



## PAJARO VALLEY WATER MANAGEMENT AGENCY

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**Board of Directors Meeting**  
June 22, 2011, 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 7:17 p.m. by Chair Imazio.

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

Board Members Absent: None

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

#### 3. Pledge of Allegiance

#### 4. Special Order of Business

A. Consider applicants to fill vacant Board position (Division B) through November 2012: GM reported that last month the Board directed staff to advertise for applicants to fill the Division B director's seat vacated by Michael Dobler on May 11, 2011, in accordance with the Agency Act and California Government Code Section 1770, et seq. The Board has until July 11, 2011 within which to exercise this option. An appointee would then serve out the duration of Director Dobler's term and the Division B seat would be up for election again in November 2012. The requirements of the Board to fill the vacancy by appointment are:

1. Post notice of the vacancy in three or more conspicuous places within the Agency boundaries at least 15 days before the appointment is made.
2. Make the appointment in open session at a Regular or Special meeting of the Board.
3. Administer the oath of office to the newly appointed director.
4. Notify the Santa Cruz County elections officials of the appointment within 15 days.

Staff advertised the vacancy on June 6 at the following locations:

- Agency outside board at 36 Brennan Street
- City Hall at 275 Main Street, First Floor
- City Library at 275 Main Street, First Floor
- Agency Website ([www.pvwma.dst.ca.us](http://www.pvwma.dst.ca.us))

The notice was also published in the Santa Cruz Sentinel and the Register Pajaronian. GM stated that at tonight's meeting the Board should review the applications received and consider appointment to Division B. Once made, the oath of office will be administered and the Santa Cruz County elections officials notified within 15 days. Director Eiskamp expressed his concerns stating that the Board should postpone this process until the next meeting. Counsel stated that if the Board chose that direction, then they would not meet the 60 day deadline and would need to call for an election for the November 2012 ballot. Director

Cavanaugh nominated Rich Persoff; seconded by Director Osmer. Mr. Rich Persoff then stated his interest and qualifications in serving on the Board. After discussion, the following action was taken:

**Action: Director Cavanaugh moved approval of nomination and accepted Rich Persoff as a Director; seconded by Director Vasquez and approved by voice vote.**

5. **Oral Communications:** Aurelio Gonzalez presented himself as an interested participant of the Agency. He stated that he is interested in attending committee meetings as well as Board Meetings.
6. **Director Comments:** None
7. **Counsel Report:**
8. **General Manager Report:** GM was happy to report that Supervisor Calcagno's office had appointed Ryan Kelly to the Ad Hoc BMP Committee. (Mr. Kelly will be replacing Steve Collins).
9. **Consent Agenda**
  - A. Approve May 18, 2011 Minutes
  - B. Approve Financial Report for May 2011
  - C. Approve Disbursement Ledger for May 2011

**Action: Director Osmer moved approval of Item 8- Consent Agenda; seconded by Director Cavanaugh and unanimously approved by voice vote.**

**10. Discussion and/or action items**

- A. Consider approval of Final Budget for FY 2011-2012: GM reported that the Board accepted the Preliminary Budget for Fiscal Year 2011-2012 on April 22, 2011, and conducted a public hearing on May 18, 2011. There were no requests for changes to the preliminary budget. Adoption of the final budget is required by the end of this fiscal year, June 30, 2011. Since the public hearing no additional modifications have been made. Director Eiskamp reiterated that the budget does not contain a reserve for loss of existing litigation.

