



## **PAJARO VALLEY WATER MANAGEMENT AGENCY**

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**Board of Directors Meeting  
January 18, 2012, 7:00 pm**

**City Council Chambers  
275 Main Street, 4<sup>th</sup> 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, 4<sup>th</sup> Floor, Watsonville, CA, at 7:08 p.m. by Chair Imazio.

Board Members Present: Imazio, Cavanaugh, Persoff, Osmer, Lynn, Vasquez

Board Members Absent: Eiskamp

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. Elections of Board Officers:** GM stated that the Board must annually elect new Board of Director Officers by the first Board meeting of the year. **Current officers are Rosemarie Imazio, Chair, David Cavanaugh, Vice-Chair and Dwight Lynn.** After discussion the following action was taken:

**Action: Director Osmer moved approval Election of Board Officers and to keep as is; seconded by Director Persoff, unanimously approved by voice vote.**

- 6. Director Comments:** Director Imazio expressed her concerns regarding the recent flooding on Beach Rd and stated that it needs immediate attention. John Ricker, Santa Cruz County Water Resource Director noted to Chair Imazio that the County is taking care of the issue. Warren Koenig stated that this issue really affects the Agency as saltwater is being dumped into the basin. Director Osmer requested putting this topic on the next agenda.
- 7. Counsel Report:** Counsel reported on the results of two matters in litigation; 1) The appellate court upheld the lower court decision in favor of the Agency on the Eiskamp matter. 2) Judge Volkmann issued a statement of decision regarding the Griffith & Pendry matter in the Agency's favor. Counsel stated that Plaintiffs will likely file an appeal in the 6<sup>th</sup> appellate district court.
- 8. General Manager Report:** GM first thanked Counsel and Board for their stamina and perseverance during the lawsuits. She passed out a grant proposal prepared by Dr. Andy Fisher of UCSC regarding the Recycled Water Study. Lastly, she suggested moving the next board meeting from February 15, 2012 to February 22, 2012 and also moving Administrative/Finance from February 7, 2012 to February 14, 2012. Board agreed.

#### **9. Consent Agenda**

- A. Approve December 21, 2011 Minutes

**Action: Director Osmer moved approval Consent Agenda; seconded by Director Cavanaugh, unanimously approved by voice vote.**

**10. Informational Presentations:**

- A. Receive presentation on Audited Financial Statements for Fiscal Year ending June 30, 2011: Dana McGrew from Bartlett, Pringles & Wolf gave a summary presentation on the Audited Financial Statements for Fiscal Year ending June 30, 2011. The audit will be finalized and presented for board approval once reconciliation of the City of Watsonville debt is completed.
- B. Receive report on Salt and Nutrient Management Plan Requirements and proposed approach: Brian Lockwood, Staff Hydrologist gave a power point presentation and outline on the Salt and Nutrient Management Plan Requirements and proposed approach.

**11. Discussion and/or Action Items**

- A. Consider approval of contract with Hydrometrics for groundwater modeling services in support of the Basin Management Plan update in the amount of \$84,980: GM stated that at the previous meeting, the Board agreed to bring back this item with a more detailed scope of work. The Board went over the detailed scope and agreed to approve.

**Action: Director Cavanaugh moved approval of contract with Hydrometrics WRI for groundwater modeling services in the amount of \$84,980; seconded by Director Vasquez, unanimously approved by voice vote.**

- B. Consider time extension of contract with Gutierrez Consultants for Proposition 50 Grant Program: GM reported that in December 2008, the Agency executed an agreement with Gutierrez Consultants for continued services associated with the administration of the grant. The contract term was from January 1, 2009 through June 30, 2010 for a fee not to exceed \$193,936. Due to a Department of Water Resources (DWR) freeze on grant funds, the grant administration activities were significantly reduced and the associated expenditures were significantly reduced. The Agency approved a contract extension in June 2010. The extension was effective through December 2010 and the terms of the contract and scope of services remained the same as detailed in the 2009 agreement. GM stated that at the end of that contract term (December 31, 2010) approximately \$115,000 remained in the approved budget for continuing grant reporting, the Board approved another one year extension to the contract with no additional budget. The extension was effective through December 2011 and the scope of services remained the same. GM stated that as of December 31, 2011, approximately \$63,000 remains in the approved budget for continuing grant invoicing, reporting, and technical support work. At this time, staff is requesting another one year extension for Gutierrez Consultants through December 2012. After discussion, the following action was taken:

**Action: Director Osmer moved approval of time extension contract with Gutierrez Consultants for Proposition 50 Program Administration; seconded by Director Cavanaugh, unanimously approved by voice vote.**

- C. Consider Agency's authority to Impose Pumping Restrictions: Counsel reported that at the last meeting, the Board directed staff to agendize for discussion the subject of the Regional Water Quality Control Board's July 5, 2011 letter that among other things, ask at what point the Board would consider exercising its authority to impose pumping restrictions as a means of preserving water quality and protecting the long term sustainability of the groundwater basin. Counsel gave an overview of the legal framework within which such a decision could be considered. He addressed both the Agency's regulatory authority and some potential legal issues that could come into play if a regulatory approach is adopted. No action was taken on this item, as it was discussion only.

