “Recommended Slate” Committee for the ACWA Region 5; seconded by Director Cavanaugh and unanimously approved by voice vote.

10. Reports/Information Presentations

- B. Receive update on Refund Process: GM reported that in 2007, the courts ruled in favor of the plaintiffs of a lawsuit against the Agency over augmentation charges on pumped groundwater, and order the Agency to stop collecting fees in excess of \$80 per acre foot and to refund the amount deemed to have been over-collected between 2003 and 2007. As described in the settlement agreement, refunds were made in 6 semi-annual payments for refunds over \$300 were paid in full the first round. In total 3,556 checks were sent during the 3 year refund period. A total of \$11,264,705 in refunds was claimed by the affected rate payers. On July 29, 2011 the final round of six semi-annual payments was sent. She stated that this last payout totaled \$1.27 million. Ratepayers who paid augmentation fees directly to the Agency received direct reimbursement; City of Watsonville water users received refunds through their city water bill. GM acknowledged staff and Director Osmer, who oversaw the refund process and created a database linking scanned checks to the entities making the payments, and to the extent possible, aggregating the payments. GM stated that the effort to get this task completed was enormous and appreciated the efforts by everyone involved to complete this process.

- C. Project Operations Report
 - 1. Project deliveries: The water production summary was distributed.
 - 2. Harkins Slough Maintenance Update: GM reported that she met with staff from County of Santa Cruz Public Works Department and that County will pay for the Harkins Slough Maintenance to include vegetation and sediment removal around the pump intakes. This will allow increased diversion from the Slough to the Recharge Basin.
- D. Board Committee Reports
 - 1. Administrative Finance- None
 - 2. Ad Hoc BMP Committee- Director Cavanaugh reported on the August 4, 2011 BMP meeting.
- E. Grants Update: GM reported that staff has submitted a grant reimbursement in relation to the final Proposition 13 payments. The Agency is expected to receive \$2.6 million by the end of 2011.

11. Written Communication/Correspondences: July 2011 Chron was included in the board packet

12. Future Meetings and Agenda Items

- A. Ad Hoc Basin Management Plan (AHBMP) Committee “Brown Bag Lunch”- August 23, 2011, 12:00-1:30 pm, PVWMA Conference Room
- B. Ad Hoc Basin Management Plan (AHBMP) Committee-September 1, 2011, 2:00 pm, UC Cooperative Extension, 1432 Freedom Blvd, Watsonville, CA
- C. Administrative/Finance Committee- September 13, 2011, 12:30pm, PVWMA Conference Room
- D. Board Meeting-September 21, 2011,7:00 pm, City Council Chambers, 275 Main St, 4th Floor
- E. Agency Act Public Meeting- September 28, 2011, 7:00 pm-9:00 pm, City Council Chambers, 275 Main St, 4th Floor


14. Future Agenda Items: 1. Update on the State of the Basin

15. Closed Session

- A. Conference with Legal Counsel: Existing Litigation
(Pursuant to Cal. Govt. Code §54956.9)
Name of case: *John G. Eiskamp v. PVWMA* – SCSC Case No. CISCV168446
- B. Conference with Legal Counsel: Existing Litigation
(Pursuant to Cal. Govt. Code §54956.9)
Name of case: *Harold Griffith v. PVWMA* – SCSC Case No. CISCV168936
- C. Conference with Legal Counsel: Existing Litigation
(Pursuant to Cal. Govt. Code §54956.9)
Name of case: *Joseph Pendry et.al. v. PVWMA* – SCSC Case No. CISCV169080

The Board recessed to closed session at approximately 8:10 p.m. with Directors Imazio, Cavanaugh, Lynn and Persoff present. General Manager Bannister and General Counsel Condotti were in attendance. The meeting adjourned at approximately 9:15 p.m. No action was reported.

16. Adjourned 9:15 at: pm


Veronica Santana, Secretary

9.21.11
Date Approved