**Action: Director Osmer moved approval of Final Budget for FY 2011-2012; seconded by Director Cavanaugh and approved by voice vote.**

- B. Consider recommendation by Ad Hoc Basin Management Plan Committee to approve contract with ESA/Carollo Engineers for engineering services in the amount of \$1,752,000 through November 30, 2013: GM stated that the Board approved formation of the Ad Hoc Basin Management Plan Committee (AHBMP) on October 20, 2010 and tasked the Committee with the following responsibilities:
  - a. BMP Consultant Selection
  - b. BMP Projects, Programs, and Policies
  - c. Basin Management Strategies
  - d. Project Screening/Ranking
  - e. Project Schedule

GM reported that at the March 3, 2011 Committee meeting, a subcommittee was created to oversee the Request for Proposals (RFP) process and to recommend a consultant to support the BMP process and provide engineering services. Subcommittee members selected were Committee Chair Dave Cavanaugh and Vice chair Dave Kegebein, David Koch, Steve Palmisano, John Ricker, Kirk Schmidt, Warren Koenig and Ron Duncan. The subcommittee was tasked with developing the RFP, conducting consultant interviews and providing a recommendation to the Committee, and with the Committee's

approval, to the Board of Directors for consideration. The RFP was approved by the AHBMP Committee on May 5, 2011, and distributed to the following firms:

1. Environmental Science Associates – Eric Zigas
2. Carollo Engineers – Lou Carella
3. RMC Water and Environment – Steve Clary
4. Denise Duffy & Associates – Denise Duffy
5. HDR – Rich Stratton
6. CH2MHill – Pete Rude
7. URS Corporation – Ann Sansevero
8. Waterways Consulting – Matt Weld

The subcommittee selected the ESA/Carollo Engineers team as the most qualified team to provide the services desired by the Agency and community. They invited the team back to further refine their scope and had them present their proposed approach to the work at the Committee meeting on June 16, 2011. The Committee voted unanimously to recommend that the Board of Directors consider contracting with ESA/Carollo Engineers for the BMP services. The ESA/Carollo team prepared the attached scope of work and fee schedule for completion of the planning and engineering work. Their estimated fee for this work is \$1,752,000. The contract term would run through November 30, 2013. Director Eiskamp stated that he objects to the whole BMP process.

Public Comments: Dave Kegebein (Vice-Chair of Committee) introduced a few Committee Members who were in attendance.

Joe Pendry commented that he had never heard of ESA and inquired if ESA/Carollo has fiscal connections with RMC.

**Action: Director Cavanaugh moved to approve contract with ESA/Carollo Engineers for engineering services in the amount of \$1,752,000 through November 30, 2013 with amended changes on page 24 of scope task 1.1 and 1.2, seconded by Director Osmer and approved by voice vote.**

- C. Receive report on Ad Hoc Agency Act Committee meeting for June 20, 2011 and consider recommendation from the Committee: GM reported that the Ad Hoc Agency Act Committee was formed in February 2011 and has conducted several meetings including one public meeting on June 7th, 2011. She stated that recently Director Cavanaugh requested that the Committee meet to discuss the process, goals and the schedule to move forward, that meeting was held on June 20<sup>th</sup>, 2011 and no recommendation came out of that meeting. Although the Committee did want to come back to the Board with some discussion regarding goals for the Committee. Director Osmer stated that he and Director Cavanaugh have a difference of opinion in terms of going forward with the work of the Committee and Agency Act changes.
- Public Comments: Dave Kegebein stated that he supports the Ad Hoc Agency Act Committee, but feels that the Committee needs to reach out to the Community Dialogue and Landowners Group. Chris Enright, Santa Cruz County Farm Bureau, stated that he is concerned about the current process of the Agency Act. He mentioned that many Community Leaders are interested in changes to the Agency Act.
- Joe Pendry expressed his opinion stating that he “remains appalled” at the proposed changes in the Agency Act section 710.
- Director Cavanaugh suggested that the process be delayed to allow time for additional focused outreach to concerned members of the community. Director Cavanaugh recommended postponing, but not stopping the process. Director Osmer disagreed and supported moving forward with the process as had been scheduled. Director Osmer indicated that he would no longer participate on the committee if the process was delayed.
- Public Comments: Aurelio Gonzalez stated that the Board itself is “dysfunctional” and “need to get their act together”

**Action: Director Cavanaugh moved to postpone the July 11<sup>th</sup>, 2011 Public Meeting and direct staff to engage the process of public outreach and report back to the Board of the outcome; seconded by Vasquez, and approved by voice vote.**

Director Cavanaugh requested a roll call on this item.

