



PAJARO VALLEY WATER MANAGEMENT AGENCY

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**Board of Directors Meeting
July 20, 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 7:08 p.m. by Chair Imazio.

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

Board Members Absent: None

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:** Director Imazio expressed her interest and gratitude to the community groups who have been participating in the Agency's Ad Hoc Basin Management Plan Committee Meetings.

- 6. Counsel Report:** Counsel reported that the matter in the court of appeal involving Director's Eiskamp's lawsuit is now fully briefed and waiting for the court to set oral argument in which it could take about 2 to 3 months.

- 7. General Manager Report:** GM reported that when the Harkins Slough Project was constructed, the crew came upon a Native American burial site, that site was excavated by the archeologist as required by the permits. The artifacts and remains were archived at UCSC for the past ten years. She was very pleased to announce that with the help of the Santa Cruz County Land Trust and the Amah Mutsun Tribe, the remains were re-buried at a secure location.

8. Consent Agenda

- A. Approve June 22, 2011 Minutes
- B. Approve Financial Report for June 2011
- C. Approve Disbursement Ledger for June 2011

Director Osmer requested to pull the June 22, 2011 minutes for discussion.

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

Director Osmer noted that on item 9E in the minutes, stated” **Action: Director Osmer moved to approve 2011-06_Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges; seconded by Cavanaugh”** . He stated that no action was taken, as the maker of the motion left the meeting therefore the motion died for lack of second.

Action: Director Osmer moved approval of Item 8 A, June 22, 2011 Minutes as amended; seconded by Director Cavanaugh and unanimously approved by voice vote.

9. Discussion and/or action items

- A. Consider approval of Resolution 2011-06 Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges: Counsel stated 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. This item was considered at the board meeting of June 22, 2011, but after discussion it was pulled and no action taken. The initial major source of income for the 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, along with a request to place these billings on the tax rolls. Resolution 2011-06 constitutes this request.

Public Comments: Harold Griffith stated that he submitted a letter to the Agency and said that if in any way his letters are intimidating or harasses anybody, he apologizes. He also stated that the Agency did not comply with Proposition 218 when adopting the Management Fees and that he is opposed to Resolution 2011-06.

Director Eiskamp stated that the Agency can indeed collect Management Fees, but feels that the counties should not collect, rather have the Agency collect directly and mail out the Management Fees bills to rural and commercial users. After Discussion, the following action was taken:

Director Imazio requested a roll call vote:

◆ Motion by Director Cavanaugh to approve Resolution 2011-06 Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charge. Motion carried by the following roll call vote:

AYES: Imazio, Cavanaugh, Persoff, Osmer, Vasquez
NOES: Eiskamp, Lynn
ABSENT: None
ABSTAIN: None

- B. Receive report on Agency Act Update Effort: GM reported that at the meeting of June 22nd, 2011, the Board delayed the July 11, 2011 Agency Act Public Meeting. She stated that staff needs direction as to how to move forward. Director Imazio offered to be part of the committee and help move forward with the process. Director Persoff suggested having a “Conference”, invite staff members from State Legislature, other Government Agencies with water issue interests. Director Eiskamp suggested that staff seek a different approach of community outreach. Director Cavanaugh requested that the Committee come back to the Board with a plan of action and staff continue with public outreach.

- C. Select Treasurer for the remainder of 2011: GM reported that the Agency elects new Board of Director Officers the first Board meeting of the year. The Board has three elected officers: Chair, Vice Chair, and Treasurer. Officers elected in January 2011 were Rosemarie Imazio, Chair, David Cavanaugh, Vice-Chair and Michael Dobler, Treasurer. With Michael Dobler's resignation in May, the Treasurer position is vacant. The Board should consider a replacement for the office of Treasurer. She stated that at the July 12th, 2011 Administrative/Finance Meeting, the Committee recommended that the Board appoint Director Lynn as Treasurer.

Action: Director Osmer moved to appoint Director Lynn as Treasurer; seconded by Director Cavanaugh and unanimously approved by voice vote.

- D. Consider approval of Resolution 2011-07 Amending Signing Authority for Citigroup Smith Barney Brokerage Account: GM reported that on January 18, 2006, the Board authorized the establishment of a brokerage account with Citigroup Smith Barney with the intention of generating significant interest revenue in excess of the return then currently being earned on its other interest-bearing accounts with First National Bank and Local Agency Investment Fund, taking into account financial markets at that time. Subsequently, on February 1, 2006, the Agency opened a brokerage account with Citigroup Smith Barney, and listed former Director and Treasurer Ralph Miljanich, Linda Contreras, Administrative Division Manager, and Nancy Trevino, Financial Analyst, as the three authorized signatories on the brokerage account. On April 18, 2007, the Agency amended the list of authorized signatories on the brokerage account with Citigroup Barney Smith by replacing former Director and Treasurer Miljanich with then current Director and Treasurer Koenig; and in 2008 Linda Contreras was removed as a signatory, and General Manager Mary Bannister was added. She stated that the proposed Resolution 2011-7 removes former Director and Treasurer Koenig and adds Administrative Services Manager Mark Harvey, and Director Rosemarie Imazio, and make no other changes to the list of authorized signatories. After discussion, the following action was taken:

Action: Director Eiskamp moved to approve Resolution 2011-07; seconded by Director Lynn and unanimously approved by voice vote.

10. Written Communication/Correspondences: June 2011 Chron was included in the board packet

11. Reports/Information Presentations

- A. Project Operations Report
1. Project deliveries: The water production summary was distributed to the Board. Staff has delivered about 1,395 A/F of supplemental irrigation water.
 2. Harkins Slough Maintenance Update: GM reported that she met with staff from County of Santa Cruz Public Works Department and was pleased to share that County will pay for the Harkins Slough Maintenance.
- 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- None

12. Future Meetings and Agenda Items

- A. Ad Hoc Basin Management Plan (AHBMP) Committee "Brown Bag Lunch"- July 28, 2011, 12:00-1:30 pm, PVWMA Conference Room
- B. Ad Hoc Basin Management Plan (AHBMP) Committee-August 4, 2011, 2:00 pm, UC Cooperative Extension, 1432 Freedom Blvd, Watsonville, CA
- C. Administrative/Finance Committee- August 9, 2011, 12:30pm, PVWMA Conference Room
- D. Board Meeting-August 17, 2011, 7:00 pm, City Council Chambers, 275 Main St, 4th Floor

E. Agency Act Public Meeting- August 25, 2011, 7:00 pm-9:00 pm, City Council Chambers, 275 Main St, 4th Floor


- 14. Future Agenda Items:** 1. Augmentation Refund Report
2. Harkins Slough Project, AB303 Grant Related Modeling

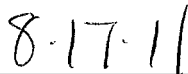
15. Closed Session

- 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 9:00 p.m. with Directors Imazio, Cavanaugh, Osmer, Lynn, Vasquez and Persoff present. General Manager Bannister and General Counsel Condotti were in attendance. The meeting adjourned at approximately 9:45 p.m. No action was reported.

16. Adjourned 9:45 at: pm


Veronica Santana, Secretary


Date Approved