- D. Appoint Board Representatives to other Organizations for 2012: GM reviewed the current designated representatives to other organizations, and stated that these appointments should either be continued or changed.

Joint Powers Insurance Authority – Dwight Lynn  
 Monterey County Farm Bureau – Salvador Vasquez  
 Santa Cruz County Farm Bureau – David Cavanaugh  
 Santa Cruz County Zone 7 Flood Control- Dennis Osmer

After discussion, the following action was taken:

**Action: Director Cavanaugh moved approval of Board Representatives to other Organizations for 2012 and to keep as is; seconded by Director Osmer, unanimously approved by voice vote.**

- E. Establish Board Committees and Committee Meeting dates for 2012: GM stated that the Board reviews committees, their functions and makes changes as deemed appropriate, and establishes membership and meeting schedules for 2012. She noted that the chair for each committee is typically elected at the committee level at its first regularly scheduled meeting. In addition, in 2010 the Ad Hoc Basin Management Plan Committee was established in an advisory capacity to the Board on the Basin Management Plan update effort. Current committee members and schedules are described below. After discussion, the Board agreed to the following composition and meeting times for each listed committee:

**Administration/Finance (Admin) Committee**

Members: Rosemarie Imazio (chair), Dwight Lynn, Salvador Vasquez  
 Schedule: Monthly  
 Date and time: 2<sup>nd</sup> Tuesday at 12:30 pm  
 Location: PVWMA Conference Room

**Water Quality and Project Operations Committee**

Members: Up to 2 Board members: Rosemarie Imazio, Dave Cavanaugh; 4-10 grower members  
 Schedule: Monthly  
 Date and time: Varies – typically monthly with quarterly Owner/Grower and Irrigator meetings  
 Location: PVWMA Conference Room

**Ad Hoc Basin Management Plan Committee (BMP)**

Members: Dave Cavanaugh (chair), Rosemarie Imazio, Persoff  
 Schedule: Monthly during Basin Management Plan update effort  
 Date and time: 1<sup>st</sup> Thursdays, 2:00 p.m. – 4:00 p.m.  
 Location: UC Cooperative Extension- Santa Cruz County

**Action: Director Cavanaugh moved approval of Board Committees and Committee Meeting dates for 2012 to keep as is and nominate Director Persoff to replace Director Osmer in the BMP Committee ; seconded by Director Osmer, unanimously approved by voice vote.**

**12. Reports/Informational Presentation**

- A. Project Operations Report  
 1. Receive 2011 Project Delivery Report: GM stated that she will distribute at next meeting.
- B. Board Committee Reports  
 1. Administrative/Finance Committee- GM reported on the January 17, 2012 meeting.  
 2. Ad Hoc BMP Committee- None

- C. Grants Update- GM reported that the Agency received a \$390,000 state reimbursement check for Proposition 13 retention.

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

**12. Future Meetings and Agenda Items**

- A. Ad Hoc Basin Management Plan (AHBMP) Committee- February 2, 2012, 2:00 pm, UC Cooperative Extension, 1432 Freedom Blvd, Watsonville, CA
- B. Administrative/Finance Committee – February 7, 2012, 12:30 pm, PVWMA Conference Room (**Meeting was moved for February 14, 2012**)
- C. Board Meeting – February 15, 2012, 7:00 pm, City Council Chambers, 275 Main St, 4<sup>th</sup> Floor (**Meeting was moved to February 22, 2012**)


**13. Future Agenda Items:** None

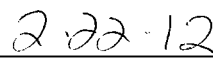
**14. Closed Session**

- 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 closed session convened following the open portion of the meeting with Directors Imazio, Cavanaugh, Lynn, Vasquez, Persoff and Osmer, General Manager and General Counsel present. The meeting concluded at approximately 9:50 p.m. with no action reported.

**15. Adjourned at 9:50 pm**

  
Veronica Santana, Secretary

  
Date Approved