◆ Motion by Director Cavanaugh to postpone the July 11<sup>th</sup>, 2011 Agency Act Public Meeting. Motion carries by the following roll call vote:

**AYES:** Imazio, Cavanaugh, Persoff, Vasquez

**NOES:** Eiskamp, Osmer, Lynn

**ABSENT:** None

**ABSTAIN:** None

- D. Consider approval of Resolution 2011-05, Expressing Appreciation to Michael Dobler for his Service as Director of the Pajaro Valley Water Management Agency: GM stated that on May 11, 2011 Director Michael Dobler resigned as Director of the Pajaro Valley Water Management Agency. Director Dobler was first appointed by the Santa Cruz County Board of Supervisors on December 5, 2000 and he has served on a number of committees of the board since that time. He was especially important as a member of the Ad Hoc Executive Committee during 2008 and in his contribution on the Administrative/Finance Committee with his expertise in finance. The Board of Directors now wishes to express its appreciation for his commitment of over 10 years of service to the Agency and the Pajaro Valley.

**Action: Director Osmer moved approval of Resolution 2011-05, Expressing Appreciation to Michael Dobler for his Service as Director of the Pajaro Valley Water Management Agency; seconded by Cavanaugh, and approved by voice vote.**

- E. Consider Resolution 2011-06, Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fee and Charges (Management Fees): GM reported that Each year, a management charge is assessed to each parcel within the agency's jurisdiction. This charge is \$18 per residential parcel and \$20 per commercial parcel. This charge has been collected using county tax rolls. The initial major source of income for the Pajaro Valley Water Management Agency as established in 1984 has been a Management Fee assessed to each parcel within PVWMA jurisdiction, which for 2011-12 will be at the rate of \$18 per residential parcel and \$20 per commercial parcel. The counties collect this type of charge on behalf of the agency through special levy. To enable this collection, the agency must prepare listings of the parcel charges and submit them by August 1, 2011 along with a request to place these billings on the tax rolls. Resolution 2011-06 constitutes this request.

Director Eiskamp stated that he opposes to the management fees, feels that it is unconstitutional.

Director Lynn agreed with Eiskamp, does not support the management fees.

Director Osmer left the meeting and no action was taken.

**11. Written Communication/Correspondences:** May 2011 Chron were included in the board packet

**12. Reports/Information Presentations**

- A. Project Operations Report- **(These reports were postponed until next meeting)**
1. Winter diversions
  2. Project deliveries
- B. Board Committee Reports
1. Administrative Finance- GM reported on the Admin/Finance meeting.

2. Ad Hoc BMP Committee- Director Cavanaugh reported on the BMP meeting.
3. Ad Hoc Agency Act Committee- GM reported on the committee meeting.

**13. Future Meetings and Agenda Items**

- A. Ad Hoc Basin Management Plan (AHBMP) Committee- July 7, 2011, 2:00 pm, UC Cooperative Extension, 1432 Freedom Blvd, Watsonville, CA
- B. Agency Act Public Meeting- July 11, 2011, 7:00 pm-9:00 pm, City Council Chambers, 275 Main St, 4<sup>th</sup> Floor (**CANCELLED**)
- C. Administrative/Finance Committee- July 12, 2011, 12:30pm, PVWMA Conference Room
- D. Board Meeting-July 20, 2011,7:00 pm, City Council Chambers, 275 Main St, 4<sup>th</sup> Floor


**14. Future Agenda Items: None**

**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 10:00 p.m. with Directors Imazio, Cavanaugh, Lynn, Vasquez and Persoff present. General Manager Bannister and General Counsel Condotti were in attendance. The meeting adjourned at approximately 10:15 p.m. No action was reported.

**16. Adjourned at: 10:15 pm**

  
Veronica Santana, Secretary

7.20.11  
Date Approved